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Newsletter for Commercial Businesses

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Breaking News! Changes in Law allow small employers to reimburse employees for Individual Insurance Plans using a HRA

In the past, only traditional Group Insurance Plans qualified for pre-tax savings. However, changes in the health insurance law are now allowing employers to provide a tax savings plan for their employees that have individual health insurance coverage. As an employer with less than 50 full time employees, group healthcare may not be an affordable option; however, providing healthcare expense relief to your employees at a tax savings is a great option to explore. The plans will allow premiums for individual insurance to be made before taxes are calculated. This will reduce the payroll tax burden for the employer and employee - therefore, this is a win-win!

With a Qualified Small Employer HRA, you enjoy the flexibility of choosing the plan option that best works for you. Want expenses reimbursed? Want to allocate a set amount for qualified expenses? Choose from three types of plans:

Insurance premium reimbursement only: Allows an employer elected dollar amount (subject to federal limits), available to participants who have Minimum Essential Coverage for themselves. For individually owned policies only; does not cover a group policy premium from a spouse's plan.

Medical expenses and individual medical premiums: Allows claims for any 213d expense as well as premium reimbursement.

Medical expenses only: Covers medical expenses that the employer allows under IRS 213d; may cover all or any subset of expenses under the plan.

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What you need to know about Cyber Liability

Everyone uses a computer device - Desktop Computer, Laptop, Ipad, Smart Phone, etc. What you may not know is that there is an underground network of computer hackers that are scanning devices and creating programs everyday to break into your systems. Their intent is to find information that can be traded on the black market for items of value - Money, merchandise, Bitcoin, etc.

What happens when your company or your customers data has been compromised? Do you have a procedure or plan in place?

In today's society, it is not uncommon to hear about servers being broken into, phones / laptops stolen or phishing emails being clicked by office staff. We have recently had a client have their server hijacked by ransom ware with the

developer of the ransom ware requesting \$10,000 to release their own data back to them. Unless you have a fail proof system, you need protection.

What is cyber liability - Cyber liability is the risk posed by conducting business over the Internet, over other networks or using electronic storage technology.

A "first party" cyber liability occurs when your own information is breached. For example, a hack that results in the exposure of your own trade secrets would create a first party cyber liability.

A "third party" cyber liability occurs when customer or partner information your organization has promised to keep safe is breached. For example, a hack that results in the exposure of your customer's Social Security numbers would create a third party cyber liability.

In recent years, there have been an increasing number of costly computer hacking attacks against large companies, such as Target and Home Depot. But smaller companies face computer liability risks as well. Virtually all businesses use information technology (IT) in some way—to communicate via email, to provide information or services through a website, to store and use customer data and more. Your business can be held liable if certain data is compromised, not only by hacking attacks but even if a smart phone is lost or a laptop computer is stolen.

The risks of cyber liability are evolving rapidly, with new risks emerging as technology advances and new regulations are put in place. Insurance experts now consider the risk of cyber liability losses to exceed the risk of fraud or theft. In this tumultuous environment, your business can take several steps to limit risks, including purchasing cyber liability insurance.

What are your cyber liability risks?

If your computer systems are hacked or customer, employee or partner data is otherwise lost, stolen or compromised, the costs of response and remediation can be significant. Your business may be exposed to the following costs:

- **Liability**—You may be liable for costs incurred by customers and other third parties as a result of a cyber attack or other IT-related incident.
- **System recovery**—Repairing or replacing computer systems or lost data can result in significant costs. In addition, your company may not be able to remain operational while your system is down, resulting in further losses.
- **Notification expenses**—In several states, if your business stores customer data, you're required to notify customers if a data breach has occurred or is even just suspected. This can be quite costly, especially if you have a large number of customers.
- **Regulatory fines**—Several federal and state regulations require businesses and organizations to protect consumer data. If a data breach results from your business's failure to meet compliance requirements, you may incur substantial fines.
- **Class action lawsuits**—Large-scale data breaches have led to class action lawsuits filed on behalf of customers whose data and privacy were compromised.

What cyber liability insurance covers

Some standard business insurance policies, such as a Business Owners Policy (BOP), may provide coverage for certain types of cyber incidents. For instance, if you lose electronic data as a result of a computer virus or hardware failure, your insurance may pay recovery or replacement costs. To extend coverage for a fuller range of cyber liability risks, you will need to purchase a stand-alone cyber liability policy, customized for your business. This type of policy can cover several types of risk, including:

- Loss or corruption of data.
- Business interruption.

- Multiple types of liability.
- Identity theft.
- Cyber extortion.
- Reputation recovery.

Steps to reduce cyber liability risks

Because computing technology changes rapidly, there is no absolutely sure-fire way to protect digital data and computer systems. In addition, technologies deemed to be highly secure can later develop vulnerabilities or be found to be vulnerable all along. For instance, websites worldwide used an encryption technology called OpenSSL for many years before the technology was discovered to be vulnerable to cyber attack. You may be able to limit your cyber liability risk by:

- Installing, maintaining and updating security software and hardware.
- Contracting with an IT security services vendor.
- Using cloud computing services.
- Developing, following and publicly posting a data privacy policy.
- Regularly backing up data at a secure offsite location.

Unfortunately, there is not a fail proof system and if one becomes available, hackers will figure out a way to get around it. Every company needs a plan of action in the event of a cyber event. Your plan should include the cost for responding to the breach / threat or include an insurance policy that will respond for you. Times have changed and we must prepare for the probability of a cyber attack. If you have any questions regarding cyber liability insurance or would like additional resources to help, please contact me or Samantha Kato at 800-362-2809.

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Employer Features

- Maximizes employee healthcare benefits.
- Provides tax savings for employers and employees alike.
- Works for small employers who do NOT offer group health insurance to employees.
- Improves competitive advantage with employers offering group health coverage.
- Simplified administration with our easy-to-use web portal.
- Facilitates confidence and peace of mind with money back and audit guarantees.
- Attracts and retains qualified employees.

Employee Features

- Multiple ways to obtain information: website and IVR/telephone.
- Fast reimbursements.
- Convenient email notifications for status of reimbursement requests.
- Helpful Customer Care Center.
- Online submission of reimbursement requests and direct deposit set up.
- Online history and status of reimbursement requests, and plan balance tracking.

Setup a plan to create tax savings for you and your employees today! If you have questions and would like more information, contact Mike Alexander Jr. at 281-448-3040 or visit

www.getagreatquote.com/qsehra

7 Types of Insurance You Need to Protect Your Business

From the day an entrepreneur starts a business, he exposes himself to certain risks. Even before the first employee is hired, a business is at risk, making it important to have the right insurance



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in place. One lawsuit or catastrophic event could be enough to wipe out a small business before it even has a chance to get off the ground.

Fortunately, businesses have access to a wide range of insurance types to protect them against these dangers. Here are some insurance types that a business must have in place as soon as possible.

1. Professional liability insurance.

Professional liability insurance, also known as errors and omissions (E&O) insurance, covers a business against negligence claims due to harm that results from mistakes or failure to perform. There is no one-size-fits-all policy for professional liability insurance. Each industry has its own set of concerns that will be addressed in a customized policy written for a business.



2. Property insurance.

Whether a business owns or leases its space, property insurance is a must. This insurance covers equipment, signage, inventory and furniture in the event of a fire, storm or theft. However, mass-destruction events like floods and earthquakes are generally not covered under standard property insurance policies. If your area is prone to these issues, check with your insurer to price a separate policy.

3. Workers' compensation insurance.

Once the first employee has been hired, workers' compensation insurance should be added to a business's insurance policy. This will cover medical treatment, disability and death benefits in the event an employee is injured or dies as a result of his work with that business. Even if employees are performing seemingly low-risk work, slip-and-fall injuries or medical conditions such as carpal tunnel syndrome could result in a pricey claim.

4. Home-based businesses.

Many professionals begin their small businesses in their own homes. Unfortunately, homeowner's policies don't cover home-based businesses in the way commercial property insurance does. If you're operating your business out of your home, ask your insurer for additional insurance to cover your equipment and inventory in the event of a problem.

5. Product liability insurance.

If your business manufactures products for sale on the general market, product liability insurance is a must. Even a business that takes every measure possible to make sure its products are safe can find itself named in a lawsuit due to damages caused by one of its products. Product liability insurance works to protect a business in such a case, with coverage available to be tailored specifically to a specific type of product.

“The early bird gets the worm, but the second mouse gets the cheese.” - Anonymous

6. Vehicle insurance.

If company vehicles will be used, those vehicles should be fully insured to protect businesses against liability if an accident should occur. At the very least, businesses should insure against third-party injury, but comprehensive insurance will cover that vehicle in an accident, as well. If employees are using their own cars for business, their own personal insurance will cover them in the event of an accident. One major exception to this is if they are delivering goods or services for a fee. This includes delivery personnel.



7. Business interruption insurance.

If a disaster or catastrophic event does occur, a business's operations will likely be interrupted. During this time, your business will suffer from lost income due to your staff's inability to work in the office, manufacture products or make sales calls. This type of insurance is especially applicable to companies that require a physical location to do business, such as retail stores. Business interruption insurance compensates a business for its lost income during these events.

By having the right insurance in place, a business can avoid a major financial loss due to a lawsuit or catastrophic event. Check with one of our commercial insurance specialist to find out what forms of insurance are advised for your type of business and put those plans in place as soon as possible.

If you have any questions, please call Mike Alexander, Jr. at 800-362-2809 or visit www.getagreatquote.com

Meet Some of Our Team Members



Michelle Vincent

Michelle has worked in the Employee Benefits Industry for several years handling enrollments for large employer groups. She is very detailed oriented with the "Can Do" attitude our clients expect from our organization.



Samantha Kato

Samantha is in charge of our commercial department. Samantha is from New Caney, TX and has over 20 years of experience within the insurance industry. She is an avid runner and cyclist. She always has fun with her 3 kids and loving husband. As Commercial Department Manager, Samantha can handle auto, property, worker's compensation and more for contractors, trucking, oil & gas, restaurants, as well as others.

4 Tips For Managing Your Small Business Insurance Costs

When you own a small business, you have to juggle lots of responsibilities. Responding to your customers, keeping your website running, making sure overhead bills are paid—there are constant demands on your attention, and your checkbook.

Business insurance is likely one of the items on that long list—and it's a very important one. You want to make sure you have the right amount of protection for your company. Here are some factors to consider as you make those big decisions about business insurance while keeping your bank account in mind:



BUNDLE YOUR COVERAGES

Some business owners buy multiple policies with different insurers—for example, a liability policy and another policy to cover their office furnishings. “Bundling,” or placing all your business coverage under one policy with one insurer, may help reduce your premium costs, and, as an added bonus, can make managing your insurance renewals less time-consuming.



EVALUATE YOUR DEDUCTIBLES

The amount of money you pay in the event of a claim, before your insurance contributes, is known as a deductible. Increasing the deductible for each eligible coverage on your policy may mean reduced premiums—and more money in your pocket each month. However, while saving money on premiums by electing a higher deductible may be attractive, make sure you think about how much money you would have available to cover your deductible if something unexpected were to happen.

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MEET WITH YOUR AGENT ANNUALLY TO REVIEW COVERAGES

A business can change rapidly. New risk exposures may suddenly emerge that require special coverage. For example, even a few years ago, some small business owners didn't worry about Internet security. Yet, a study cited by the U.S. House of Representatives Small Business Subcommittee on Health and Technology in 2013 found that 20 percent of all cyber attacks target businesses with fewer than 250 employees—and 60 percent of small businesses victimized by cybercrime close their doors within six months. In this case, a new trend might lead small business owners to consider data compromise coverage.

When you renew your policy, think of it as an annual check-up. Be sure to take advantage of the business insurance information your business insurance agent can provide. ABM as your agent, understands the current risk environment in which today's small businesses operate and can help you make decisions to better manage your business and personal risk.

CONSIDER STRONGER RISK MANAGEMENT IN YOUR DAILY OPERATIONS

The best defense is a good offense. Taking measures to reduce your risk, the potential for fire or customer injuries can make a big difference. Many reputable websites provide small business owners with advice about risk management and how to run a small business. The U.S. Small Business Administration, the American Red Cross and the Insurance Institute for Business and Home Safety are just a few of the resources available. Implementing sound risk management practices in your small business can help your business avoid some preventable losses.

The days fly by when you own a small business, but small business insurance is an important item on your packed to-do list. Whether you must insure your vehicles or ensure you can meet your financial needs in the event of your disability, there are business insurance options for you to explore.

If you have questions and would like more information, contact Mike Alexander Jr. at 281-448-3040 or visit www.getagreatquote.com





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I have had a great experience working with ABM Insurance. My rep was awesome; she spent time with me on her weekend explaining everything to me. Just great to work with.

-Veronica C.

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Introducing ABM 360

We are happy to introduce 360 solutions a new a la carte platform providing various services, such as:

- Payroll
- HR web portal
- Worker's Comp.
- 401K admin
- Expenses 1099's
- Time/Labor Management and much more!

Call us at 1-800-362-2809 for more information.

www.ABM360solutions.com



Protect Your Assets & Property with Cyber Liability Insurance.!



Call Samantha our specialist in cyber liability Insurance to make sure you have the coverage you need!

Contact Samantha at
1-800-362-2809

