



LEGISLATIVE & WORKING GROUPS SUMMIT

WASHINGTON, DC
FEBRUARY 8-11, 2016

Claims & Risk Management Working Group

EXECUTIVE SUMMARY

The Claims & Risk Management Working Group used its individual meeting time to focus on attracting and mentoring Millennials. Warren Wright, president of CoachingMillennials, gave an overview of different generations' characteristics and management techniques that resonate with Millennials. The group then shifted gears to cybersecurity and heard a presentation by Paul Caiazzo, founder of TruShield Security Services, about cybersecurity and cyber defense. On Day Two, the group gathered to discuss the themes covered in the Working Group workshops. The group concluded by brainstorming other topics of interest for future working group meetings. [Click here for a PDF of the group's PowerPoint presentation.](#)

PARTICIPANTS

Aon Risk Solutions
Assurance Agency, Ltd.
BB&T Insurance Services
BMS Intermediaries Inc.
Brown & Brown Insurance
CBIZ Benefits & Insurance
Services Group
Dealey, Renton & Associates

Hauser Insurance Group
Hays Companies
HUB International Limited
INSURICA
Jones Brown Inc.
Kraus-Anderson Insurance
M3 Insurance
Mercer Health & Benefits

MJ Insurance, Inc.
Murray Securus
Roach Howard Smith &
Barton, Inc.
Wells Fargo Insurance
Services USA

COACHING MILLENNIALS IN THE WORKPLACE

PRESENTER: WARREN WRIGHT, COACHINGMILLENNIALS

[Click here for a PDF of Wright's PowerPoint presentation.](#)

Millennial Profile:

- Born in the early 1980s to the early 2000s
- Largest population in the U.S. (100 million)
- Account for 33 percent of population and 29 percent of workforce
- Most ethnically diverse and most educated generation in U.S. history

Working with Millennials: Coaching Tips

For Confident & Optimistic Millennials

- Stay positive
- Reward them for achieving goals
- Set high expectations
- Help them with long-term career goals

Working with Millennials: Coaching Tips Cont.

For Structured and Scheduled Millennials

- Give frequent feedback
- Make clear goals with milestones
- Focus on *how*, not just what
- Establish a formal mentoring program

For Sheltered & Protected Millennials

- Give life advice
- Help with financial planning
- Be a coach
- Remove risk and uncertainty
- Training, training, training

For Community & Team-Oriented Millennials

- Create team goals
- Make group activities
- Encourage social media for work goals
- Volunteer opportunities to serve the community

CYBERSECURITY

PRESENTER: PAUL CAIAZZO, TRUSHIELD SECURITY SERVICES

[Click here for a PDF of Caiazzo's PowerPoint presentation.](#)

When it comes to cybersecurity, you're right to be worried. Cybercriminals have a number of reasons to go after companies of all sizes. Even the smallest companies have access to valuable intellectual property as well as legal, financial and personally identifiable information. Caiazzo highlighted some alarming numbers pertaining to data breaches:

- **210 Days:** The average amount of time it takes a company to realize they've been breached
- **4 out of 5:** The number of companies unaware of a breach until notified by law enforcement
- **\$3.79 Million:** The average cost of a single data breach
- **9%:** The percentage of companies satisfied with their current incident response capabilities

We learned from Caiazzo that there is much a company can do on the offensive to deter a data breach and simply installing a high cyber liability policy limit is not enough. For one, having inadequate cybersecurity practices on the front end can result in the denial of a cyber insurance claim if a data breach were to occur. Second, there are many unforeseen costs resulting from a breach that cannot be replaced by a monetary compensation – although having cyber insurance and a detailed incident response plan is equally important.

There are four key areas of focus when putting in place the best security program possible:

1. Prevention

- Least Privilege
- Least Functionality
- Need to Know
- Firewall, IPS
- Encryption, Anti-Virus
- Detection

2. Detection

- Network-based IDS
- Host-Based IDS
- Web Gateway
- Email Gateway
- SIEM with 24/7/365 asset monitoring

3. Containment

- Network segmentation
- Port Security
- Least Privilege
- Least Functionality

4. Eradication

- Tested Incident Response Plan
- Backup/Recovery Process
- Anti-Malware
- Incident Response Retainer

Some items the groups discussed on Wednesday afternoon included:

- How claims and risk management professionals interact with the producers. Every producer prefers to manage their client relationships differently and claims and risk management professionals must navigate those relationships while making sure accurate and timely information is provided to the client.
- How to manage expectations with regard to a claim. Every client wants their claim to be covered, but if it's not, those are difficult conversations. It is difficult when coverage was offered but not elected and it is even more difficult if coverage was not offered.
- When should clients notify their broker about a cyberattack/data breach?

NEXT MEETING & FUTURE TOPICS

The next Claims & Risk Management Working Group meeting will take place July 18-19 in Washington, D.C. Potential topics for future working group meetings include:

- Wellness and workers compensation
- CDC program on wellness at work
- Carrier claims perception survey
- A speaker on standard of care
- Integrated disability/absence management (possible joint session with the HR Working Group)
- Hidden costs in workers compensation
- Joint session with the Marketing & Communications Working Group on benchmarking and showing the value of a brokerage's claims advocacy and risk management services
- Disruptive technologies (drones, etc.)
- Active Shooter risk management/preparedness
- The anatomy of a cyber claim

QUESTIONS?

Contact Amy Roberti at amy.roberti@ciab.com.