



Gallagher

Insurance | Risk Management | Consulting

FIVE EDUCATION INSURANCE TRENDS TO WATCH IN 2025



Global Education



Gallagher’s Global Education practice is closely monitoring a marketplace shaped by growing mental health issues, increasing cases of bullying and sexual abuse, concerns with the availability and cost of insurance, financial strains that threaten sustainability and the evolving dangers of the cyber world. Our goal is to help our primary, secondary and higher education clients access data and actionable insights to confidently navigate these exposures.

Here are **five key exposures** we are currently tracking:

- 1 Silent Struggles: Mental Health’s Impact on Success p. 3
- 2 The Many Faces of Abuse p. 4
- 3 Financial Stability in an Unstable World p. 5
- 4 Cybersecurity: The Classroom, Boardroom and Beyond p. 6
- 5 Insurance Paradox: Rising Costs, Fewer Choices p. 7



Silent Struggles: Mental Health's Impact on Success

In educational settings, poor mental health can significantly impact students' ability to concentrate, engage and perform academically. For educators, mental health challenges can affect teaching effectiveness and job satisfaction. The pressures of academic performance, social dynamics and the disruptions caused by the COVID-19 pandemic have raised our awareness of mental health issues in K-12 independent schools, colleges and universities. Unfortunately, students and staff often struggle with their mental health in silence and isolation. As educational institutions strive to support their communities, understanding and addressing mental health needs is more important than ever.

Significant issues

- **Stigma and awareness:** Despite growing awareness, stigma around mental health persists, discouraging students and staff from seeking help.
- **Resource limitations:** Many schools lack adequate mental health resources, including counselors and support programs.
- **Remote learning:** Online education has worsened feelings of isolation and anxiety among students and educators.
- **Social media use:** The widespread use of social media can increase feelings of anxiety and depression in students through exposure to idealized images that create unrealistic ideas of beauty and success. It also provides a platform for cyberbullying, which can further harm mental health.
- **Suicides:** Tragic events such as student and staff suicides can have profound effects on a school community, potentially affecting its reputation and leading to legal challenges related to disability discrimination and/or negligence.

Actions to consider

- **Comprehensive programs:** Provide mental health programs that include counseling, workshops and peer support groups.
- **Insurance products:** Identify available insurance coverages that subsidize mental health treatment. Understand the laws and regulations in your country that support or mandate the provision of mental health services.
- **Student needs:** Use digital applications and virtual counseling to provide accessible mental health support that fits into students' daily routines.
- **Culture of care:** Sustained efforts to create an environment that promotes acceptance and understanding can reduce stigma and increase student and staff utilization of mental health services.
- **Crisis management:** Develop and implement a crisis management plan that focuses on:
 - » Compassionate support of staff, students and families;
 - » Clear, factual and sensitive communication with the media; and
 - » Post-crisis reviews to evaluate the effectiveness of incident responses.



The Many Faces of Abuse

Abuse can come in many forms: physical, sexual and emotional. It can occur between peers or involve authority figures. The digital age has expanded the avenues through which abuse can occur, with social media and online platforms becoming common venues for harassment and intimidation. The impact of abuse can be profound, causing long-term psychological effects that can harm students' emotional and psychological development, wellbeing and attainment of educational goals. Educational institutions are tasked with creating safe environments where students can learn and thrive without fear of abuse.



Significant issues

- **Underreporting:** Fear of retaliation or disbelief often leads to underreporting of abuse cases.
- **Digital abuse:** The rise of technology has introduced new forms of abuse, such as cyberbullying and online harassment.
- **Inadequate policies:** Many institutions lack comprehensive policies and procedures that effectively address and prevent abuse.
- **Changing societal norms:** Societal norms are changing, and acceptable behaviors are different today than they were 30 years ago.

Actions to consider

- **Zero tolerance culture:** Cultivate an environment where abuse in any form is not tolerated and where students feel supported when reporting their concerns.
- **Clear policies:** Establish and enforce clear policies and procedures for reporting and addressing abuse. Train staff on the policies and procedures. Assure that your policies and procedures comply with legal requirements.
- **Response plans:** Create robust plans that immediately and effectively respond to reports of abuse. Plans should include compassionate care of victims, respect and protection of those who report abuse, and impartial and thorough investigations of all allegations.
- **Technology:** Utilize monitoring tools and platforms to detect and prevent cyberbullying and other forms of online abuse.



Financial Stability in an Unstable World

Financial stability is a growing concern for educational institutions, affecting their ability to provide quality education and support services. Economic fluctuations, such as recessions and shifts in government funding, pose significant challenges to maintaining financial health. For primary and secondary schools, budget constraints can lead to larger class sizes, reduced extracurricular activities and limited access to resources. In higher education, financial instability can result in tuition hikes, reduced financial aid, and cuts to academic programs and research. As leaders navigate these challenges, they must balance fiscal responsibility with the obligation to deliver high-quality education to students.

Significant issues

- **Budget constraints:** Reduced funding and budget cuts that impact resources, staffing and program availability.
- **Rising costs:** Increasing operational costs, including technology and infrastructure, which strain financial resources.
- **Economic disparities:** Socioeconomic disparities among students that affect access to educational opportunities and resources.

Actions to consider

- **Funding sources:** Explore alternative funding options, such as grants, partnerships and fundraising initiatives.
- **Financial literacy programs:** Implement programs to educate students and families about financial planning and management.
- **Cost-effective solutions:** Invest in cost-effective technologies and practices to optimize resource allocation and reduce expenses.
- **Outsource non-core functions:** Consider outsourcing administrative and operational tasks to third-party providers to reduce costs and refocus resource allocation on core educational activities.



Cybersecurity: The Classroom, Boardroom and Beyond

Educators increasingly rely on digital platforms for teaching, administration and communication. The integration of technology in education provides enhanced learning experiences and streamlines operations. However, it also introduces vulnerabilities that can be exploited by criminals. Educational institutions are prime targets for cyber attacks due to the sensitive data they hold, including the personal information of students and staff. The rise of remote learning has further expanded the likelihood of attacks, making strong cybersecurity measures essential. Protecting data and ensuring secure online environments are important to maintaining trust and continuity in educational operations. As cyber threats evolve, educators must remain vigilant and proactive in their cybersecurity efforts.

Significant issues

- **Data breaches:** Educational institutions are prime targets for cyber attacks, risking exposure of sensitive student and staff information.
- **Lack of awareness:** Many educators and students lack awareness and training on cybersecurity best practices.
- **Evolving threats:** Cyberthreats are constantly evolving, requiring institutions to stay updated on the latest security measures.

Actions to consider

- **Security measures:** Invest in advanced cybersecurity technologies and protocols to protect data and systems. Perform regular testing of security measures, technology systems and employees.
- **Training:** Conduct regular cybersecurity training for students, educators and staff to promote safe online practices.
- **Incident response plans:** Develop and regularly update incident response plans to quickly address and mitigate cyberthreats. Test the plans through tabletop exercises or through peer review. Plans should include obtaining and maintaining appropriate insurance coverages.



Insurance Paradox: Rising Costs, Fewer Choices

The insurance landscape for educational institutions is becoming increasingly complex, with rising costs and limited options posing significant challenges. Insurance is a necessary component of risk management, providing financial protection against a range of potential exposures, from property damage to professional liability. However, the cost of insurance premiums has been steadily increasing, which strains budgets and may force the reduction of coverage limits. At the same time, the range of insurance options is narrowing, leaving institutions with fewer choices. Navigating this paradox requires forethought and planning and a good understanding of the insurance landscape. Schools must balance the need for comprehensive coverage with the realities of budget constraints, all while ensuring they remain protected against uncertainty.



Significant issues

- **Premium increases:** Rising insurance premiums strain institutional budgets, affecting financial stability.
- **Coverage limitations:** Limited coverage options may leave vulnerabilities to certain risks.
- **Reduced competition:** A smaller range of insurance providers limits choices for institutions seeking adequate protection.

Actions to consider

- **Risk assessment and management:** Conduct thorough risk assessments to identify potential exposures and develop mitigation strategies.
- **Alternative solutions:** Consider alternative insurance solutions, such as self-insurance, unique risk financing products, pooled risk programs or captives to manage costs.
- **Broker relationships:** Work closely with insurance brokers to understand available options and negotiate favorable terms.



Gallagher's Global Education practice includes experts from nine countries around the globe who focus on schools, colleges and universities. For additional insights, expertise and comprehensive assistance with your risk management and insurance needs, please contact your local Gallagher professional.