

INSURANCE MATTERS

A Newsletter for Delawareans

August 2024

SMALL EMPLOYER INSURANCE



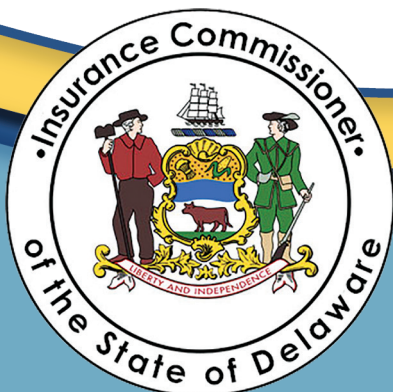
For the more than half million U.S. entrepreneurs who start a business each month, making the right insurance moves can mean the difference between a first-anniversary celebration and an inaugural-year flop. Whether you have one or a few hundred employees, sell products or offer services, or command your operation from inside or outside your home, your insurance considerations as a small business owner are quite different from those of an individual consumer.

As a small business owner, providing insurance to your employees can be a daunting task. Balancing the cost of coverage with the need to offer competitive benefits is no small feat. However, understanding small employer insurance and the options available can empower you to make informed decisions that benefit both your business and your workforce.

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- *The Importance of Defensive Driving*
- *Ask the Commissioner*

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employer insurance
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SMALL EMPLOYER INSURANCE



Who is considered a small employer?

Plans offered in Delaware define small employers as having 1-50 full-time employees. A full-time employee is someone that works more than 30 hours per week.

Am I required to offer health insurance to my employees under the Affordable Care Act (ACA)?

No. The ACA says that small businesses with fewer than 50 employees are not required to offer health insurance benefits to their employees or have to pay a tax penalty if they do not. However, that doesn't mean you shouldn't provide health insurance benefits or a notice of coverage options to each employee, while also informing them of the existence of the Health Insurance Marketplace (www.choosehealthde.com) and the services it will provide.

Why should I offer insurance to my employees?

- You will retain employees because they value insurance as a benefit.
- Your small business might qualify for health insurance tax credits.
- You can choose the plan that fits your budget.
- You will boost morale among your employees.
- You will help reduce employee time off due to sickness.

What insurance do I need to start a business?

The standard business owners' policy provides liability coverage like a commercial general liability (CGL) policy. Generally, commercial liability insurance, whether separate or as part of a standard business policy, may cover bodily injury, property damage, personal injury or advertising injury. The medical expenses of a person(s), other than an employee, injured at your business or as a result of the business may also be covered.

When do I need to get this insurance?

The chance that you could suffer a loss begins the first day of business so it is important to have insurance right away. If you suffer a loss and have no insurance, improper insurance or insufficient coverage there is little, if anything, that can be done to assist you.

What if I work out of my home?

Your current homeowners policy may cover some of the damages but on a very limited basis. Even if your business is a craft studio, these limits may be too low to cover the equipment and materials you may have. It is important to know that no business liability is included in a standard homeowner's policy. Additional coverage may be added or found in a separate commercial policy.

What about my car that is used only for business?

Whether you have one or several vehicles you will need a business automobile policy. This type of policy may provide coverage for damaged or stolen vehicles used to include trailers pulled by your trucks. It also provides liability coverage if the business vehicle is in an accident and the driver is at fault. However, this policy is not for truckers or commercial garages.

THE IMPORTANCE OF DEFENSIVE DRIVING

Defensive driving is a skillset that every driver should prioritize, as it plays a crucial role in preventing accidents and promoting overall road safety. It is more than just obeying traffic laws and regulations; it is about anticipating potential hazards and taking proactive measures to avoid them. The principles of defensive driving include awareness, focus, preparedness, and restraint, all of which can drastically reduce the chances of getting involved in dangerous situations.

Defensive driving is a crucial component of road safety. It empowers drivers to be more mindful, proactive, and cautious, allowing them to navigate complex road conditions and unpredictable drivers with confidence. By adopting defensive driving techniques, we can collectively reduce accidents, save lives, and make our roads safer for everyone. Whether you're a seasoned driver or a beginner, prioritizing defensive driving will not only protect you but also contribute to a safer driving culture for all.

Benefits of Defensive Driving

Fewer Accidents: The most significant benefit of defensive driving is the reduction in accidents. By staying alert, anticipating the actions of others, and preparing for the unexpected, defensive drivers can avoid situations that often lead to crashes.

Lower Costs: Fewer accidents mean lower costs related to vehicle repairs, insurance premiums, and medical bills. Defensive driving can save drivers money in the long run by helping them avoid collisions and their associated expenses.

Increased Confidence: Defensive drivers tend to feel more confident on the road. Knowing that they are prepared for different situations helps reduce stress and anxiety while driving, making it a more pleasant experience.



ASK THE COMMISSIONER

Protecting Yourself From Insurance Fraud

Insurance fraud can be costly and frustrating, but there are steps you can take to protect yourself. Always verify the legitimacy of the insurance company or agent you're dealing with. Research their credentials, read reviews, and confirm their license through your state's insurance department. Be cautious of unsolicited offers or pressure to sign up quickly—fraudsters often use urgency as a tactic. Never share personal information, like your social security number or bank details, without verifying the recipient's identity. Finally, document all transactions, keep records of correspondence, and report any suspicious activity to the authorities immediately.

All Delaware insureds will benefit from the Department's ability to detect and prosecute fraud. In time, we should see lower insurance premiums. Wouldn't it be nice to have extra money in your pocket rather than the pocket of a person undeserving of it? With your help, we will increase the likelihood of these people getting caught and, thus, take the profit out of this crime.

If you know of or suspect possible insurance fraud, please report it. All calls and tips are investigated. All calls and tips are confidential unless you choose otherwise. To report suspected insurance fraud: Call: 1-800-632-5154 toll-free



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The consumer comes first.

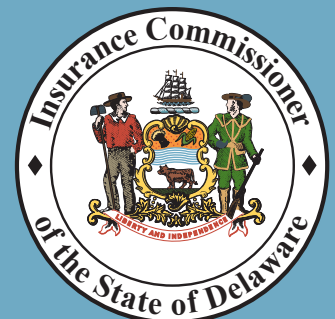
Our office is here to help if you have questions about or problems with your insurance coverage or insurance company.

Questions about insurance or complaints about an insurance company or insurance agent can be made to the Consumer Services Division by phone, by fax, by letter, by email or with an online complaint form.

Phone: 302-674-7300

Fax: 302-739-6278

consumer@delaware.gov



Our Mission

Protecting Delawareans through regulation and education while providing oversight of the insurance industry to best serve the public.