



HOW INSURANCE CAN PROTECT YOUR FINANCES





What You Really Need to Know

Key Insurance Coverage to Protect You and Your Family Child Care Business

Homeowner's/ Renter's Insurance	For damage to your home and its contents, but <u>not</u> your business. Flood insurance is separate.
Business Property Insurance	For business items in your home (e.g., furniture, appliances). Commercial car insurance separate.
Business Liability Insurance	For medical and legal expenses when someone is hurt onsite. Abuse and molestation sometimes covered.

WHAT KIND OF ITEMS CAN BE COVERED BY INSURANCE?

- Repairs/replacement when fire or storm damage impacts your property
- Medical and legal expenses if a parent or child has a physical injury on your property, indoors or outdoors (e.g., slips, trips, or falls and breaks a bone)
- Medical and legal expenses if a child gets notably sick as a result of your/staff actions
- Legal expenses if an assistant/substitute is accused of abusing enrolled child
- Medical expenses if there's a car accident when transporting enrolled children

-  **All child care businesses should have at least two types of insurance coverage on top of homeowner's or renter's insurance:** (1) business property coverage (2) business liability coverage.
-  **Some insurance providers offer specific Child Care Insurance packages** with property coverage + liability coverage + abuse and molestation coverage.
-  **Homeowner's insurance does not cover claims for damage and accidents in your family home, unless it is specifically written into your policy.**
-  **Buying insurance, particularly liability insurance, can save you \$20,000+ if you are successfully sued.** This monthly expense can save you from unexpected debt.
-  **Business portion of homeowner's insurance can be deducted on your taxes.**

See next page for additional information

Questions? Contact WBDC:
(203) 353-1750
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DID YOU KNOW?

Family homes need business insurance beyond their homeowner's policy. Liability insurance can save you \$20,000+ if you're sued.

How To Get Insurance

Contact your insurance company to learn what coverage they offer, without sharing your information up front, if possible.

- If your insurance company doesn't cover your family home, you want to avoid getting dropped from coverage while you secure another option.
- If you provide overnight care, it may be harder to get coverage.

Contact an insurance agent or look online to get three free quotes. Compare prices and terms of coverage. Don't hesitate to ask questions!

How Much It Costs

Costs depend on several factors, including amount and type of coverage chosen. Purchase as much coverage as you can afford! If you can, get \$1 million per occurrence and \$2-3 million total for liability insurance.

Deduct costs! Family homes can deduct the business space portion of homeowner's insurance on taxes.

Other Types of Insurance

Workers' Compensation Insurance: If you have an assistant or other employees on payroll, you are required by law to have workers' compensation insurance. This covers medical expenses and lost wages if an employee gets injured while at work.

The Women's Business Development Council's child care business support is made possible through a partnership with the Connecticut Office of Early Childhood (OEC).



READY TO TAKE THE NEXT STEP?

Get free insurance quotes from an insurance broker or company.

Need help navigating insurance options or budgeting for it?

Contact the Women's Business Development Council (WBDC) for FREE, expert, confidential advising.

Assistance includes:

- Understanding insurance options
- Finding new or replacement insurance
- Determining what questions to ask the insurance company
- Budgeting for the cost of insurance
- Managing risk and liability

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