

Citywealth Quotes Joshua Rubenstein on Rising Insurance Costs for UHNWIs and Their Luxury Assets

December 12, 2024

Partner and National Chair of Katten's Private Wealth Department Joshua Rubenstein was quoted in a *Citywealth* article that discussed the rapidly evolving landscape of insurance for ultra-high-net-worth individuals (UHNWIs) and their luxury assets due to factors such as extreme weather events, political instability and complex cross-border ownership structures. Dubbed a "hard market," the current environment has insurers drastically raising premiums while "imposing stricter underwriting criteria, limiting geographic coverage, and increasing deductibles to manage risk."

Joshua confirmed the impact of environmental and political factors on market conditions. "Weather-related instability is causing a huge increase in the cost of insuring luxury homes, which tend to be near water or deserts, where climate change is wreaking havoc," he said, adding that many insurers are now excluding insurance coverage for floods and groundwater damage in the face of more hurricanes worldwide. He also noted that in parts of the world where wealth is becoming regarded as a crime, political instability is affecting luxury goods, including art and jewelry, by "making the ultra-wealthy particularly subject to attack."

Joshua recommended that, in response to the current market, UHNWIs should consider alternative risk management solutions such as self-insurance. "Self-insurance is a risk management technique where an individual or business sets aside money to cover unexpected losses ... an alternative to traditional insurance, where the policyholder is their own insurer," he explained, though he warned that self-insuring rules vary from jurisdiction to jurisdiction. "It must qualify under applicable insurance regulations, but it saves commissions and other fees and can be worth it if the cost of insuring is otherwise high." One could also consider having an extremely large deductible so that only catastrophic losses are covered, Joshua suggested, or leverage life insurance contracts to cover estate and inheritance taxes.

["Navigating a hard market: Fresh insurance strategies for the Ultra-Wealthy,"](#) *Citywealth*, December 11, 2024

CONTACTS

For more information, contact your Katten attorney or any of the following attorneys.



Joshua S. Rubenstein

+1.212.940.7150

joshua.rubenstein@katten.com

Attorney advertising. Published as a source of information only. The material contained herein is not to be construed as legal advice or opinion.

©2026 Katten Muchin Rosenman LLP.

All rights reserved. Katten refers to Katten Muchin Rosenman LLP and the affiliated partnership as explained at katten.com/disclaimer.