MMRMA IS PUTTING THE finishing touches on its upcoming Risk Management Workshop, which will be held March 6–7 at the Crowne Plaza Hotel (formerly the Lexington) in Lansing.

Once again, an acclaimed group of state and national speakers will enlighten MMRMA member attendees on relevant topics that they can put to practical, immediate use when they return to work at their entities.

Leadership Matters
As founder and executive director of the Lansing-based Target-Insyght, Ed Sarpolus is widely recognized as one of Michigan’s most notable pollsters, analysts, and strategists.

With 20-plus years of experience, Sarpolus brings a unique perspective to the table and promises to share it with MMRMA member employees. In the Thursday morning Opening Session, he will discuss how to implement strategies to influence legislation and public policy.

Later in the day, special guest Dave Timmons will present The Art of Leadership. His creative presentation is designed to teach leaders at all levels how to re-ignite excitement and improve the performance of their teams. By tapping into the notion of emotional commitment, Timmons can help you create a culture in which people love both their jobs and their employers.

Breakout sessions for improved leadership and management include a disaster planning track and a session on working with the public and boards to avoid meeting-related lawsuits.

Mastering Technology
Like it or not, technology and its advancements are a part of our lives and work. By becoming proficient at the uses—and potential pitfalls—of today’s latest tech tools, we can all become more skilled at what we do.

Computer crime specialist Michael Bazell will present a two-part general session on how to protect yourself and your organization. He’ll discuss recent trends of online fraud, internet scams, and ways in which suspects steal identity. Anyone who has a credit or debit card, email account, online banking access, mobile phone, or other device will want access to Bazell’s revelations.

Training breakouts will feature a track on smartphone productivity in the workplace and another on policies and agency use of social media.

Networking and More
Between sessions, participants will have plenty of opportunity to discuss what they’ve learned and network about issues in their communities. Members will also have the chance to visit the Resource Room, where they can meet with staff, pick up brochures and DVDs, request a login for the MMRMA website, and more.

For more information, go to mmrma.org or email MMRMA’s Event Planner, Denise McGinn, at associationg93@aol.com.
Recent Data Breaches Highlight Need for Risk Control and Coverage

by Michael Rhyner
Executive Director

AS NOTED IN THE preview of the March Risk Management Workshop on page 1, we plan to devote a significant portion of the program to the issue of computer crime. This topic has become more timely in the wake of Target Corporation’s massive data breach late last year. The total cost of that event will not be completely known for some time to come, due to the sheer enormity of personal data compromised.

In the near term, affected individuals have been offered credit monitoring services as required by law in many states. In addition, a number of credit card companies are issuing new cards, and some banks are recommending that accounts accessed by debit cards be closed.

Massive Loss Exposure
In order to limit damage to its reputation, Target embarked on a crisis management effort that called for an immediate response to demonstrate transparency, expertise, commitment, follow-up, and empathy to people whose data had been compromised. The total costs attributable to the data breach for Target will be enormous. In 2013, the estimated cost per compromised data record was $188. Multiplying that figure by the huge number of compromised records results in a staggering total loss.

In an effort to limit their exposure to loss, many commercial insurers have implemented new and tighter exclusions to their standardized liability insurance policies. Some companies have now introduced specialized cyber policies.

Recognizing this emerging exposure, MMRMA added Data Breach and Privacy Liability Coverage for all Individual and State Pool members effective July 1, 2013, at no additional cost to members at this time.

Typically, data breach coverage responds to first-party claims for computer software remediation, replacement of media, forensic expenses, cost of security breach notices to impacted individuals (whose personal information was breached), and cost of credit monitoring services to those impacted individuals. In addition, the coverage addresses potential third-party claims from individuals who allege damages due to the release of personal information.

This enhancement provides all members with Data Breach and Privacy Liability coverage of $1 million per occurrence, subject to an all-member annual program aggregate of $10 million. Members are required to assume a per-occurrence deductible.

MMRMA provides Data Breach and Privacy Liability Coverage at no additional cost to members.

Details of Coverage
There are four basic coverage areas in the Data Breach and Privacy Liability product:

- Data Breach and Privacy Liability: Third-party liability coverage for claims resulting from unauthorized access of a member’s Electronic Communications System.
- Data Breach Losses: First-party coverage to the member to address losses from an unauthorized access.
- Electronic Media Injury Liability: Third-party liability coverage for claims resulting from the content on the member’s website or intranet.
- Additional Breach Mitigation Expense: First-party coverage that responds to an accidental compromise of the member’s private data.

Given the growing notoriety of computer crime, we are very pleased to provide this protection to our members. In addition, MMRMA has and will continue to provide members with crisis management training to help them take a systematic and measured approach for both the internal and external aspects of handling a crisis.

Limiting exposure to loss begins with effective data security measures.
Autism Awareness Training Yields Real-World Benefits

by Allen Smolen
Risk Control Consultant

IN 2012, MMRMA AND THE Autism Alliance of Michigan teamed up to develop Autism Awareness training for first responders and other municipal workers.

MMRMA’s Risk Control team, including Senior Risk Control Consultant Bill Page, coordinated with officials from the Autism Alliance, including retired police sergeant Scott Schuelke and Dr. Mary Sharp. Together, they designed an outstanding and important program. To date, hundreds of MMRMA member employees have taken part in seminars held across the state in the Upper and Lower Peninsulas, and the sessions have been very well received.

New Brochure Expands Awareness
This winter, MMRMA will publish a companion brochure, Municipal Employee Guide to Autism Awareness. It is another tool to further enhance the knowledge and skill of those working on our members’ behalf to serve their citizenry.

The training sessions and brochure provide information on how to recognize and interact with citizens that have Autism Spectrum Disorder (ASD), a neurobiological disorder that typically affects development of a person within the first three years of life. Typical effects of this disorder are impaired communication abilities, impaired social interaction, restricted and/or repetitive interests, and sensory stimulation issues.

A Diagnosis on the Rise
In 1991, Michigan public schools reported a total of 1,500 students with autism spectrum diagnoses. In 2012, that number had climbed to 16,591 students. As these statistics indicate, people with ASD (as well as their families) represent a significant portion of Michigan’s population.

Feedback Proves Program’s Value
MMRMA has received positive feedback about the Autism Awareness training. At a recent Fire/EMS advisory committee meeting, a member fire chief said that he had been approached by the mother of an autistic child with an unusual request: Would the chief put on a purple wig and sit in one of his fire trucks?

Upon hearing her explanation, he was more than willing to comply. It seemed that the autistic boy had a meltdown every time he saw a fire emergency vehicle. His reaction caused such a commotion, in fact, that the family was forced to immediately retreat home and expend a great deal of effort to calm him.

The family’s main tool in combatting his reactive behavior was a purple-haired clown doll, one that resembled a character the boy watched almost constantly on TV. The mother hoped that, if her son could make a connection between his familiar toy and a real-life purple-haired person in a fire truck, his overwhelming reactions to the vehicles might be diminished.

The chief confessed that he never would have complied if he hadn’t attended MMRMA’s Autism Awareness seminar. And while the chief has taken some jovial teasing from his staff, he contributed to a mother’s relief by honoring her request.

Check Website for Future Sessions
Whether serving the public in the community’s facilities or encountering ASD citizens in any situation, it is important that all municipal employees receive at least a basic understanding of the possible behaviors of autistic people.

In addition to the upcoming Municipal Employee Guide to Autism Awareness, more seminars are planned in 2014. For the dates of these and many other learning opportunities, visit www.mmrma.org.
Michigan will send seven figure skaters to the 2014 Sochi Winter Olympics, and Michigan native Jessica Smith will compete in three speed skating events. Another Michigan connection: The U.S. team will march in the closing ceremony sporting sweaters made with yarn from a farm in East Jordan, MI.

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The Risk Journal is published six times a year for members of Michigan Municipal Risk Management Authority. We welcome your feedback. To comment or suggest story ideas, please contact Tamara Christie, communications specialist, at 734 513-0300, 800 243-1324, or tchristie@mmrma.org.

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In Memoriam: James Scharret (1942–2014)

MMRMA MOURNS THE LOSS of its Board Member and longtime friend, Jim Scharret, who passed away on January 9, 2014, following a short illness.

Scharret served on the MMRMA Board of Directors since 1989 and held a deep and fervent commitment to sustaining and expanding the organization’s performance at all levels.

His background and experience, featuring decades of service in a complex, full-service municipal environment, was a perfect fit for MMRMA. Scharret held several increasingly responsible positions with the City of Southfield, culminating in City Administrator. His career success had a solid educational base: Scharret earned a bachelor’s degree in Business Administration from Wayne State University, followed by a master’s degree in Public Administration from Central Michigan University.

During Scharret’s tenure on MMRMA’s Board, the organization flourished, with outstanding performance results and membership services programs that are second to none. Under his leadership, MMRMA enjoyed many successes that contributed to an overall reduction in the frequency and severity of property and liability losses and, in turn, reduced the cost of risk for members.

Beyond the business results, Scharret always placed a high priority on the needs of the membership and made certain that MMRMA never lost its focus as a member-driven service organization. He truly believed in MMRMA’s mission to protect not only its members, but also the public they serve. He was thoughtful, even-handed, and highly ethical in his decision making. In addition, Scharret always supported and recognized the efforts of MMRMA’s staff.

The entire MMRMA family takes comfort in the many memories Jim Scharret created with us over the years. His friendship, support, and guidance will long be remembered.

Scharret’s sage advice to MMRMA:
“Services should be streamlined, understandable, user-friendly, cost-effective, and flexible to meet changing needs. Coverage should be broad and deep.”

“Plain English is a good thing.”