

Iraida Orr

From: Wiersma, David <DWiersma@WBMI.com>
Sent: Monday, December 10, 2012 8:58 AM
To: Iraida Orr
Cc: 'Barbara Kaiser'; Schermetzler, Kim; 'Bill Anderson'
Subject: Legislative Update

Reference: West Bend Mutual Insurance Company
Supporting Member of CCPC of Kansas

December 10, 2012

Re: Legislative Feedback Update

Dear Committee,

I wish to address item number #3 of the request. We are an insurance company licensed in Kansas, and one of our products is Liability and Property Insurance for both in-home providers and child care centers. Our product does include coverage for abuse and molestation, professional liability, as well as medical payments coverage for the children in care.

Over the last few years some trends have occurred that cause concern in the state, and most of this is related to in-home providers.

Many insurance companies who write homeowners insurance in Kansas, will no longer provide extensions of liability coverage to protect child care operations in homes, and some insurance companies who write homeowners insurance in the state will not offer coverage for the home if a child care exposure is present. I believe, but cannot verify that many licensed child care providers in Kansas either may have limited or no insurance coverage that can respond to incidents involving child care operations at the present time.

While many in-home providers are depending on coverage through their homeowners, in most cases this may be limited to their premises only, auto transportation of children, medical payments coverage for injuries to children while in care, and professional or abuse allegations may not be presently covered by many in-home providers, and many parents may be under the false impression that their providers are carrying this type of coverage.

Specifically-what mechanism does the state licensing authority have to review whether there is adequate insurance (liability) in place-or is there currently such a mechanism?

Many of the CCPC members purchase insurance through us, or other reliable commercial insurance companies to protect both the children, and the public. This expense is a significant component of their overhead expense, and they may be at a competitive disadvantage, due to their diligence in securing this coverage versus providers that are not carrying liability insurance for child care operations.

If the committee thinks it valuable, as a public service our child care safety website www.cultureofsafety.com is available to the general public in terms of our extensive experience with child care safety issues-while we want to write insurance, we want to prevent injuries

or accidents, period. We provide periodic "safety alerts" to any subscriber who wishes updates, as we see claims come in from child care centers.

Sincerely,

David L. Wiersma, CIC
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