



**Mangum City Hospital Authority
Cyber Proposal**

On behalf of the New Mexico, Oklahoma, and Texas state hospital associations, we are pleased to offer this proposal for participation in the FourTrust91 Cyber Protection Project. This proposal includes the premium indication, expense components, and coverage summary for protection provided by FourTrust91.

Created in 2024, FourTrust91 provides industry leading cyber and risk management resources to help hospitals combat cyber criminals attacking our nation's healthcare system. It also allows the entire group to work together, share best practices and seek the highest level of cyber risk management excellence.

FourTrust91 has teamed up with Hospital Services Corporation (HSC) who will bring hands-on, hospital focused, risk control consulting and their CyberCrashCart™.

Terms and Conditions in this proposal are for the program. The insurance terms are defined by the carrier's policy forms and conditions.

Thank you,

FourTrust91 Partners



Cyber Program Partners

Program Manager: Envision Captive Consultants
Insurance Broker: INSURICA
Risk Control: Hospital Services Corporation



Envision is a best-in-class captive partner and industry advisor providing the most unique captive solutions in the industry. With Envision as a partner, we can offer bespoke services to build and run the best captive for you. Whether you're a business or broker, Envision is your resource for solutions-based advice, guidance, programs, and education. Give your business ultimate control with a broker always by your side.



Our approach is not about selling an individual policy, but rather understanding our clients' entire business structure and developing a comprehensive insurance management plan. Our proprietary risk management process, "RM4U," identifies the strengths and weaknesses of a company's risk management plan. Our professionals work with our clients to build upon the strengths and address opportunities for improvement to create Best-In-Class Businesses. With an in-depth understanding of our clients' business operations, we uncover unseen risks and opportunities that can dramatically lower exposure and costs.

Placing over \$1 billion in annual premiums for our clients, INSURICA is among the 50 largest insurance brokers in the United States. INSURICA employs more than 800 colleagues in offices located throughout Oklahoma, Arizona, Arkansas, California, Colorado, Georgia, Kansas and Texas.

Our focus on finding quality and experienced partners positions INSURICA as one of the preeminent insurance brokerages in the country and further emphasizes our customer pledge that we "Specialize in You."



HSC was formed in 1985 as a wholly owned subsidiary of New Mexico Hospital Association (NMHA), a statewide trade association of hospitals that pay membership dues on a voluntary basis.

HSC was originally established to develop and offer services to the NMHA member hospitals but has evolved and diversified its services to attract a broader range of healthcare customers such as health plans, physician offices, and medical clinics, as well as large and small businesses outside of the healthcare industry. Customers include those based in New Mexico and in eighteen other states.

FourTrust91 is pleased to announce they have contracted with Hospital Services Corporation (HSC) to provide Risk Control for its members. They will be provided the following to each hospital that joins the program:

- Five hours of risk consulting. This includes an assessment to prepare each hospital for a possible breach.
- CyberCrashCart™ which is a physical cart that will be stored in a safe place with clear instructions for what your team must do in the event of a breach. The program includes one CyberCrashCart™ But additional carts may be purchased directly from HSC.

Note: The intent is to provide additional tools and resources to each hospital to upgrade their defense against cyber threats.

Definition of Terms

The information below is provided for informational and marketing purposes only and does not constitute advice.

- A) Program Sponsors:** Created by the combination of four parties who are committed to fighting back against the cyber threats to our hospitals. This group consists of Texas Hospital Association, Oklahoma Hospital Association, New Mexico Hospital Association and Envision Captive Consultants. These four parties (hence the name FourTrust91) are committed to the long-term success for the hospitals by providing additional cyber risk control services and leveraging strength in numbers to negotiate broad coverage terms and competitive pricing.
- B) Member:** A hospital that agrees to bind coverage and pays the final, bindable premium with accompany taxes and fees. Each member will be insured on an individual policy.
- C) Program Manager:** Envision Captive Consultant's role is to act as the aggregator of underwriting information for the group, invoice and collect premiums from brokers, pay contracted parties, and provide leadership and organization to the program.
- D) Premium:** The premium is calculated annually by the carrier based on each hospital's underwriting data and loss experience.
- E) Incentives to Reduce Premium:** As the program grows, we believe in rewarding those hospitals that are committed to preventing claims. With the help of our Cyber Risk Control Consultants, we are developing recommendations for each hospital which will qualify members for premium credits. Premium credits will be dependent upon favorable loss experience and proper controls, so we encourage each member to avoid losses and consider investments to make your network more secure.
- F) Risk Control Fee:** In addition to the premium paid to the carrier, the FourTrust91 program will charge an additional \$1,500 to each hospital. This fee will be used for risk control services (including Cyber Crash Cart™) that we hope will upgrade each hospital's cyber risk management services. This fee is subject to change on a year-to-year basis, as required by the wants and needs of the members. This fee is fully earned upon binding.

Cyber Quote Proposal - CFC		
Premium		\$7,920.00
Surplus Lines Tax & Fees		\$522.71
Carrier Fees		\$545.00
Risk Management Fee		\$1,500.00
Risk Management Tax & Fees		\$123.75
Annual Cost		\$10,611.46
Cyber Policy - Insuring Agreements include, but are not limited to:		
Insuring Clause 1: Cyber Incident Response	Liability each and every claim	Retention Each Claim
Incident Response Costs	\$1,000,000	\$0
Legal and Regulatory Costs	\$1,000,000	\$0
IT Security and Forensic Costs	\$1,000,000	\$0
Crisis Communication Costs	\$1,000,000	\$0
Privacy Breach Management Costs	\$1,000,000	\$0
Third Party Privacy Breach Management Costs	\$1,000,000	\$0
Post Breach Remediation Costs	\$ 50,000*	\$0
Insuring Clause 2: Cyber Crime	Liability each and every claim	Retention Each Claim
Funds Transfer Fraud	\$250,000	\$0
Invoice Manipulation	\$250,000	\$0
New Vendor Fraud	\$250,000	\$0
Physical Goods Fraud	\$250,000	\$0
Theft of Personal Funds	\$250,000	\$0
Corporate Identity Theft	\$250,000	\$0
Theft of Funds Held In Escrow	\$250,000	\$0
Theft of Client Funds	\$ 50,000	\$0
Customer Payment Fraud	\$ 50,000	\$0
Telephone Hacking	\$250,000	\$0
Unauthorized Use of Computer Resources	\$250,000	\$0
Insuring Clause 3: Cyber Extortion	Liability each and every claim	Retention Each Claim
Cyber Extortion	\$1,000,000	\$0
Insuring Clause 4: System and Business Interruption	Liability each and every claim	Retention Each Claim
System Damage and Rectification Costs	\$1,000,000	\$0
Hardware Replacement Costs	\$1,000,000	\$0
Income Loss and Extra Expense	\$1,000,000	\$0
Emergency and Additional Operational Continuity Costs	\$ 100,000	\$0
Voluntary and Regulatory Shutdown	\$1,000,000	\$0
Dependent Business Interruption	\$1,000,000	\$0
Consequential Reputational Harm	\$1,000,000	\$0
Lost or Missed Bids	\$1,000,000	\$0
Claims Preparation Costs	\$ 25,000	\$0

Insuring Clauses 5 and 7-9 Combined	Aggregate Limit	
Aggregate Limit of Liability	\$1,000,000	
Insuring Clause 5: Network Security and Privacy Security	Aggregate including costs and expenses	Retention Each Claim
Network Security Liability	\$1,000,000	\$0
Privacy Liability	\$1,000,000	\$0
Management Liability	\$1,000,000	\$0
Regulatory Fines, Penalties and Investigation Costs	\$1,000,000	\$0
PCI Fines, Penalties and Assessments	\$1,000,000	\$0
Contingent Bodily Injury	\$ 250,000	\$0
Insuring Clause 6: Criminal Reward Cover	Liability each and every claim	Retention Each Claim
Limit of Liability	\$ 100,000	\$0
Insuring Clause 7: Media Liability	Aggregate including costs and expenses	Retention Each Claim
Defamation	\$1,000,000	\$0
Intellectual Property Rights Infringement	\$1,000,000	\$0
Insuring Clause 8: Technology Errors and Omissions	Liability each and every claim	Retention Each Claim
No Coverage Given		
Insuring Clause 9: Technology Errors and Omissions	Liability each and every claim	Retention Each Claim
Court Attendance Costs	\$ 100,000	\$0
Aggregate Deductible	\$0	
Reputational Harm Period	12 months	
Indemnity Period	12 months	
Time Franchise	8 hours	

Additional Notes:

*Post Breach Remediation Costs - \$50,000 limit each and every claim, subject to a maximum 10% of all sums paid “we” have paid as a direct result of the cyber event

\$5,000 Deductible Quote Option - \$7,115.00	Premium
\$ 545.00	Carrier Fees
\$ 473.00	Surplus Lines Taxes & Fees
\$1,500.00	Risk Management Fee
\$ 123.75	Risk Management Fee Sales Tax
\$9,756.75	Annual Cost

Subjectivities: Information Needed Prior to Binding:

- NONE

Next Steps:

- Signed Proposal “Commitment to Proceed” statement
- Please email “Commitment to Proceed” statement with confirmation to bind coverages sent to shelli.barrios@insurica.com

Commitment to Proceed

On behalf of all parties involved, we appreciate you choosing to move forward as a member of FourTrust91 Cyber Protection Program. You are taking an important step towards improving your cyber risk profile while helping the hospital industry defend itself against cyber threats. We are excited for your involvement in the program.

Thank you,

FourTrust91 Partners

Acceptance of the Proposed Terms and Conditions

I _____ agree to bind insurance coverages outlined above provided by the *FourTrust91 Cyber Protection Program* including payment all premium, taxes and fees associated with the program within 30 days of this commitment. I also agree to participate in risk management services designed to assist in cyber security provided by Hospital Services Corporation. Note: HSC will be requiring internal documentation, including internal policies and procedures to create your facility specific Cyber Crash Cart™. A secure process will be utilized for the exchange of information, ensuring security and confidentiality.

Signature

Date

Note: Please email "Commitment to Proceed" statement with confirmation to bind coverages sent to Shelli.barrios@insuricacom