

# FAST FACTS

THE HARTFORD: Your solution for  
**Veterinary Services.**



## Size of Opportunity

U.S. Veterinary Services	40,000 + businesses*
Combined premium for workers' compensation, business liability, property and commercial auto.	Approximately \$500 million*

## Appetite

We define "small" as being veterinary services with up to \$15 million in property values per location, and up to \$15 million in sales per account. We will write monoline workers' compensation up to \$6 million in payroll and monoline auto up to 25 vehicles. Larger workers' compensation and auto policies may be written in conjunction with a Spectrum® policy.

### SIC      Type of Business

0742      Animal Hospitals

7231      Veterinary Services

Risks that treat livestock or exotic animals are ineligible.

## Industry Outlook

Most Americans think of their pets as members of the family. More and more owners are willing to pay for complicated, expensive procedures, especially for older pets. As a result, veterinary specialty practices have blossomed including pet acupuncture and psychology. With an estimated 75 million dogs, 85 million cats and 15 million birds living in households today, the pet care industry is set to thrive well into the future. Average annual spending for veterinary services is \$350 and the average animal hospital serves 5,000 clients.

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# Why Veterinarians Choose The Hartford

## Spectrum® Business Owners Policy

- **Easy to use diagnostic equipment is readily available.**

Because highly skilled operators are not necessary many clinics do their own testing.

Equipment Breakdown coverage, included in the Spectrum Special Property Coverage Form, provides valuable protection for equipment exposure. Coverage includes electrical arcing or artificial electrical current as well as mechanical breakdown.

- **With the tougher economy some pet owners have found veterinary fees to be a hardship.** Practices that lack a good business manager may have issues with account receivables.

Spectrum has a \$25,000 limit for Accounts Receivable coverage built into the form for both on and off premises exposures. This limit may be increased up to \$2 million. Additional limits are provided by the blanket limit included in our Super Stretch endorsements. Accounts Receivable coverage responds to losses caused by the inability to collect outstanding balances as a result of lost or damaged records.

- **Good record keeping is critical.** Treatment records must be maintained to defend against possible professional liability lawsuits. Important documents outlining contractual obligations with waste haulers and pharmaceutical companies also need to be maintained.

Spectrum is designed to cover Valuable Papers up to a \$25,000 limit both on and off the premises. This limit may be increased up to \$2 million. Additional limits are provided by the blanket limit included in our Super Stretch endorsements. We provide coverage for the cost to research and re-create copies of clients' files.

- **Computers are vital to day-to-day operations.** Veterinarians often use computers to maintain critical records and track appointments.

Spectrum includes Computers and Media as covered business personal property and protects our insureds' investments in computer technology by reimbursing them for physical loss or damage to computer hardware. Coverage is extended to loss of or damage to data or computer software on a more limited basis.

The optional Computers and Media coverage form provides built-in coverage for virus damage to computer equipment, software and data. Limits are available up to \$2 million.

- **Location is key.** Animal hospitals usually establish a clientele base in their immediate area. Moving could mean the loss of valued repeat customers. Because veterinary services have specific building needs such as ventilation systems or incinerators, finding replacement space quickly may be problematic. Consequently, should a property loss occur, they would prefer to rebuild – not relocate.

Business Income coverage is critical at times like this to reimburse a business owner for loss of earnings and operating expenses that occur even though business activities are temporally stalled. Spectrum also offers Extended Business Income coverage available up to 12 months – which amounts to up to one additional year of Business Interruption coverage after operations have resumed.

- **Animals are often left in the vet's care for observation overnight – sometimes longer.** Claims may result if the animal is injured or dies as a result of a fire, theft, burglary, attack by other animals, etc.

Optional Animal Bailee coverage may be added to the Spectrum policy. A limit of \$2,500 per animal is provided for clients' pets while in the vet's care, custody or control while they are at, or away from the "scheduled premises" up to the total limit of insurance selected.

- **Animal hospitals store prescription medications.** They are often the target of theft, either by employees or others.

The optional Employee Dishonesty endorsement can be purchased. Limits from \$10,000 to \$250,000 are available. Additional limits are provided under our Veterinarians Stretch endorsements

- **Veterinarians need to dispose of "medical waste" in a proper manner.** Blood samples, deceased animals, etc., need to be disposed of in accordance with governmental regulations.

The optional Reimbursement of Legal Expenses for Disposal of Medical Waste\*\* is available. This optional coverage reimburses legal expenses if the insured is involved in certain types of legal proceedings in which a violation of a law or regulation governing the disposal of medical waste is alleged. We will reimburse the insured for legal expenses up to \$50,000.

- **Vets can be sued for misdiagnosis, medication or treatment errors, spread of infectious disease, etc.** Professional Liability presents a serious exposure.

Veterinarian's Professional Liability may be added both to the Spectrum and Umbrella policies for veterinarians and animal hospitals treating household pets such as cats, dogs and other small animals.

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\*\*This coverage is not available in New York.

## Workers' Compensation

- **A visit to the vet can cause animals to become unsettled and aggressive behavior is not an uncommon occurrence.** Bites, scratches and animal attacks, as well as the spread of some types of diseases and infections from animals to humans, are not unheard of. Slips and falls and strains from lifting animals onto exam tables mean exposure for workers' compensation losses is significant.

As one of the largest and most experienced workers' compensation carriers in the country, we offer:

- ◊ Access to a countrywide network of over 400,000 healthcare providers skilled in handling workplace injuries and helping injured employees get back to work. These network resources, combined with contracted network discounts, help The Hartford get the most out of every health-care dollar.
  - ◊ Assistance in getting injured workers back on the job as soon as medically appropriate through our Team•Work® return-to-work program and nurse case managers for complex cases.
  - ◊ Help in managing claim expenses by reviewing medical bills and prescription treatments for accuracy.
  - ◊ Broad Coverage for your insureds including our Broad Form Endorsement at no additional premium charge. This endorsement provides many useful coverages including Reimbursement for Reasonable Expenses incurred on the insured's behalf in connection with a suit or claim proceeding we defend. This coverage extends to loss of earnings.
- **Cash flow may be uneven.** Pets spend more time outdoors during warm weather and are more susceptible to disease or injury during the summer months.

The Hartford offers a convenient way to manage cash flow with XactPAY® our patent pending payroll billing solution for Hartford workers' compensation policyholders. Benefits to small business owners include:

- ◊ No large down-payment
- ◊ Pay-as-you-go premium charges based on actual payroll
- ◊ Lessening of audit surprises at the end of the policy period

This flyer contains only a general description of coverages that may be provided and does not include all of the features, exclusions and conditions of the policies it describes. Certain coverages, features and credits vary by state and may not be available to all insureds. You should consult the actual policy language and speak with the appropriate Hartford representative if you have questions. In the event of a loss, the terms of the policy issued will determine the coverage provided. Coverages are underwritten by Hartford Fire Insurance Company and its property and casualty affiliates, Hartford Plaza, Hartford CT 06155, CA lic.# 5152.

- Help clients understand workers' compensation at [www.WorkersCompStartHere.com](http://www.WorkersCompStartHere.com)

## Commercial Auto

- **At times employees use their own automobiles to run business related errands during their lunch break or after work.** A non-owned auto exposure exists.

The Hartford's Broad Form Auto Endorsement offers Employees as Insureds - If an employee has an accident while driving their own car on company business, personal liability coverage is provided to the employee in excess of the employee's own personal auto insurance

- **Practices may lease or purchase expensive vehicles for the vets.** Vehicles depreciate quickly and in the event of a total loss the outstanding value of the lease may exceed the actual cash value of the vehicle.

Our Broad Form Endorsement also offers Lease and Loan Gap Coverage:

**Lease Gap Coverage** - In the event of a total loss to a covered leased auto for which the lessor has been added as an additional insured, we will pay the outstanding balance of the lease if it exceeds actual cash value.

**Loan Gap Coverage** - In the event of a total loss to a covered auto for which the insureds outstanding loan balance is greater than the actual cash value of the vehicle, we will pay the difference between the outstanding loan balance and the actual cash value.

- **Like other professionals, many veterinarians may want their next car to be a hybrid.** Many professionals are drawn to the clean energy and high mileage aspects of hybrid cars.

We offer Hybrid Car Replacement - If a non-hybrid auto is a total loss, and if replaced by a hybrid auto, we will pay an additional 10% of actual cash value up to a maximum of \$2,500.

## With The Hartford Behind You, Achieve What's Ahead of You.

Don't forget to visit our small commercial site at: [sb.thehartford.com](http://sb.thehartford.com) and [WorkersCompStartHere.com](http://WorkersCompStartHere.com)