

Residential Child Care Providers Need Your Help

A Homeowner's policy just isn't enough. Protect your childcare providers by offering them the coverages that they really need!

How do you know if a Homeowner's policy is providing the necessary coverages for this industry?

- ▶ Does the Homeowner's carrier know that there is a child care center in the home? Is the business exposure covered or excluded?
- ▶ Are the limits of insurance adequate? Are the limits enough to protect your business and personal assets?
- ▶ Are the limits of insurance shared between the business and personal exposure?
- ▶ Will the loss experience from the business exposure jeopardize your personal liability rates and coverage?
- ▶ Is the policy providing specialized coverages including Child Molestation & Abuse and Professional coverage?
- ▶ Is there Defense Cost Reimbursement coverage for when the insured themselves is the one accused?
- ▶ Does the policy provide Medical Payments coverage for accidents covering children in their care?

Solution: The answer to these important questions is to obtain a specialized commercial Child Care policy from an A++ rated carrier designed specifically for the Residential Child Care Provider.



Child Molestation & Abuse Coverage

Not All Forms Are Equal!

Why settle for limiting forms when you have access to the broadest coverage in the industry?

Statistics show that over 90% of Molestation and Abuse allegations against Child Care Providers are false! However, providers spend thousands of dollars defending their good names and clearing their reputations.

COMMERCIAL COVERAGE FEATURES INCLUDE:

- ▶ Limits up to \$1,000,000/\$1,000,000 are available
- ▶ No Deductible
- ▶ Coverage applies off premises (including field trips)
- ▶ Broadened definition includes not just Sexual, but Corporal Punishment/Physical and Mental Abuse
- ▶ Coverage is triggered by acts of any individual on the premises
- ▶ Employees including Directors and Assistants are included as insureds. This coverage protects the center's employees!
- ▶ Unlimited Defense Costs available

RESIDENTIAL COVERAGE FEATURES INCLUDE:

- ▶ Limits up to \$100,000/\$300,000 are available
- ▶ No Deductible
- ▶ Coverage applies off premises (including field trips)
- ▶ Broadened Definition includes not just Sexual, but Corporal Punishment/Physical and Mental Abuse
- ▶ Coverage is triggered by acts of employees

DEFENSE COST REIMBURSEMENT:

- ▶ Filed lawsuits will extend beyond the vicarious liability of the center to name the actual individual accused of the act
- ▶ In the event that criminal and/or civil charges are filed against individuals, we offer a unique coverage that will reimburse the alleged perpetrator for their defense costs once they are acquitted or charges are dropped
- ▶ Employees including Directors and Assistants are included as insureds. This coverage protects the center's employees!



Residential Child Care – Commercial Liability & Package





This preferred product targets in home child care services. The premium is calculated using the average daily attendance, with a minimum of 50-75% of the license capacity. We include the coverages Child Care risks need such as General Liability, Professional Liability, Molestation and Abuse, Defense Reimbursement Coverage, Hired & Non-Owned Auto Liability, Personal Liability and Property Coverage.





The HIT ZONE – Our highest hit ratio

GENERAL LIABILITY

Risks with no losses or claims (excluding closed without payment) incurred in the past three years

-  Risks with no hired or non-owned autos used to transport children
-  Risks with no operations other than child care services on the premises
-  Risks without physically or mentally challenged children or children with special needs currently enrolled
-  Risks open up to 14 hours

PROPERTY

-  Risks not requiring building coverage
-  Risks with no losses or claims (excluding closed without payment) incurred in the past three years

ELIGIBLE RISKS – Includes all of the above characteristics except where amended below

GENERAL LIABILITY

- ▶ Risks with pets
- ▶ Risks with off premise swimming activities at public pools
- ▶ Risks with wading pools 24 inches in depth or less
- ▶ Risks with special needs children
- ▶ Risks that accept children on a drop in basis
- ▶ No more than two losses or claims (excluding closed without payment) incurred in the past three years

PROPERTY

- ▶ No more than two losses or claims (excluding closed without payment) incurred in the past three years

PRODUCT ADVANTAGES

- ▶ No liability deductible
- ▶ Admitted product in many states
- ▶ Ability to provide Defense Reimbursement for alleged acts of the insured including employees
- ▶ Medical Payment Coverage is provided on a primary basis for children enrolled at center for no additional premium
- ▶ Ability to consider risks with special needs children
- ▶ Ability to consider risks with pets
- ▶ Inspection costs paid by the United States Liability Insurance Group
- ▶ A.M. Best rated A++ carrier



Residential Child Care — Commercial Liability & Package

INELIGIBLE RISKS

GENERAL LIABILITY

- ▶ Risks with number of children on premises exceeding the license capacity
- ▶ Risks where any one student's stay is more than 12 hours
- ▶ Risks not complying with established staff to student ratios
- ▶ Risks not obtaining permission slips from parent/guardian for all field trips
- ▶ Risks with field trips to lakes, beaches, water parks, skating rinks, skiing areas, residential pools or overnight trips
- ▶ Risks with exposure to adult day care operations on the premises
- ▶ Risks with nanny services, adoption services, or referral operations
- ▶ Risks that travel to destinations to provide childcare
- ▶ Risks with non-standard or home-made play equipment
- ▶ Risks with ball pit, trampoline, gymnastic equipment, wall climbing equipment or bounce equipment
- ▶ Risks with martial arts or contact sports
- ▶ Risks with employed or contracted physicians or nurses providing medical care
- ▶ Risks where the outside play area is not fully fenced
- ▶ Risks that are open for more than 18 hours a day and/or provides overnight care
- ▶ Risks with children above 15 years of age
- ▶ Risks with employees under the age of 18 or volunteers unsupervised at any time
- ▶ Risks dispensing medicine without the written consent and instructions of the parent/guardian and (when required) by physician
- ▶ Risks not obtaining complete records for all children prior to their first stay. Records include, but are not limited to, complete medical, emergency and contact information completed and signed by parent or legal guardian
- ▶ Risks not conducting background checks for all employees and volunteers. Background checks to include criminal background checks as required by state and inquiry into if there as been any sex related or child abuse offenses
- ▶ Risks where children are left unsupervised at any time (including nap time)
- ▶ Risks where infants are placed on beds and not in cribs
- ▶ Risks with previous inspection citations that were not corrected before the compliance deadline
- ▶ Risks not licensed and/or registered (where required) with the state, or with previous license, certificate or registration suspensions/ revocations, or if risk is currently under investigation for alleged violation of law
- ▶ Risks with actual incidents involving abuse or molestation
- ▶ Risks without functioning and operational smoke and/or heat detectors in all units and/or occupancies
- ▶ Risks with swimming pools on the premises
- ▶ Risks with spas or Jacuzzis that are accessible to children and not secured
- ▶ Risks with only one means of egress
- ▶ Risks with prior, existing or pending bankruptcy in the past 5 years
- ▶ Risks with more than 2 losses (excluding closed without payment) in the last three years
- ▶ Risks located in Alaska and Louisiana

PROPERTY

- ▶ Risks without functioning and operational smoke and/or heat detectors in all units and/or occupancies
- ▶ Risks without functioning and operational fire extinguishers readily available
- ▶ Risks where owner was previously convicted of felony of arson
- ▶ Risks with aluminum or knob and tube wiring
- ▶ Risks that do not have 100% of the wiring on functioning and operational circuit breakers
- ▶ Risks with prior, existing or pending bankruptcy in the past 5 years
- ▶ Risks with tax liens or back taxes owed on any property
- ▶ Risks with more than 2 Property losses (excluding closed without payment) in the last three years
- ▶ Risks located in Alaska, Louisiana, and Hawaii

AVAILABLE LIMITS

- ▶ Maximum property value of \$3,000,000 in protection class 1-8
- ▶ Maximum property value of \$1,000,000 in protection class 9-10
- ▶ Coastal Zone up to \$500,000 per location except for Florida which is \$250,000 (wind exclusion applies)
- ▶ Liability limits up to \$1,000,000 Occurrence / \$3,000,000 Aggregate
- ▶ Professional included in the General Liability Limits
- ▶ Abuse & Molestation limits up to \$100,000/\$300,000
- ▶ \$5,000,000 additional capacity available for Excess General Liability or Umbrella Coverage

SUBMISSION REQUIREMENTS

- ▶ Completed Acord Application or our Childcare Application signed by the insured within 21 days of inception or
- ▶ Completed system produced application signed by insured within 21 days of inception or
- ▶ Completed application from another company as long as all underwriting information requested has been obtained. Application must be signed within 21 days of binding
- ▶ Representation of incurred loss history for the past three years

Residential Child Care Product

WHY DO YOU NEED TO PURCHASE A CHILD CARE PRODUCT?

- ▶ A child suffers bodily injury while on your playground equipment
- ▶ The parent of a child enrolled in your program makes a false charge of abuse or molestation against you
- ▶ One of your employees / volunteers trips and spills hot soup onto a child
- ▶ Emotional distress to the parent of a child enrolled in your program caused when you did not obtain a permission slip to take them on a field trip



Why should you choose our Child Care Product?

The following are important features; make sure you have them all:

COVERAGE FEATURES	OUR GROUP	COMPETITORS' POLICY
Professional Liability automatically provided at the General liability limit for no additional charge	✓	?
No liability deductible	✓	?
Child Molestation & Abuse limits available up to \$100,000 per occurrence / \$300,000 aggregate - Definition includes Corporal Punishment	✓	?
Child Molestation and Abuse coverage applies off premises	✓	?
Defense Cost reimbursement can be purchased for alleged acts of Child Molestation or Abuse against the facility owner and employees	✓	?
Medical Payments coverage automatically provided for no additional charge that includes coverage for enrolled students	✓	?
Hired and Non-owned Auto Liability coverage available	✓	?
Expanded definition of Bodily Injury to include sickness or disease caused by mental anguish or emotional distress - See L-610	✓	?