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| <b>OCFP</b><br><b>Office</b><br><b>of Child</b><br><b>and Family</b><br><b>Policy</b> | <b>Department of Children and Family Services</b>  |  |
|   | <b>Index No: 2002.01</b>   | <b>Issuance Date: January 17, 2002</b> |
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|   | <b>Key Words: 89 IAC 408, Licensing Standards For Group Day Care Homes, Public Liability Insurance</b> |  |
|   | <b>Approved by:</b>  |  |

### Interpretation

**Question:** Are Group Day Care Homes required to carry business insurance in the single limit amount of \$100,000 per occurrence or is a homeowner policy with the same coverage sufficient?

**Applicable To:** Group Day Care Homes

**Policy Citation:** Section 408.35 General Requirements for Group Day Care Home Family

h) The operator(s) of the group day care home (the caregiver(s)) shall carry public liability insurance in the single limit minimum amount of \$100,000 per occurrence.

**Section 408.25 Provisions Pertaining to Permits**

a) A permit shall not be issued until:

5) Proof of public liability insurance as required by Section 408.35(h) (such proof may consist of, but is not limited to, a copy of an insurance policy, binder or certificate; or a letter from the insurance carrier);

(Source: Amended at 21 Ill. Reg. 4563, effective April 1, 1997)

**Discussion:** Subsection 408.35(h) clearly requires the group day care home operator to carry public liability insurance in the single limit minimum amount of \$100,000 per occurrence, but does not specify that a particular type of insurance policy is required.

According to the Illinois Department of Insurance, public liability insurance is the term used for the bodily injury and property damage coverage provided with automobile and homeowner insurance policies. The \$100,000 minimum set in 408.35(h) doubles the typical minimum carried by most homeowners.



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However, there is no requirement that the group day care home operator has to purchase business insurance.

Licensing workers must see a copy of an insurance policy, binder or certificate, or a letter from the insurance carrier that states that the group day care home operator's policy has single limit amount of \$100,000 per occurrence and does not contain any provisions that would limit that coverage.

**Response:**

**Group Day Care Homes are not required to carry business insurance. The single limit amount of \$100,000 per occurrence specified in 408.35(h) may be carried on their homeowner insurance.**