

Plastridge Insurance School & Child Care Facility Quarter 1 2022 Insurance Update

Plastridge
INSURANCE SINCE 1919
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COVID-19 and Employment Practices Liability Insurance

Questions around the pandemic and vaccine mandates have become more prevalent regarding Employment Practices Liability (EPLI) coverage and the implications. In addition to the different local, state and federal laws that are going to impact operating decisions, various funding programs are also beginning to discuss these types of requirements as well.

While we always encourage our clients to seek legal counsel when navigating these situations, we have had numerous in depth conversations with EPLI underwriters and are happy to share the feedback that we have received on the insurance side of this issue.

- **Expected Increase in Claim Frequency:**
EPLI claims will continue to increase as a result of the pandemic, according to our carriers. Employment discrimination and wrongful termination are expected to be the most common EPLI claims for the foreseeable future. Some carriers are expressing that they are proactively factoring this in to their rates which is something I would encourage be included in your renewal/budget conversation.
- **"Should we carry EPLI Coverage?"**
We receive this question frequently from schools and child care facilities and I always emphasize that regardless of the nature of an allegation, you will always have to defend. Your insurance program is always a matter of personal risk tolerance, but these exposures are meaningful and should be discussed each year.

Ask About Our Complete Insurance Program Review:

- Property
- Flood
- General Liability
- Professional Liability
- Abuse/Molestation
- Employment Practices
- Student Accident
- Commercial Auto
- Excess/Umbrella
- Workers Compensation

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What Should We Expect At Our 2022 Insurance Renewal?

The insurance market for schools and child care facilities is very unique. Below are some tips that I hope will help you navigate your 2022 insurance renewal with confidence.

- **Carrier Appetite for Schools/Child Care Facilities:**
Schools and child care facilities remain very desirable for carriers despite being in a generally difficult insurance market. The extensive inspection and regulation that your class of business undergoes makes for an extremely attractive risk profile from an insurance perspective. Carriers are competitively targeting schools and child care facilities and you should be seeing multiple options at renewal every year as a result of this.
- **National Flood Insurance Program Changes:**
The National Flood Insurance Program (NFIP) provides the vast majority of flood insurance in Florida and recently underwent a total overhaul (Risk Rating 2.0). This is going to have meaningful implications for policyholders and I would encourage all facilities that maintain flood insurance to get ahead of these changes early and plan accordingly.
- **Review Exposures:**
Most schools / child care facilities reduced their average daily attendance throughout the pandemic in order to reduce their premium. This is something that you will want to consistently update as attendance fluctuates.



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