



## Public Risk Innovation, Solutions, and Management (PRISM)

### Excess Workers' Compensation Program Policy Statement for Crisis Incident Management

**Purpose.** The purpose of this policy statement is to provide resources to help manage a crisis incident that may give rise to a covered claim in the EWC Program. PRISM will pay for certain crisis incident costs and services provided to a member arising from a qualifying crisis incident.

**Crisis Incident Limit of Coverage.** The most PRISM will pay for a crisis incident is \$50,000 to be paid out of the EWC's pool funds. There will be no member retention applicable to crisis incident services and costs, and the cost of crisis incident services will not erode the limits of coverage provided under the Memorandum of Coverage.

**Eligibility.** Crisis incident services are available to all members in the EWC Program at the time of the incident and any other covered entity, if approved by the member. Whether an event qualifies as a crisis incident shall be determined at the sole discretion of PRISM.

**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.

**Covered Expenses.** Crisis incident management will include costs associated with crisis management services, crisis incident costs, and crisis incident loss as follows:

1. **Crisis management services** includes those services performed by a crisis management firm under contract with PRISM in advising a member (covered entity) on minimizing potential harm to a member (covered entity) from a covered crisis incident.
2. **Crisis incident costs** includes amounts for the reasonable and necessary fees and expenses incurred by PRISM's crisis management firm, and amounts for reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees, or agents of the member (covered entity), or the crisis management firm incurred at the written direction of the crisis management firm.
3. **Crisis incident loss** includes the following reasonable and necessary expenses incurred, provided that such expenses have been pre-approved and may be associated with damages or losses that would be covered by the Memorandum of Coverage:
  - a. Psychological counseling;

- b. Expenses to secure the scene of a Crisis Management Event; and
- c. Any other expenses pre-approved by PRISM.

**Termination of Coverage.** Benefits provided under this policy statement shall cease when the crisis event is over, the \$50,000 limit has been reached, or PRISM determines that it is no longer a qualifying event for whatever reason, whichever comes first. After termination of coverage, members may continue to access the crisis management services under PRISM's contract at their own expense.

**Delegation of Authority to Critical Incident Team.** The Critical Incident Team consists of PRISM staff members including the Chief Member Services Officer, Chief Executive Officer, Chief Claims Officer and Chief Operating Officer. Authority to determine a qualifying crisis incident and authorize coverage for services is delegated individually and collectively to the Crisis Incident Team.