

# Elite Cannabis Operators Save Millions with HISIG Workers' Comp

## How Elite Cannabis Operators Are Saving Millions: The HISIG Revolution in Workers' Compensation

### *The Hidden Financial Lever: Strategic Workers' Comp Management*

In the highly regulated, rapidly evolving cannabis industry, successful operators continually seek out competitive advantages. While most focus on cultivation technology, retail experiences, or brand development, industry leaders have discovered a powerful financial lever hiding in plain sight: workers' compensation insurance. Through the Household Industries Self-Insured Group (HISIG), elite cannabis businesses are transforming this traditional cost center into a strategic asset—saving millions while improving employee care.

### **The Self-Insured Advantage: Why SIGs Work for Cannabis**

Self-Insured Groups (SIGs) represent a paradigm shift in how businesses approach workers' compensation. Rather than paying premiums to traditional insurers who profit regardless of claim outcomes, HISIG enables cannabis operators to:

**Pool resources** with like-minded companies to create collective financial strength

**Share risk** strategically among vetted industry peers with strong safety records

**Retain earnings** within the group rather than losing them to insurance company profits

**Build equity** that generates annual dividends for members

This model creates a virtuous cycle where improved safety and efficient claims management directly benefit members through lower costs and higher returns—something impossible with traditional insurance.

### **Documented Savings: The Numbers Behind HISIG's Success**

HISIG's impact on members' financial performance is both immediate and substantial. Cannabis companies participating in the group collectively save over \$2 million annually compared to conventional market options. Individual results demonstrate the powerful effect across various cannabis operation types: Beyond these premium reductions, members typically receive annual equity dividends between 7-10%, creating a compelling financial advantage.



# COMPARISON CHA

Seq#	License Type	Standard Market	Self-Insured Group	Savings	% C
1	Cultivation, Manufacture, Distribution	\$505,000.00	\$335,000.00	\$170,000.00	-3
2	Cultivation, Manufacture, Distribution	\$374,000.00	\$205,000.00	\$169,000.00	-4
3	Cultivation & Nursery	\$95,000.00	\$55,000.00	\$40,000.00	-4
4	Cultivation, Manufacture, Distribution, Retail	\$127,000.00	\$66,000.00	\$61,000.00	-4
5	Retail – Non-Store Front	\$101,000.00	\$75,000.00	\$26,000.00	-2
6	Nursery	\$323,000.00	\$203,000.00	\$119,000.00	-3
7	Cultivation, Manufacture, Distribution, Delivery	\$1,068,000.00	\$394,000.00	\$674,000.00	-6

HISIG MEMBER CASE STUDY

## Testimonials from Program Members:

The transformative power of HISIG is best captured through the experiences of its members:

- “Being a part of the work comp group allows our company to have the resources of a professional team of knowledgeable and dedicated staff to assist and guide us with all of our worker’s compensation needs.”*
- “There is a huge difference, in terms of rate, between traditional insurance companies and a self-insured group. I see a return on my investment with the work comp group. I have a team dedicated to keeping my costs down.”*
- “The Group is comprised of like-minded business owners who want to stop generating large profits for insurance companies. In doing so, we are able to control our costs and manage our losses and*

*liabilities. In turn, our worker's compensation costs are significantly lower."*

- *"After joining the Group, we learned of the many advantages of competent claims management. Just by actively managing the claims process, we noticed that minor incidents were resolved quickly and thoroughly to everybody's satisfaction."*

These testimonials reflect a consistent pattern among members: HISIG delivers not just on its financial promises but also enhances operational quality and workplace culture.

***HISIG's program Membership is an elite collective of safety driven employers. Members include prominent companies across the cannabis industry.***



## **Beyond Cost Savings: The Operational Advantage**

HISIG's impact extends well beyond premium reduction. The group's innovative approach to claims management results in:

**90%+ resolution rate** for claims within 12 months (far exceeding industry averages)

**Hours-not-weeks** for medical approvals, ensuring employees receive timely care

**Reduced litigation expenses** through proactive claim handling

**Improved employee satisfaction** from faster resolution and better care

**Enhanced workplace culture** through shared safety resources and best practices

These operational benefits complement the financial advantages, creating a comprehensive solution that addresses both immediate costs and long-term business sustainability.

## **Selective Membership: The Foundation of HISIG's Success**

HISIG's remarkable performance isn't accidental. The group maintains a selective membership process, admitting only companies that demonstrate:

Genuine commitment to workplace safety

Strong procedural accountability

Active owner engagement in risk management

Financial stability and operational discipline

This selectivity ensures alignment among members, minimizes collective risk, and maintains the group's industry-leading performance. It also creates a community of elite operators who share best practices and insights—a valuable network in the rapidly evolving cannabis space.



## **The National Horizon: SRC Expansion in 2026**

Building on HISIG's proven success in California, the model is expanding nationwide through the Select Risk Captive (SRC), launching January 1, 2026. This expansion will allow cannabis operators across all 50 states to access similar benefits, including:

Substantial premium reductions compared to traditional markets

Rapid claims processing and resolution

Comprehensive safety and compliance support

Industry-specific risk management resources

As the cannabis industry continues its nationwide growth, SRC will provide operators everywhere the opportunity to gain the same competitive advantages that have benefited HISIG members in California.

## **Strategic Decision: Why Industry Leaders Choose HISIG**

For forward-thinking cannabis operators, HISIG represents more than an insurance solution—it's a strategic business decision that directly impacts:

**Bottom-line performance** through significantly reduced operational costs

**Market competitiveness** by freeing capital for growth and innovation

**Operational excellence** via improved safety and risk management

**Company culture** through better employee care and reduced workplace incidents

In an increasingly competitive cannabis landscape, these advantages can mean the difference between merely surviving and truly thriving.

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***Ready to Join the Elite?***

*To learn more about eligibility and joining HISIG's elite collective of cannabis operators, email [HISIG@cannabisriskmanager.com](mailto:HISIG@cannabisriskmanager.com) or call 415.266.4060*

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