

HEALTH CARE TO GO

ONE OF OUR SPECIALTIES has been providing General and Professional Liability to firms providing home health care and nurse registry services. These businesses supply short-term and long-term nurses, nursing assistants, therapists and homemaker aides to individuals and health-care facilities. The growth rate for these firms over recent years has been phenomenal. It seems that hospitals and nursing homes just can't keep up with the demand for skilled health care workers and are turning towards these firms to supplement their employed staff. Additionally, families of patients staying in hospitals that are chronically understaffed want to hire private-duty nurses to be sure that their loved ones are properly cared for.



THESE AGENCIES should be certified for Medicare reimbursement and accredited by the National League for Nursing, American Public Health Association, Joint Common Accreditation of Hospitals or National Homecare Council. We see some firms that require all of their employees to maintain their own individual Professional Liability coverage and only require coverage for the entity. Others expect that their insurer will include employees as insureds and are prepared to assume the cost for that coverage. We can respond, either way.

WE'VE GOT very specific applications for this class of business. You can call and we'll send you one, or you can get it yourself from the Applications section of our website – it's under "Home Health Care".

LANDERS
Underwriting

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LETTER FROM LANDERS

IN OUR LAST EPISODE, your faithful correspondent was preparing to run a marathon in Mobile, Alabama. Well, that one's history. It was a perfect day for running. Somewhat overcast. Temperature in the 50s. Flat course. I actually managed to complete it in a personal record time. In fact, I was 13 minutes faster than my previous record. The only problem with that is I seem to have convinced myself that, if I could run this race 13 minutes faster, maybe I could run the next one 13 minutes faster still. That, you see, would qualify me to run in the Boston Marathon, the grand-daddy of them all. Why do I do this to myself?

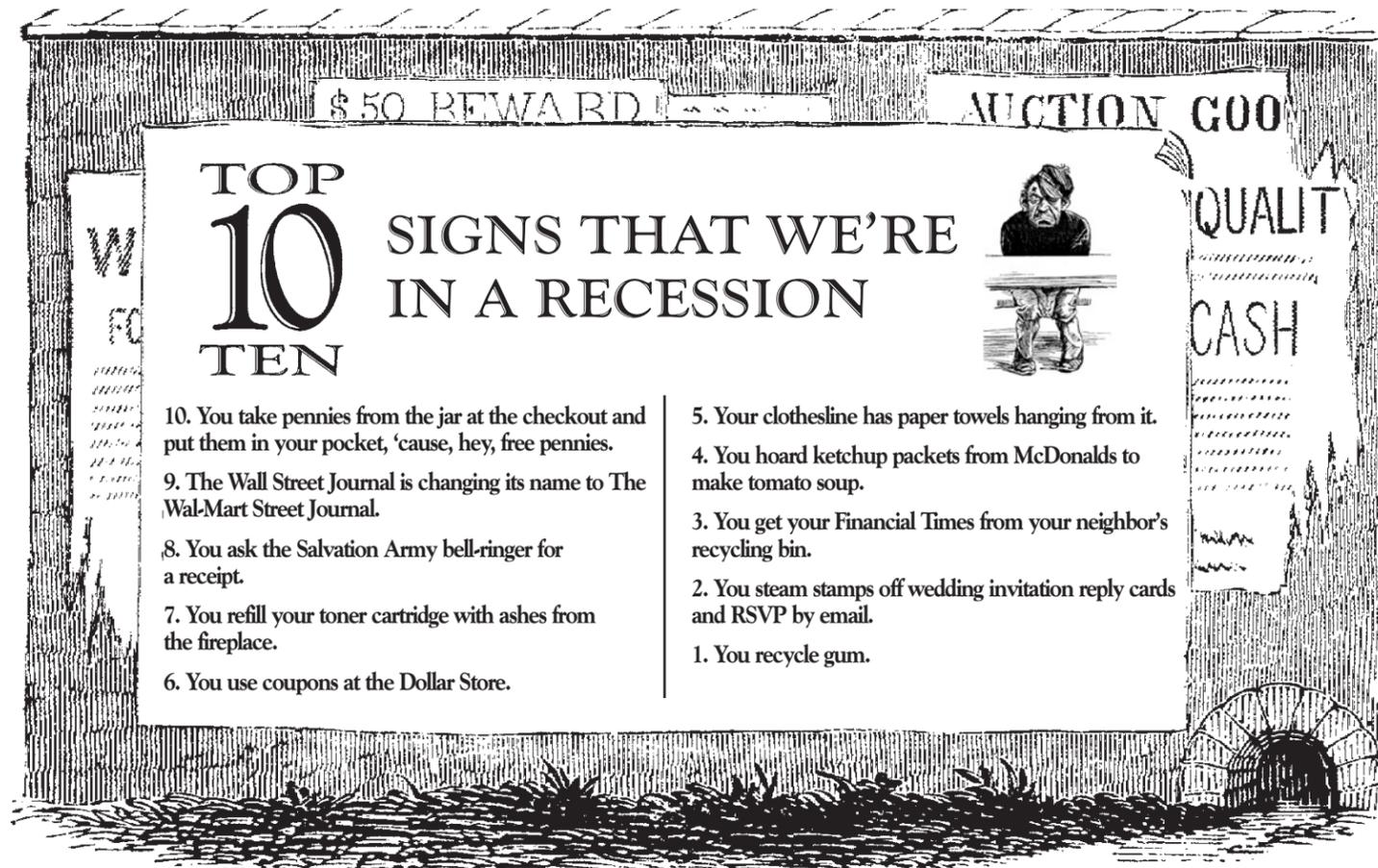
THE HINT OF SPRING to come also has me thinking about a garden, but I'm planning on scaling up a bit this year. I've got it in mind to start a home orchard. There will be apples and there will be peaches. Much like marathon-running, orchards are not for those looking for instant gratification. It'll probably take four or five years before I see my first crop. That's okay. Years seem to pass much more quickly these days.

LIKE A LOT OF FOLKS, I get a bit nervous whenever the state legislature is in session. What's going to happen to make it more difficult for us to do our jobs? Although it ain't done till it's done, this year, it looks like the Virginia General Assembly will actually make things easier for us. They're considering legislation to do away with the requirement that three admitted carriers decline a risk before a surplus lines carrier is permitted to write it. You can be sure we'll let you know if that bill becomes law. Maryland? District of Columbia? Are you paying attention?

WE'RE JUST STARTING a project to implement some long-overdue updates to our website. While it continues to be a useful and convenient tool for our clients to access applications, it's gotten a bit stale. Keep your eyes upon for a newly invigorated landersunderwriting.com in the coming months.

SO, the thought strikes me: If you're happy with work that we've done for you in placing coverage for your customers, maybe you'd like us to look at renewals that your agency currently writes with other wholesale brokers? If you don't ask...

Gary Landers



TOP 10 TEN

SIGNS THAT WE'RE IN A RECESSION

10. You take pennies from the jar at the checkout and put them in your pocket, 'cause, hey, free pennies.
9. The Wall Street Journal is changing its name to The Wal-Mart Street Journal.
8. You ask the Salvation Army bell-ringer for a receipt.
7. You refill your toner cartridge with ashes from the fireplace.
6. You use coupons at the Dollar Store.
5. Your clothesline has paper towels hanging from it.
4. You hoard ketchup packets from McDonalds to make tomato soup.
3. You get your Financial Times from your neighbor's recycling bin.
2. You steam stamps off wedding invitation reply cards and RSVP by email.
1. You recycle gum.

THE CLAIMS PROCESS

OUR FRIENDS at Specialty Global Insurance, underwriters of errors and omissions have put together some thoughts on the claims process that we think are worth sharing.

WHEN TO REPORT –

Report early. Even if you don't think you actually have a "claim" yet, if there's any reason to think a claim might be coming, you should report the claim to your insurer. You can report as notice of a potential claim. If there's an actual claim, you should report it immediately. Depending on what triggers coverage in the policy, you may be required by the policy terms to report a claim promptly or, in the case of a "claims-made-and-reported" policy, prior to expiration of the policy. Late notice of a claim can be justification for the insurer to deny the claim, even if its position has not been harmed by the delay. Additionally, even if the carrier doesn't deny coverage due to late notice, they may refuse to pay for expenses incurred in handling the claim prior to notice to them. There is no good reason for delay in reporting a claim and plenty of reasons to report sooner rather than later.

WHAT TO REPORT –

Report as much as you know. Explain what has happened and provide copies of all relevant documents. Upon receipt of a notice of claim, insurers have an obligation to investigate and they will likely respond to the notice by asking for a clear summary of the circumstances surrounding the claim notice and to send copies of all relevant documents including relevant contracts, letters from the claimant and/or his attorney and if a lawsuit has been filed, a copy of that. Sending complete details with the first notice will expedite the investigation process and shorten the time between your notice to the insurer and your receipt of information about whether the claim is covered.



STATE WINE LIQUOR

TAKE A TRIP WEST with me, if you will. All the way to western Nevada, right up next to the California border. Here, a bar patron had too much to drink. Way too much. He left the Nevada bar and somehow managed to drive himself back into California, where he ran into and severely injured somebody. It wouldn't make much sense for the injured party's lawyer to bring suit against the Nevada bar for causing the intoxication and, thereby, contributing to the accident. Why not? There's no dram shop law in Nevada. Ah, but there is a dram shop law in California and so that's where the suit was filed. And, ultimately, in the case of *Bernhard v. Harrah's Club*, the court's determined that, yes, since the defendant advertised in California, knowing and expecting California residents to use the public highways of California in going and coming from the defendant's Nevada establishment, the defendant has put itself at the heart of California's regulatory interest, namely to prevent tavern keepers from selling alcoholic beverages to obviously intoxicated persons who are likely to act in California in the intoxicated state. Gotcha.

So, what's that got to do with us, here in the mid-Atlantic, you ask? Think about your customers who operate restaurants and bars in Virginia and Maryland. No dram shop laws. No common law precedents. No liquor liability exposure. Um... not so fast. Think of Virginia and Maryland as Nevada. Now, think of the

District of Columbia, Pennsylvania, North Carolina, West Virginia and Tennessee as California. See where we're going?

IMAGINE YOUR INSURED, located in, say, Alexandria, serving somebody too many beers and the drunken patron drives back to D.C. and runs somebody down. Can't you imagine that a clever lawyer will decide to bring suit in D.C., rather than Virginia? Won't everybody be better off if you've sold your client liquor liability coverage? If your client tells you that their lawyer says they don't need it, suggest that they have their lawyer refer to *Bernhard v. Harrah's Club*.

APPLICATIONS ARE AVAILABLE for the asking (or downloadable from landersunderwriting.com). A completed application will get you a quote within 24 hours.



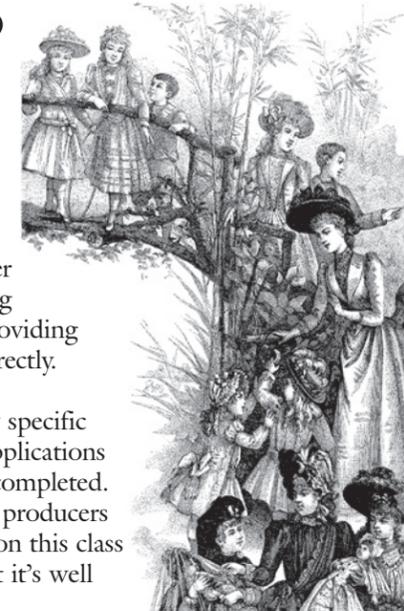
IF YOU BUILD IT, WILL THEY COME?

WE CONTINUE to see demand for liability coverage for general contractors these days. While the downturn in the real estate market has reduced the number of houses being built on speculation, commercial projects are continuing, particularly renovations. We've seen old schools being converted to offices and industrial and warehouse buildings being converted to condominiums. In addition to GL, producers have been looking to us to provide property coverage on these renovation projects. We offer flexible markets, who are willing to provide coverage for a contractor's entire operation or just for a single-location project, as needed.

THE KEY IS being sure that subcontractors are properly insured with limits at least equal to those being sought by the general contractor. Subs will also need to name the general contractor as additional insured.

WE SEE FIRMS who provide some skilled employees, most often carpenters, and we see firms who operate as "paper contractors", subcontracting everything out and only providing supervision over the job directly.

WE WILL INSIST on very specific and, admittedly, detailed applications being fully and accurately completed. It'll take a bit of work, but producers who have worked with us on this class of business have found that it's well worth the trouble. Try us.



ANOTHER CASE FOR A PERSONAL UMBRELLA

LET'S CONSIDER Uninsured Motorists coverage. It turns out that one in eight serious auto accidents is caused by a driver without insurance. What if your client was hit by one of those uninsured drivers? The medical costs, including hospital and rehabilitation services, could well exceed the Uninsured Motorists coverage on the Personal Auto Policy. What then?

WELL, if they have United States Liability Insurance Group's personal umbrella policy, there's an easy solution. Excess Uninsured Motorist coverage is available for injury to the insured, caused by a driver with little or no auto liability coverage.

BY THE WAY, inflation means that \$1,000,000 twenty years ago equates to approximately \$1,800,000 today. To make matters worse, jury verdicts have increased 240% in just the past ten years. That means that if you have a client that was buying a personal umbrella at \$1,000,000 limit, you ought to be selling them \$2,000,000 to \$3,000,000 in 2008. Because \$2,000,000 is the new \$1,000,000.

U.S. LIABILITY is part of the Berkshire Hathaway Group, one of only twenty A++ rated insurance groups in the United States by A.M. Best. They've got their own personal umbrella applications and you can find them at landersunderwriting.com or by calling us.



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