



## Final Five – The Five Insurance Questions you need to ask

By Michael A. Swain, Sr. Loss Control Specialist, Markel Insurance Company

Choosing the right gymnastics insurance program for your school is just as important as choosing the right apparatus, safety equipment, and staff. The right insurance program should protect your school's reputation and property, and give you a broad shoulder to lean on if the unexpected happens. Having a knowledgeable insurance agent can help. An insurance agent should be well versed to help you understand your policy coverage and services. Beyond insurance coverage, it is vital that an agent has knowledgeable insight of the insurance company where they look to place your insurance.

Here are five “What I need-to-know” questions every gymnastics business owner should ask of their insurance agent to make sure they are obtaining appropriate coverage for their gym.

1. What is the **financial strength** of the insurance company? The agent should know the financial strength of the carrier AM Best is a widely recognized ratings agency which assesses insurers and assigns letter grades for easy comparison. It is also important to know if a carrier is an admitted or non-admitted insurance company. An admitted insurance company is one that is licensed to do business in a particular state and is subject to the state insurance code governing such aspects as company reserves and advertising. Should an admitted insurance company go out of business, then the state has the responsibility to pay any outstanding claims.
2. What **coverages** do they provide that will offer the best protection for my business? Your agent should know the available coverages and limits involved with each coverage. Along with property and liability coverages, there may be a variety of others that should be considered when a business' primary clientele include children.
3. Does the agent have **industry knowledge** and understand my unique risks? An agent should know your business. For example, do they understand exposures you might incur based on the lease agreement/contract you sign as a tenant? By having a detailed fact finding conversation with you, an agent should gain additional insight into your coverage needs. If you don't feel they have enough information about your business, don't be afraid to share until you feel they do. The agent can then discuss your insurance coverage needs with the insurance company. These conversations should be ongoing. Be sure to review any new ventures or programs you plan to start with your agent beforehand. This will help make sure the new opportunity gets the coverage it needs to protect you from loss.



4. What about **claims handling**? A knowledgeable and experienced claims department is as important as the coverages you obtain. Your agent should know the experience of the insurance company's claims department and have a clear understanding of how to report claims to the carrier. An experienced claims department can help expedite coverage evaluations leading to more efficient and timely claims resolutions in the event of a loss.
  
5. Are there **additional services** available? Your agent should know the services that come with an insurance policy. Risk management services, for example, can help provide information to help you manage risks associated with your business. , These services can help support your business by providing resources to reduce exposures and control the ultimate cost of your insurance.

### **About the author**

Michael A. Swain is Sr. Loss Control Specialist for Markel Insurance Company. Michael is responsible for creating and implementing risk management programs in support of gymnastics and other youth recreation programs for Markel. With 30 years industry experience, he has an extensive background in risk management. Michael, a 1984 graduate of Va. Tech, holds a certification as an Associate in Risk Management and a Senior Claim Law Associate. He has also completed various other certifications to include the USA Gymnastics Risk Management Safety Certification Program and the American Association of Cheerleading Coaches and Administrators Safety Certification Program.

### **About Markel**

Markel Specialty, one of Markel Corporation's four insurance divisions, has over 70 years of experience in niche markets, with a product focus on commercial and personal lines insurance. Markel Specialty Commercial (MSC), the commercial lines division of Markel Specialty, provides tailored commercial insurance solutions to small business and specialized niche industries, including general coverage in the areas of commercial package, mono-line liability, workers compensation, accident and medical, commercial auto, and business owner policies.

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