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## **“The Seven Deadly Sins To Avoid When Buying Day Care Insurance”**

### **“How Many Have You Committed?”**

I’ve provided insurance protection to day care businesses for over 25 years. I’ve seen them grow from small home-based businesses to large day care centers. I’m very familiar with the kinds of accidents and lawsuits that happen in your business.

Let’s face it, people are more “sue happy” than ever. It seems that nobody wants to take responsibility for their own actions and the actions of their children.

You are entrusted with our most “precious loving treasure”, the future of the human race, our children. It’s a huge responsibility! When something bad happens to a child, it becomes headline news. In today’s world, an “incident” in your day care could literally put you out of business if you don’t have the proper insurance protection to pay for your defense and any damages that you have to pay.

Now more than ever, as a day care owner you need to protect yourself and your business from potential disasters.

Disasters that could literally put you out of business and ruin your life!

## **The Seven Deadly Sins**

I've been telling other day care owners about the "seven deadly sins" for years. Insurance exists to protect you and your business from financially devastating losses that your business could not absorb. Please read this report carefully. Make sure you don't commit any of these "sins" when buying insurance for your day care. After all, a low insurance price means nothing if the coverage is inadequate to protect you from losses that can "blind-side" you, wreck your life, and ruin your day care business.

So here they are ... **The Seven Deadly Sins To Avoid When Buying Insurance For Your Day Care...**



### **Not Choosing a Day care Insurance Specialist**

Insurance is a huge industry. There's insurance for everything. Anything you can have, do, own, manage, or whatever – there's insurance for it.

Different kinds of businesses have different protection needs.

And no insurance agent can specialize in all of it.

In fact, a professional insurance agent can only specialize in a few types of businesses – and really understand them. The disasters that can occur and the protection they need.

Insurance is a very technical business. It has a language all it's own.

And the insurance protection needs of each business are highly specific and very different.

If someone specializes in insuring homes, autos, or contractors, that doesn't mean they know anything about the special protection needs of day care owners.

And just because your best friend's cousin sells insurance, doesn't mean they're the person to trust with the financial health of your day care business.

## This Is Not What You're Looking For

An insurance agent or agency that tries to sell you their services on promises like "quality" or "excellence". These are just "buzz" words. What do they really mean?

Or they've been in business since 1934 or some such nonsense. Yes, you want a professional who has studied the insurance business. But what do you care what they were doing in 1934? We've been in business since 1869 and

believe me, insurance back then wasn't anything like it is today.

When you choose an insurance agent or company for your day care, ask how many other day cares they insure. Do they specialize in day care insurance? Do they know the kind of protection you need? Can they get it for you?

Protection needs for businesses are changing all the time. It's hard enough to keep up with what's happening in the day care industry alone.

So choose a specialist. One who knows your business. You'll be properly protected and get the best deal for your money.

You wouldn't go to a foot doctor for brain surgery. So don't trust the financial well-being of your day care to just any insurance agent. Choose a *Day Care Insurance Specialist*.



## **Not Using The Services Of An Independent Insurance Agent**

An "independent" insurance agent represents many insurance companies. Independent agents work for themselves and earn commissions from the policies they sell.

On the other hand, a “direct writer” insurance agent represents only one insurance company. They have an employee-type relationship. Direct writing companies include Nationwide, Allstate, Metropolitan, Prudential, Liberty Mutual, etc.

Who do you think is going to give you the best deal? The answer is an **independent insurance agent**.

## Here's Why

The independent agent can shop your insurance with the many companies he represents and compare prices and coverage. He can then choose the best deal for you. The direct writer can quote your insurance with only one company. There are no other choices.

In addition, if you have problems with your insurance company, the independent agent can place your insurance with another company he represents.

A direct writer cannot do this because they only sell for one insurance company. If you had a problem, you'd have to look for another insurance agent and insurance company.

And when you have a claim, who do you want to deal with? The independent agent who can work on your behalf to resolve the claim with the insurance company or the direct writer who must do what his “employer” (the insurance company) tells him to? The independent agent of course!

The direct writing insurance companies must spend a ton of money on advertising in an attempt to overcome these disadvantages.

So for the best deal, you want someone who is going to work for you. Who is not an insurance company employee and represents multiple insurance companies. And that person is...

### **An Independent Insurance Agent**

Look for the following logos:



### **Not Including Yourself For Workers Compensation Coverage**

If you have employees you've purchased workers compensation insurance. It's required by state law. This insurance protection pays for the medical costs and loss of wages (for lost time) for employees injured on the job.

To save money, many business owners do not purchase coverage for themselves. They don't have to because the

law only requires them to purchase protection for employees.

For some business owners this makes sense because the workers compensation rates for their occupations are high (e.g. carpenters, auto body repair, roofers, etc.).

This is not the case for day care owners. The workers compensation rates for your occupation are low. Less than \$400 per year to cover yourself! That's the cheapest medical and disability (loss of income) insurance you'll ever buy.

Of course you must be injured while on the job. Well, you're a business owner and I'll bet you're on the job a lot, running errands in your car, picking up supplies, attending a business seminar, managing your day care. You would be covered for your injuries, as long as they're business related.

Hopefully, you have medical insurance for yourself. But do you have protection for the loss of income you'll sustain if you're injured, on the job or off? It's called Disability Insurance. Many small business owners don't have it. It can be expensive. But, let's face it:

## Your Income Is The Most Important Asset You Have

Are you included for injuries you suffer on the job? Is your business covered for your loss of wages if you're out of work? Did your insurance agent suggest it? Call your agent today and find out. If not, tell them to add you for workers compensation coverage immediately. It's one of the greatest insurance bargains you'll ever get!

And don't forget to get a quote for Disability Insurance so your income will be protected if you're injured or sick and not working.



## **Not Protecting Yourself From Child Abuse Or Molestation Claims**

Child abuse includes:

- Non-accidental physical or mental injury (e.g. shaking, beating, burning.)
- Any form of sexual abuse (molestation)
- Neglect (failure to provide for the child including adequate supervision)
- Emotional Abuse (e.g. belittling, berating, or teasing which impairs the child's psychological growth)

Child abuse and molestation (sexual abuse) are hot topics today. Almost everyday the news carries stories about child abuse or molestation. The Catholic Church has been hit particularly hard by these lawsuits. More and more attorneys are specializing in this field.

### **How Does This Affect Day Care Centers?**

Now more than ever you need to be aware of this growing trend in lawsuits and protect your day care from abuse claims. One thing you can't control are lawsuits from parents who believe their child was abused. Even if you know there

was no abuse, you will still have to hire an attorney to defend you. And that can be expensive!

And here's a scarier thought: how can you control a child from abusing another child while in your care? Yes, you can address the issue after you learn about it, but how do you prevent it from happening in the first place? As you know it can happen in the "blink of an eye". You could be sued for child abuse for something that was beyond your control. The parents could claim that it "psychologically" damaged their child. They would claim that you neglected their child by not providing adequate supervision. And neglect is considered child abuse.

## What Can You Do To Protect Yourself?

First, you need a firm "no abuse" written policy that you share with all of your employees. Abuse of any kind should not be tolerated and you should make it clear that the employee will be terminated if the abuse is verified.

Second, you need a written method of investigating allegations of abuse (e.g. seeking witnesses, looking for signs of injury, etc.). Often abuse claims arise from the child first reporting the incident to parents. There isn't much investigating you can do other than seek witnesses to the alleged event.

The more thorough your investigative techniques (including writing them down) the better will be your defense in court.

Third you need to purchase insurance so you can sleep at night knowing your have protection if you're sued. It's called "Abuse/Molestation Coverage". This is such a hot issue today that most insurance companies will only provide you with \$100,000 in coverage (particularly if you have male employees). Most of the money spent on abuse lawsuits goes to paying attorney's fees and the insurance will pay for them.

Don't be "blind-sided" by abuse lawsuits. Put a firm policy in place at your day care and purchase insurance protection for peace of mind.



## **Not Purchasing Non Owned Automobile Liability insurance**

I'll bet you never thought you would need insurance to protect you if one of your employees was involved in an at fault automobile accident. Well you just might.

### **Here's Why**

You have auto insurance to cover your vehicle liability and hopefully your employees have insurance to cover theirs. It's required by state law.

Believe it or not, if an employee uses their vehicle for day care business you could be sued if they're involved in an accident that injures others or damages their property.

## How Could This Happen?

Let's say you ask an employee to pick up some supplies for your day care. They would be using their own vehicle for business, your day care business.

If they're involved in an accident and found to be at fault, their automobile insurance policy will pay for it. But, what if it's a serious accident and their automobile insurance limits aren't high enough to pay for the damages? Or worse yet, they have no insurance. Who's going to make up the difference? It could be you.

Your day care could be sued because the vehicle was being operated for day care business.

If you don't have insurance to cover this, you could end up paying the bill. Attorney's fees and damages that could cripple your business!

## Does This Really Happen?

You bet it does.

If your young employees are out on their own and no longer living with their parents, they must pay their own bills and that includes auto insurance. And if you're a young driver you pay a bundle!

So what do they do? They purchase the lowest limits required by law. It's the cheapest way to go and many of them think, "What the heck, if I get sued they can't get much anyway. Because I don't have much."

In many states, the minimum requirement for auto liability limits is as low as \$10,000. And that's nothing when it comes to automobile liability lawsuits. The cost of the attorney alone could easily exceed that amount.

And whether the employee has enough insurance or not, an attorney will sue as many parties as possible to find so-called "deep pockets" to get the most money for his client.

Believe me, if the accident is serious enough, your day care will be named in the lawsuit if the vehicle was being operated while on day care business.

Without insurance you will have to defend yourself. The attorney's fees alone could harm your business financially. And the emotional strain of going through a lawsuit is no fun either!

You need to purchase **Non Owned Automobile Liability Insurance**. It's inexpensive. Most insurance companies charge less than \$200/year for \$1,000,000 of protection. It is well worth it!

Don't be caught without this protection. Otherwise, you may find your day care business and yourself in a financially disastrous situation.



## **Underinsuring Your Day Care's Property Coverage**

When we think about the risks associated with operating a day care the first thing that comes to mind is the high risk of being sued by a child's parents for some alleged wrong doing or injury to their child.

We often forget how important it is to protect the property owned by the day care. This property includes such things as playground equipment, furniture, toys, TV's, computers, office equipment, supplies, improvement and betterments (e.g. rugs, fixtures you own and added to the building), and the building, if you own it.

In my experience insuring day care businesses, I find that many owners undervalue their owned property. Often because they don't think it's worth very much (many day cares have property donated to them by parents and others) and they believe that it's only going to increase their insurance price.

Well, let me tell you, if you sustained a tragic loss like a fire or a burst pipe that floods your day care it would cost you

plenty to replace your owned property. And if you have inadequate insurance protection you're going to pay for it.

## What Can You Do?

Make a list of the property you own. Estimate how much it would cost to replace it. If you own the building the insurance company can help determine its replacement cost value.

Ask your insurance agent for replacement cost coverage for your property at the amount you've determined. It is inexpensive as compared to your liability insurance and well worth the price.

And don't forget to keep your property list off your day care premises in case you do have a loss. Otherwise you will have to rely on your memory if your property is lost in a tragic incident like a fire. Plus, you will have proof of what you owned and the insurance company will pay you quicker and with less hassle.



**Not Shopping Your Business Insurance**  
Your Insurance Agent Fears This Sin!

When was the last time you got a quote for your business insurance? Like most day care businesses, you've probably been insured by the same agent for many years. What the heck, you're comfortable with them. And guess what, they're comfortable with you!

And being comfortable means not worrying that you'll go elsewhere. So when your renewal comes up and there haven't been any big changes (like huge price increases or you calling to complain about the price), the insurance agent just lets the policy renew.

You see, that's the joy of the insurance business. Once you get a client, they generally renew their policies year after year. And sometimes you never hear from them! "Out of sight, out of mind" as the saying goes.

When was the last time you spoke with your insurance agent? Does your agent look at your policy every year and search for better deals that might be out there? Or suggest insurance protection you may need?

Every single year, before your insurance policies renew, you should call your insurance agent to discuss your insurance. Are there better deals out there? Did you add new day care services during the past year?

Here's an inside secret for you. If you want to be sure you have the best deal from your insurance agent, tell him (or her) that you're shopping your insurance. That you wouldn't be a prudent business person unless you did. Doing this will insure that you will get their best price. After all, they don't want to lose your business.

You should shop your insurance with a different insurance agent or insurance company every 3 years or when there's a change in your policy (e.g. price increase, coverage change, etc.). By doing this, you can be comfortable knowing that you're not paying too much or going without protection that's available elsewhere.

I've saved other day care owners literally thousands of dollars by shopping their insurance. I was able to give them better insurance protection as well. They would still be over-paying their business insurance with less insurance protection if they didn't shop it.

So occasionally, shop your day care insurance. You could save thousands and be better protected. You are in a very competitive business. You can't afford to over-pay your insurance and in this "lawsuit crazy" society we live in, you can't afford to be unprotected.

### In Conclusion

Have you committed any of these sins? If so, "absolve" yourself immediately and correct any insurance protection problems you may have. You can't afford not to. And if you think you committed Sin #7 "Not Shopping Your Business Insurance", give me a call, email me through this website or fax me your insurance information. I'd be glad to see if I can help save you money, improve your protection, or both.

**May You Operate Your Day Care Without Fear!**

**I Wish You Great Success,**

*Dana*

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**“Whistle For Bissell For All Your Day Care Insurance Needs!”**



**PS. I've discovered the one insurance company that offers the best price and gives you all the insurance protection you need. They are currently “opening the flood gates” for day care centers. Not all will qualify. Call me today and I'll tell you within 3 minutes if you do.**

**Here's What A Few Of Our Raving Fans Have To Say:**

**Saved \$1,499 And Got Better Protection**

“Your suggestions saved us \$1,499 on our day care insurance. And what's really amazing is that you gave us better protection! Thanks for everything!”

Walt and Linda Wylot - Red Balloon Day Care Center

**Likes Our Personal Responsive Service**

“I've been insured with you for over 12 years. Your service is personable, knowledgeable and prompt. You make me feel important when I call. And besides, no one can match your combination of low prices and excellent protection!”

Maria Cioffari - The Children's Place

**No Longer A Sinner**

“I read your free report, “The Seven Deadly Sins...” I was a sinner. But no more! There's a lot more to insurance than I ever imagined. A 10 minute phone call to you and I now have better protection and a savings of \$2,437. Thanks Again!”

Francine Ouelette - The Kidzone