

RCM&D

MUCH MORE THAN A BROKER



NAVREF

National Association of Veterans' Research
and Education Foundations

There's real meaning behind the **&** in RCM&D.

Confidence and Certainty in Managing Risk

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CASE STUDY: Baltimore Research and Education Foundation

A harrowing tale of an employee harassment lawsuit and valuable lessons pertaining to risk, liability, and insurance

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Spurring Fear: What is Risk?

- » **Defined: possibility of losing something**
- » **How do we deal with risk?**
 - **Accept**
 - **Avoid**
 - **Transfer**
 - **Reduce/Mitigate**
- » **What is Risk Management?**
 - **Practice of identifying potential risks in advance, analyzing them and taking precautionary steps to reduce/curb the risk.**

Management Liability

- » Directors & Officers Liability
- » Employment Practices Liability
- » Errors & Omissions Liability
- » Fiduciary Liability
- » Crime

Policy Forms

- » Public Company
- » Private Company
- » Not For Profits
 - Our focus

Not For Profit Management Liability Policy Forms

» D & O

- Covers Entity, Directors, Officers, Employees, Committee Members, Volunteers for Wrongful Acts (policy can be manuscript to provide coverage for additional positions)
- Very broad form – usually includes Errors & Omissions Coverage
- Forms can be customized with broadening endorsements, adding bells & whistles
- Beware of Exclusions, particularly endorsed Exclusions that are manuscript

» Employment Practices Liability

- Claims of employees against another employee or entity for various covered causes of loss such as discrimination, harassment, hostile work environment, failure to promote, wrongful termination, etc.
- Can and should include coverage for Third Party discrimination/harassment
- Again, look for customization and beware of restrictions

Not For Profit Management Liability Policy Forms

» **Fiduciary Liability**

- E&O in the management of ERISA plans

» **Crime**

- Employee Dishonesty – theft of money, securities, other property by an employee
- Beware of limits – Adequate coverage is essential, pricing is cheap
- Includes ERISA required coverage

Not For Profit Management Liability Policy Forms

- » Policy form has many coverages that can be included:
 - Forgery/Alteration
 - Theft of money inside & Outside the Premises
 - Computer Fraud
 - Wire Transfer Fraud
 - Social Engineering – key coverage, claims on the rise daily

Cyber Liability/Network Security

» First Party Coverage – majority of claims

- Pays for damages to your network caused by hackers
- Pays for notification expense and credit monitoring costs for PPI
- Ransomware/Cyber Extortion
- Business Interruption
- Forensic Services

» Third Party Coverage

- Few claims.
 - Need to prove a loss
- » Select a carrier that has service providers already vetted, approved and contracted

Other Lines of Coverage

- » Property
 - First Party Coverage
- » General Liability
 - Third Party Coverage
- » Automobile Liability
 - Owned, Non-Owned, Hired (what is the difference)
- » Workers' Compensation
- » Umbrella Liability

What to Look for in an Insurance Company

- » Financial Rating – at least A-, IX
- » Not For Profit Specialization – do they know your industry
- » Specialized NFP forms, bells & whistles

What to Look for in an Insurance Broker/Agent

- » Not For Profit Practice/Specialization – do they know your industry
- » Non-cookie cutter approach
- » Claims advocacy

Our innovative approach and comprehensive array of solutions go far beyond what you can expect from a traditional broker.

Risk Management

- » Risk Management Consulting
- » Enterprise Risk Management
- » Operations, Property and Workforce Exposure Analysis
- » Regulatory Compliance
- » Environmental Liability
- » Claim Administration and Advocacy
- » Locum Tenens Professionals
- » Training and Education
- » Ergonomic Analysis

Insurance Solutions

- » Property and Casualty
- » Workers' Compensation
- » Surety
- » Private Client
- » Management Liability
- » Professional Liability
- » Cyber Liability
- » Alternative Risk Financing
- » Succession Planning
- » Global Medical and Travel
- » Special Risk

Employee Benefits

- » Wellness Consulting
- » Group Medical Plans
- » Group and Individual Life Insurance
- » Short and Long-Term Disability
- » Workforce Health Solutions
- » Integrated Absence Management
- » Executive Benefits
- » Retirement Plan Consulting
- » Private Exchange
- » Compliance Services

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