VCIA
Captive Excellence Starts Here.

2026 ANNUAL BENCHMARKING SURVEY

2026 VCIA Insights Report

What 143 VCIA members and industry colleagues report about the market, the workforce, and the domicile in the year ahead.

80%
rate current market conditions favorably

92%
of captive owners plan to grow in the coming year

64%
of managers and service providers report rising demand

Based on the 2026 Annual Benchmarking Survey, conducted Sept. 1–30, 2026. Published November 2026 by the Vermont Captive Insurance Association.



Ian Davis

President
Vermont Captive Insurance Association

PREFACE

A note from the president

This is the first VCIA Insights Report. Its purpose is simple: to give VCIA members a regular, shared picture of how the people who own, manage, and advise captives see the year ahead.

In September, we asked VCIA members and colleagues across the industry to tell us how they see the market, where they expect to grow, what is holding them back, and how they view the Vermont domicile. In total, 143 people from at least 94 organizations responded, representing 25 states and eight countries and territories.

We launched this survey because VCIA has access to an extraordinary depth of knowledge across its membership. Every day, our members are forming captives, running programs, advising boards, and navigating market conditions. This report is a way to tap into that collective expertise, share those insights with the broader industry, and ensure VCIA's work is grounded in what members are experiencing. It also gives members a reference point — a way to compare their own perspective with that of their peers.

This report does not claim to be the last word on the captive market. It reflects what 143 people who work in this industry every day are seeing and expecting, and that perspective is worth paying attention to.

A few themes stand out. Respondents are confident in the market and plan to ask more of their captives. They are candid that finding specialized talent is difficult. And they hold Vermont, and the Department of Financial Regulation, in high regard, while offering practical ideas for how the domicile can continue to improve.

We intend to run this survey every year so future editions can show how these views evolve over time.

My thanks to the VCIA members and colleagues who shared their insights, and to the VCIA staff who made this report possible.



Ian Davis
President, Vermont Captive Insurance Association

CONTENTS

Inside this report

143
VCIA members and industry colleagues responded

94+
organizations represented

25
states and the District of Columbia

8
countries and territories

Sept. 1–30
2026 survey period

How to read this report

Percentages reflect the people who answered each question, and each chart or table notes its base. Ratings use a 1–5 scale; "favorable," "important," and similar figures combine the top two points (4 or 5). The Net Promoter Score measures how likely people are to recommend something: the share of promoters (9 or 10 on a 0–10 scale) minus the share of detractors (0 to 6). It runs from −100 to +100, and a score above +50 is generally considered excellent.

Executive summary 4
01 Respondents 6

I The Market
02 Market outlook 9
03 Opportunities and emerging risks 11

II The Workforce
04 Talent and workforce 15

III Perspectives by Role
05 Captive owners 19
06 Captive managers and service providers 23

IV Policy and Place
07 Public policy 26
08 The Vermont domicile 29

09 Implications 33
About this survey 34

VCIA

EXECUTIVE SUMMARY

Members expect a steady year, and plan to grow.

Respondents head into 2027 confident in the captive market. Eight in 10 rate current conditions favorably, nearly all expect them to hold or improve, and most managers and service providers report rising demand for their services.

They point to two forces shaping the outlook: the insurance and reinsurance markets, and litigation trends and social inflation. Captive owners plan to ask more of their captives by growing premium, adding lines, and bringing more of the parent organization into the program. In written comments, respondents most often named employee benefits, medical stop-loss, and excess casualty as opportunities, often lines where they see the commercial market hardening. Workforce is the clearest constraint: competition for specialized skills is the most-cited barrier to hiring, and captive managers report the most difficulty.

80%

rate current market conditions favorably

97%

expect conditions to hold steady or improve over 12 months

92%

of captive owners plan some form of growth

64%

of managers and service providers report rising demand

52%

name competition for specialized skills as a top talent barrier

+73

Net Promoter Score for Vermont as a captive domicile

KEY FINDINGS

Six things to know.

1

The market rates highly, and is expected to hold.

Eight in 10 respondents rate current conditions favorably, and 97% expect them to hold steady or improve over the next 12 months. Views are consistent across owners, managers, and service providers.

2

Commercial-market pressure is shaping captive strategy.

Insurance and reinsurance market conditions (59%) and litigation trends and social inflation (53%) are cited far more often than any other factor. Among captive owners, 67% cite litigation and social inflation.

3

Growth is coming through new lines and new risks.

About a third of written responses name new lines of coverage as the year's biggest opportunity, led by employee benefits, medical stop-loss, and excess casualty. Six in 10 captive owners plan to grow premium volume, and 42% plan to add lines.

4

Talent is the constraint respondents share.

Competition for specialized skills (52%) and compensation expectations (44%) are the barriers to recruiting and retention cited most often. Captive managers report more difficulty than any other group.

5

The policy agenda is broad.

Federal tax treatment of captives (58%) ranks highest in importance, followed by Vermont regulatory modernization and public awareness of captives (57% each). Self-procurement taxes are the issue raised most often in written comments.

6

Vermont is held in high regard.

Respondents give Vermont a Net Promoter Score of +73, rising to +88 among captive owners. At least 82% of those who work with the Department of Financial Regulation rate it favorably on every service measure.

01 · RESPONDENTS

An experienced panel from across the industry.

Nearly two-thirds of respondents (64%) have spent more than a decade in captive insurance, and 38% have more than 20 years of experience.

Captive owners	38%
Service providers Attorneys, actuaries, investment managers, brokers, and others	29%
Captive managers	27%
Other Regulators, associations, and trade media	6%

Base: 143 respondents.

FIGURE 1

Respondents by role.

143 RESPONDENTS

Each dot is one respondent.

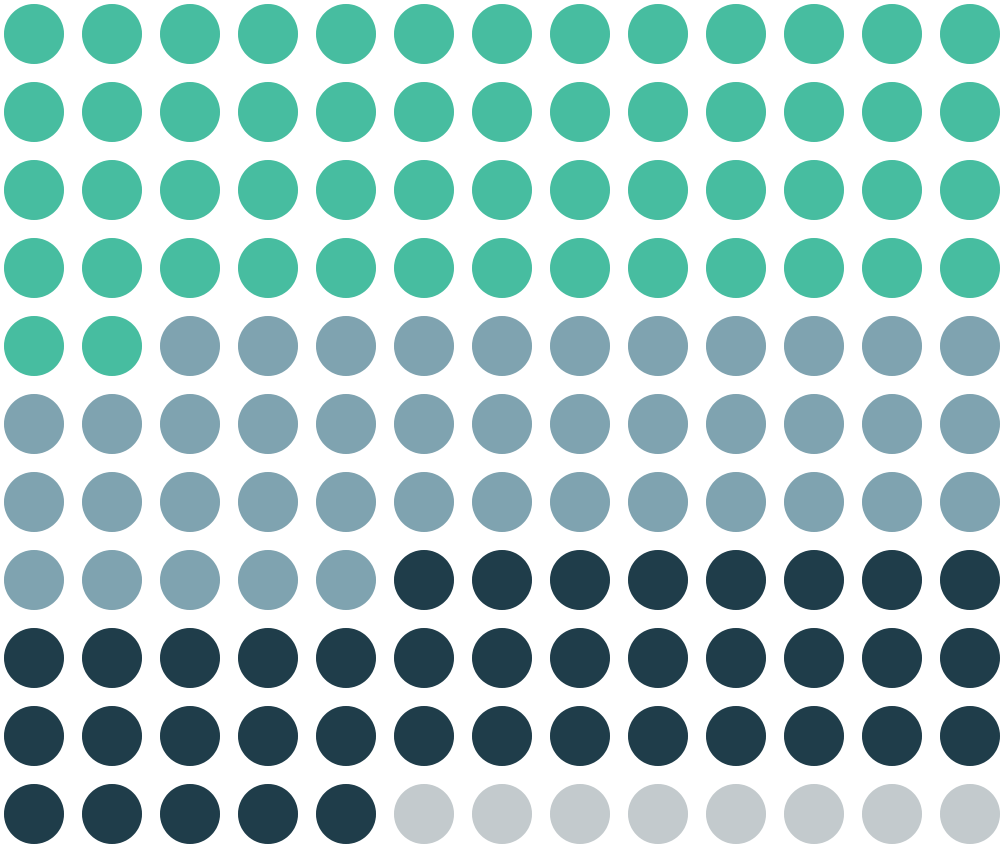
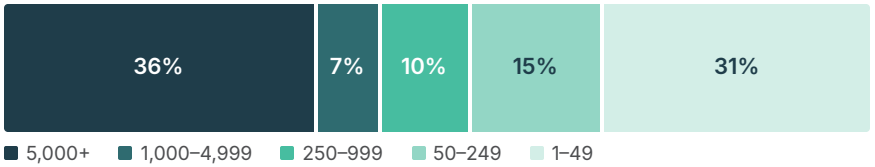


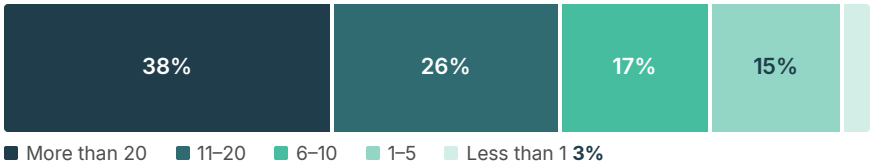
FIGURE 2

Respondent profile.

Organization size (employees)



Years in the captive industry



Base: 143 respondents. Figures may not total 100% due to rounding.

Location

23% Vermont

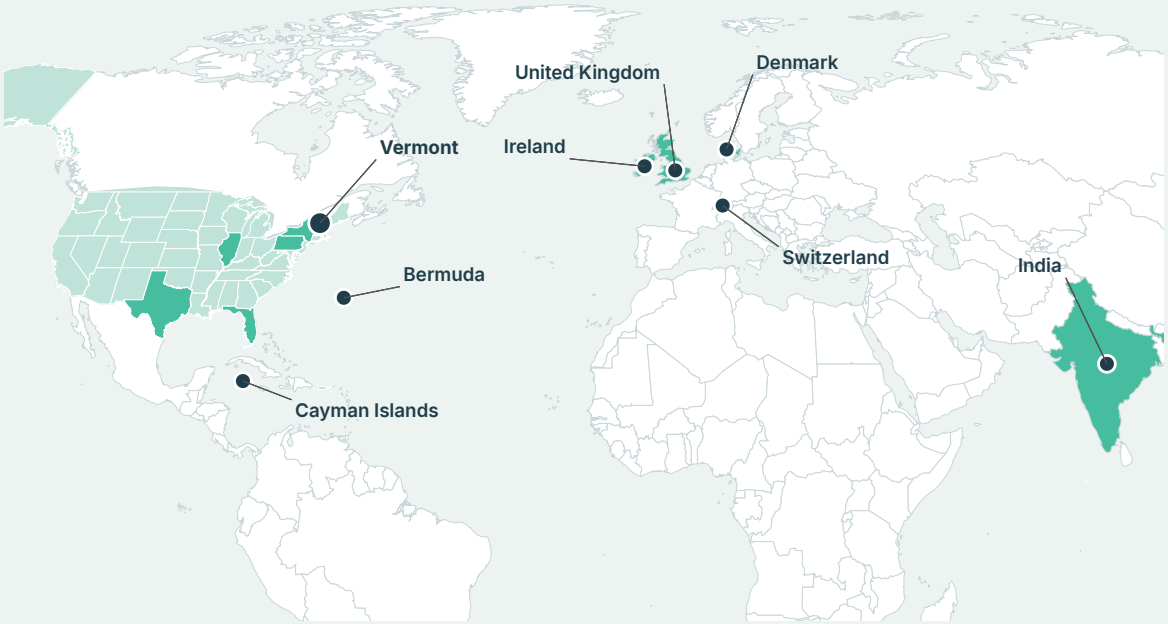
65% Other U.S. states

12% Outside the United States

Of respondents who gave a location, 23% are based in Vermont, 65% in other U.S. states and 12% outside the United States. Respondents come from 25 states and the District of Columbia; outside Vermont, the most common are New York, Illinois, Florida, Texas, and Pennsylvania.

International respondents are based in Ireland, the United Kingdom, Bermuda, the Cayman Islands, Switzerland, Denmark, and India. Location shares are based on the 127 respondents who gave a location.

WHERE RESPONDENTS ARE BASED

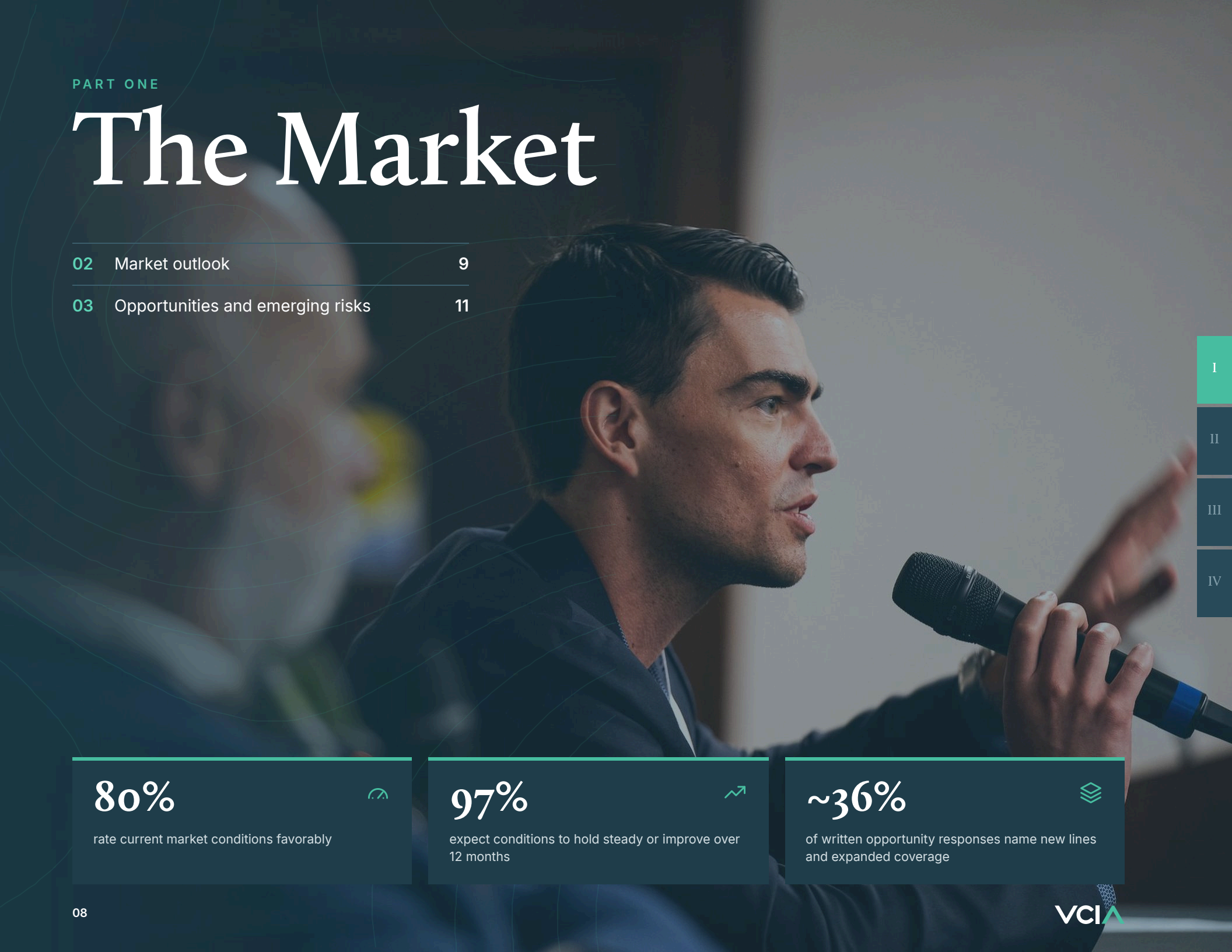


PART ONE

The Market

02 Market outlook 9

03 Opportunities and emerging risks 11



80%

rate current market conditions favorably

97%

expect conditions to hold steady or improve over 12 months

~36%

of written opportunity responses name new lines and expanded coverage

02 · MARKET OUTLOOK

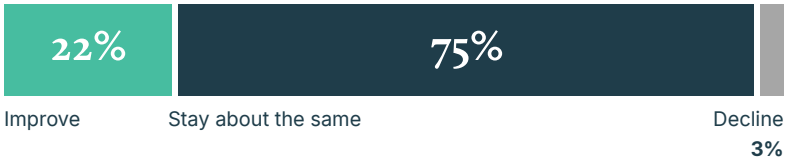
A favorable market, with little change expected.

Respondents rate today's market favorably and, for the most part, expect it to stay that way. Few anticipate a sharp turn in either direction.

Eight in 10 rate current market conditions favorably: 30% give the highest possible rating and another 50% the next highest. Only 3% rate them negatively. Service providers are the most positive, followed closely by captive managers and captive owners. Looking ahead, three in four expect conditions to stay about the same, and owners are the most likely to expect no change (81%, compared with 72% of managers and 71% of service providers).

FIGURE 3

Three in four expect market conditions to hold over the next 12 months.



Base: 143 respondents.

FIGURE 4

Market conditions and litigation lead the forces shaping captive strategy.

Factors respondents expect to shape captives over the next 12 months



Base: 143 respondents. Multiple selections allowed.

TABLE 1

Forces shaping captive strategy, by role

	CAPTIVE OWNERS	CAPTIVE MANAGERS	SERVICE PROVIDERS
Insurance and reinsurance markets	65%	62%	48%
Litigation / social inflation	67%	51%	43%
Macroeconomic / financial markets	17%	31%	36%
Regulatory or compliance changes	9%	26%	38%
Talent and workforce constraints	9%	31%	19%
Capital availability	20%	23%	7%
Cybersecurity and technology risk	11%	8%	21%

Share of each group selecting each factor. Multiple selections allowed. Base: 54 captive owners, 39 captive managers, 42 service providers.

Priorities differ by role. Captive owners most often cite litigation and insurance market conditions. Managers are more likely than other groups to cite talent and capital, and service providers place more weight on regulatory change and financial markets. Write-in responses added competition from the commercial market, collateral-related losses, and changes at parent organizations.

Readiness for emerging risks

68%

say they, or their clients, are well positioned



68% well positioned

31% neutral

<1% poorly positioned

Most respondents are confident in their ability to respond to what comes next. Two-thirds (68%) say their organization, or their clients, is well positioned to identify, assess, and respond to emerging risks; 31% are neutral, and fewer than 1% feel poorly positioned. Readiness is similar across roles.

03 · OPPORTUNITIES AND EMERGING RISKS

Respondents see room to expand what captives cover.

Nearly every respondent described the year's biggest opportunity in their own words. The most common answer was expanding what captives cover.

TABLE 2

Biggest opportunities for the coming year

New lines and expanded coverage

~36%

Adding lines to existing captives where respondents see carriers pulling back, especially excess and umbrella layers, auto liability, crime, and property

Emerging and hard-to-place risks

~20%

Cyber, AI-related exposures, parametric structures, and risks the traditional market won't write at acceptable terms

Efficiency, data, and AI

~19%

Automating financial reporting and compliance, and using data and AI responsibly to improve decisions and control costs

New uses and new formations

~14%

Middle-market formations, group and cell captives, and group captive members moving to their own single-parent captive

Hard-market conditions

~13%

Captives as a hedge against rising rates and shrinking capacity in U.S. casualty and medical stop-loss

Employee benefits and medical stop-loss

~10%

Medical stop-loss, voluntary benefits, pharmacy-only solutions, and international employee benefits

Investments, reinsurance, and capital

~8%

Higher bond yields, tailored investment strategies, and better access to reinsurance capacity



Themes coded from open-ended responses. Shares are approximate; one comment can count toward more than one theme.

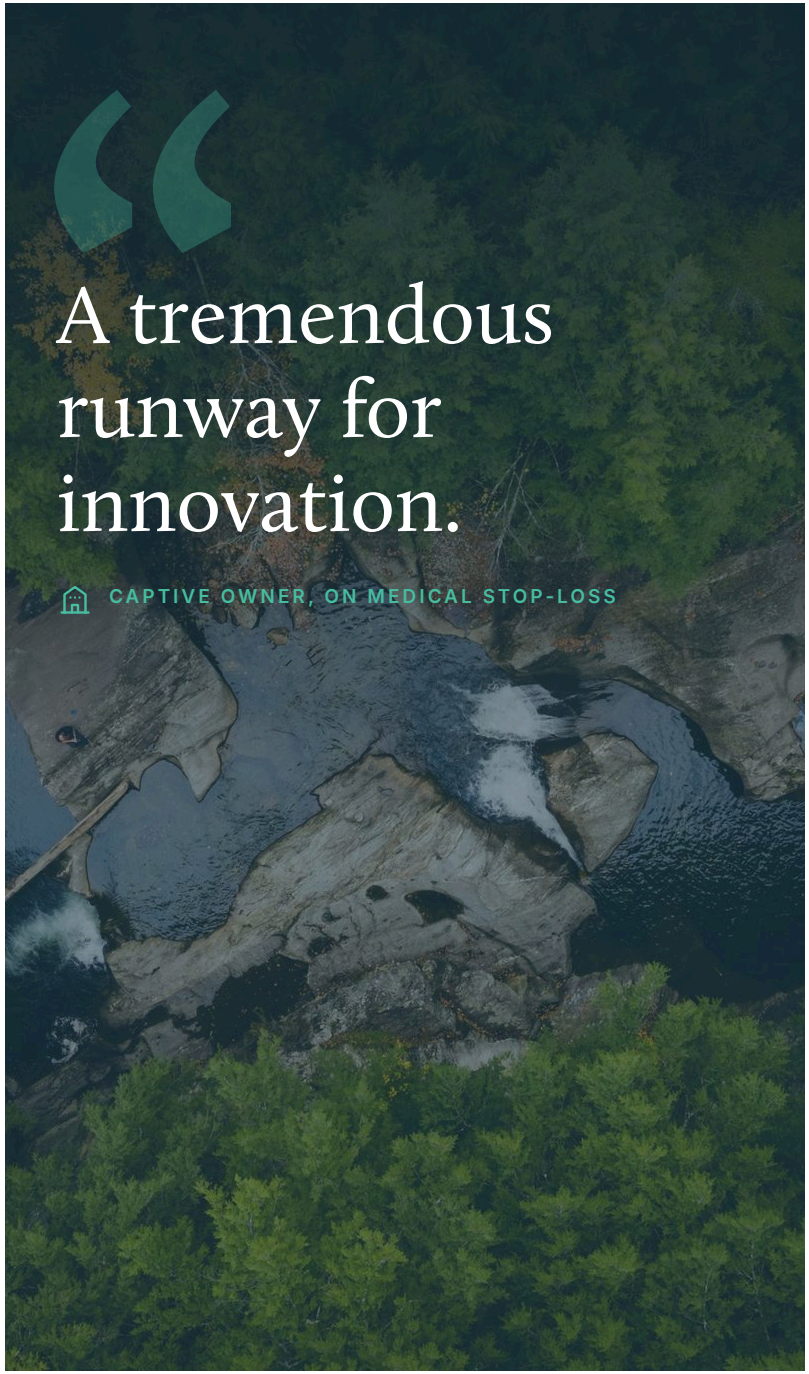
Getting more from existing captives.

Many respondents expect growth to come from existing captives adding lines, not only from new formations. Several noted that high deductibles and a desire for more claims control are drawing new industries to captives.

> Clients are “looking at their captives to determine what other lines could be put into the captive.”
>
> CAPTIVE MANAGER

Employee benefits as a growth frontier.

Captive owners in particular pointed to rising U.S. healthcare costs as a source of opportunity, with one describing “a tremendous runway for innovation” in medical stop-loss, multi-year aggregates, and parametric designs.



What the market may be underestimating

A third of respondents named a trend they believe the market is underestimating. The answers were more varied than the opportunity responses, but several clusters emerged.

ALSO RAISED MORE THAN ONCE

Two further observations came up more than once: that captive operations are growing more complex as programs take on new risks, and that fronting capacity, especially fronts willing to also provide excess coverage, is tight.

TABLE 3

Underestimated trends

AI and technology

~23%

AI as both an efficiency tool and a new source of liability, the displacement of routine work, and fintech

Litigation and claim severity

~15%

Nuclear verdicts, third-party and private-equity-backed litigation funding, and rising claim costs

Regulatory, tax, and domicile shifts

~9%

Self-procurement taxes, “home state” formations and emerging competition from other domiciles

Cyber risk

~9%

Cyber exposures and their interaction with AI

Investments and credit

~9%

Interest rates, fixed income, private credit, and the bond holdings captives rely on

Casualty and benefits exposures

~6%

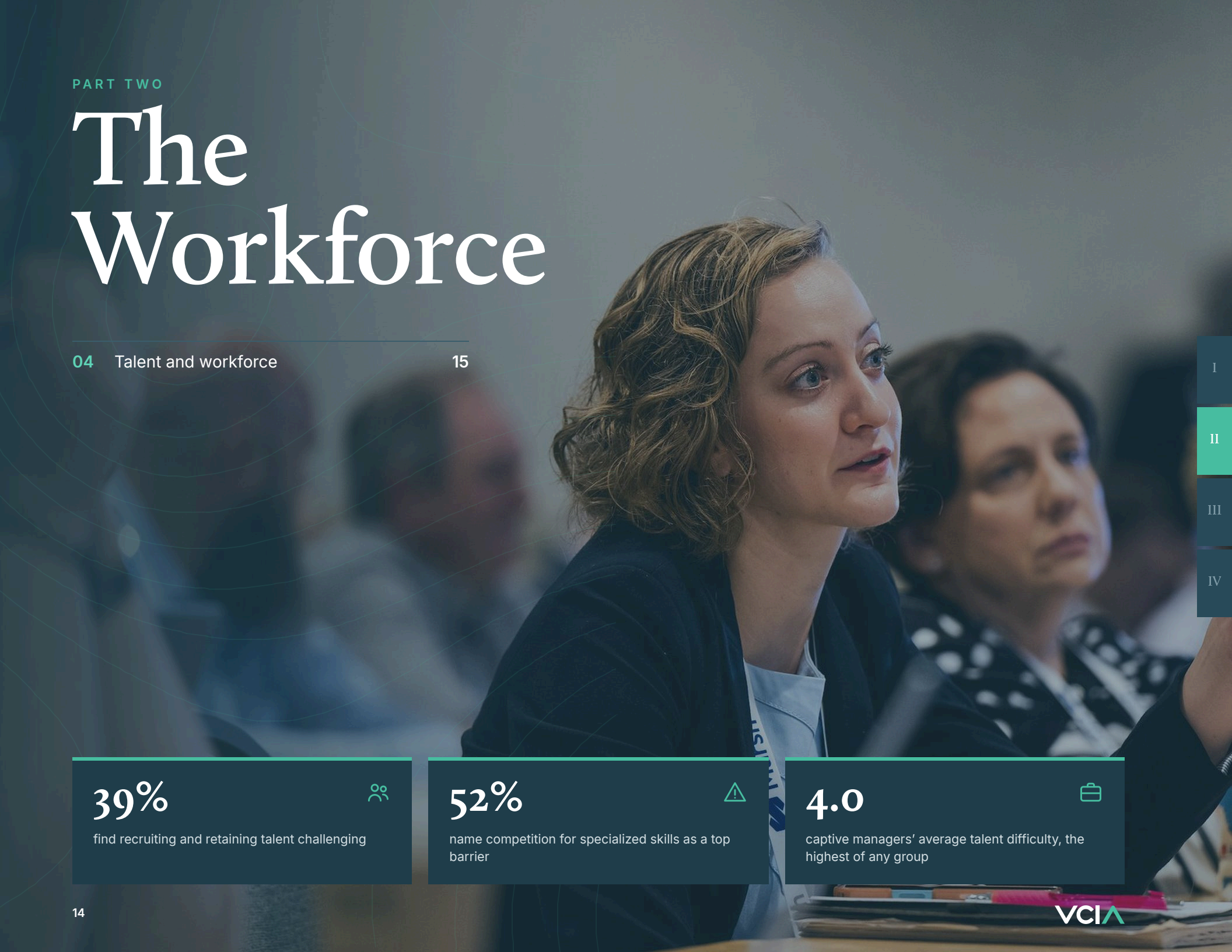
Long-duration reserve risk from higher casualty towers, PFAS, and medical stop-loss

Themes coded from open-ended responses. Shares are approximate; one comment can count toward more than one theme.

PART TWO

The Workforce

04 Talent and workforce 15



39%

find recruiting and retaining talent challenging

52%

name competition for specialized skills as a top barrier

4.0

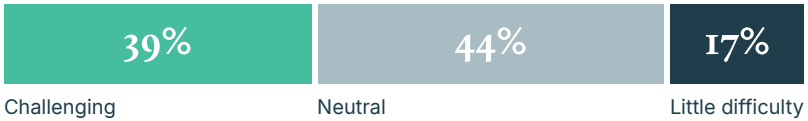
captive managers' average talent difficulty, the highest of any group

04 · TALENT AND WORKFORCE

Specialized skills are hard to find.

Two in five respondents find recruiting and retaining talent challenging, and captive managers report the most difficulty.

Overall, 39% find recruiting and retaining talent challenging, 44% are neutral, and 17% report little difficulty. The experience varies sharply by role. Among respondents with a Vermont office, views on local hiring are more divided: 45% find Vermont hiring challenging while 28% find it easy.



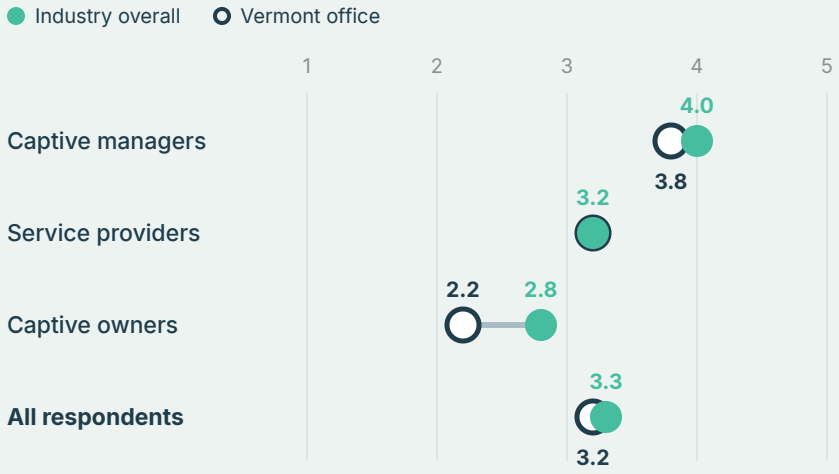
45%
with a Vermont office find Vermont hiring challenging

28%
find it easy

TABLE 4

Talent difficulty, by role

Average score, from 1 (not difficult) to 5 (very difficult)



Base: 143 respondents.

TABLE 5

Barriers to recruiting and retention

Share selecting each barrier

	ALL	CAPTIVE OWNERS	CAPTIVE MANAGERS	SERVICE PROVIDERS
Competition for specialized skills	52%	46%	59%	45%
Compensation expectations	44%	35%	56%	45%
Lack of early-career pipeline	36%	35%	49%	24%
Limited industry awareness	35%	41%	41%	19%
Remote work preferences	27%	35%	18%	24%
Regulatory complexity	16%	9%	15%	24%
Geographic constraints	15%	13%	8%	26%

Base: 142 respondents. Multiple selections allowed. Write-ins added slow career progression and a small overall market for captive-specific roles.



FIGURE 5

Risk management and AI top the list of skills organizations need.

Expertise organizations expect to need most in the coming years



Base: 143 respondents. Multiple selections allowed. Accounting was the most common write-in.

No single skill dominates.

Captive owners most often need risk management and AI and automation (39% each), followed by claims management (33%).

Captive managers most often need regulatory expertise and communication and relationship management (41% each), followed by risk management (36%).

Service providers most often need communication skills (33%), AI and automation (31%), and regulatory expertise (29%).

Building the pipeline

In written comments throughout the survey, respondents pointed to the same set of solutions: more captive curriculum in colleges and universities, internships and scholarships in risk management, outreach to high school and college students, and structured programs for early-career professionals. Several linked Vermont's long-term standing as a domicile to the depth of its local talent pool.

PART THREE

Perspectives by Role

05 Captive owners 19

06 Captive managers and service providers 23



92%

of captive owners plan some form of growth

64%

of managers and service providers report rising demand

62%

see employee benefits drawing client interest

05 · CAPTIVE OWNERS

Nine in 10 captive owners plan to grow.

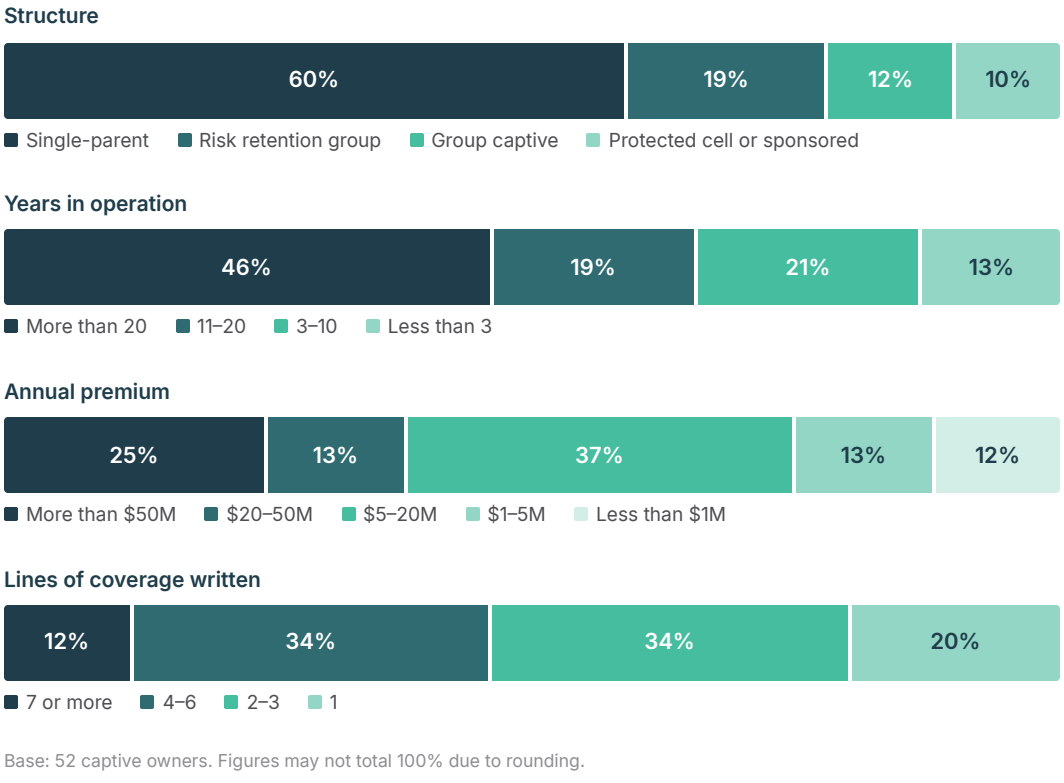
Only 8% of captive owners expect no significant growth in the coming year. Most run established programs: 65% have operated for more than 10 years, and 75% write more than $5 million in annual premium.

65%
have operated for more than 10 years

75%
write more than $5 million in annual premium

FIGURE 6

Captive profile.



Base: 52 captive owners. Figures may not total 100% due to rounding.

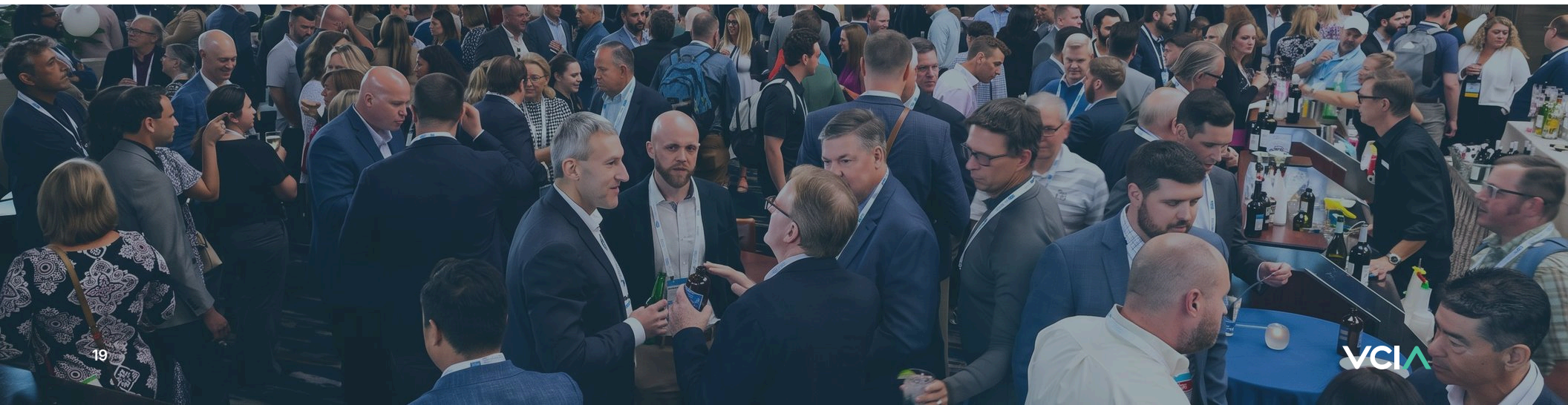
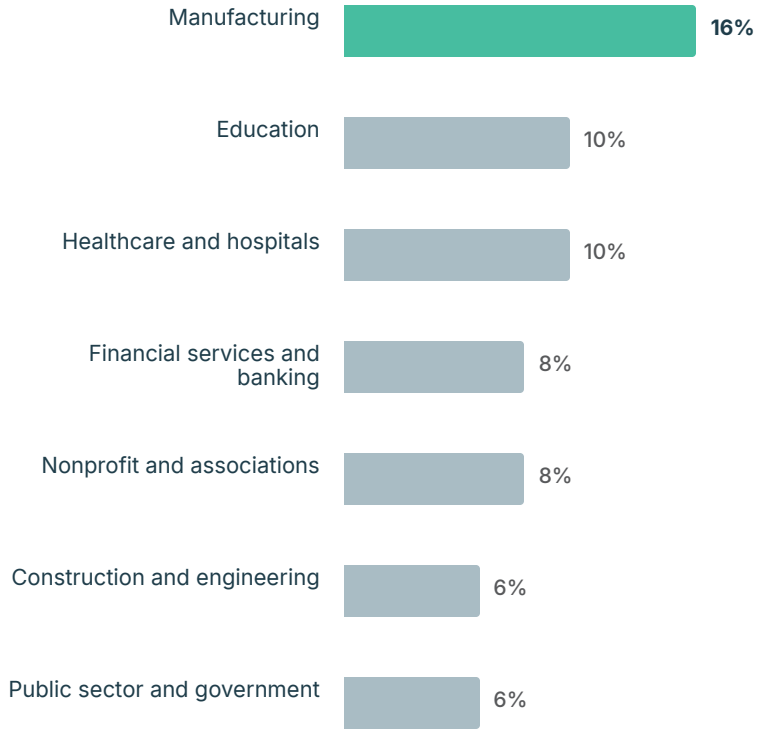


FIGURE 7

Captive owners span a wide range of industries.

Primary industry sector of captive owners

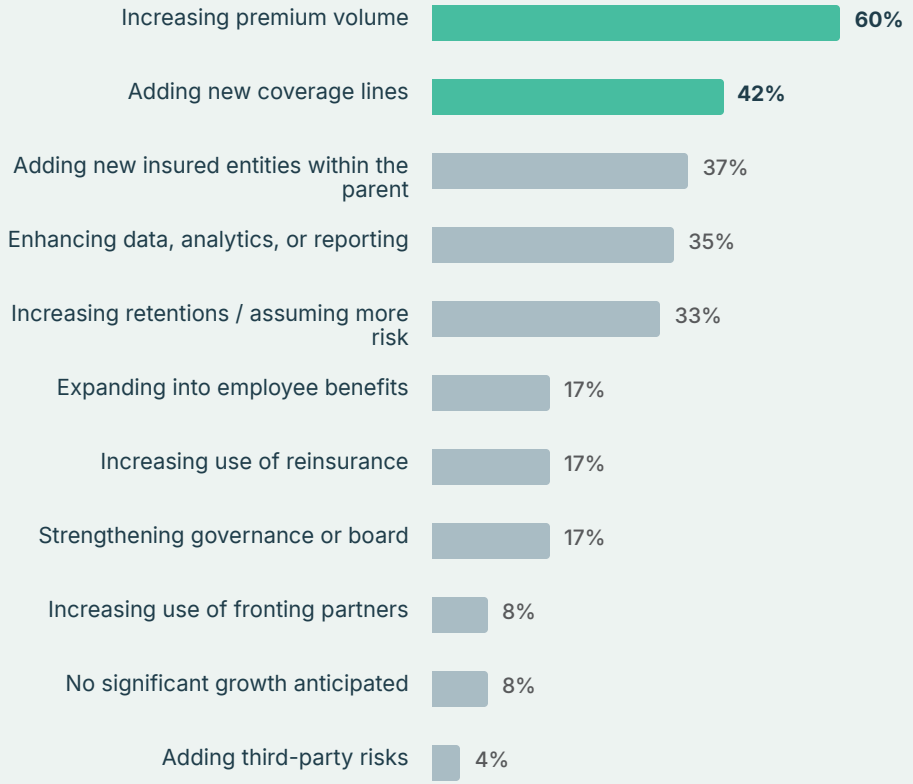


Base: 51 captive owners. Owners come from at least 16 sectors; the remaining owners (4% or less each) are in agriculture, energy, hospitality, insurance, professional services, real estate, retail, technology, and transportation. Write-ins included recreation, residential care, and diversified automotive and financial services.

FIGURE 8

Six in 10 captive owners plan to grow premium volume.

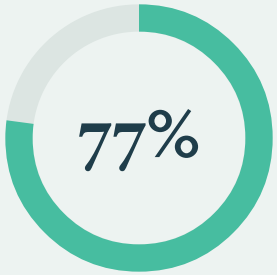
Growth plans for the coming year



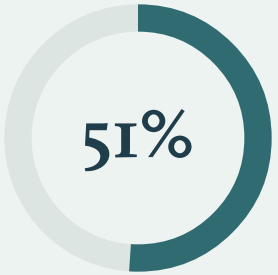
Base: 52 captive owners. Multiple selections allowed.

Governance and enterprise risk management

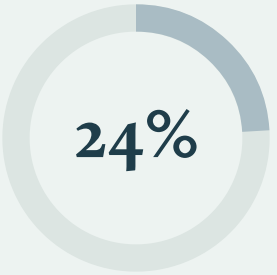
Owners rate governance highly. More than three in four (77%) rate their captive's board as effective, and only 4% rate it poorly. Integration with enterprise risk management (ERM) is less consistent: half (51%) describe their captive as well integrated with ERM, and a quarter (24%) report weak integration.



rate their captive's board as effective



describe their captive as well integrated with ERM

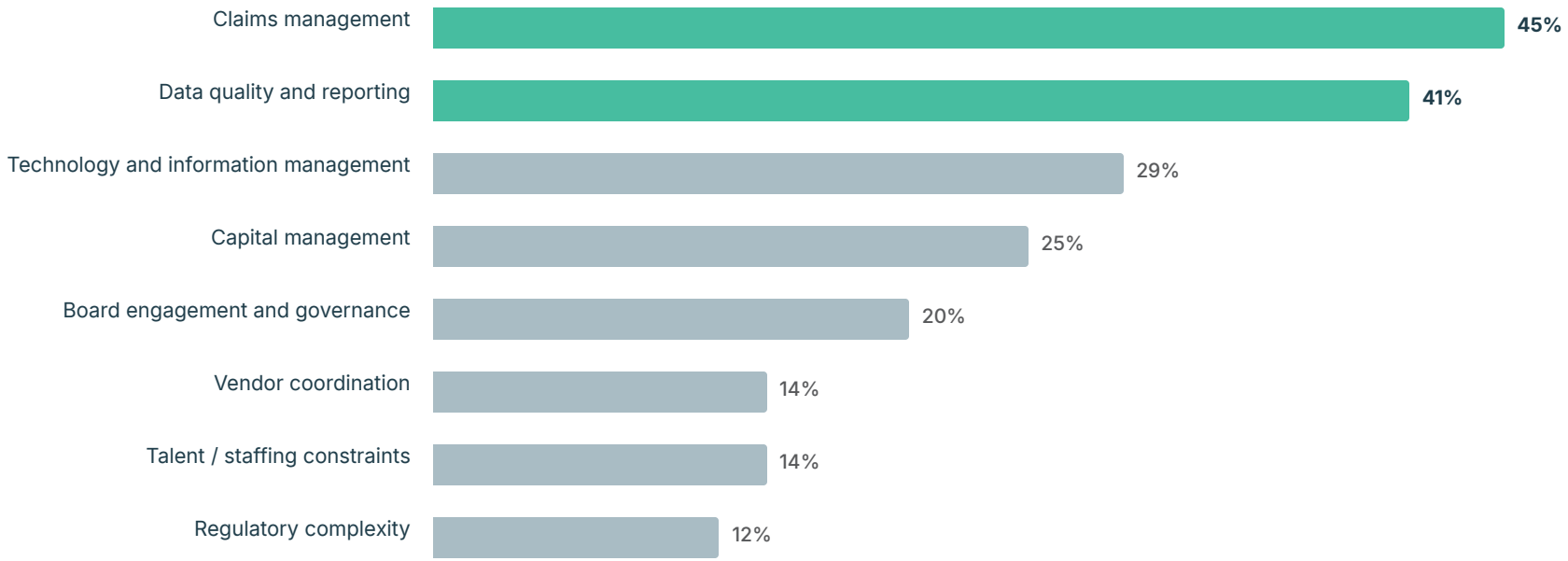


report weak ERM integration

FIGURE 9

Claims and data quality are owners' top operational challenges.

Biggest operational challenges for captive owners



Base: 51 captive owners. Multiple selections allowed. Write-ins added fronting, pricing, the litigation environment, and the effects of AI.

Top strategic priorities

Owners described their captive's top priority for the coming year. Their answers fall into five themes:

Disciplined growth.

Growing premium "wisely," expanding into new lines or employee benefits, and supporting the parent's business growth.

Claims and loss control.

Closing legacy claims, strengthening claims oversight, and managing the litigation environment.

Data, systems, and process.

Improving financial data, owning captive data rather than relying on third parties, and modernizing internal management.

Stability and financial performance.

Stable loss ratios, profitability, and being prepared to pay claims.

Program structure.

Adjusting retentions, managing fronting costs, and using the captive as leverage in commercial renewals.



"Growing premium "wisely."

CAPTIVE OWNER PRIORITY

06 · CAPTIVE MANAGERS AND SERVICE PROVIDERS

Managers and service providers report rising demand.

Among captive managers and service providers, 64% say demand for their services increased this year and 36% say it held steady.



Demand increased

Held steady

Who is serving the market

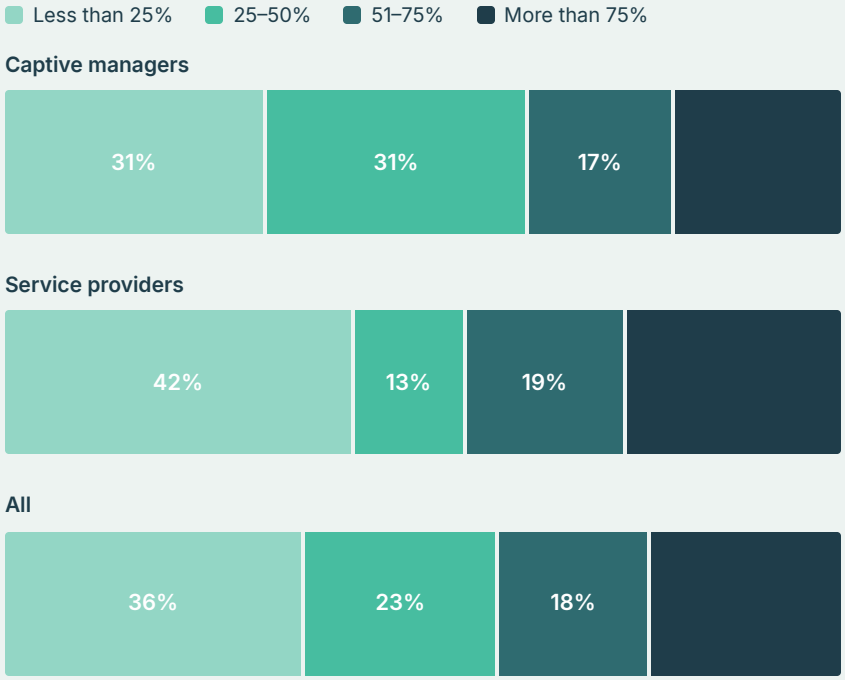
Most respondents in this group work at firms with large client bases. In all, 64% serve more than 50 captive clients: 72% of captive managers and 56% of service providers. At the other end, 16% serve five or fewer captives; most of these are specialized service providers. For many, Vermont is central to their business: 41% say more than half of their captive clients are domiciled in Vermont, and 23% say more than three-quarters are.

64%
serve more than 50 captive clients

41%
say more than half of their captive clients are in Vermont

TABLE 6

Share of captive clients domiciled in Vermont



Base: 66 captive managers and service providers. Figures may not total 100% due to rounding.

Challenges facing clients

Managers and service providers see their clients' challenges through slightly different lenses. Captive managers are more likely to cite capital, reinsurance, and data quality; service providers are more likely to point to insurance market conditions and AI adoption. Write-ins added claim severity, nuclear verdicts, tight budgets, and gaining internal buy-in for captive strategies.

TABLE 7

Biggest challenges facing clients

	CAPTIVE MANAGERS	SERVICE PROVIDERS	ALL
Insurance market conditions	49%	59%	54%
Talent shortages	43%	38%	41%
Reinsurance market conditions	43%	31%	37%
AI adoption and integration	24%	41%	33%
Capital constraints	38%	23%	30%
Data quality and reporting	30%	15%	22%
Board engagement and governance	22%	18%	20%
Regulatory uncertainty	8%	18%	13%

Base: 76 captive managers and service providers. Multiple selections allowed.

Emerging risks drawing client interest

Employee benefits is the emerging risk area drawing the most client interest by a wide margin, named by 62% overall and by 76% of captive managers. Write-ins pointed to excess and umbrella liability, commercial auto, medical stop-loss, and capital efficiency, consistent with the opportunities respondents described in Section 3.

TABLE 8

Emerging risk areas drawing client interest

	CAPTIVE MANAGERS	SERVICE PROVIDERS	ALL
Employee benefits	76%	49%	62%
Professional liability	39%	54%	47%
Cyber	30%	46%	38%
Climate and environmental risk	27%	37%	32%
Supply chain disruption	15%	26%	21%
Political or regulatory uncertainty	12%	20%	16%

Base: 68 captive managers and service providers. Multiple selections allowed.

PART FOUR

Policy and Place

07 Public policy 26

08 The Vermont domicile 29



58%

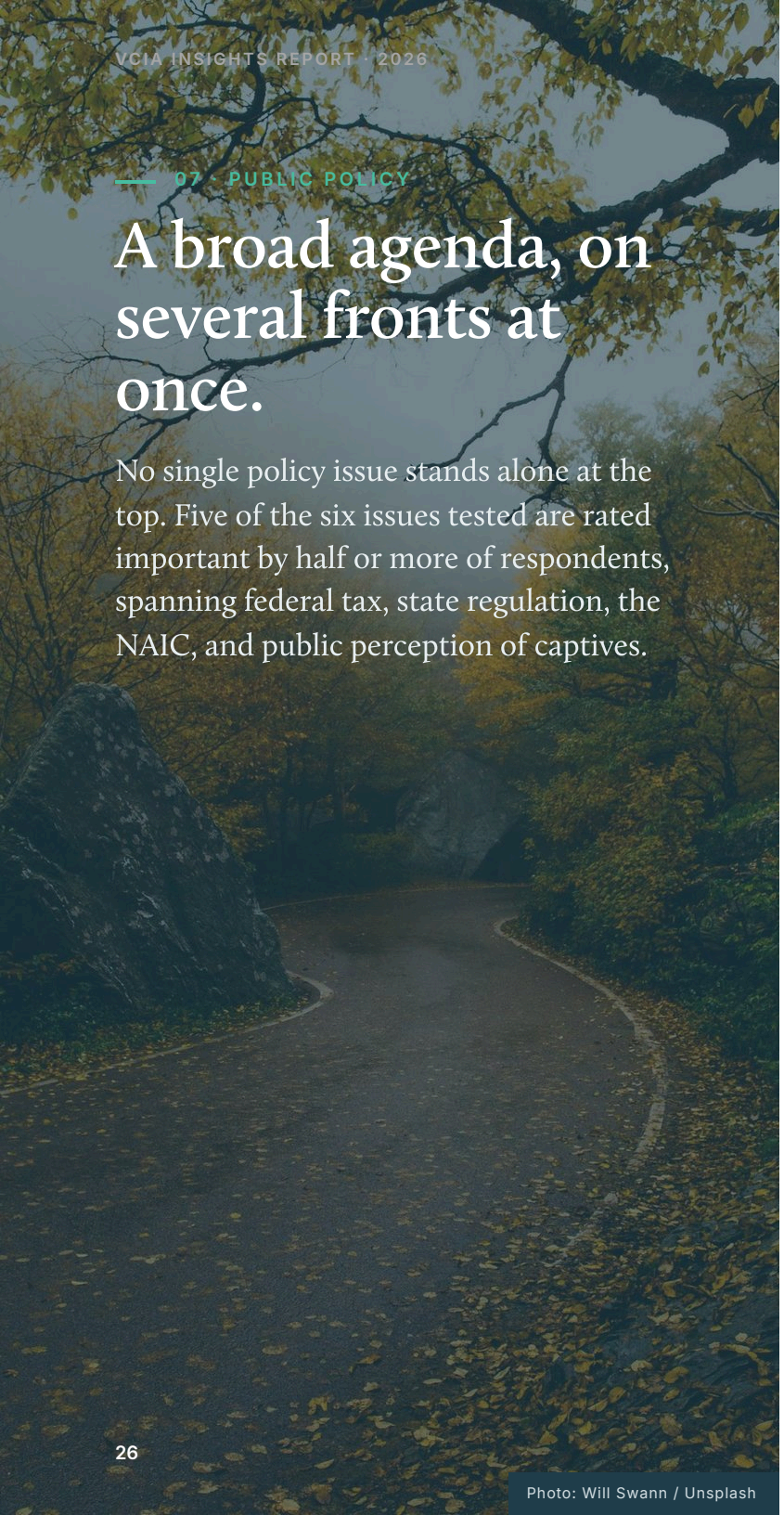
rate federal tax treatment of captives as important

+73

Net Promoter Score for Vermont as a captive domicile

96%

rate DFR's responsiveness favorably



07 · PUBLIC POLICY

A broad agenda, on several fronts at once.

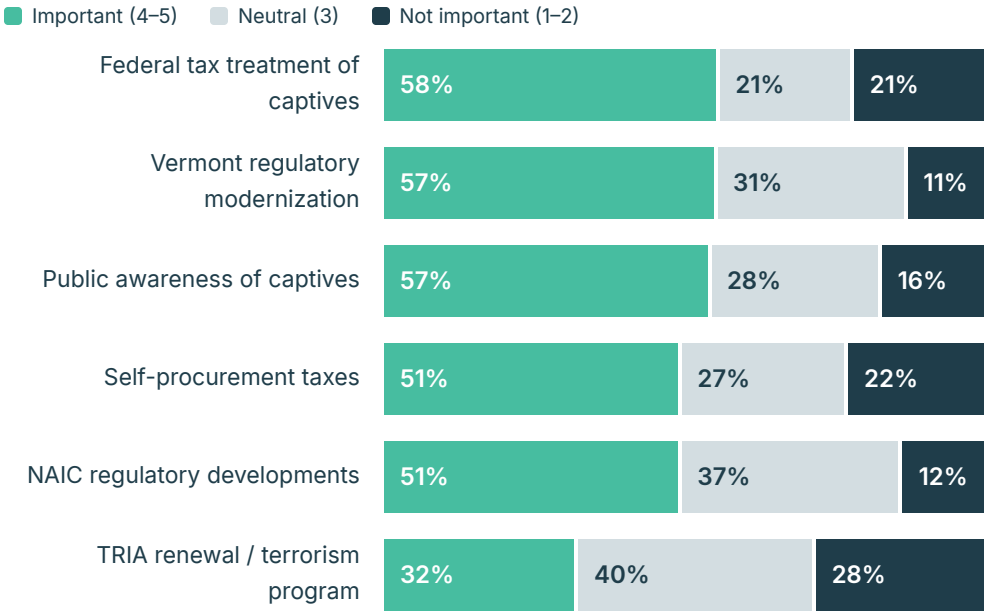
No single policy issue stands alone at the top. Five of the six issues tested are rated important by half or more of respondents, spanning federal tax, state regulation, the NAIC, and public perception of captives.

Photo: Will Swann / Unsplash

FIGURE 10

Federal tax treatment leads a crowded field of policy priorities.

How respondents rate the importance of each issue (1–5 scale)



Base: 134 respondents. Figures may not total 100% due to rounding.

Vermont regulatory modernization draws the fewest low ratings. Federal tax treatment and self-procurement taxes are more polarized: each draws strong support from many respondents but low ratings from about one in five. TRIA renewal is a narrower concern, rated important by a third of respondents.

Each group weighs the issues differently. Captive owners place the most weight on Vermont regulatory modernization and federal tax treatment. Captive managers rate NAIC developments, self-procurement taxes, and public awareness highest, and managers and service providers both place much more weight than owners on public awareness of captives.

TABLE 9

Importance of policy issues, by role

Average score, from 1 (not important) to 5 (very important)

	CAPTIVE OWNERS	CAPTIVE MANAGERS	SERVICE PROVIDERS
Vermont regulatory modernization	3.8	3.7	3.4
Federal tax treatment of captives	3.6	3.5	3.6
NAIC regulatory developments	3.4	3.8	3.6
Self-procurement taxes	3.3	3.8	3.4
Public awareness of captives	3.2	3.8	3.8
TRIA renewal / terrorism program	3.1	3.1	3.0

Base: 134 respondents.



Photo: Juliana Uribbe / Unsplash

In their own words

About four in 10 respondents offered written comments on policy priorities. The most common themes:



Self-procurement taxes and state overreach.

The most frequent theme. Respondents want pushback on non-domiciliary states that attempt to tax, regulate, or impose filing requirements on captives and risk retention groups domiciled elsewhere. Some suggested an interstate or federal solution; others noted these taxes should not apply to self-insured retention or deductible-reimbursement policies.



RRG modernization.

Expanding the Liability Risk Retention Act to allow property and other first-party coverage, and a stronger industry voice with the NAIC on RRG oversight.



Tort reform and social inflation.

Engagement on litigation funding and the broader litigation environment respondents see driving casualty costs.



Awareness and reputation.

Demonstrating the economic value captives create, and countering the view that captives are primarily about tax avoidance.



Modern, practical regulation.

Regulatory guidance on technology, data, AI, and cybersecurity; standardized statutory and GAAP filings; and continued funding for regulatory staffing as demand grows.



Workforce development.

University partnerships, scholarships, internships, and captive curriculum in local colleges to strengthen the talent pipeline.

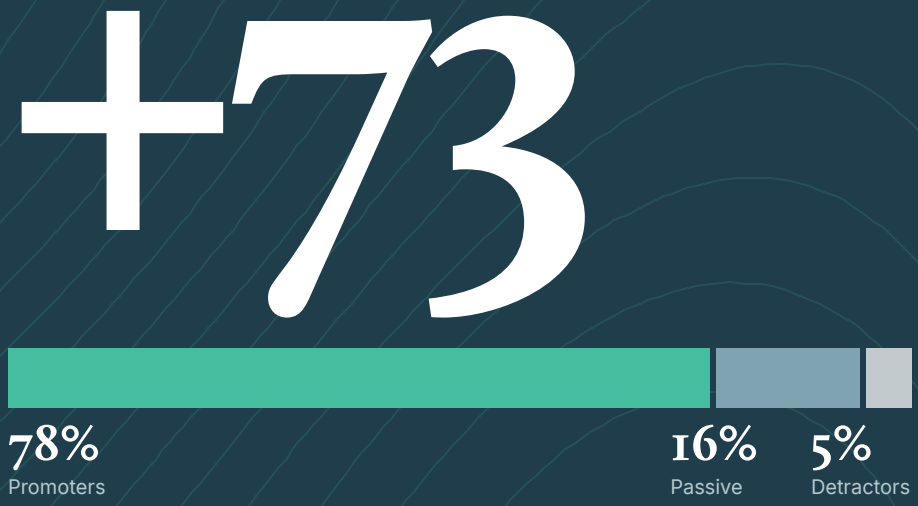
08 · THE VERMONT DOMICILE

Respondents describe Vermont as trusted and stable.

Respondents rate Vermont highly as a captive domicile, and captive owners rate it highest. They also rate the Department of Financial Regulation favorably on every service measure tested.

Respondents give Vermont a Net Promoter Score of +73 as a captive domicile: 78% are promoters, 16% are passive, and only 5% are detractors. Six in 10 gave Vermont a perfect 10. The score is highest among captive owners and among respondents based in Vermont or outside the United States.

NET PROMOTER SCORE · VERMONT

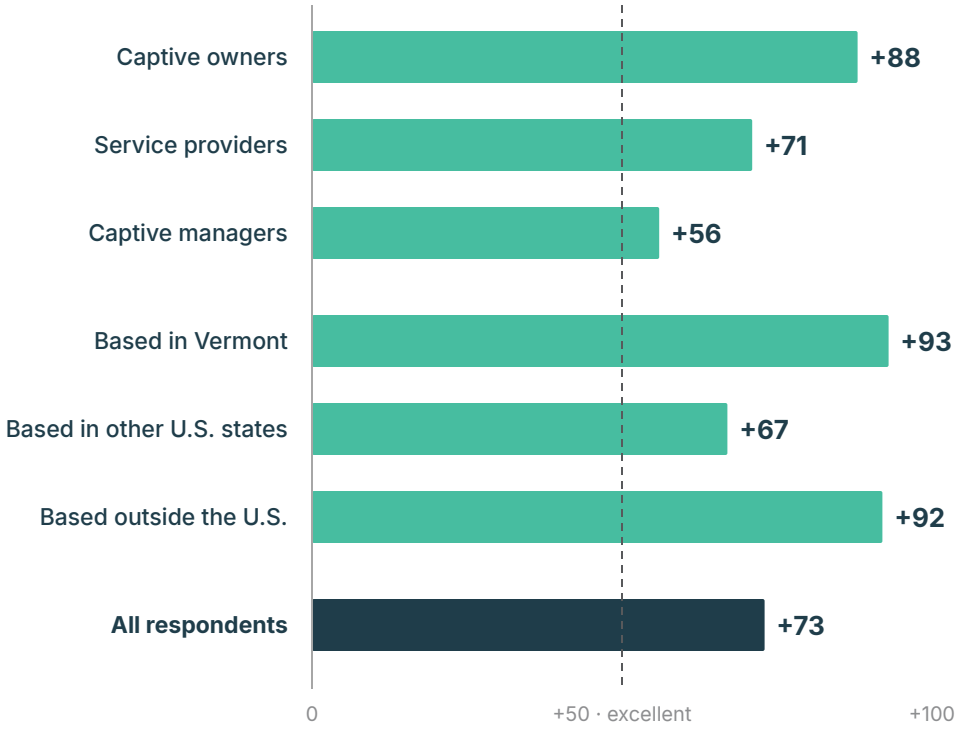


☆ **Six in 10** gave Vermont a perfect 10.

FIGURE 11

Vermont earns a Net Promoter Score of +73.

Net Promoter Score for Vermont as a captive domicile, by group

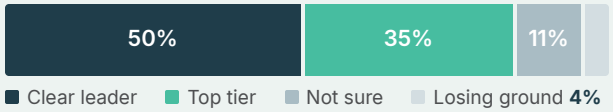


Base: 130 respondents (captive owners 50, service providers 38, captive managers 36; based in Vermont 27, other U.S. states 76, outside the U.S. 13). Dashed line marks +50.

How Vermont compares

50% call Vermont the clear leader

63% of captive owners say the same



Half of respondents (50%) call Vermont the clear leader among captive domiciles, and another 35% place it in the top tier. Another 11% are not sure, and just 4% believe Vermont is losing ground. Captive owners are the most emphatic: 63% call Vermont the clear leader. Managers and service providers more often place Vermont in the top tier.

FIGURE 12

Three in four respondents describe Vermont as trusted.

Words respondents chose to describe the Vermont domicile



Base: 134 respondents. Multiple selections allowed. No respondent chose complex, inflexible, or onerous.

The Department of Financial Regulation

Eight in 10 respondents (79%) do business in Vermont. Among those who work with the Department of Financial Regulation (DFR), at least 82% rate it favorably on every service measure, and 96% rate its responsiveness favorably. Captive owners give DFR its highest marks, particularly for responsiveness and turnaround; captive managers are also strongly positive, and service providers somewhat less so.

TABLE 10

Ratings of the Vermont Department of Financial Regulation

Rated favorably (4–5) and average (1–5)

Responsiveness to inquiries and requests	96%	avg 4.7
Turnaround on formations and business plan changes	85%	avg 4.4
Balancing regulatory rigor with business needs	83%	avg 4.4
Clarity and accessibility of regulatory guidance	82%	avg 4.3

Base: 95–101 respondents doing business in Vermont, depending on the measure.

39%

REGULATORY ENVIRONMENT

say it has improved over three years; 57% say it has stayed the same, and 4% that it has declined.

42%

COST OF COMPLIANCE

rate Vermont's costs about the same as other domiciles; 45% rate them higher and 12% lower.

64%

EXAMINATIONS

say exams help validate existing practices; 55% cite stakeholder confidence and 40% improved governance.

95%

TIME IN THE STATE

of organizations travel to Vermont at least once a year; 47% two or more times.

Bases: regulatory environment, 84 respondents with a view; cost, 73 with experience in other domiciles; examinations, 91 answering; travel, 129 answering.

What DFR could improve

Most respondents said they are satisfied, and many praised DFR's leadership and team. Their suggestions focused mainly on modernization:

Technology-enabled filings.
Web-based annual reporting, and a shared platform to submit and track business plan changes against target review timelines.

Streamlined administration.
Simplifying steps such as notarization of annual reports.

Timeliness on routine requests.
Faster turnaround on simple business plan changes and on more complex approvals.

Flexibility on in-state requirements.
Continued flexibility on resident director and in-state meeting requirements, and on the physical presence expected of captive managers.

Direct engagement.
More one-on-one interaction with captive owners, and more in-person sessions with management firms.

Interstate coordination.
Working with the NAIC and other states to expand the opportunities available to captives and RRGs.

09 · IMPLICATIONS

What the findings mean for members.

Taken together, respondents describe a market they expect to grow, confidence in Vermont as a domicile, and interest in new uses for captives.

1 **Captives are filling gaps in the commercial market.**

Respondents point to pressure in casualty, excess layers, and medical stop-loss, and owners plan to expand what their captives cover.

FOR MEMBERS

Owners heading into renewals may want to review which lines their captive could take on. Managers and providers report rising demand, and several respondents flagged fronting and reinsurance capacity as a possible constraint.

2 **Talent is a limiting factor.**

Competition for specialized skills is the most-cited hiring barrier, and captive managers report the most difficulty.

FOR MEMBERS

Respondents across roles report competing for the same specialized skills. They most often named early-career pipelines, internships, and university partnerships as the response.

3 **State-level tax and regulatory overreach is a live concern.**

Self-procurement taxes and non-domiciliary regulation were the policy issues raised most often in written comments.

FOR MEMBERS

Self-procurement tax exposure is a consideration that belongs in domicile and program-structure discussions. Federal tax treatment and continued domicile modernization are also areas members rank as important.

4 **Data and operations are a growing focus.**

Claims management and data quality top owners' operational challenges, and owners rate ERM integration below governance.

FOR MEMBERS

Better claims data and reporting, and closer links between captive reporting and enterprise risk programs, are where owners see the most room to improve. Respondents describe AI as both a skill gap and an emerging liability.

5 **Vermont is held in high regard.**

Vermont earns a +73 Net Promoter Score, and at least 82% of those who work with DFR rate it favorably on every measure.

FOR MEMBERS

Respondents' suggestions, especially technology-enabled filings and streamlined administration, give a practical agenda for the domicile's next steps.

ABOUT THIS SURVEY

Methodology and acknowledgments.

The 2026 Annual Benchmarking Survey was conducted online from Sept. 1 to 30, 2026, among VCIA members and colleagues across the captive insurance industry. It received 143 responses from at least 94 organizations. A small number of non-member industry colleagues also responded and are included in the totals.

These results describe the views of the members and colleagues who responded, reported in aggregate. They are not a measurement of the whole captive market.

Question routing. Some sections were shown only to relevant respondents: captive owner questions to owners, manager and service provider questions to those groups, and DFR ratings to organizations doing business in Vermont. Percentages reflect the people who answered each question.

Ratings. Ratings use a 1–5 scale, where 5 is the most favorable, important, valuable, or challenging response. "Favorable" and similar figures combine the top two points (4 or 5).

Net Promoter Score. The percentage of detractors (0–6) is subtracted from the percentage of promoters (9–10) on a 0–10 scale. Scores range from −100 to +100.

Multiple-choice questions. Where respondents could choose more than one answer, percentages add up to more than 100%.

Written responses. Open-ended answers were read and grouped into themes. Theme shares are approximate, and one comment can count toward more than one theme.

Subgroups and rounding. Results by role and location are shown where groups are large enough to be meaningful. Figures are rounded, so some totals may not equal 100%. Responses are anonymous.

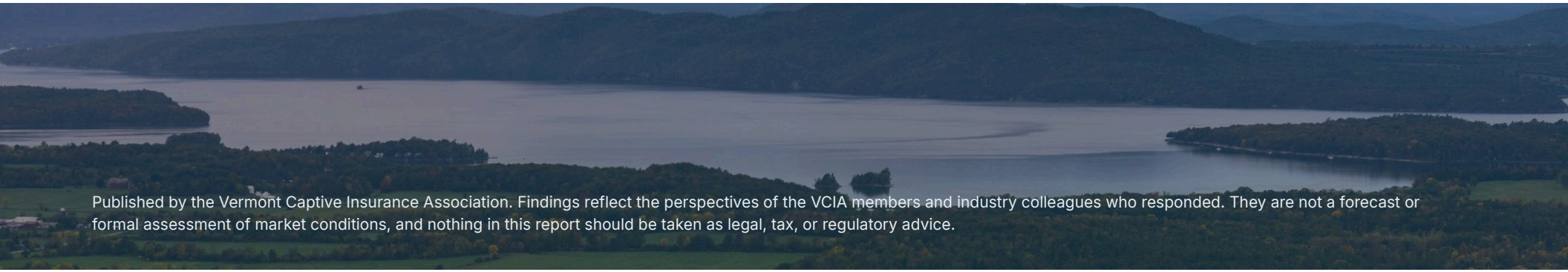
Acknowledgments

Our thanks to every captive owner, manager, and service provider who took part. This report was prepared by VCIA staff, with thanks to partners who helped shape and share the survey.

Contact and citation

Questions about the report can be directed to Ian Davis, President, VCIA, at idavis@vcia.com.

Suggested citation: Vermont Captive Insurance Association, *2026 VCIA Insights Report*, November 2026.



Published by the Vermont Captive Insurance Association. Findings reflect the perspectives of the VCIA members and industry colleagues who responded. They are not a forecast or formal assessment of market conditions, and nothing in this report should be taken as legal, tax, or regulatory advice.


EXIT
VCIA
Captive Excellence
Starts Here.
VERMONT CAPTIVE INSURANCE ASSOCIATION · VCIA.COM