PUBLIC RELATIONS IN DIFFICULT TIMES
CRISIS INCIDENT MANAGEMENT SERVICES

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December 2, 2015 – San Bernardino

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How Do We Help Our Members

- Does our reinsurer provide crisis incident management (CIM) services?
- Let's take control of this and do it on our own
- We need to help the member manage the message with:
  - The media,
  - Employees, and
  - Constituents.

We are Member Driven

- The concept: We will spend $10,000s all day, every day, to save $100,000s on a claim
- We provide up to $50,000 of CIM Services if the member has a covered claim and it met our definition of a crisis
We are Member Driven

• A Sample CIM Policy was created and put before our Underwriting (Workers' Compensation), Property, Medical Malpractice and General Liability Committees
• Meant to be broad language so we can make judgement calls

Sample Policy Language

(Excerpt from GL1 Program Policy Statement for Crisis Incident Management handout)

Qualifying Crisis Incident. An incident qualifying for coverage under this policy statement is one that has or may reasonably result in damages or loss covered by the Memorandum of Coverage, and may reasonably result in significant adverse regional or national media coverage. Qualifying Crisis Incidents may include natural disasters such as earthquakes, fires and floods, man-made disasters such as explosions, major crashes, multiple deaths, burns, dismemberment, traumatic brain injury, permanent paralysis, acts of terrorism or terrorist like activity, shootings, molestations, breaches in secure data, cyber-bullying, or contamination of food, drink or, pharmaceuticals.

Do We Have the Expertise?

• Many of our members have a Public Information Officer (PIO), but many do not.
• Either way - they could use help or a second set of eyes.
Let’s build a team!

• We created an internal CIM Team to review requests for services
  • Chief Member Services Officer
  • Chief Executive Officer
  • Chief Operating Officer
  • Chief Claims Officer

• We had a relationship with a risk management PR Company that had experience in law enforcement and fire, and resources in the education sector.

How Did We Build Program Awareness?

• Direct to Members via EssentialLink
• On our website
• At Board and Committee Meetings
• Via the Broker Network
• At Member Meetings

We Hoped We Would Never Use This

• Severity not Frequency . . . Wrong!!!
• 43 incidents since January of 2016
  • Law enforcement: police shootings or police being shot
  • Alleged sexual molestation in schools, fire and police
  • Natural disasters such as wildfires, mud slides and sink holes
We Hoped We Would Never Use This

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Case Studies

I. Police Incident
II. Alleged Molestation
III. Wildfire Incidents

Case Study #1 – Police Shot an Unarmed Man

- Police Department quick to defend officers actions
- Investigation showed something different – inconsistent with police chief statements
- Conflict between Police Department and City Council (Mayor)
- Lack of empathy for the loss of life – regardless of situation
- Creditability called into question because of inconsistent statements – everyone is talking to the press
Case Study #2 – Alleged Sexual Molestation by a Teacher

• Not knowing what to say – answer every question
• Not knowing how to speak to the parents
• Poor coordination between the investigating agency and school district for media releases
• Failing to follow best practices for media interaction
• Agency PIO inexperienced
• This was not the first reported incident - failure to investigate/intervene

Case Study #3 – Reaching out to Risk Managers in Wildfire Devastated Areas

• Asking for help and not following the advice given
• Seeking an independent review of the agency actions – resulted in pointing blame
• Political fallout
• Utilization of social media can be beneficial or detrimental
• Not thinking of the future liability exposure - gratuitous statements

It’s Not Only About the Money

• Message management saves money on claims
• It creates good will with your members
• Helps with public image/perception
• It is a differentiator
  • Member retention
  • Interest from new members
How Can We Improve the Service?

- Risk managers don’t always have the ear of their boss during a crisis
- Get the message out to key stakeholders before an incident happens
- Show the value of managing the message from a risk standpoint
  - Report out at our Annual Board Meeting and Annual Member Meeting

How to Start Your Program

- Identify your member’s needs
- Create your own work with your reinsurer
- Develop policy to guide your pool
- Monitor and adjust as needed/appropriate

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