



Risk & Cost Management

Exclusive Programs for Head Start California

*CalNonprofits Insurance Services has
partnered with Tangram Insurance Services to
provide exclusive programs to members of
Head Start California*

Introductions

Team

Presenters



Cole Kinney
SVP of Development



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VP of Underwriting



Ellie Feldman
Cyber products



Tracy Bernard
SVP Strategy & Program





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Risk Management

Risk is the chance of loss. Risk Management is the process of reducing the chance of loss



Workers
Comp

Cyber Risk

Emerging
Risk



Work Comp

Factors that impact insurance costs

- Claims expenses - frequency and severity
- Experience Mod (Xmod)
- Late Claim Reporting
- Classifications (correct and incorrect)
- Occupational hazards
- Safety Training and Awareness
- Employee Morale
- Injury Response Plan
- Membership in Head Start California
- Seasonal Employment



How to manage risk and lower costs

- 80/20 Rule
- Review the IIPP and update as needed (Required by law)
- Strong Safety Committee - make safety part of culture
- Review and practice an injury response plan
- Claims Management
- Incident Triage or Telemedicine
- Timely Reporting of Claims



Head Start California Program

Workers' Compensation Exclusive to Members



Features

- Discount for Head Start California members
- Flexible billing
- Limited access

Claims

- Dedicated adjusters
- Stewardship reports
- Online claims system access

Risk Management

- Custom loss control plan and consultative services offered for any size client.

<https://calnonprofitsinsurance.org/hsc/>



Cyber - Data Breach Stats

It is no longer "if" but "when"...

36%
of total cost is due
to lost business

\$8.19 Million
Average cost of
data breach

\$242 per record
Breach costs per
record

245 Days
Time to identify
and contain breach



Source: Ponemon 2019 Data Breach Report

Cyber Claims - Nonprofits

Hackers trick employees into clicking on phishing emails links/attachments and then lock up the network and demand crypto currency payment - amounts are dramatically increasing.

A nonprofit employee benefits portal was compromised by a keylogger. The attacker then went in and change the direct deposit information or 250 employees.

"CEO" emails to accounting staff to transfer \$10,000 to a "vendor" right away to meet contract

HR receives request from senior staff to change direct deposit information and payroll gets deposited into bad guy account

A nonprofit discovered that a cleaning service had inadvertently thrown out records on children that the organization was helping. The records were in the shred pile but were accidentally mixed with the other trash.



Risk Management Strategies

- Identify PII & PHI (paper and electronic)
- Incident Response Plan - table top exercises
- Encryption
- Review third party vendors
- Train staff to strengthen security
- Take advantage of carrier resources



Head Start California Program

Cyber Insurance Exclusive to Members



Enhanced Coverage Options

- *Ransomware*
- *Data Destruction/Theft*
- *Crisis Management*
- *Forensics*
- *Contingent Business Interruption (full policy limits)*
- *Reputational Harm (full policy limits)*
- *GDPR coverage for fines and penalties*
- *Social Engineering - \$250,000 sublimit*
- *Telecommunications Fraud \$250,000 sublimit*

Emerging Risks

Access to coverage for emerging risks including

- Workplace Violence
- Active Assailant



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Resources



- Google Phishing Quiz - <https://phishingquiz.withgoogle.com/>
- KnowBe4 Free Tools - <https://www.knowbe4.com/free-it-security-tools>
- Password Strength - <https://howsecureismypassword.net/>

Questions?



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Thank you!



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