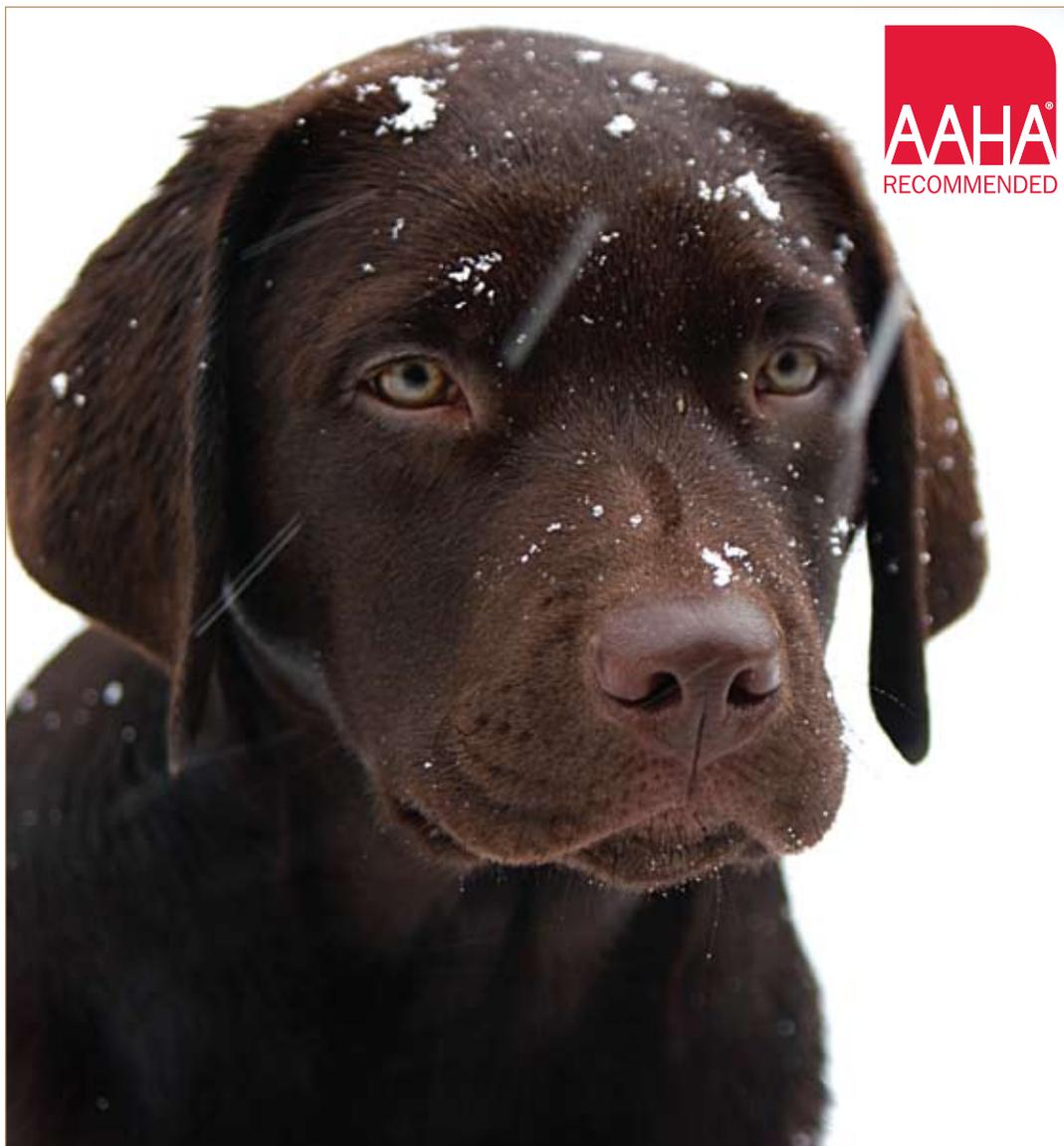


Workers' Compensation Dividend of \$137,462 for Participants in the AAHA Business Insurance Program

Dividend checks totaling \$137,462 were mailed in early November to participants in the AAHA Business Insurance Program. The dividend reflects a percentage of your workers' compensation premium for policies underwritten by The Hartford during August 1, 2005 and July 31, 2006. This dividend was a result of better than expected claims experience and the group buying power of AAHA members like you. We value your business and we look forward to exceeding your expectations. And don't forget about the XactPAY Web® tool, a free service that simplifies workers' compensation premium payments, which in turn, can eliminate audit adjustments when your policy expires. This billing solution integrates with QuickBooks Payroll software. No other insurance carrier can offer this opportunity through QuickBooks Payroll. A detailed flyer is included in this newsletter for you.

BUSINESS INSURANCE



news for you

PRODUCED BY HUB INTERNATIONAL MIDWEST LIMITED
FOR THE AAHA BUSINESS INSURANCE PROGRAM

VOLUME 4, NUMBER 3, WINTER 2009

Protect Your Practice From Catastrophic Losses

Did you know that your practice owners package policy is not intended to cover catastrophic losses? A serious accident or injury on your premises could demand more than your policy can deliver. Losses from a serious accident could exceed your business insurance limits and start to eat into your business assets in a hurry. What if an employee caused a multi-car pileup at the end of an exit ramp while driving for the practice? What if a client who is a high-wage earner slipped and fell in your practice and as a result couldn't earn those wages any more? What if both of these claims

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Protect Your Practice From Catastrophic Losses

took place during one policy year? That's why you may want to consider adding umbrella liability to provide coverage in excess of your underlying practice owners package policy.

Great Protection for a Low Cost

The AAHA Business Insurance Program umbrella policy underwritten by The Hartford is designed to cover catastrophic losses that demand more than your primary liability policies can deliver. It provides excess coverage over certain liability coverages, such as business liability, employer's liability, and commercial automobile liability. The cost is surprisingly small for the amount of coverage you receive. That's because your underlying policies assume most of the risk, since the umbrella policy takes over only after your other applicable liability policies are exhausted. The policy for veterinary practice owners is competitively priced and offers many benefits to give you peace of mind. Here are some of them:

Higher Defense Costs

Your underlying liability policies already pay for defense costs. However, once your coverage limits have been used up, your policy may no longer pay these costs. For example, if you should lose a major suit and the judgment exceeds your policy limits, your policy would not address the amount of the judgment in excess of the policy limits or the legal costs of an appeal. Umbrella coverage would cover the expense of the appeal and, if necessary, any excess judgment amount up to your umbrella limit.

More Protection

You need to keep in mind the effect of the "aggregate limits" condition which is in most liability policies. If you have more than one claim during the policy year, your business owners liability policy may state that each paid claim combines with other claims to contribute to the maximum limit of your policy. For example,

say your business liability policy has a limit of \$1 million. If your policy paid on a claim of \$700,000 in the second month of your policy period, that would leave only \$300,000 in coverage for the remaining policy year. Umbrella coverage would cover losses in excess of your base liability limits up to your umbrella limit.

Broad Coverage

In addition to higher limits, the policy provides broader coverage for your business than your primary liability policies provide. This feature gives you greater peace of mind. Unless modified by an endorsement, the umbrella policy strengthens your coverage by:

- ▶ Providing world-wide coverage, so coverage is available no matter where a claim or suit originates. Most primary policies don't offer this protection.
- ▶ Including blanket contractual liability coverage for all agreements where covered liability for future occurrences has been assumed by you.

Note: A self-insured retention (deductible) applies when there is no coverage under the underlying policy.

Added Value

Regardless of when you add your umbrella policy, we will work with you to have all of your related policies underwritten by The Hartford share the same expiration date. Umbrella policies are designed, in part, to provide excess coverage over your underlying coverage. When an underlying policy is not maintained in force, you will be responsible for the first \$1 million in damages before the umbrella policy begins to pay. By having a common expiration date, you minimize the risk of having a gap in coverage due to the expiration of one of the underlying policies.

For more information or to obtain a quotation, please call 866-380-2242.

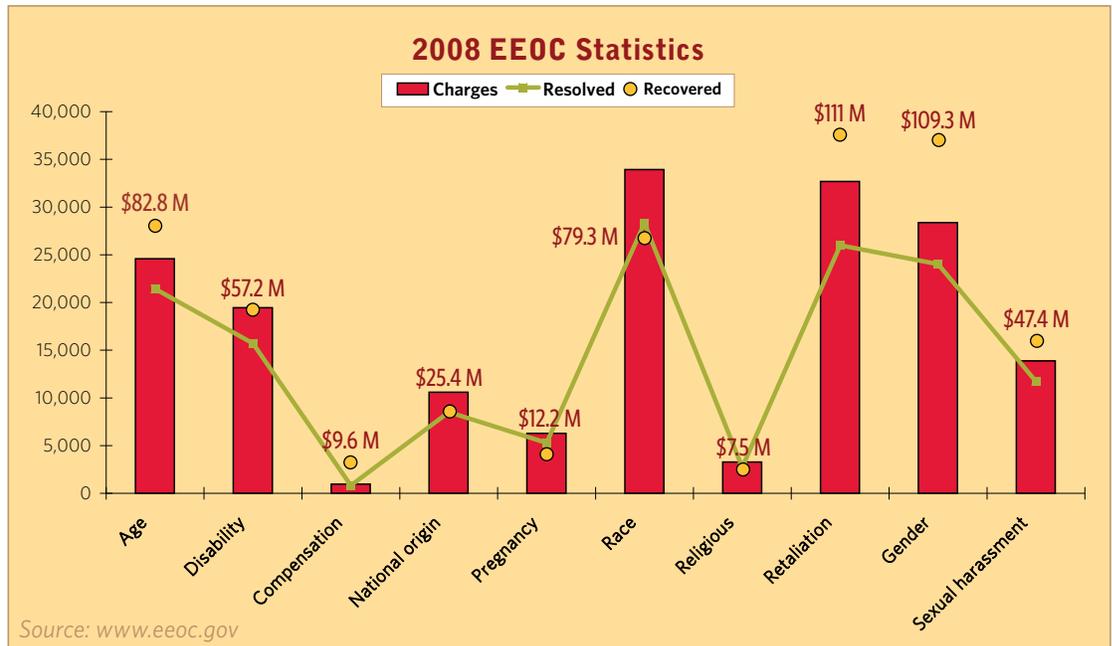
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EEOC Employment Practice Statistics

In 2008, the U.S. Equal Employment Opportunity Commission (EEOC) received more than 174,000 charges of discrimination and harassment. The EEOC resolved 144,500 charges and recovered \$541.7M in monetary benefits for the aggrieved parties.

RESOURCE TIP:

Did you know that the EEOC website has a section for small businesses? Visit www.eeoc.gov/employers/index.cfm for information specifically designed for businesses that do not have a human resources department or a specialized EEO staff.



Open Employment Practices Liability (EPL) Claims Filed Against Veterinary Practices

Employee A filed a lawsuit against the veterinary practice alleging religious discrimination. The insurance carrier is defending the practice, and the case is pending in court.



Employee B filed a lawsuit against the practice alleging age discrimination. Employee B was terminated and believed the action was due to being age forty-six. The insurance carrier is defending the practice, and the case is pending in court.

A former employee filed a sexual harassment lawsuit after quitting without notice. The suit included charges of assault and battery and intentional infliction of emotional distress. The plaintiff is seeking damages for mental anguish, lost wages, and exemplary damages. The carrier is defending the practice against the allegations.

Protect yourself from these types of allegations with employment practices liability insurance. Consider that according to *Jury Verdict Research*, the average median award in 2008 was \$326,000 for EPL plaintiff verdicts. In today's workforce, the likelihood of being accused of wrongful termination increases two-fold: first, the rise in the number of terminations increases your probability; and second, when the former employee cannot find new work and has extra time to harbor resentment, the employee may be more prone to justify filing a lawsuit and expecting financial compensation.

For a quotation, call us at 866-380-2242 or complete and return the enclosed application.

Stop at the AAHA Business Insurance Program Booth 732 and Enter to Win a Portable GPS!

Kim Sudduth, HUB International Midwest Limited Program Sales Representative, will represent the AAHA Business Insurance Program at the AAHA Long Beach 2010 Yearly Conference March 18-21 in Long Beach, California. "It's a pleasure working with AAHA practice owners and managers, and I'm excited to attend my fourth Yearly Conference in March. I encourage you to stop at our booth for a business insurance coverage evaluation, and you'll have a chance to win a fabulous portable GPS!" Kim suggests bringing a copy of your insurance declaration pages for an in-person review. You can also pick-up AAHA Business Insurance Program premium items and materials.

For immediate service, please call 866-380-2242 extension 4699.



Visit www.aahainsurance.org Today!

Visit www.aahainsurance.org and click on 'AAHA Business Insurance Program' in the center of the page to access important business insurance program information, coverage descriptions, and educational articles. You can download articles such as "Should your employee work during pregnancy?" and "If You Offer Employees Retirement Benefits, You Must Carry ERISA Coverage." You can also download program resources such as *The Hartford's Business Owner's Playbook*.

The website also offers an online quote form for the primary components of your business insurance portfolio: practice owners package, workers' compensation, commercial auto, mobile coverage, flood, and employment practices liability.



AAHA Business Insurance Program

Call 866-380-AAHA (2242) today for a coverage evaluation.

P.O. Box 1629, Chicago, IL 60690-1629

Fax: 866-381-AAHA

aaha@hubinternational.com www.aahainsurance.org Fax-on-Demand: 866-920-AAHA

Business Property/Liability

Flood

Umbrella Liability

Workers' Compensation

Commercial Automobile

Special Coverage for Mobile Practices

Employment Practices Liability

Safety and Loss Control Resources



Broker and Consultant:
HUB International Midwest Limited
HUB International Midwest Insurance Agency (CA)



**This newsletter contains only a general description of coverages and does not include all the benefits and limitations found in the policies. Coverages may vary. All references to coverage are subject to the policy's conditions and exclusions. The insurance policy and not this newsletter will form the contract between the insured and the insurance company. Loss control content is provided for information purposes only. It is not intended to be a substitute for individual legal counsel or advice on issues discussed in this newsletter. For resolution of a specific legal issue or business concern, consult your attorney.*