

Essential Insurance Concerns for Assisted Living Facilities



For assisted living facilities, there are three main considerations when it comes to selecting insurance. The first is a thorough understanding of the potential exposures which could be faced by the facility. The second is the basic need for not only coverage for residents of the community but also for the business owner. Finally, it is necessary to be aligned with the right insurance carrier that offers the financial strength and unique coverages required by the facility.

Knowing which types of insurance you need can be difficult. Aside from your basic business insurance and liability insurance, there are other concerns which are more industry specific. Further, the potential for things such as abuse or data breaches are higher in the elder care industry than they are in others.

Some of the unique coverages which could be faced include, but are not limited to, the following:

- **Professional Liability** – Also known as Errors and Omissions insurance (E&O), this protects individuals and companies from potential civil lawsuits or from damages stemming from direct or indirect harm caused by the delivery of professional advice and services.
- **Physical/Sexual Abuse** – Protects against losses incurred during lawsuits arising from claims of physical or sexual abuse. This includes things such as physical contact, molestation, and inappropriate

touching, among others.

- **Data Breach** – Helps mitigate the

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risk of civil litigation or penalties incurred due to data loss or theft

- **Abduction** – Meant to help mitigate the financial risks of potential abduction situations

involving residents of the facility

- **Theft of Residents' Property** – Protects against theft or loss of the property of residents living in the facility
- **Hired/Non-owned Auto** – Meant to cover bodily injury and/or damage to property which has been caused by a vehicle you hire (this includes borrowed and rented vehicles) or which has been caused by vehicles not owned by the assisted living facility (i.e., vehicles which are owned by others, including your employees).

The types of insurance coverages which *could* be applicable to your assisted living facility are extensive. However, not every facility is going to need every type of insurance. That is why it's important to speak with an insurance professional to find out where your unique liabilities lie and what you can do to protect yourself against them. Keep in mind, however, that even with insurance, it does not absolve your facility of having the proper procedures, training, and staff in place to help mitigate the risks you may face. Planning is the essential first step.

If you would like a review of the potential insurance needs for your assisted living facility, Nesbit Agencies is here to help. With access to over 75 carriers, Nesbit Agencies is able to find the right carrier with the right coverages at the right price for you. Contact Dan Lynch at 952-746-4305 or dlynch@nesbitagencies.com to schedule a consultation today. +