



Childcare News

A Perspective into the Childcare Industry

Getting The Proper Insurance Coverage is Key!

Increased litigation in our society combined with emotions felt when a child is injured has caused childcare centers to be the target of legal actions almost ANYTIME a child is hurt.



My first experience with commercial childcare centers was when I was fresh out of college handling claims for Aetna Casualty Company. I remember vividly the pain expressed in the voices of parents who were discussing their child's injury with me. This was before it was common for the parents of injured children to hire plaintiff's attorneys to represent them. I also remember the frustration I felt when discussing with some center owners that no matter what a child was doing when the injury occurred no negligence could be placed on the child. Back then, like now most owners and employees of centers accepted this concept and continued to work hard for the greater purpose of their profession, taking care of children while their primary caregivers were working.

Many of the claims that came across my desk were similar to those seen by adjusters today: playground accidents, doors and fingers, and van accidents. There were also several types of claims that adjusters today are not as likely to have to handle such as: mini-blind cord accidents, shocks from unprotected electrical outlets, and poisonous chemical ingestions. The frequency of these nightmare types of injuries to children has largely been reduced through industry maturity and government regulations. Regardless of progress made to reduce injury frequency and severity as long as there are childcare centers and children there will be claims made for injuries and allegations of injuries.

During my years as a loss control field representative childcare center owners were coming up to speed with standards, industry growth served to help create some consistency in the profession and state regulators were responding to legal verdicts by implementing compliance standards. The once very common deficiencies identified at many centers were no longer common at the centers I was visiting. This was great for my clients and great for the industry as a whole, however I began to recognize quickly that the need for safety diligence at centers would never subside. Increased litigation in our society combined with emotions felt when a child is injured has caused childcare centers to be the target of legal actions almost ANYTIME a child is hurt.

A revised approach when visiting centers was to silently ask the question, "What could happen anywhere at this center anytime children are present that might cause injury to a child?" and then to make recommendations that might help control the exposures identified. Sound impossible? I must admit I ended up making some recommendations to administrators that even I began to question. I felt strongly however that reducing the risk of child injuries, wherever possible, was my calling.

FAST-forward to 2007 and I find myself in the position of Loss Control Director at Thomco, Inc. A recent task performed as part of my work was a quick analysis of Childcare General Liability claims with loss values over \$50,000. When I started the task I was looking at a variety of factors. One of the things I took away from the exercise was a bitter-sweet validation for some of the recommendations I made that were thought to be a "stretch" by some administrators visited.

The following are a few examples of recommendations I made in the 80's and early 90's and examples of claims from the past three years that might have been prevented if similar observations had been made:

RECOMMENDATION: Automatic door closers should be adjusted to protect children from getting fingers caught in the door.

Claims: Teacher walked through hall door and door closed on child's finger. \$64,530; Child's finger slammed in door \$113,976.

RECOMMENDATION: Older trees should be inspected periodically and trimmed as necessary.

Claims: Tree limb fell on child's head as he was sitting during lunch. \$65,000.

RECOMMENDATION: Electric cords to crock-pots, bottle warmers and other electronic devices should NEVER be within reach of any child.

Claims: Two separate incidents reviewed where children turned over crock-pots and bottle warmers resulting in burns. Value of two claims combined over \$447,165.

RECOMMENDATION: Consider padding the support pole of basketball goals to prevent injuries from bumping into these poles.

Claims: Child not looking when running from playground ran into pole. \$174,496.

When considering children in your care every effort must be made to prevent every possible injury. Supervision is key! Even protecting children from themselves is key! The childcare profession is being litigated against at alarming rates because children are not considered negligent under the law. I agree that children shouldn't be considered negligent, and Tort Reform is another topic altogether for another day. So where do we go from here?

At Thomco we would like to partner with you as you face the challenges of protecting children and protecting your livelihood. Our website is being modified and we hope to allow our clients to share their own accident prevention success stories as well as accident examples in a public forum to address a wide variety of childcare industry challenges. Current and future customers can learn about the benefits of Student Accident Policies that are proven to help reduce lawsuits. Our clients can obtain loss control assistance and direction, and seek answers to loss control related questions and arrange for loss prevention training. We will even welcome a forum for childcare center teachers to offer creative solutions to children out of control. You will also be able to find interesting commentaries on loss prevention strategies, and lessons learned articles to help avoid injuries to children. We welcome your comments and suggestions.

Thanks for taking care of the next generation!

Bill Coons
Loss Control Director

BillC@thomcoins.com
Direct: 678-290-2136
Toll Free: 888-546-4042





Childcare Choice



Our Childcare Choice Insurance Program is Designed to be Stable and Secure.

You're committed to getting the best protection for you and the children you care for. That is why our Childcare Choice insurance program has been tailored for both the children and your business. Don't just settle for insufficient coverage when you can get a comprehensive package from Thomco that's designed to meet all the needs of your business.

Thomco has a thorough knowledge of the needs of the Childcare market. We customize our programs to fit the needs of our insureds. We offer the highest level of customer service, with fast turnaround on policy underwriting and claims response.

For more information on Childcare Choice, please call us at 800.476.4940 or visit us on the web at www.thomcoins.com.

PRSR STD
U.S. Postage
PAID
Permit 7926
Atlanta, GA.

Childcare Choice



P.O. Box 440549 Kennesaw, GA. 30160



Childcare News