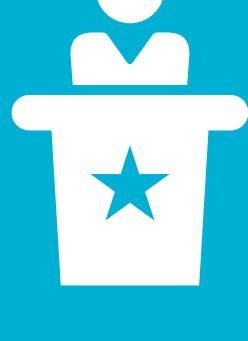


# UNITED STATES ELECTION 2016: EVALUATING RISK



The 2016 US presidential and congressional elections present potential change for businesses and organizations. Here are four risk areas to monitor in the coming months.

## CYBER RISK

From cyber-attacks to leaked private information, the election campaign raised complex questions.



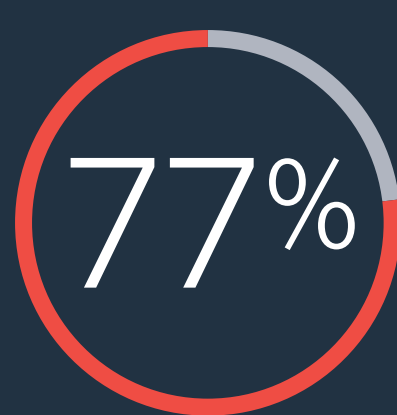
### POTENTIAL RISKS:

- 1) Determining the legitimacy of breached and leaked information.
- 2) Changing expectations of privacy.
- 3) Shifting international laws.



### HOW TO PREPARE:

Organizations should review their ability to authenticate digital information, including emails. They should regularly review relevant privacy issues, and adapt as needed. They should also stay abreast of changes in international privacy and related laws and work with risk advisors and counsel to make appropriate changes in order to comply.



of organizations expect their investment in cyber risk management to increase over the next two years

—2016 Marsh Excellence in Risk Management Survey

## TRADE POLICY

US trade policy was a key issue in the 2016 campaign.



**POTENTIAL RISKS:** Increased US trade barriers could spur a similar response in other countries. Sanctions or tariffs can affect business contracts, potentially resulting in the cancellation of import/export licenses. Governments also have the authority to force US corporations to divest shares in certain foreign enterprises.



### HOW TO PREPARE:

Assess your political risk and trade credit risk, and your insurance options. The need to do so is heightened if you operate in, or are considering operating in, countries seen as likely to be impacted by the new administration.

Closely monitor trade policy developments to identify countries that may be affected.



The US has implemented **“PROTECTIONIST” MEASURES** against other countries over

**1,000** times since Nov. 2008

more than any other G20 member

—20th Global Trade Alert Report

## REGULATION

The impact of regulations was a critical issue in the 2016 elections.



**POTENTIAL RISKS:** Any change in regulations requires affected companies to adapt, especially if significant measures were previously implemented to comply. Energy, environmental — including climate change — and financial regulations are among the key areas that could be affected.



### HOW TO PREPARE:

Organizations should first ensure they maintain current regulatory compliance processes as any reforms will take time to implement. Stay informed of developments in Congress and regulatory bodies and discuss them within your organization. Be prepared to revise processes and provide training.



Federal regulation is estimated to cost more than \$2 trillion annually

—National Association of Manufacturers

## HEALTH CARE

The Affordable Care Act (ACA) was a hotly debated issue in the 2016 campaign.

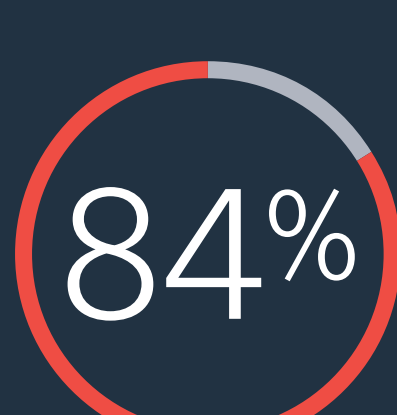


**POTENTIAL RISKS:** Health care organizations, including insurers and health systems, have made significant investments to comply with the ACA. Major changes in the law could devalue those investments and create additional uncertainty and complexity in the US health care system. With Republicans now controlling the White House and Congress, there could be greater regulatory uncertainty in the short term.



### HOW TO PREPARE:

With potentially significant changes to the ACA likely to be considered, health care organizations should continue to focus on complying with the changing laws. At the same time, they should use appropriate data and analytics to measure the law’s impact on historical financial frameworks and evaluate their business models accordingly.



of health care organizations said their next critical risks will emerge from regulatory issues — more than from any other area

—2016 Marsh Excellence in Risk Management Survey