



## **Business Insurance**

Every business needs to consider several types of insurance depending on the nature of the business. You may want to consider working with an insurance professional to make sure you have the right types of policies to provide the coverage you need.

### **Health insurance**

Many businesses provide health insurance as part of their overall employee benefit program. The cost of health insurance continues to rise and you may want to consider having employees pay some part of the cost. If you have a small business with only a few employees, you may want to consider a group plan to cover employees and your family. By being part of a group and having employees pay part of their costs, you may find it is not much more expensive than getting personal health coverage. You may also be able to improve your coverage in this way.

### **Property insurance**

Just about every business should have insurance to cover the loss or damage to property, inventory or equipment. Premiums vary according to the type of property, coverage limits and what you insure against. If you have electronic equipment (such as computers), be sure to investigate how your policy works in case of damage to the files (power outages or surges) as well as damage to actual equipment. Backing up files and storing them in a secure, off-premises location is very advisable as well.

### **Business interruption insurance**

You may want to investigate insurance that would provide benefits if you were no longer able to conduct business in your usual fashion. These policies vary greatly in cost depending on what is covered. However, you may want to consider what would happen if you could not occupy your location in case of disaster.

### **Liability insurance**

This insurance can cover damages you pay as a result of your actions or negligence, or if someone is injured while at your business. Everyone has heard of the large damage awards being made when a customer slips and falls because the business did not melt the ice in front of the door. Be sure to discuss this type of coverage with a qualified insurance professional to make sure you are adequately covered. The trend toward large jury awards appears to be going to continue.

### **Workers' compensation insurance**

This insurance provides coverage for medical and related costs for accidental injuries suffered by employees at your workplace. The amount of coverage required varies by state.

### **Auto insurance**

If you use an auto, even if it is your personal one, you may be required to have a commercial auto insurance policy. If you are a sole proprietor and use your car, be sure to discuss this with your auto insurance provider.

**Umbrella insurance**

The usual cost of umbrella insurance is low. This coverage fills in the gaps of your other policies or provides additional coverage once the original policy limits are exceeded. This can be extremely valuable in case of large losses. Many companies offer these policies and you may find that one of your professional organizations has a relationship with an issuer that will keep your cost low.

**Summary**

Most businesses need more than one type of insurance coverage. Spending some time considering what is needed and how the policies can be structured for your business is probably a good use of time and effort. Managing and growing a business is hard enough without having to worry about not being covered if unforeseen events occur.