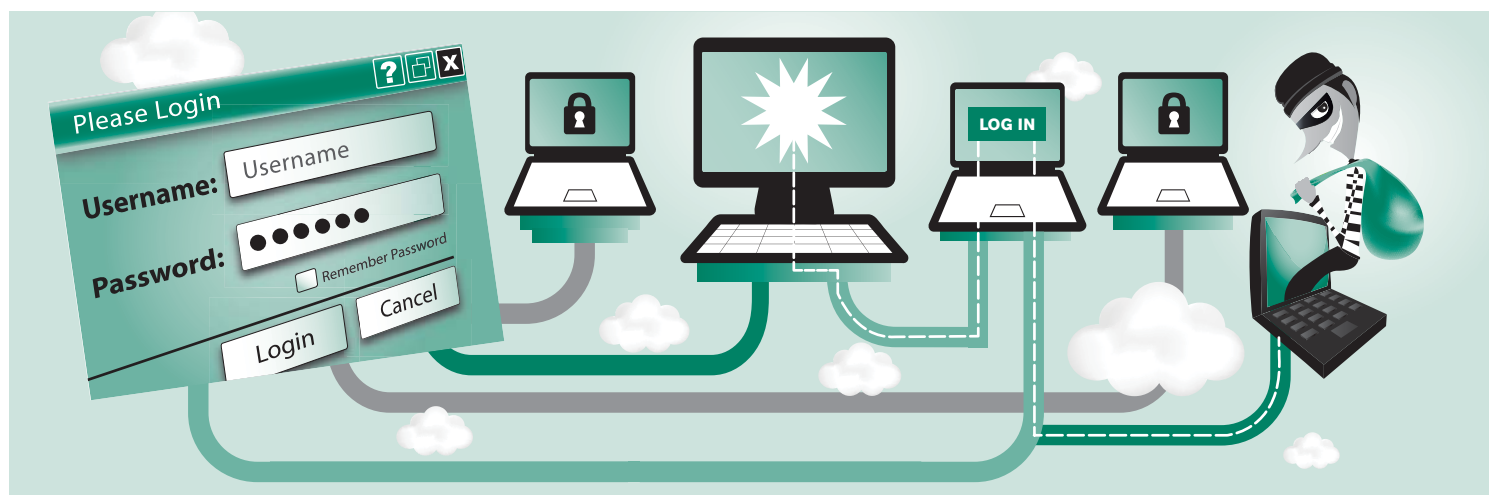


MAGUIRE WIRE

NEWS FROM MAGUIRE AGENCY — COMMERCIAL LINES

An Agency of the Year as chosen by Minnesota Independent Insurance Agents



Small Businesses: What Does the Target Data Breach Mean to You?

An HVAC service provider in Pennsylvania never suspected it was the source of Target's multi-million dollar data breach in December. Turns out, Fazio Mechanical Services now appears to be on the hook for a data breach that cost financial institutions \$200 million, according to one report. It seems cyber thieves gained access to Target's customer data through an email phishing expedition that led to the vendor's access credentials to the retailer's system. The fallout has been massive.

Unfortunately, many small business owners and managers are unsuspecting and naively think their business is too small or their customer data too insignificant for cyber

criminals to target. In actuality, small businesses are extremely attractive to hackers if they do business electronically with large corporations.

According to an article in the *Star Tribune*, vendors are often the weakest link in large corporations' IT security systems. Vendors frequently gain access to other company systems with relative ease by performing services or delivering products or information to these customers. Without stringent network security protocols in place, cyber thieves can break into the vendor's IT systems, opening the door to its clients.

"Cyber criminals know they can't hack US Bank directly but they will find a vendor serving US Bank and get into its systems via the 'back door' — the vendor's system," said Matt Clysdale, CPCU, CIC, president of Maguire Agency. "That's why we believe every company that transacts or operates electronically with another business has a need for Network Security and Privacy Liability

Coverage, regardless of the size of organization. Smaller businesses are generally at greater risk for this third-party exposure than for their own losses."

Maguire represents several carriers that offer cyber protection. These policies allow an a la carte approach based on your needs. Network Security with Privacy Liability is just one of eight coverages that should be considered. Your Maguire agent can help you choose the right coverage for you, whether you need first-party coverage to protect against damages to your own business, or third-party coverage to insure you in case your company is identified as an access point for a customer's data breach.

Contact your Maguire agent to learn more about cyber liability policies. For additional news on this topic, see this Network World article: <http://bit.ly/MOVjgb>.

Accessible Space Turns One Man's Tragedy into Freedom for Many



In 1975 at age 19, Mike Pesch became paralyzed in a diving accident. Following rehab, he became one of the first 30 people admitted to Courage Center's new inpatient

treatment facility in 1976, a novelty in an era when many individuals with physical disabilities were relegated to nursing homes. Together with his high school friend, Steve Wiggins, who worked at Courage Center, he envisioned fully accessible, affordable housing with support services for individuals with physical disabilities. The idea: allow residents to live as independently as possible.

Wiggins and his college friend, Chuck Berg, researched and found programs to fund the building and operation of such housing through the U.S. Department of Housing and Urban Development (HUD) and the Minnesota Department of Public Welfare (now the Department of Human Services). HUD's Section 202 funding was only available to nonprofit organizations, which led to the creation of Accessible Space, Inc. (ASI) in 1978.

In the fall of 1978, the infant organization secured HUD funding to build its first five, 100 percent accessible, affordable homes in the Twin Cities, each with six personal living units. Two years later, the homes opened to residents. HUD, the state and 25 percent of the residents' monthly income helped fund the homes'

ongoing operations. Its unique support services were provided on a 24/7/365 shared service basis and were managed by residents.

"We could not do what we do without HUD," said Steve Vander Schaaf, president and CEO of Accessible Space since 1982, and a high school friend of Pesch and Wiggins. "There just wasn't a better program around for what we needed to do in the mid-70s and over the last 30+ years."

Since 1980, Accessible Space has sponsored and developed 145 fully accessible, affordable initiatives with a collective total of 3,162 living units in 31 states. HUD has provided the bulk of the organization's funding for these developments — nearly \$391 million — in the form of forgivable loans for construction and rent subsidies. Contributions from foundations, corporations, other government agencies, family foundations and individuals have helped to cover land acquisition costs, specialized accessibility features and care services.

Accessible Space has expanded its scope of services and settings since its first five homes. Its buildings today are primarily accessible, affordable apartment buildings with 25-60 units. Some provide full assisted living services and senior living/assisted living arrangements. Adult day care services in Minnesota provide independent living training and an outpatient rehabilitation center in Las Vegas assists individuals recovering from traumatic brain injuries. In all it does, Accessible Space strives to help individuals with physical disabilities and brain injuries live as independently as possible into their 70s and beyond.

"What Accessible Space does in the community is amazing," said Matt Clysdale, CPCU, CIC, president of Maguire Agency. "Maguire Agency is honored to have partnered with the organization for 30 years and is proud to support its mission." In addition to managing Accessible Space's property/casualty insurance portfolio, Maguire also provides all of the insurance for 114 of Accessible Space's nonprofit affiliates.

continued on page four

Stephen Vander Schaaf, ASI's President/CEO, with Bill Trautz, resident of Roselawn Village Apartments. Trautz was an original resident of ASI's St. Paul Iglehart location in January 1981.

With the Affordable Care Act Here, Employers are Asking, "Now What?"

After years of planning, the Affordable Care Act finally arrived on January 1, 2014. Instead of bringing answers for small employers, it seems there are more questions than ever.

Many small employers are asking:

- Community rating for small groups resulted in a large increase for my company. Now what should we do?
- Should we keep our health plan or let employees go to the state-run exchange (MNsure)?
- Should we get a quote for group coverage through the exchange?
- The ACA's employer-mandate takes effect in 2014. Will my company be required to offer health insurance then? If so, what will it cost?
- How do we communicate all of these changes to employees? What updates do we need to make to our employee handbook?
- How do I know if our plan is compliant with the essential benefits mandate?

At Maguire Agency, we have been helping our clients answer these questions and explore their options in this new era of health care.

If cost is a concern, it may be time to establish a Health Savings Account (HSA) or a Defined Contribution approach to health insurance. Both allow employers to determine the amount they're willing to contribute towards employees' plans. This allows employees to choose the specific plan they want and pay any difference not covered by the employer contribution. This approach insulates businesses from large cost increases from year-to-year. Maguire Health and Benefits has tools to help you decide what approach is best for you and your employees.

As for 2015, Maguire is working with several large employers to help them determine if they must offer a plan in 2015. If they must offer a plan or face penalty, Maguire will help them with quotes and financial projections for all possible options. As certified brokers for the MNsure exchange, Maguire Agency can also advise small employers on whether the exchange is an effective option.



If, after researching options, you decide to make changes to your health benefits, Maguire Agency can help you communicate all of your benefits to employees. Maguire can also help with day-to-day activities like new hires, cancellations, billing and claim issues. We have informational pieces to help employees understand their plans and we also offer HR consulting to help with employee handbook updates.

While you focus on your core business, let Maguire Health & Benefits research viable alternatives for your health care and benefits package. We are a one-stop shop for employee benefits and can assist with all aspects of this important insurance coverage. ■

Health & Benefits Agents:

Tim Smith, tsmith@maguireagency.com, 651.635.2721

Genevieve Frazier, gfrazier@maguireagency.com, 651.635.2729

The Kelly Agency Joins Maguire

The Maguire Agency is proud to welcome Pat Kelly, Linda Kuplic and clients of the Kelly Agency to the Maguire Agency. With similar core values of honesty and integrity, we're confident that everyone will benefit from the new affiliation. As part of the Maguire Agency, Kelly Agency clients maintain their account team of Pat and Linda, and also have access to more choices in insurance carriers and expanded services, without losing the personal touch of a small agency.





Accessible Space, continued from page two

“It’s been fun to grow together and have the agency’s support to carry forward our mission to provide accessible, affordable ‘housing with care.’”

Stephen Vander Schaaf
ASI’s President/CEO

“Working with Accessible Space and its affiliates has made us better insurance agents,” Clysdale said. “They truly present us with new exposures all the time. We’re insuring facilities in hurricane-prone areas — something we don’t experience in Minnesota!” Maguire also helps Accessible Space and its affiliates make operational changes that reduce risk or loss and control premiums.

“Insurance is a cyclical business,” Vander Schaaf said. “Premiums may go up and down, and occasionally we may have been able to save a few dollars using another agency during the past 30 years but it’s always been our philosophy to stick with the best. I believe we’ve come out ahead in the long run working with the Maguire Agency. It’s been fun to grow together and have the agency’s support to carry forward our mission to provide accessible, affordable ‘housing with care.’” ■



Sky Forest Acres



Roselawn Village

What Does the Target Data Breach Mean to You?	page 1
Accessible Space and Maguire Grow Together	page 2
ACA Questions Answered	page 3
Kelly Agency Joins Maguire	page 4

Inside this issue of the **WIRE**

Executive Editor Amy Lewis
Phone 651-638-9100
Toll-free 800-666-9393
Website..... www.maguireagency.com

Roseville, MN 55113
Suite 241, 1935 W. County Road B2,
The Maguire Wire is published by Maguire Agency,

Insurance Advisors since 1928

Maguire Agency

