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GROWING

ABOVE THE REST

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IN THIS ISSUE

## Workers Compensation – Should I worry about the small stuff?

By Sheryl Leonard

Two questions that I have received recently warrant a discussion in my book. Can I add a deductible to my WC policy to avoid small claims?

Should I even submit the small claims, say, under \$500?

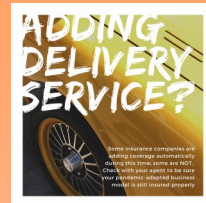
Let's discuss the deductible option first.

The easy answer to the question above is, yes. You can add a deductible to your WC coverage.

Most people would consider adding or increasing the deductible to lower the premium in exchange for sharing a larger portion of the risk. However, in Iowa, there is no premium credit for adding or increasing a deductible on your WC policy. That is the downside. On the upside, if you are a business owner that understands the consequences of building a claims history or the increase in premium resulting from claims paid out, you might want to consider a deductible.

Since Workers Compensation claims drive the cost of the policy, that deductible may come in handy. You may pay more at the time of loss, but you will not be penalized for the portion of the claim that is covered by the deductible. For instance,

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AM I COVERED FOR...

delivery?

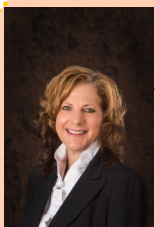
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FEATURED RECIPE:  
HAMBURGER QUICHE

One of Sheryl's family favorites

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### Crop & Farm Expertise

Sheryl sheds light on crop & farm concerns from a farmer's perspective. AgCom is also a Farm Certified Agency for Nationwide Ag.

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# Workers Compensation – Should I worry about the small stuff?

By Sheryl Leonard

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a claim results in \$1500 of medical bills and you have a \$1000 deductible. Your claims record will only reflect the \$500 that was paid over and above the deductible amount paid by you. A \$500 paid claim is more acceptable to the carrier than a \$1500 paid claim.

That leads me to the second question above. Should you even submit the small claims under your deductible or whatever amount you are comfortable paying if you don't have a deductible?

Let's look at Iowa law. Iowa employers are required to provide insurance through private insurance companies or become self-insured providers to deal with potential workers' compensation (WC) claims. An employer who doesn't provide some form of workers' compensation coverage may be liable for workers' compensation benefits, damages, and/or criminal penalties under Iowa law. Employees in Iowa have 90 days to report a work-related injury to their employer. Once an injured worker reports his or her injury, the employer has four days to file a first report of injury with

the state worker's compensation commission. This is usually done through notification of your WC insurance carrier. That is the law.

Keep in mind that WC benefits include more than just paying for medical bills. These benefits will also pay for rehabilitation, lost wages, permanent injuries and death benefits of those injured employees. A broken finger is a seemingly small injury that could be a large claim cleverly disguised. The broken finger may not keep a worker from completing his or her job but when the cast comes off, the finger never works properly again. Now you are facing a permanent partial disability claim and the worker is entitled to compensation for that. You are not looking



at a simple office visit charge now. Another example is a farm worker that doesn't see the lever on the side of the feed wagon due to his cap blocking his vision. The 3 stitches are not a big deal and the bill is less than \$400. The farmer may pay that bill and decide not to submit a WC claim but then the cut gets infected and the medical bills begin to pile up. Now what? The law is there to protect both the employer and the employee.

For more information regarding WC coverages, please give us a call. We will be happy to discuss any questions you may have over a virtual cup of coffee!

## HAMBURGER QUICHE

FROM COLLEEN KNOP, SHERYL'S MOM

### INGREDIENTS

- 1 lb frozen hash browns (thawed)
- 1/4 c butter (melted)
- 1/2 lb ground beef
- 1 onion (chopped)
- 1 c. milk
- 2 eggs
- 1 T cornstarch
- 1/2 lb cheese (diced)
- 1 tsp Worcestershire sauce
- Salt & pepper

Grease large pie pan and press hash browns into it for crust. Drizzle butter on potatoes and bake until it starts to brown. Mix rest of ingredients together



and pour into pie pan. Bake at 350 degrees for 30 minutes. Serves 8.

*One of my family's favorites! This is a creative way to use a little frozen hamburger without too many eggs. –Sheryl*

**C.O.V.I.D. - 19**  
Christ over viruses and infectious diseases

“Have I not commanded you?  
Be strong and courageous.  
Do not be frightened,  
and do not be dismayed,  
for the Lord your God is  
with you wherever you go.”

Joshua **1:9**

# Am I covered for... delivery?

by Cheryl Ellis

In this time of crisis, everyone is adapting their lives and their business to survive. At AgCom, we are still here, but our offices are closed to the public. When the governor declared that restaurants are closed to dine-in, many of our local establishments increased their carry out and delivery services. When salons closed, stylists began offering product delivery to keep your color as long as possible. As hourly workers are laid off, many are stepping up to provide those deliveries. I even saw a local mechanic offer pick up & drop off service!

We applaud the American entrepreneurial spirit striving to make it work! But, as always, my concern is “are you covered for that?” The answer varies greatly depending on the company with whom you are insured, the type of delivery service provided, and the types of insurance you had in place before the crisis. Unfortunately, I don’t have a stock answer that covers everyone except CALL YOUR AGENT. Please.

While talking to your agent, let us know about all of your changes. Some of those changes can save you premium dollars right now! If your total payroll has decreased, your workers’ compensation can be adjusted now so you don’t have to pay the excess premium. If your business is completely closed or you can document a decrease in income, your overall rate may show a decrease now.



Here comes the scary insurance agent moment... But, if you are having employees deliver goods in their personal vehicles and one of them has an accident, their personal auto insurance may NOT cover that accident. If you make the effort to let your agent know that this risk has changed, it can be covered. Depending on the severity of the accident, this could literally be a million dollar decision.

Many companies are allowing payments to be deferred as well. Remember you still owe the payment and that may mean an increase for the rest of the year, so use the deferrals as a necessity to free up income for other expenses. This is not a “insurance is free” moment... it is just an act of compassion to keep folks insured during hard times.

There is a reason that Insurance is one of the sectors deemed “essential”. Even if we are not in our physical offices or you may not be able to stop by just to chat, we are here for you. We are looking out for you. Give us a call. We miss you, too.

## Am I Covered For...?

A lifelong learner and insurance professional, Cheryl loves to research and answer your insurance questions. Submit yours anytime.



CHERYL ELLIS [cheryl@agcomfinancial.com](mailto:cheryl@agcomfinancial.com)



AgCom Insurance challenged the city of Cherokee to create chalk art to brighten up our city in these dark times. They really stepped up! We delivered 9 dozen donuts to individuals and to places like the Cherokee Police Department, Ludvigson Chiropractic, KCHE Radio, Hy-vee Floral & Gifts, Grin & Wear It, and Foundation Analytical labs. We love seeing our community come together!

