

Cost of a Single Fatality Up 60% Since 2010

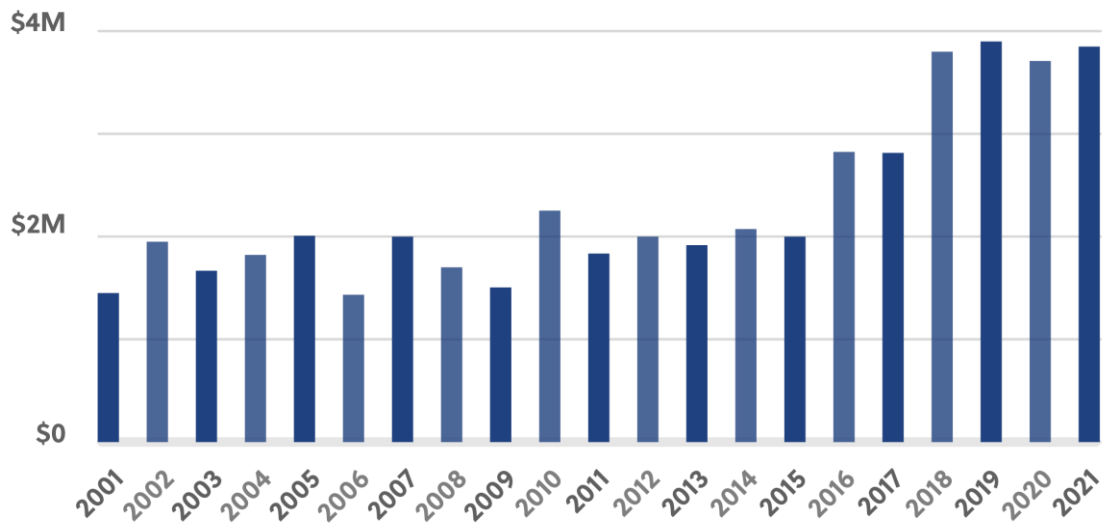
In 2020, the median cost of a single fatality was \$3.7 million, up 60% from \$2.3 million in 2010, according to Advisen loss data.

Single-fatality losses can result from a number of incidents, including workplace accidents, product defects and car crashes. Common damages awarded in wrongful death lawsuits are medical expenses, funeral costs, lost wages, inheritance reduction, loss of parental guidance and loss of services provided.

Since 2010, the number of preventable workplace fatalities has increased 17%, totaling 4,572 in 2019, according to the [National Safety Council](#). A workplace fatality is considered preventable if it could have been avoided with effective safety intervention. Homicides and suicides are not considered preventable.

Product liability deaths are also common. Design defects or manufacturing defects are the most [common](#) causes of product-related injuries or deaths. These often lead to wrongful death lawsuits.

Median Cost of a Single Fatality



From 2001 to 2015, the median cost of a single fatality fluctuated between \$1.5 million and \$2.3 million. The median cost rose to \$2.8 million in 2016 and 2017 before rising to more than \$3.5 million between 2018 and 2021.

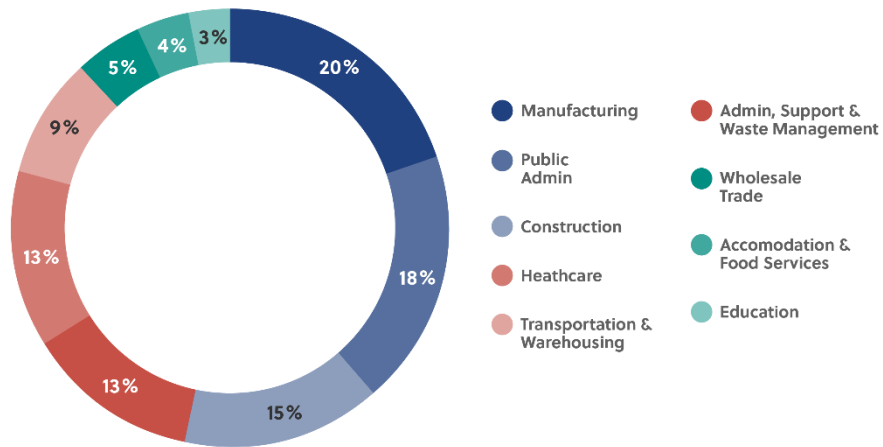
The steep rise in single-fatality loss costs may be driven by just a handful of lines of business (LOBs). Advisen loss data shows the median cost of a single fatality has risen significantly from 2010 to 2020 across general, auto and product liability.



Median Cost of Single-Fatality Losses by LOB



The rise in single-fatality loss costs for these LOBs may be due to social inflation. Social inflation is a term used to describe rising litigation costs driven by sympathetic juries and the impact it has on insurance claims, payouts and prices. Businesses perceived as having “deep pockets” are often heavily targeted, which could account for the sharp rise in loss costs for auto and product liability seen above.



Manufacturing has seen the most single-fatality losses. Cigarette- and asbestos-related fatalities are commonly listed as manufacturing losses, contributing to the high frequency.

Public administration and construction have the second and third highest frequencies of single-fatality losses, according to Advisen loss data. Single-fatality losses in public administration include police shootings, car accidents caused by police and a lack of action taken in child abuse cases, resulting in death.