INSURANCE AND RISK MANAGEMENT

WITH LEE GOLDBERG, MBA, CIC

2021 NARR BEST PRACTICES SUMMIT – RICHMOND VIRGINIA

BB INSURANCE
MARKETING, INC

888.728.0817 ♦ WWW.BBIMI.COM

CONGRATULATIONS!

BUDDY POLICY

- Insurance is boring
- But it is important
- You don't want to miss anything
- Especially if I tell a joke
- Pick someone around you to wake you up
- I promise to be interesting

ABOUT ME:

- Independent Insurance Agent
- In the business for 12 years
- Currently insure about 10,000 beds
- In 15+ states
- Directly assist NARR Affiliates:
  - FARR
  - SCARR
  - VARR
  - WVARR
  - PARR
  - CTARR

ALL INSURANCE IS NOT THE SAME

- Main Street Businesses
  - Easy to insure
- Behavioral Health/SUT/Recovery Residences
  - Not easy
- All agents want to help you
  - Not all are capable of doing so
- Not understanding the nuance of an industry is dangerous

INSURANCE VS RISK MANAGEMENT

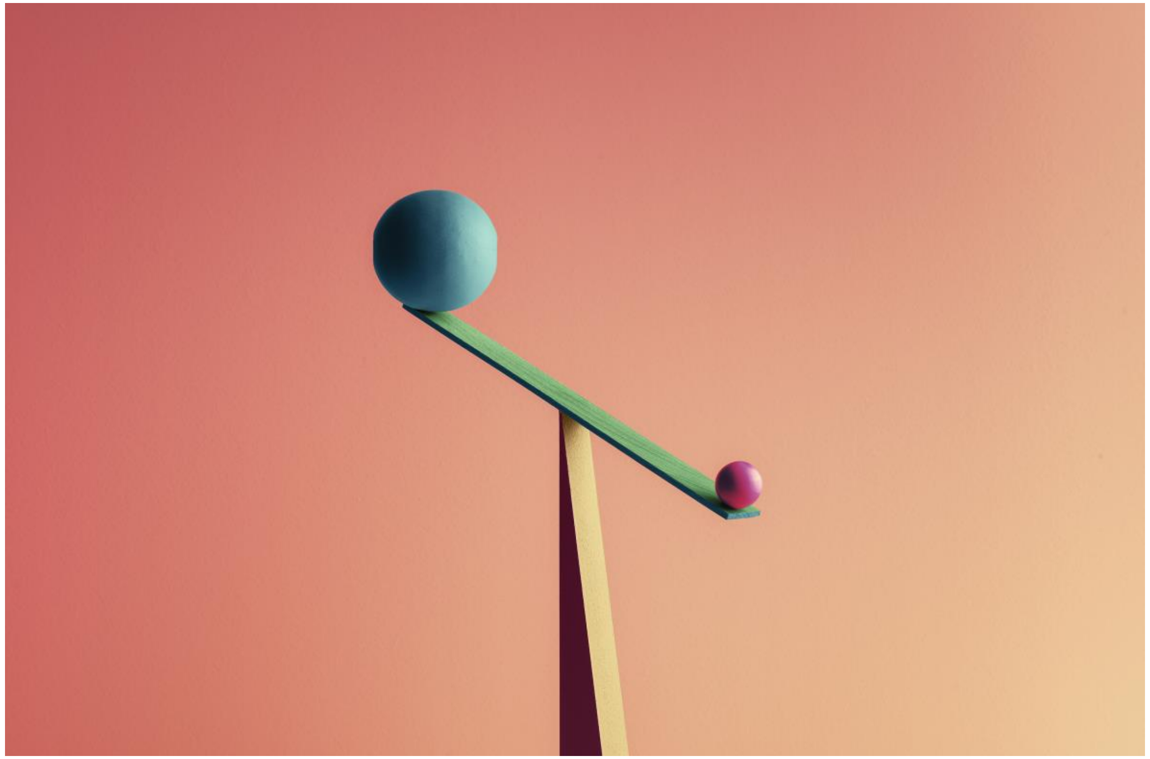
Insurance

- Risk Transfer
  - Paying to pass the risk
- Doesn't prevent the problem
- Doesn't make problem go away
- Covers some/most of the cost of the problem
- For what can be insured, insure it well
- Not everything is insurable

Risk Management

- Risk Financing
  - Spending to avoid the risk
- Proactive
- Prevention
- Control
- Insurance
- For what can not be insured

YOU ARE ALREADY RISK MANAGERS…



- Driving a car
- Asking someone out on a date
- Buying organic produce
- Ordering dessert
- Shopping Online
- Going to bed late
- Having children
- Going on a walk

EXAMPLES OF MANAGING RISK

Catastrophe – Hurricane/Flood/Fire
- Peer Location
- Hotel Contract
- Alternate Location

Financial
- Tax Implication (Accountant)
- Economy
- Governmental Involvement

Regulatory
- Rental Agreement (Lawyer)
- New Laws
- Zoning

Transfer
- Insurance
- Escrow
- Corporate Structure

INSURANCE

“A ship in harbor is safe, but that is not what ships are built for” – John A. Shedd

WHAT IS IT? (CAUTION, HISTORY LESSON)

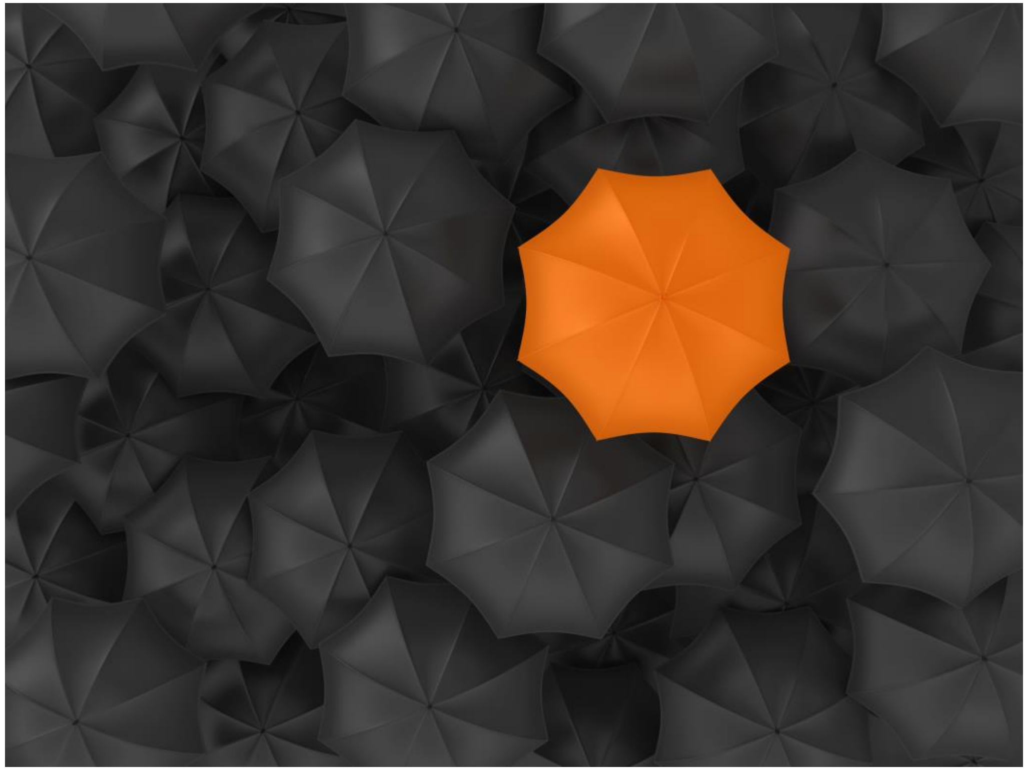
- The origins start in Edward Lloyd's Coffee House
  - Now Lloyds of London
- Sharing risk for merchant ships
- Then underwriting investments
- The premium of the many cover the losses of the few – still
- Does not stop the bad day, it helps with the financial burden.

COVERAGES

- General Liability – NARR Requirement
  - Not Homeowners
  - Common Exclusions (A&M/A&B/Prem)
- Abuse & Molestation
- Professional Liability
- Property
  - B, BPP, BI

COVERAGES (CONT.)

- Auto
  - Owned / Hired & Non-Owned
- Workers Compensation
  - W-2 vs 1099
- Cyber Liability
- Employment Practices Liability



READ YOUR POLICY

- Not all insurance policies are created equal. If you expect to insure your business the way you intend, it is imperative you adjust your budget to meet the coverage you want and not adjust your coverage to meet your budget.

IN CONCLUSION

QUESTIONS?

CONTACT

- Lee M Goldberg, MBA, CIC
- 888-728-0817
- lee@bbimi.com
- www.bbimi.com

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