

# Why Should You Participate in the AAHA Business Insurance Program?

Did you know that the AAHA Business Insurance Program helps fund the AAHA Accreditation Awareness Campaign? So not only will you receive comprehensive coverage and competitive pricing, but also you will benefit from the additional dollars being spent to leverage the new AAHA brand to the pet-owning public. AAHA research shows that pet owners care about accreditation, and that the new face of AAHA positively impacts their attitude toward accreditation. The mission is massive, but simple: educate consumers about what accreditation means to their pets, and watch the client base of accredited hospitals multiply. You can help make this mission happen when you choose to purchase your needed goods and services through an AAHA Preferred Business Provider.

Additionally, when you participate in the AAHA Business Insurance Program, you'll enjoy customized coverage options, specialized knowledge of the veterinary industry, and depth of expertise in risk management tools and solutions with our program. HUB International Midwest Limited—the preferred provider chosen by your association—has the resources to provide you with the very best insurance solutions the industry has to offer. HUB is the ninth largest broker in North America. For more information or a quotation, call the AAHA Business Insurance Program at 866-380-AAHA (2242) extension 4699. Or, complete and return the enclosed business reply card.

## BUSINESS INSURANCE



The Standard of  
Veterinary Excellence



### news for you

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

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### Tempted to Cut Back on Insurance? Think Twice

During these trying financial times, you may be looking for ways to trim the monthly expenses of your practice—perhaps you've toyed with the idea of cutting back your insurance coverage.

Kimberly Sudduth of the AAHA Business Insurance Program suggests that you think twice. "An underinsured veterinary practice may not have the coverage needed to survive a fire, a theft, or an accident on your premises." Kim adds that the best course of action is to

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*Think Twice continued from page one*

go over your insurance coverage with your insurance agent.

You may have made improvements to your building or purchased new equipment. That may mean you need to update your coverage. Or, the value of your real estate may have fallen and it might make sense to reduce coverage. But, it's never wise to decide against the coverage you need to help your business survive. For example, business interruption insurance may be available through your practice owners policy, or BOP. This insurance provides coverage for a business' expenses and lost profits if the business can't operate for a variety of reasons. While this coverage may increase your premium payment, it can make the dif-

ference between survival and failure if your practice can't operate because of a disaster.

Your insurance agent can help you to understand your insurance and to evaluate your level of coverage. Kim says, "You may also find that your business needs a policy that is tailored to the veterinary industry. The business insurance available through the AAHA Business Insurance Program is tailored for veterinarians and our program offers exclusive rates and coverage enhancements."

For more information or for a review of your insurance portfolio, please call the AAHA Business Insurance Program at 866-380-2242 extension 4699.

A flood policy typically covers damage as a result of:

- Overflow from a body of water
- Rapid accumulation of rain
- Hurricane
- Sewer or drain back-up resulting from a flood
- Melting snow and ice
- Mudflow (flowing mud on normally dry land)
- Building collapse resulting from flood erosion

## Are You Covered for Flood Damage?

You need to secure a separate flood insurance policy because your practice owners policy DOES NOT provide coverage for flood damage. Even if you don't live near water, your practice is more likely to be damaged from flood than from a fire. Floods are caused by storms, melting snow, hurricanes, and water backup due to inadequate or overloaded drainage systems, dam, or levee failure. And, flood insurance is affordable and less than you might expect. Call 866-380-AAHA (2242) for a free quotation. You can also visit the National Flood Insurance Program's (NFIP) website at [www.floods-mart.gov](http://www.floods-mart.gov) for additional information.

## ACCESS PRIOR NEWSLETTERS AND EDUCATIONAL RESOURCES ONLINE

Visit [www.aahainsurance.org](http://www.aahainsurance.org) for educational articles, coverage descriptions, and program information. You can also download prior copies of *Business Insurance* and other resources such as *The Hartford's Business Owner's Playbook*. And you'll have twenty-four seven access

to insurance company phone and web information to file claims online. The website also offers an online quote form for your practice owners package, workers' compensation, commercial automobile, mobile coverage, flood, and employment practices liability.



# Property Coverage, General Liability, Umbrella, Professional Liability— What's the Difference?

## Practice Owners Package

*also referred to as a Business Owners Package or BOP*

A package policy consists of two main parts: business property and business liability protection. The property coverage responds to losses or damage to physical property caused by a covered peril. Business liability (also referred to as general liability) responds to losses such as if someone is injured as a result of a negligent act or omission in the operation of the practice (e.g., a client slips and falls on a wet surface in the reception area).

In addition to property and liability coverages, the AAHA Business Insurance Program package policy offers protection for damage to valuable records and papers, perishables, and computers and media, among others. Every policy includes loss of income from off-premises power interruption and business interruption coverage. One of the unique coverages that a practice owner will likely not find in a standard policy is protection against damage to buildings and contents caused by animals in the practice's care, custody, or control. Umbrella liability, commercial auto, and mobile loss of income and extra expense coverages are also available.

## Umbrella Liability

Umbrella liability policies provide an additional layer of protection in the event of a catastrophic loss and provide primary coverage for some claims not covered by other policies.



Consider the many different types of insurance policies you have. Each day you risk incurring a loss that could exceed the limits of any one of your policies. For example, if you own a practice, you face the risk of a client or vendor tripping and falling on your premises and sustaining serious or permanent injuries.

Commercial umbrella policies provide liability coverage when the

limits of the following policies are exhausted: 1.) commercial general liability, 2.) commercial automobile liability, and 3.) the employer's liability section of your workers' compensation policy.

The limits of these policies are referred to as "underlying limits." The insurance company providing the commercial umbrella policy will require you to obtain specific levels of underlying limits for your commercial policies. These requirements vary with the insurer.

Commercial umbrella policies do not extend coverage to professional liability or employment practices liability exposures. Therefore, consider purchasing higher limits on these policies.

A common and dangerous misconception is that a practice owner's commercial umbrella policy will cover personal exposures, such as owning or renting a home or driving a personal vehicle. For a commercial umbrella policy to respond to a loss, the loss must result from the activities of the insured business.

## Employment Practices Liability

Employment practices liability (EPL) responds to allegations such

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# Remodeling and New Construction Projects— Are You Covered?

If you are remodeling or working on a new construction project, you are only covered if you secure a builders risk policy. Your business policy does not automatically provide this coverage. Whether you're building from the ground up or renovating your practice, a builders risk insurance policy is essential to protect your financial interests during the course of construction. This policy will meet the needs of multi-million dollar projects as well as cosmetic remodeling. Builders risk protects your project from start to finish so your building materials and other property are covered from the time they are delivered to the job site until the structure is completed and can be covered under permanent property insurance coverage. The policy also provides coverage for theft of building materials, materials in transit or at temporary locations, certain landscaping, and much more.



*What's the Difference? continued from page three*

as wrongful termination, discrimination, and sexual harassment. Employment risks are not covered under your professional liability policy, and many business insurance policies provide low limits (if any) for these perils. The EPL policy available through the AAHA Business Insurance Program contains a duty to defend clause and provides a toll-free employment issues helpline. Furthermore, it offers an optional punitive damage sublimit—most EPL policies exclude punitive damages. For more information, contact the AAHA Business Insurance Program at 866-380-AAHA, extension 4699.

## **Professional Liability (also referred to as malpractice insurance)**

This coverage responds when veterinarians are accused of professional malpractice. Be sure that every veterinarian working at your practice carries his or her own individual policy.



## **AAHA Business Insurance Program**

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

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