

RISKY BUSINESS

Insurance Info & Risk Management Tips

By Hadley Wood

www.hlinwood-insurance.com



Working with Kids is Not All Fun & Games



If your business works with children in any capacity, don't play around with your risk management. Whether it's sports teams, day care, tutoring, photo sessions, hair stylists, and more – if your business involves interacting with children on a regular basis you will want to take extra precautions to ensure your business is protecting the children from bodily injury and/or abuse and molestation, and itself from costly legal harm.

A typical General Liability insurance policy for a business would not include coverage for abuse and molestation. This would be something you would want to add coverage for and there may be additional premium for this. Many business owners may think they do not need this, BUT in the event there is a claim against you or your employees (or even a third party onsite in your location space), legal defense and coverage would be denied due to this not being a "covered cause of loss" on your policy. So even if it was an accusation that was false, you could be left defending yourself out of pocket – which is costly!

The dynamics of working with children are different than working with adults and precautions should always be made from the business owner to create a safe space for them. Some considerations include:

- Encourage the parent/guardian to be there onsite while the child is at your business.
- Keep a daily sign in/sign out log and make sure the parent/guardian signs it.
- Set up cameras around the public locations to have a visual record of activities.
- Have a comprehensive emergency kit onsite.

- If a child has to be accompanied to the restroom or any private space, make sure there are 2 adults present with the child (of the same sex as the child).
- Make sure at least one employee/team member is trained in CPR.
- Run through a mock emergency drill to make sure everyone knows what to do in the event of an emergency.

And as a parent or guardian, you will want to make sure that the activities your child is involved in are doing their due diligence to ensure child safety.

- Visit the location and take note of the site security systems including working smoke alarms, fire extinguishers, door lock system, trip/fall hazards, etc.
- Ask to see a copy of their current General Liability certificate.
- Ask about the ratio of adult to child supervision.
- Ask for references of current clients AND former clients and call them for feedback.
- Ask them about their emergency preparation and crisis procedures.
- Ask them about their disciplinary technique.
- If appropriate make sure the outside doors have an emergency bar to prevent children from leaving the premises unnoticed.
- Look the company up online for any unsavory comments or business infractions.
- If something feels off – always trust your instincts!

Claim Scenario

An after-school daycare center has 15 children in its program and 2 onsite supervisors. One of the supervisors goes to the backroom to get some snacks and the other is talking privately with one of the children. One of the children sneaks out the front door unnoticed. After more than an hour, the child's disappearance is noticed resulting in panic. The child is finally found 1/2 a mile down the road walking alone. This could easily have been a very tragic scenario and one that happens more than you think. I know – it happened to me when I was 4!

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