

Care Home Insurance



Care homes cannot afford disruption to their business operations—and neither can their patients and residents. As the owner or manager of a care home, you are responsible for ensuring your business remains economically viable so it can continue offering quality care to those who need it. Patients' and residents' well-being depends on the success of your business.

But your care home's economic viability can be seriously threatened by rising costs, shrinking occupancy levels and a constrained staffing environment. With these hazards hampering your profitability, one disaster could close your care home's doors for good.

Purchasing a comprehensive care home insurance policy can fortify your business against these hazards and keep your doors open in the face of a disaster. Use this overview of the main covers in care home insurance to craft the perfect policy for your business.

There may be minimum insurance requirements set out by the [Care Quality Commission](#) (CQC), the independent regulator of health and social care in England, the [Care and Social Services Inspectorate](#) in Wales, the [Care Inspectorate](#) in Scotland and [The Regulation and Quality Improvement Authority](#) in Northern Ireland. Sirelark Risk Services will help you stay compliant with your specific regulator.

Property and Contents

Property damage cover typically includes a wide breadth of protection for buildings and contents. All care homes should consider insuring the full replacement value of buildings and equipment to

minimise the negative economic impact of an insurable disaster such as fire, lightning or malicious damage.

Insurers extend many optional covers as part of a property and contents policy, for example:

- Valuables
- Stock
- Deterioration of freezer contents
- Clothing and linen

Business Interruption

It is essential for care homes to possess business interruption (BI) insurance, which can cover the loss of profits resulting from a disaster, disruption or unexpected event. BI policies recoup lost profits so your care home can be back up and running as soon as possible.

Your BI policy will probably correspond to the perils insured under your property or material damage policy. Be sure to coordinate your different covers to ensure no hazards slip between the net.

After coordinating your covers, be sure to choose an appropriate maximum indemnity period for your BI policy—your maximum indemnity period is the time you expect it will take to bring your care home back to full operation. Care home operators tend to underestimate the time they will need, so choose carefully. Insurers generally offer 12, 24 and 36 month indemnity periods.

Provided by Sirelark Risk Services

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Money and Loss of Registration

The money covered under your policy will be defined by your insurer, and will usually include items like cash, bank notes, cheques, postal orders, postage stamps, national savings certificates, etc. Money cover is typically offered under an 'all risks' basis, meaning all losses—except those expressly excluded—are covered. This can include theft by employees or voluntary workers.

However, loss of money pales in comparison to the catastrophic effects of losing your care home's registration. All care homes in the United Kingdom must register with their applicable regulator. Failure to register is illegal, and generates fines or even a prison sentence. Loss of registration cover helps regain profits lost due to your care home's unregistered status. Policies typically only cover registration cancellation that is beyond the insured's control.

Liabilities

Being responsible for the well-being of other people exposes your care home to a barrage of liabilities every day. One slip-up, as innocent as it may be, can seriously damage patients' health. To cover this constant liability, insurers offer care homes several different liability policies, including:

- **Employers' liability** is compulsory for all businesses in the United Kingdom with employees. It covers your liability for employees' bodily injury or diseases generated by their employment. Your policy must cover you for at least £5 million and come from an authorised insurer.
- **Public liability** indemnifies you in the event of any third-party injury or property damage arising from the business. This cover is essential, as you will most likely have members of the public visiting their family members who are patients.
- **Products liability** covers you for damages, claimants' costs and your own costs for accidental injury or damage caused by supplying products. This could encompass food or medical products.
- **Malpractice liability** is available as a separate policy. It covers your legal liability for accidental injury or illness caused by errors or omissions when providing professional medical services.

Because many care homes deal with abuse coming from both patients and employees, make sure to obtain a policy that covers liability arising out of abuse.

Extensions

Not all care homes are the same—some are big, some are small, some offer specific medical services that necessitate adherence to stricter guidelines. To satisfy these diverse needs, insurers provide several additional covers as extensions or stand-alone policies, including the following:

- Legal expenses
- Personal accident
- Personal belongings
- Engineering breakdown
- Employee dishonesty
- Data protection

Business Success and Quality Care

You cannot tend to patients without being financially stable—administering quality care is contingent on achieving business success. Trust the experts at Sirelark Risk Services to provide you with robust insurance products and comprehensive industry guidance. Leave the success of your business in our hands—so you can continue delivering quality, life-improving care.