

Help! My Insurance Company Dropped Me



Source: www.TurfMagazine.com

glchustler: "I have had workers' comp for six years now with two different companies; I have an insurance broker who gets quotes for me. In October '09, one of my employees had a bad accident and had to have surgery on his shoulder, which made a large claim against my insurance. I got a letter last week that my insurance company will not renew my policy when it comes due. What do I do next? Have any of you had this happen to you?"

Stillwater: "Relax. This is a given. Most claims against comp insurance will result in a drop. Your agent and/or broker will line something up before there is a lapse in coverage. You can call your agent and tell them about your Dear John letter, but they might already know. You will be paying a higher rate, but there is always insurance available for you from someone as long as you can afford it."

AI Inc: "Most states have a program to provide workers' comp to contractors who cannot purchase it on the open market. Look into it."

"If my company cannot get workers' comp coverage from a private insurer, where do I go?"

"Every state has a mechanism for providing workers' comp insurance for companies that can't get it elsewhere. In most areas it comes in the form of an 'assigned risk pool' that acts as the workers' comp insurer of last resort."

"If you use the assigned risk pool, you must apply for coverage with the state agency that administers workers' comp. Applications are then assigned to an insurance company that agrees to do business with the assigned risk pool."

"You do not want to be in the assigned risk pool if you can avoid it. Assigned risk plans almost always cost more than private insurance, and you will probably receive poorer service and less attention."

bohiaa: "It happens all the time. Wait until you make a claim on your home and they drop you."