

Protecting Your Equine Assets: Why the Annual Insurance Renewal Process Matters



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No one looks forward to reviewing the upcoming year's premiums or policy changes, but the annual renewal process is an important opportunity to evaluate whether your property and casualty insurance still aligns with your operations, risk exposure, and financial objectives. For farms and equine operations, this review should go beyond barns, vehicles, equipment, and liability coverage. It should also include a thoughtful look at the horses themselves—their current values, intended use, reproductive status, racing or sales plans, and whether mortality, major medical, surgical, infertility, transit, or other specialized equine coverages are still appropriate.

Start with the Foundation of the Insurance Program

The annual renewal process should begin with a clear understanding of who provides coverage, who advises on coverage decisions, how the farm or property is owned, and whether the insured values and deductibles still make sense. Open communication at the beginning of the process helps ensure the right parties are involved, questions are addressed early, and foundational coverage details are reviewed before more specialized exposures are considered.

- Confirm the current insurance carrier, how long the relationship has been in place, and whether the carrier specializes in farm or equine-related insurance.
- Evaluate the insurance agent relationship, including responsiveness, industry knowledge, proactive guidance, communication cadence, and whether annual coverage meetings are taking place.
- Review the farm ownership structure, named insureds, replacement cost valuations, building improvements, and deductible options to ensure the policies reflect the current risk profile.

Review Operational Exposures That May Have Changed

Changes in operations, property use, staffing, horses, vehicles, and hosted social activities can materially affect the coverage needed. The renewal process is the right time to communicate operational updates and confirm the insurance program reflects how the farm, equine operation, or property is actually being used today.

- Identify and communicate any new or expanded operations, including boarding, breeding, training, lessons, events, agritourism activities, or leased property arrangements.
- Confirm vehicles, equipment, barns, fencing, improvements, and other high-value assets are accurately scheduled and insured at appropriate values.

- Review liability exposures tied to employees, contractors, guests, vendors, volunteers, and visitors who may be on the property throughout the year.

Evaluate Horse Values and Equine-Specific Coverage

For equine clients, one of the most important renewal conversations is whether the horses are insured at values that are current, supportable, and aligned with the owner's financial risk tolerance. Horse values can change quickly based on purchase price, training, race performance, show results, reproductive history, produce record, private offers, sale results, market conditions, and injury or health developments. Because many mortality policies are written on an agreed-value basis, the value listed on the policy should be reviewed before renewal rather than simply carried forward from the prior year.

- Insure a horse when the loss of that horse would create a meaningful financial impact, when the owner would want claim proceeds available to replace the horse, or when the horse is being purchased, imported, raced, bred, sold, syndicated, or otherwise held as a significant business asset.
- For a newly purchased horse, the purchase price is typically the starting point for insured value, with documentation such as a bill of sale, auction receipt, canceled check, wire confirmation, transportation invoices, or commission details maintained in the file.
- For horses owned over time, value should be reassessed based on objective support such as training invoices, race or show records, breeding performance, produce records, recent appraisals, comparable sales, accepted offers, or other market-based evidence.

The recommended insured value is not necessarily the owner's emotional value, expected future upside, or replacement-cost wish list. It should be a supportable amount the carrier is willing to underwrite and reflects the horse's current economic value. Over-insuring can create underwriting and claim issues, while under-insuring may leave the owner exposed if a valuable horse suffers a covered loss.

How Valuation Considerations Differ by Type of Horse

Not all horses should be evaluated the same way during renewal. A broodmare, foal, yearling, racehorse, sporthorse, and stallion each carries a different risk profile, income opportunity, and valuation support. The annual renewal process should identify which category each horse falls into and whether the current insured value and coverage type still make sense.

- **Mares:** Review the mare's purchase price, reproductive history, produce record, current pregnancy status, veterinary history, and the quality or commercial value of the stallion she is bred to. Consider whether mortality coverage, prospective foal coverage, or reproductive-related endorsements should be discussed with the insurance advisor.
- **Foals:** Foal coverage may depend on age, health, veterinary documentation, and whether the foal is being insured as a standalone asset or through prospective foal coverage. Valuation support may include the mare's value, stud fee, pedigree, physical condition, and comparable market data.
- **Yearlings:** For yearlings, valuation often becomes more market-driven as sales preparation begins. Pedigree, conformation, veterinary findings, sale placement, private offers, comparable auction results, and pre-sale expenses may all be relevant when determining an appropriate insured value.
- **Racehorses:** Racehorse values can move quickly based on race results, earnings, class level, soundness, claiming activity, private offers, and future racing prospects. Renewal should include a current review of performance, condition, and whether coverage is needed for racing, transit, major medical, surgical, or other exposures.
- **Sport horses:** Sport horse values should be reviewed closely during peak training and show season, when performance, competition results, soundness, travel schedules, and training investment can materially affect value. Renewal discussions should consider show record, discipline, level of competition, trainer input, veterinary findings, market demand, and whether mortality, major medical, surgical, loss-of-use, or transit coverage is appropriate for the horse's current use and travel schedule.
- **Stallions:** Stallions may require a broader insurance discussion because their value can be tied to purchase price, race record, pedigree, stud fee, book size, fertility, breeding soundness, syndication structure, and income

potential. In addition to mortality coverage, owners should ask whether stallion infertility, permanent disability, loss of income, or other specialized coverage is appropriate.

This review is especially important before breeding season, sales season, shipping, racing campaigns, or changes in ownership. Those events can materially affect both the value of the horse and the type of coverage that should be considered. Owners should also confirm what documentation is required by the carrier, including veterinary certificates, statements of health, reproductive records, purchase documents, or updated valuation support.

Questions to Ask During the Equine Insurance Renewal Meeting

- Which horses are currently insured, and which horses are uninsured?
- Has the value of any horse increased or decreased since the last renewal?
- Do we have documentation to support each insured value?
- Are any horses being purchased, sold, syndicated, imported, exported, bred, raced, or entered in a sale?
- Are major medical, surgical, colic, transit, infertility, prospective foal, or loss-of-use related coverages available or appropriate?
- Are there exclusions, age limitations, pre-existing condition limitations, reporting requirements, or claim notice requirements the owner needs to understand?

Use the Annual Renewal Process as a Risk Management and Cost-Control Tool

Beyond simply accepting the next premium, the annual renewal process is an opportunity to evaluate whether coverage, deductibles, safety practices, and loss-prevention measures are working together effectively. Regular communication with the insurance advisor throughout the renewal process can help clarify options, surface potential issues, and support better protection while also helping manage avoidable premium increases.

- Review recent claims, near misses, and recurring risk areas to determine whether operational changes or additional coverage may be needed.
- Evaluate deductible levels, policy limits, exclusions, endorsements, and optional coverages to balance premium cost with financial protection.
- Maintain ongoing communication with the agent about risk management practices, including documentation, safety procedures, contract language, employee protocols, and property maintenance.

An annual insurance renewal meeting should be more than a routine renewal exercise. By taking time to confirm property values, revisit operational exposures, and evaluate horse-specific insurance needs, owners can make more informed decisions about the risks they are retaining and the risks they are transferring. For equine operations, that means treating horse valuation as an annual discipline—not a one-time decision made when a horse is purchased. Consistent communication with a knowledgeable equine insurance advisor can help ensure coverage continues to support the financial realities of the operation.

How Dean Dorton Can Help

If you are preparing for your annual insurance renewal, Dean Dorton can help you organize the financial and operational information needed for a more productive conversation with your insurance advisor. Our equine team works with farms, owners, breeders, racing operations, and equine businesses to review asset schedules, horse valuations, ownership structures, cash flow considerations, and risk management questions so you can approach renewal season with better information and a clearer understanding of your financial exposure.

Disclaimer: Insurance coverage, underwriting requirements, valuation support, exclusions, and claim procedures can vary by carrier, policy form, and individual horse. Owners should review their specific facts and coverage options with a qualified equine insurance advisor before making coverage or valuation decisions.