

Three Key Legal and Insurance Tips

- 1) Providers can never eliminate the many risks associated with caring for children; injuries to children, damage to property, car accidents, and lawsuits. Following some common sense practices, however, can reduce such risks.
 - Comply with all state licensing regulations. Providers who are in compliance with state regulations, particularly those dealing with health and safety issues, are likely to be less liable if there is an accident.
 - Carefully screen, train, and monitor employees. Because providers could be held liable for actions of their employees they should be sure any employees are able to protect the health and safety of the children in care.
 - Fulfill your responsibilities as a mandated reporter of child abuse and neglect. Providers should understand their responsibilities as a mandated reporter and be a resource to parents about child abuse and neglect.

- 2) Follow the law and establish proper policies to keep children safe
 - Providers cannot discriminate against families because of race, color, sex, religion, disability, or national origin. Disability includes physical handicaps, learning disabilities, HIV, and AIDS. Providers should understand their responsibilities under the Americans with Disabilities Act.
 - Providers should follow the proper sleeping procedures with infants by putting them on their backs to prevent SIDS.

- 3) Obtain adequate insurance to protect against major risks
 - Homeowner's insurance: Many homeowners' insurance policies exclude coverage or severely limit the coverage for a family child care provider. Obtain a written statement from the insurance agent that the home and contents are fully covered for business use.
 - Car insurance: Providers who use their car on a regular basis for their business may need to purchase commercial car insurance. Discuss your use of your car with your agent to ensure that you are properly covered.
 - Business liability insurance: Providers should purchase a business liability insurance policy that covers them against lawsuits. Purchase as much as you can afford: ideally coverage should be in excess of one million dollars.