

April 2009

# “...If the Bough Breaks”: Insurance Coverage For Home-Based Child Care Providers



New York State  
Office of  
Children & Family  
Services

David A. Paterson, Governor  
Gladys Carrión, Esq., Commissioner



Rock-a-bye, baby  
In the treetop  
When the wind blows  
The cradle will rock  
When the bough breaks  
The cradle will fall  
And down will come baby  
Cradle and all

## Table of Contents

---

|  |            |
|--|------------|
| <b>Acknowledgments</b> .....   | <b>iii</b> |
| <b>Executive Summary</b> .....   | <b>vii</b> |
| <b>Introduction and Background</b> .....                                     | <b>1</b>   |
| I. Purpose of the Study .....  | 1          |
| II. Research and Legislative Context .....                                   | 1          |
| III. Family Child Care Overview .....  | 4          |
| IV. Research Questions .....   | 4          |
| <b>Methodology</b> .....   | <b>7</b>   |
| I. Choice of Data Collection Strategies .....                                | 7          |
| II. Sampling and Sampling Venues .....                                       | 8          |
| III. The Survey Instrument .....   | 9          |
| IV. Sample Description (Overview) .....                                      | 10         |
| <b>Homeowners and Renters Insurance</b> .....                                | <b>13</b>  |
| I. Coverage Highlights .....   | 13         |
| Discussion .....   | 13         |
| 1. Rural/Urban Differences .....   | 13         |
| 2. State Region Differences .....  | 15         |
| 3. Housing Status Differences .....  | 16         |
| 4. Carriers .....  | 16         |
| II. Total Cost Highlights .....  | 17         |
| Discussion .....   | 18         |
| 5. Rural/Urban, State Region and DCCS Region Cost Differences .....          | 18         |
| 6. Cost Differences by Modality .....  | 18         |
| III. Liability ‘Riders’: Coverage Highlights .....                           | 18         |
| Discussion .....   | 19         |
| 7. “Shadow” Impacts of Housing Status .....                                  | 19         |
| 8. Differences by Modality Are Nuanced Rather than Clear-Cut .....           | 19         |
| IV. Liability ‘Rider’ Cost .....   | 20         |
| V. The Uninsured and Under-Insured: Highlights .....                         | 21         |
| Discussion .....   | 21         |
| 9. Barriers to Coverage Gains .....  | 21         |
| VI. Satisfaction with Coverage or Status: Highlights .....                   | 24         |
| Discussion .....   | 25         |
| 10. Differences By Insured Status and the Complication of Non-Response ..... | 25         |
| 11. Factors Important in Satisfaction .....                                  | 26         |
| <b>Business Liability Insurance</b> .....                                    | <b>29</b>  |
| I. Coverage Highlights .....   | 29         |
| Discussion .....   | 30         |
| 12. Having Homeowner/Renter’s Insurance Seems Pivotal .....                  | 30         |

|   |           |
|---|-----------|
| 13. <i>But Housing Status is Key</i> .....  | 30        |
| 14. Carriers.....   | 30        |
| II. Cost Highlights.....  | 31        |
| Discussion.....   | 32        |
| 15. Cost Differences by Modality are Reliable.....  | 32        |
| 16. Mean Reported Costs Track Well with Company Quotes.....                                   | 32        |
| III. The Uninsured: Highlights.....   | 33        |
| Discussion.....   | 33        |
| 17. Cost Concerns Preeminent.....   | 33        |
| 18. Lack of Knowledge and Insurance “Acumen”.....   | 35        |
| IV. Satisfaction with Coverage or Status: Highlights.....                                     | 36        |
| Discussion.....   | 37        |
| 19. Differences By Insured Status.....  | 37        |
| 20. Factors Important in Satisfaction.....  | 37        |
| <b>Health Insurance.....</b>  | <b>39</b> |
| I. Coverage Highlights.....   | 40        |
| Discussion.....   | 41        |
| 21. Consistent Findings on Specific Household Members’ Coverage.....                          | 41        |
| 22. The Problem of “Incomplete Family Coverage”.....  | 42        |
| 23. Variation in Sources of Coverage and Cost Implications.....                               | 44        |
| 24. Carriers.....   | 45        |
| II. Cost Highlights.....  | 47        |
| Discussion.....   | 48        |
| 25. Non-Reporting of Costs and Doubtful Impacts on Findings.....                              | 48        |
| 26. Cost Rankings by Source of Insurance.....   | 49        |
| 27. Market Perspectives on Costs.....   | 50        |
| III. Those Foregoing Care and The Uninsured.....  | 51        |
| IV. Satisfaction with Coverage or Status.....   | 52        |
| Discussion.....   | 54        |
| 28. Differences by Region, Completeness of Household Coverage<br>and Source of Insurance..... | 54        |
| <b>Conclusions.....</b>   | <b>57</b> |
| <b>References.....</b>  | <b>61</b> |
| <b>Appendix (Table of Contents).....</b>  | <b>63</b> |

## Acknowledgments

---

This report's development, content and very existence would have been impossible without the groundwork laid over past years by many individuals committed to improving the quality of child care in New York by improving the viability of the businesses engaged in that care.

The State Legislature, for its part, deserves our gratitude for paying attention to these issues, and for its members' agreement that a study of child care providers' insurance opportunities was and remains important. For legislators' and our Governor's willingness to look further down this road and consider the findings here on their merits, appreciations are in order, in advance.

Some of the efforts which helped to build and sustain the interest that culminated in the request for this study are matters of public record, while most, surely, are not. Over five years ago, for example, informal surveys by local child care resource and referral (CCR&R) agencies as well as statewide child care providers' associations had already identified insurance as an emerging problem, and when taken to the Legislature, led to requests from its insurance committees for clarification of the issues through a formal study. The resulting review,<sup>1</sup> in turn, contributed to momentum that culminated in New York's 2004 pilot program expanding insurance coverage among providers through a collaboration of the State Insurance Department's *Healthy NY* program and the Office of Children and Family Services (OCFS), which regulates all child day care in New York State except for child care centers in New York City.<sup>2</sup> The present study builds on these prior inquiries' work, and almost surely would not have occurred without them.

Since last June, project staff had the privilege of receiving guidance from a diverse advisory group of professionals involved in regulating child care, licensing insurers, or working with child care providers in a range of public and private organizations throughout the state. Included were representatives of OCFS' Division of Child Care Services (DCCS), New York City's Department of Health and Mental Hygiene (NYCDOHMH), the State Insurance Department's Property and Health Bureaus, contract organizations responsible for child care licensing in specific counties, CSEA and UFT,<sup>3</sup> the two unions which jointly represent home-based providers, statewide, and representatives of regional CCR&R agencies. These consultations were critical in resolving questions of study focus, research design, survey development and data collection, for arranging pre-tests of data collection tools, and for always keeping the project grounded in the realities of child care. See Appendix A.4 for a listing of these much appreciated colleagues.

Almost two-thirds of the roughly 1,000 providers surveyed for the inquiry were reached through a statewide videoconference written, produced and broadcast especially for the purpose of education and exchanging information on insurance topics. Consequently, the project owes a huge debt to several units within OCFS and the University at Albany's Rockefeller College, which took upon themselves the formidable responsibilities of developing such a production and automating the resulting data-entry tasks. In particular, staff from the Department of Media

---

<sup>1</sup> *Insurance Matters: An Emerging Crisis in Child Care* (Greater Upstate Law Project, October, 2003).

<sup>2</sup> See the State Insurance Department website ([www.ins.state.ny.us/press/2004/p0407081.htm](http://www.ins.state.ny.us/press/2004/p0407081.htm)) for the Pataki Administration press release announcing the pilot program, dated July 8, 2004.

<sup>3</sup> Referring to the Civil Service Employees Association and United Federation of Teachers.

Production within the College's Professional Development Program (PDP) was unstinting with their time, ideas, and overall craft in producing a studio-quality production, closely supported by OCFS's Bureau of Training. PDP's IT Department, likewise, devoted untold hours developing and testing machine-readable editions of two versions of the survey instrument (English and Spanish) that could be scanned to speed data entry, modifying the resulting database to meet project specifications and collaborating on de-bugging the final data set. For all of these colleagues' expertise and adherence to deadlines, we reiterate our appreciation.

Adding to the same video production *on camera*, so to speak, were scores of busy people who proved themselves reformers in the truest sense, by stepping forward to be heard, the better to educate providers on insurance topics. Superintendent Eric Dinallo of the State Insurance Department, Commissioner Gladys Carrión and Messrs. Harry Bucciferro and Tom Copeland of Marshall & Sterling Insurance and Resources for Child Caring, respectively, were only some of the nearly three dozen who were interviewed and taped or appeared "live" for the videoconference, loosely representing human service, insurance industry, family child care business and provider-alliance perspectives. For all its significance, insurance all too often has been overlooked by providers, but based on many reports, these experts' stories and thoughtful comments succeeded in recasting it as an issue of importance to those fortunate enough to have attended the video conference.<sup>4</sup>

Over one-third of the provider surveys reviewed for this study came to us by dint of painstaking collaborations with dozens of public and private organizations that agreed to administer the survey with their clientele. In some instances, organizations joined the effort after group orientations to the study arranged through third-party entities with ties to regional networks of child care-related agencies.<sup>5</sup>

Some organizations rendered truly exceptional assistance to the project. For example, the Asian Child Care Referral Program at the Chinese American Planning Council enabled access to the Chinese-speaking population by working with OCFS to develop a survey translation and train staff to administer the survey. The Home-Based Care Services unit at the Women's Housing and Economic Development Corporation trained its workers to administer the Spanish language survey during home visits with clientele. UFT incorporated the survey into its September meetings for New York City providers, while upstate, CSEA administered the survey at several Capital-District focus groups. At NYCDOHMH, the Central and Borough offices developed a detailed plan for administering the survey to providers visiting each office.

No less important were the efforts of roughly a dozen CCR&R agencies around the state that publicized the survey among local providers, eliciting almost 90 completed returns. In another example, DCCS' Buffalo Regional Office staff administered the survey to providers attending a regional conference.<sup>6</sup>

---

<sup>4</sup> See Appendices A.6 and A.7 for listings of those who participated in or helped produce the September video conference.

<sup>5</sup> For example, South Brooklyn Legal Services' Licensing Working Group.

<sup>6</sup> WNY (Western New York) Infant Toddler Conference, held September 20, 2008 in Niagara Falls.

Because of these colleagues' assistance, the present inquiry succeeded in reaching a substantial proportion of family-based child care providers, statewide. The combination of data collection venues allowed large numbers of providers from around the state to be appropriately represented – exactly as would be hoped for such a review.

All aspects of study design, execution, data analysis and write-up were conducted by Fred Sebesta, under the auspices of the OCFS' DCCS. We couldn't have done it without him and are enormously grateful for his professionalism and analytic rigor.



## **Executive Summary**

---

### **I. The Charge**

In June of 2007, the State Legislature passed an Act requiring the Office of Children and Family Services (OCFS), in consultation with the Superintendent of Insurance, to conduct a study of the “availability, accessibility and affordability” of insurance policies for New York’s child care providers. This report responds to the Legislature’s request and interest.

### **II. The Study**

In June of 2008, OCFS convened an advisory group to provide assistance on how to address issues of focus, research design, survey development and data collection for the study. Included in the group were state and regional representatives of OCFS (which administers, regulates and supervises child care in New York, with the exception of day care centers in New York City), representatives of the State Insurance Department’s Property and Health Bureaus (in New York City and Albany, respectively), staff from New York City’s Department of Health and Mental Hygiene (NYCDOHMH, which performs licensing and registration there on behalf of OCFS for family and group family day care homes and school age child care providers) and a variety of experts working with providers in a range of organizations, capacities and regional settings throughout the state. Among the latter advisors were administrators of organizations contracted to handle licensing in specific areas, organizers and benefits/insurance specialists from the two unions which jointly represent the majority of home-based providers statewide, and representatives of regional child care resource and referral (CCR&R) agencies.<sup>7</sup>

Based on the advisory group’s collaborations, a multi-pronged research strategy emerged, together with data collection tools that were successively refined, pre-tested and finalized during the course of the group’s planning.<sup>8</sup> The research strategy was simple and direct. It involved developing a variety of customized data collection venues in which to administer surveys, in order to achieve a completed sample size approaching a substantial proportion of the entire population of providers. Both the proportion of providers reached and the variety of settings involved were each judged critical to making such a strategy’s results more persuasive than alternatives that might have been employed, such as mass-mailings or interviews conducted under narrow organizational auspices.

Data collection occurred within five categories of venues, some involving multiple physical locations and each requiring its own planning, preparation and follow-up work to be successful:

- By far the most ambitious was the production of a statewide videoconference presentation on insurance issues for child care providers, with audience-completion of the survey that was developed a major function of the assembly.
- Other venues involved reaching providers attending large-scale seasonal meetings and/or focus groups sponsored by the two unions that represent home-based providers in New

---

<sup>7</sup> See the full listing of advisory group participants in Appendix A.4.

<sup>8</sup> The final survey employed appears in Appendix A.1.

York State: Civil Service Employees Association (CSEA) and United Federation of Teachers (UFT).

- CCR&R agencies statewide participated, when possible, by contacting local providers for completion of the survey.
- Borough offices of New York City’s DOHMH, as well as a number of private child care-related agencies in the City, also agreed to assist in administering the survey to providers visiting offices for other purposes.
- OCFS regional child care offices administered a small number of additional surveys, in one case at a regional child care providers’ conference occurring locally.

### **III. The Sample**

The final sample of providers who returned surveys for the study represented about **one in every fourteen** regulated family-based providers in the state ( $n = 978$ , or roughly 7%). Both the sample size and diversity of settings in which providers participated, arguably helped to provide a reliable snapshot generalizable to New York providers overall.

### **IV. Findings**

#### **Homeowners and Renters Insurance**

*Who is Insured and Who Isn’t?*

- **76%** of providers sampled had homeowners or renters insurance, leaving **24%** of providers *without* either of these (based on 93% responding).
- Homeowners were significantly more likely to be insured than renters, those from rural areas significantly more likely than those from urban areas, and those from non-New York City DCCS regions significantly more likely than those from New York City.
- Homeowners were about *eight times* more likely than renters to have coverage. Housing status also influenced other comparisons.
- Differences in coverage between rural and urban respondents were not significant among owners and among renters, taken separately. In effect, the greater concentration of renters in urban areas produces what appear to be “rural-urban” differences but are, in fact, more intrinsically related to respondents’ housing status, with renters simply less likely to be insured than homeowners.

*Which Insurance Carriers Do Providers Use for Homeowner and Renter’s Protection?*

- Just nine companies wrote the majority of policies identified but the top two – Allstate and State Farm – handled as many as the next seven combined.
- This suggests either limited competition in the market serving providers, limited knowledge of available options among providers, or a combination of both factors.

*How Much Do Providers Spend on This Coverage, in Total?*

- The mean annual premium reported for these policies (*including liability rider but not separate business liability coverage, if reported*) was **\$1,051** (based on 73% responding).

- Group Family Day Care (GFDC) providers reported significantly higher costs than Family Day Care (FDC) providers, those from urban areas significantly higher costs than those from rural areas, those from New York City significantly higher costs than those from outside New York City and those from the Long Island or Westchester/Lower-Hudson DCCS regions significantly higher costs than those from outside those regions.<sup>9</sup>

*How Important are Policy “Riders” in Extending Liability Protections to Insured Providers?*

- **33%** of providers with homeowner or renters insurance got child care liability coverage through “riders” (endorsements) on such policies (based on 85% responding).
- FDC providers were significantly more likely to have riders than GFDC providers, those from outside New York City significantly more likely than New York City providers, and those from outside Long Island significantly more likely than those from Long Island.

*How Much of the Total Cost Providers Incur is Spent on Liability Rider Coverage?*

- The mean annual cost included in total premiums (above) for liability riders was **\$306** (based on 64% responding).
- GFDC providers showed significantly higher incremental costs for riders than FDC providers (as expected where the number of children served should influence liability exposure).
- Westchester/Lower-Hudson area providers appeared to incur significantly higher mean costs than upstate regions’ providers, but this reflected only marginally adequate sample sizes.

*What Other Coverage Do Providers Have or Lack? What Circumstances Contribute to This?*

- Of the 67% of *insured* providers without liability riders, only 44% reported having separate liability policies as the reason. This leaves **more than one-third of those with homeowner or renters insurance without liability protection of any type.**<sup>10</sup>
- Based on provider accounts, **cost** (reported by 26% of those without riders), **concealment of businesses out of fear of cancellation** by insurers who might not serve child care providers (16% ...), **lack of insurance knowledge/“acumen”** and **difficulty locating policies and carriers meeting providers’ business needs** (~11% ...) were also indicated as important in decisions not to obtain riders.
- Among the **24%** of providers *without* homeowner or renters insurance, few reported that non-coverage was the result of a denial or termination of a policy or application (less than 2% of all the uninsured, each); but **38%** of these providers (92% of responders) described **lack of knowledge** and **cost** as real barriers to getting coverage.

<sup>9</sup> In New York State, persons caring for three or more children within home settings are subject to state regulation and supervision. Regulated family child care providers serving three to six children are defined as “family day care” (FDC) providers, while those serving seven to twelve children are defined as “group family day care” (GFDC) providers.

<sup>10</sup> Based on the review of business liability coverage, providers *without* homeowner or renters insurance were even less likely than those with such coverage to have separate liability policies.

### *Satisfaction with Coverage*

- **83%** of providers sampled were **very or somewhat satisfied** with their homeowner or renter's insurance situation compared with just **17%** who were **very or somewhat dissatisfied** (based on 73% responding): a mix reminiscent of the sample's insured/uninsured split (76% vs. 24%).
- The level of non-response among uninsured providers raised questions about the data for that group. Spot-checks of surveys, also, showed that some respondents reported "satisfaction" of a *personal nature* seemingly unrelated to insurance issues.
- Reviews of narrative responses illustrated this problem as well as the extent of **knowledge issues** that appear to exist among certain providers. Among those *without insurance*, unsatisfied respondents chiefly attributed this to **affordability** concerns (39%) and **difficulty finding appropriate carriers and/or coverage options** (33%) but half of those who reported themselves "satisfied" credited this to *not* having renter's insurance (!). Given the level of non-response cited, such results may not be representative of the uninsured, but suggest instead the need for targeted business education and information services for providers.
- *Insured* providers who were "unsatisfied" cited reasons almost identical to those discussed by the uninsured: 40% emphasized **availability** issues and 39% focused on **cost** barriers.

### Business Liability Insurance

#### *Who is Insured and Who Isn't?*

- **32%** of the providers who were sampled had liability coverage but this was largely the province of those who *also* had homeowner or renter's insurance: 38% of the latter, but just 15% of those without such coverage, had liability policies. This leaves **85% of those without homeowner or renter's coverage – comprising about 20% of all providers – without liability protection.**
- Taken together with those who have homeowner or renter's insurance but not liability coverage, this leaves **about half of all providers sampled (49%) without liability protection of any type.**
- **Housing status** is as pivotal for liability matters as it is for homeowner/renter's coverage. *Irrespective of the latter, renters were far less likely to have liability insurance (16%) than homeowners (37%).*
- GFDC providers were significantly more likely to obtain liability coverage through a separate policy than FDC providers, those outside of New York City significantly more likely than those from New York City, and those from the Long Island or Westchester/Lower-Hudson regions significantly more likely than those from the Rochester region. (GFDC providers and Long Island providers were also significantly *less* likely to secure liability protection through riders on homeowner or renter's policies.)

### *Which Insurance Carriers Do Providers Rely on for Business Liability Protection?*

- An even smaller group of insurers – *just six* – accounted for the majority of liability policies reported by providers, raising the same issues of supply and provider knowledge of the market discussed earlier in connection with homeowner and renter’s coverage.

### *How Much Does Liability Insurance Cost Providers?*

- The mean annual premium reported for these policies was **\$758** (based on 70% of providers responding).
- GFDC providers reported significantly higher premiums than FDC counterparts (\$880 versus \$513), mirroring expectations that number of children served influences exposure and thus cost.

### *What Reasons or Circumstances are Cited for Whether Providers are Covered or Not?*

- Issues of **cost** (reported by 29% of those without coverage), **lack of knowledge or “acumen” about insurance matters** (~ 15% unfamiliar with insurance, its advantages and how to obtain it) and **availability** (~ 10% “unable to locate willing insurers”) were the three most common factors either cited outright, or revealed in reviews of narrative comments, as responsible for coverage status.
- As seen for homeowner/renter’s issues, **knowledge and information issues often masqueraded** as judgments that coverage is “not needed or wanted,” or “other” reasons for non-coverage.
- Very few providers who were uncovered reported such episodes were the *result* of the denial or cancellation of a liability application or policy – just 2.5% of the uninsured (13 providers) each.

### *Satisfaction with Coverage*

- **69%** of providers sampled were **very or somewhat satisfied** with their business liability insurance situation, compared with **31%** who were **very or somewhat dissatisfied** (based on 61% of providers responding).
- “Satisfaction,” however, was somewhat in the eye of the beholder, requiring care to avoid misinterpretation. For example, most of those who reported themselves “somewhat satisfied” were *uninsured* (!), making reviews of respondents’ narrative comments essential for gauging what, in fact, was being reported.
- *Unsatisfied* providers *with or without insurance* chiefly attributed their non-coverage to issues of **cost** (**37%** of respondents), followed by **availability** (especially, difficulty locating appropriate carriers and/or coverage – **29%** of respondents); **knowledge and information issues** appeared among **17%** of these respondents – strikingly similar to the sample’s homeowner/renter’s insurance situation.
- **42%** of *uninsured* respondents who were “somewhat satisfied” denied “needing or wanting” insurance, followed next by **18%** who cited **cost** issues. Reviews of these providers’ narrative explanations disclosed **knowledge and information issues** similar to those revealed earlier for homeowner/renter’s insurance judgments – suggesting that

providers' businesses may be put in jeopardy, unnecessarily, by accidents or the unexpected.

## Health Insurance

### *Who is Insured, Who isn't and How do Providers Obtain Coverage?*

- Health insurance within providers' households was broad and consistent across the state, covering **91% of children, 88% of spouses, 85% of providers** and **75%** of others in households. **91% of respondents reported at least one household member insured** while **9% reported none insured** (with 95% responding regarding their own coverage).
- A different picture emerged from focusing on those *without* insurance. **20%** of respondents **reported some or all in their households were uninsured** – a pattern of “incomplete family coverage” observed consistently across the state.
- Providers' *own* coverage most often came through a family member (42%) or a state or federal plan (37%). But there were striking differences between those in and outside of New York City. Compared with others, **New York City respondents** were *less than one-third as likely* to obtain coverage through **family members** but *over three times more likely* to obtain coverage through **state or federal plans**. Compared with urban counterparts, **rural respondents** were *80% more likely* to obtain coverage through **multiple sources** and *44% less likely* to get coverage through **state or federal plans**.
- Given cost differentials reported for coverage obtained under different auspices, such differences in the mix of insurance sources reported for different areas almost surely influenced the relative costs reported for insurance in different regions.

### *Which Health Insurance Carriers Do Providers and their Households Use?*

- Just eight insurance carriers (or plans) accounted for almost all of those most-frequently identified as covering specific household members – Blue Cross/Blue Shield, HIP Insurance Company of New York (HIP), Capital District Physicians' Health Plan (CDPHP), Group Health Incorporated (GHI), Aetna, Medicaid, Medicare and Child Health Plus.
- More so than with the other types of insurance examined, however, such a roster almost surely understates the facts, given the breadth of coverage reported, together with the fact that roughly one-third of the sample provided no information while others reported information on *plans* (e.g., Medicaid) instead of carriers, understating the latter counts.

### *How Much Did Providers Pay for Health Insurance for their Households?*

- The mean total annual cost of premiums reported for households was **\$3,395 (\$283/month)** – based on 48% of relevant providers responding.
- Mean total household premium costs differed significantly *by source of respondents' own coverage*: for example, **78% more than the average (over \$6,000) for those purchasing coverage** versus **39% less than the average (just over \$2,000) under state or federal plans**.

- Mean total household premiums were substantially **higher among Westchester/Lower-Hudson** providers and considerably **lower among those in New York City** (contrary to what one might have expected), compared with others sampled.
- Although this is only conjecture, premium costs reported for New York City may have reflected both the **lower-cost mix of sources from which providers obtained coverage there** (primarily) as well as sampling anomalies which may have depressed the mean but were harder to explain. (For example, far fewer NYC respondents purchased coverage than respondents elsewhere.)
- *Relative* costs (premium rankings) reported for insurance obtained from different auspices showed a consistent ordering across almost all settings, suggesting a sharp hierarchy of premium costs: from coverage through own purchase (*most expensive*), coverage through multiple sources, coverage through family member or partner, through another job and finally (*least expensive*) through state or federal plans.

#### *What Circumstances Were Important in Episodes of Non-Coverage or Non-Service While Insured?*

- Providers who reported one or more *uninsured* household members were significantly more likely to report episodes of *insured* members' foregoing health care due to policy limits or restrictions. Although the data have limited explanatory value in this respect, "*incomplete family coverage*" may be a proxy for problems with insurance quality associated with less observable characteristics of families, economic or otherwise.
- Compared with providers elsewhere, respondents from **New York City** were significantly *less likely* to report such "unserved" episodes, while those from the central and western parts of the state were *more likely* to do so.
- Insured respondents purchasing their own coverage were most likely to report such unserved episodes while those covered through a different job were least likely to do so.
- Among providers with one or more *uninsured* household members, **80% of respondents** reported the uninsured members had been *unable to locate affordable coverage* meeting their needs; **40%** reported the uninsured had been *denied coverage* at their latest application; and **20%** reported their *removal from a policy* still covering others in the household.
- **74% of respondents from among those who cited denials or removals** of uninsured household members reported "*income too high*" as the reason, evidently referring to *public* insurance program contacts.
- **95% of respondents (!)** with uninsured household members reported they would insure everyone in the household if affordable coverage were available; the average *maximum affordable contribution these respondents reported could be made toward the additional coverage was \$2,181 – 23% less than Healthy NY's* latest publicized annual premium and **36% less than the present study's sample-wide average.**

#### *Satisfaction with Coverage and General Health Insurance Preferences*

- **74%** of respondents reported themselves **very or somewhat satisfied** with their health insurance situation compared with **26%** who reported themselves **very or somewhat dissatisfied** (based on 81% responding).

- More than other types of insurance examined, **there were clear relationships between insurance status and satisfaction**, with large majorities of respondents either satisfied or not depending on whether they were covered; *health insurance appears more salient to providers than other policies* where lack of knowledge and interest may have blunted dissatisfaction at non-coverage.
- Differences in satisfaction that were reported corresponded directly to measures of the completeness of household coverage examined for the review (“*any in the household insured?*”, “*any in the household uninsured?*”). Coupled with the prior finding that households with uninsured members reported more instances of *insured* members’ going medically “unserved,” such patterns reinforce the perspective of “incomplete family coverage” as a tangible problem requiring attention due to the evidence it seems to provide on unobserved characteristics of households, such as adequacy of coverage. To state the obvious, providers with small or sole-proprietor businesses may be just as unable to conduct operations if they themselves or key family members become ill, making incomplete coverage a more distinct liability for these businesses than it might be for some others.
- **New York City** respondents were significantly (although not by a large margin) **more satisfied** than others, with **77% very or somewhat satisfied** and 23% more or less unsatisfied; **elsewhere, 73% and 27% reported being satisfied or unsatisfied**, respectively.<sup>11</sup> Whether such differences relate to the cost advantage or different mix of insurance sources observed for New York City is unclear.
- *Respondents’ insurance status and source of insurance* were also significantly related to satisfaction with health insurance situations. The **uninsured and those who purchased their own coverage** were significantly **more likely to be unsatisfied** than others sampled.<sup>12</sup>
- *Among respondents with one or more uninsured household members* who rated themselves *unsatisfied*, **69%** of those who gave reasons for that judgment **emphasized affordability issues**.
- Finally, 75% of the sample provided information on two questions of general health insurance preferences: **57% judged “catastrophic” coverage more important** than “preventive” coverage (if *required* to choose); **55% preferred lower out-of-pocket expenses coupled with higher premium costs** to having lower premium costs at the price of higher out-of-pocket expenses.

## V. Conclusions

The survey of roughly 7% of the entire universe of regulated home-based providers in New York State documented serious problems in the availability, accessibility and affordability of critical insurance protections among this population. To highlight:

- One-quarter of providers who were sampled lacked homeowner or renter’s insurance, with renters significantly less likely to have coverage than homeowners.

<sup>11</sup>  $p < .05$ .

<sup>12</sup>  $p < .001$ .

- Of those who had homeowner’s or renter’s insurance, more than one-third lacked liability insurance of any type. Taken together with most of the preceding group, about half of all providers sampled (49%) lacked liability protection.
- Although the vast majority of providers (85%) reported having health insurance for *themselves*, 20% indicated that some, or all, of the members of their households were uninsured – a pattern of incomplete family coverage.

Findings can best be understood in terms of access and knowledge.

1. *Insurance industry information suggests that relatively few insurers offering homeowners or liability coverage serve child care providers in New York. Many providers in the market for such coverage, too, appear unaware of those insurers that do serve providers. Of 15 companies known to offer liability coverage for providers as of 2008,\* none were among those most frequently used by providers who were sampled, suggesting providers were unaware of many of their options for coverage. In contrast, providers’ reports on companies known to them emphasized: renter’s policies seldom afford liability endorsements; homeowner policies may not be offered to child care businesses; liability endorsements commonly show policy limits inconsistent with child care regulatory requirements (e.g., number of children covered); and relatively few business liability insurers serve child care providers.*
2. *Family providers’ level of knowledge about insurance in general as well as purchasing and maintaining insurance discourages some providers from seeking out coverage and puts others’ coverage and security at risk. Stereotypes often voiced about insurance by New York City renters, too, show that providers there may require special attention in learning about and accessing insurance.*
3. *In the health insurance area, as many as 20% of providers reported “incomplete family coverage” involving uninsured and, often, “under-served” but insured household members, as well – each particularly problematic for the viability of small and sole-proprietor businesses. 80% of these households attributed the members’ non-coverage to “affordability” issues; 95% were interested in additional insurance at the right price.*

As a result of this study, OCFS and its partners, most particularly the Department of Insurance, have come to appreciate just how much remains to be done to support home-based providers and help them protect two key assets that are important to the viability of their livelihoods as well as their personal quality of life: their homes and their health.

---

\* Based on those offering either standalone liability policies or liability endorsements on homeowner policies on the Insurance Department’s 2008 Insurance Availability Survey, a survey noted to emphasize *commercial* lines of insurance and thus understating, somewhat, the number of such carriers. The fact that some but very few providers reported using these insurers, however, appears to confirm providers’ lack of knowledge of these resources.



## **Introduction and Background**

---

### **I. Purpose of the Study**

On June 4, 2007, New York’s governor signed an Act amending the Social Service Law by requiring the Office of Children and Family Services (OCFS), in consultation with the Superintendent of Insurance, to conduct a study of the “availability, accessibility and affordability of insurance policies to child care providers.”<sup>13</sup> The specific language furthermore directed that the study “include, but not be limited to, a review of homeowner insurance policies and health insurance policies.” This report summarizes the study undertaken in response to the Legislature’s request.

Since the legislation described the study to be conducted only in the most general terms, the focus of the effort was fine-tuned based on our best judgment of the context of the request, current needs in the field, and especially our determination of what would be the most useful and important population of attention for such a study. The Act’s prominent emphasis on “homeowner” insurance, the relatively advanced stage of negotiations currently underway toward unionizing New York’s home-based providers, and especially our understanding of recent concern and research on insurance issues relating to child care providers, convinced us that the most appropriate focus for the review is as follows: *regulated or licensed providers* rather than informal, “license-exempt” caretakers, and *family-based providers* rather than center-based ones.<sup>14</sup> Recent anecdotal accounts of home-based providers losing their homeowner’s insurance, due to on-site child care businesses, seemed to reinforce this judgment.

### **II. Research and Legislative Context**

As long ago as 2000, court judgments holding homeowner’s insurance carriers liable for claims relating to on-site child care operations, despite specific policy exclusions for activities related to such businesses, drew prominent attention within insurance circles. According to accounts from organizations working with providers, what followed was “a bit of a stampede” of providers losing homeowner’s protection from insurers presumably worried about unacceptable exposure if exclusions were invalidated in court.<sup>15</sup> Similar events elsewhere led Minnesota to enact recent legislation protecting homeowner’s carriers in such situations, but without clear evidence of success, to date, as carriers appeared to await court tests of the remedial measure before re-entering the homeowners market for such businesses.<sup>16</sup> The fact that concerns about providers’ access to coverage continued to reach the attention of New York’s Legislature even recently, too, suggests that insurance coverage for providers remains problematic.<sup>17</sup>

---

<sup>13</sup> S.2140/A.2093.

<sup>14</sup> Under New York definitions, regulated family care includes the categories “family day care” (FDC), settings generally serving 3 to 6 children, and “group family day care” (GFDC), those generally serving 7 to 12 children—both included under the review criteria adopted. Also see part III (*Family Child Care Overview*), below.

<sup>15</sup> Comments of Susan Antos, staff attorney, Greater Upstate Law Project, quoted in “Don’t Try This at Home,” *Metroland*, Jan. 14, 2004.

<sup>16</sup> According to Tom Copeland, Resources for Child Caring, regarding Minnesota. See *Minnesota Law Attempts to Solve Homeowners’ Insurance Crisis*, [www.resourcesforchildcaring.org/index.cfm?page=homeownersins](http://www.resourcesforchildcaring.org/index.cfm?page=homeownersins).

<sup>17</sup> According to the act’s “justification,” complaints about coverage brought to an Assembly roundtable discussion early in 2007 motivated the legislation.

By 2003, various informal surveys began to identify insurance as an emerging problem among providers. For example, one unpublished study of regulated family-based providers attending a conference of the Family Child Care Association of New York State (FCCANYS) found 38% of 332 respondents without liability insurance, and 24% without health insurance, with 10% reporting cancellations of homeowner's policies. Although documentation of certain study details, that would be useful for evaluating the study's findings, was unavailable to us (e.g., survey instrument, comparison data on respondents and non-respondents, definitions of terms such as "had health insurance," etc.),<sup>18</sup> the study's findings were compelling enough to generate requests from the Legislature's insurance committees for clarification of the issues through a formal study.<sup>19</sup>

The resulting research, completed late in 2003, documented difficulties in obtaining and maintaining homeowner's, liability and health insurance among a modest sample of family-based providers from six counties intended to represent urban, suburban and rural locales.<sup>20</sup> Substantial percentages of respondents lacked liability coverage (county median of 38%) or health insurance for themselves (county median of 26%), while roughly 10%-15% of most counties' (small) samples of respondents reported a homeowner's policy cancelled or denied at some unspecified point due to a child care operation.<sup>21</sup> Cost, lack of basic knowledge about insurance issues and needs, and limited availability of liability carriers and "riders" affording liability coverage under homeowner's policies were found to be major impediments to liability coverage. In the health insurance arena, most providers reported themselves insured through family members or other sources unrelated to their businesses. Looking at the State Insurance Department's *Healthy NY* program intended to improve access to insurance among individuals and small businesses, the study presented evidence that premiums may be prohibitive for lower-income providers and, perhaps, especially those in certain regions, despite program initiatives reducing certain premiums. A separate study of *Healthy NY* cited in support of the conclusion<sup>22</sup> found that "take-up" of insurance offerings among lower-income workers falls off when premiums exceed 5% of gross income – a standard that might prove relevant for evaluating *Healthy NY* or other programs' initiatives on behalf of providers in the future.

In response to findings such as the 2003 research, New York began a pilot program in 2004 specifically to expand insurance opportunities among child care providers by offering monthly subsidies of \$50 or \$100 toward individual or two-parent/family premiums, respectively, for regulated center- or family-based providers meeting overall *Healthy NY* eligibility requirements. The fact that about half of the \$2 million initially allocated for this effort remained unspent after four years raises pointed questions about providers' knowledge of insurance issues generally and

<sup>18</sup> Although described in a secondary source used for the discussion here (Greater Upstate Law Project, *Op. Cit.*), neither a copy of the study nor instrument—always crucial for interpretation—could be located for this review, even by the author of the FCCANYS study. (Thus, we don't know whether those reporting cancellations experienced this *recently* or *ever*? Were respondents considered "insured" if *anyone* in the household had health insurance? Etc.)

<sup>19</sup> See n. 15.

<sup>20</sup> Greater Upstate Law Project, *Op.Cit.* Note that center-based providers, although also included in the study, are excluded from the results cited here. A total sample of  $n = 333$  family and group family providers returned surveys.

<sup>21</sup> The survey asked whether homeowner's coverage had *ever* been cancelled or denied due to the business. The health question asked whether "you" currently have insurance.

<sup>22</sup> Greater Upstate Law Project, *Op. Cit.*, p. 11 and n. 28.

of the pilot program in particular, as well as about the subsidies' adequacy in relation to provider needs (as might be assessed, perhaps, using standards such as the "5% rule" identified above).

With the above exceptions, few formal studies focused on New York have appeared that would help to anticipate providers' specific insurance situations and needs here, but a variety of work focused on national and state situations elsewhere may help to illustrate circumstances likely to apply to the New York context

In terms of health insurance costs, trends apparent at the national level have been no less evident in New York. Nationally, between 1996 and 2006, both employers' and employees' health insurance premiums among employer-sponsored private-sector plans more than doubled in cost, with similar patterns also confirmed in public-sector settings.<sup>23</sup> Meanwhile, average premiums under the *Healthy NY* initiative showed increases of 19%, 8% and 12%, respectively, over the last three years for which statistics are available.<sup>24</sup> Given the research cited above suggesting a "5% rule" that relates take-up rates of insurance to gross income,<sup>25</sup> such increases may be noteworthy. For example, the median of the range in which most *Healthy NY* individual premiums now fall (\$225-\$250, or about \$2,850 annually) represents 5% of a \$57,000 annual income, with family premiums considerably higher.

Regarding health insurance coverage, reviews in other states have found as few as 8% to as many as nearly 90% of family-based providers "insured," mostly due to different definitions and standards of reporting that make quick comparisons hazardous or even impossible. Somewhat better-documented statewide studies of Massachusetts and New Jersey reported 11% and almost one-third of regulated family child care homes lacking insurance, respectively.<sup>26</sup> The present study, as will be seen, resolves uncertainties that are commonplace in the literature, by reporting multiple explicit standards of coverage – for example, coverage of specific household members versus "any in household," or "partial family coverage" versus "complete coverage."

In the area of liability insurance, two benchmarks for comparison are available from the statewide New Jersey study just cited and estimates publicized by Resources for Child Caring, the Minnesota child care resources group already mentioned. In New Jersey, just over one-half (57%) of a sample comprising roughly one-quarter of all family-based providers statewide reported *neither* business liability insurance nor "riders" affording such protections under their homeowner policies (suggesting a lower rate of coverage than seen in the present study). Resources for Child Caring has provided a national estimate of *business liability* coverage –

<sup>23</sup> *AHRQ News and Numbers*, Agency for Healthcare Research & Quality, August 7, 2008 and August 23, 2005

<sup>24</sup> *2007 Annual Report on Healthy NY*, (New York State Insurance Department, January, 2008), pp. I-4, III-5.

<sup>25</sup> See n. 22.

<sup>26</sup> A review of 29 states found the range of insured "family providers" between 8% and 85%, but under wildly varying definitions and data standards. See *Current Data on the Salaries and Benefits of the U.S. Early Childhood Education Workforce* (Center for the Childcare Workforce, 2004). For Massachusetts, see *Massachusetts Family Child Care Today: A Report of the Findings from the Massachusetts Cost and Quality Study* (Wellesley College Center for Research on Women, 2003). For New Jersey, see *Family Child Care in New Jersey: A State Report on Registered Providers Caring for Children in Their Homes* (New Jersey Association of Child Care Resource and Referral Agencies, 2006). See the opening note in the Health Insurance section later in this report, detailing these studies' sample sizes and plans.

estimating that 20% of all licensed family child care providers have this coverage (also a lower rate of coverage than seen here).

### **III. Family Child Care Overview**

In New York State, those caring for fewer than three children within home settings are considered “license-exempt” providers, while care involving three or more children for more than three hours a day in such settings, plus additional school age child care, is subject to state regulation and supervision by OCFS’ Division of Child Care Services (DCCS). Regulated family child care providers serving three to six children are defined as “family day care” (FDC) providers while those serving seven to twelve children are defined as “group family day care” (GFDC) providers – the two groups focused on in this study.

Business liability insurance – one of this study’s concerns – is *not* required of regulated family child care providers under state law.<sup>27</sup> On the other hand, homeowner’s insurance – another of our concerns – is often required as a condition of mortgages for property owners.

While perhaps not commonly appreciated, regulated family child care is a substantial economic sector in New York, representing in the vicinity of 14,000 small businesses statewide with a capacity to serve over 147,000 children. As of March, 2009, these businesses were distributed roughly evenly throughout major areas of the state (see Table 1):

| State Region     | Type of Home    |                       |                               |
|------------------|-----------------|-----------------------|-------------------------------|
|                  | Family Day Care | Group Family Day Care | Total Family Child Care Homes |
| New York City    | 3,318           | 3,616                 | 6,934                         |
| Balance of State | 4,425           | 2,736                 | 7,161                         |
| <b>Total</b>     | <b>7,743</b>    | <b>6,352</b>          | <b>14,095</b>                 |

### **IV. Research Questions**

#### **Overview**

As already noted, the project advisory group was critical in determining appropriate focuses for this study and for resolving questions on research design, survey development and data collection, either collectively at meetings or through specific consultations as needed. This section provides a broad outline of key research topics which the advisory group determined should motivate the project’s data collection and analysis, followed by a much more detailed “operational” version of that outline, which served to generate both the strategies and specific tools used for data collection, as will be discussed in the next section.

<sup>27</sup> Certain counties, however, may and do require liability insurance as a condition of entering into contracts to provide care for local children.

Based on many of the advisors' clear convictions from working with providers in the field over a number of years, a clear and fairly simple consensus emerged on central topics of interest that guided the study:

- Homeowners, health insurance and business liability insurance—in that order—were seen as the most pressing provider concerns (shortage areas?) needing to be addressed;
- Basic questions agreed as requiring attention included:
  - Which and how many providers have coverage under the respective policy types; which and how many providers aren't covered and why?
  - What are providers' costs for the various coverages; what are their judgments on those costs and on the policies' value?
  - Have providers found "riders" extending liability protections under homeowner policies generally available and accessible to them or not, and why?
  - Have providers acknowledged their businesses to insurers (required to get a rider) or do they conceal businesses and why? (Out of concern for losing existing coverage?)

### **Detailed Research Questions Anticipating Data Collection**

#### **Primary Domain of Interest: Adequacy of insurance coverage and policies among licensed/registered providers, including availability, accessibility, affordability.**

1) Provider interest/experience in obtaining and retaining *homeowner's coverage*:

- Have coverage? (Acknowledged or concealing child care operation?)
- Interest in coverage? (Why or why not)?
- Specific carrier, total cost, cost of child care portion (if acknowledged)?
- Perceived adequacy (Tension with price?), limitations or exclusions, history (e.g., prior rejections, cancellations or dramatic premium increases due to business)?

2) Provider interest/experience in obtaining and retaining *liability coverage through "riders" extending homeowner policies*:

- Have coverage/rider?
- Interest in coverage? (Why or why not)?
- Specific carrier and cost of rider (i.e., for liability extension)?
- Perceived adequacy (Tension with price?), limitations or exclusions, history (e.g., prior cancellations, rejections, dramatic or unexplained premium increases)?

3) Alternatively, provider interest/experience in obtaining and retaining *separate business liability coverage*:

- Have coverage?
- Interest in coverage? (Why or why not)?
- Specific carrier and cost?
- Perceived adequacy (Tension with price?), limitations or exclusions, history (e.g., cancellations, rejections)?

- 4) “Supply-side” comparisons (e.g., cost/coverage limits) relating to *liability coverage*:
- New York State-located coverage options (e.g., FCCANYS/Marshall & Sterling)
  - Other coverage options available here (e.g., Adults and Children’s Alliance/Hays, American Federation of Daily-Care Services, New England Insurance Services, Inc.)
  - Other states’ initiatives on liability coverage, if any
- 5) Provider interest/experience in obtaining and retaining *health insurance coverage*:
- Have coverage? (Which household member[s] are covered, which are not?)
  - Interest in coverage? (Why or why not?)
  - Auspices? (e.g., through spouse, child care business or other job, government plan, own purchase, etc.)?
  - Specific carrier and cost?
  - Perceived adequacy (Tension with price?), limitations or exclusions, history (e.g., dropped or changed coverage, etc.)
- 6) “Supply-side” comparisons (e.g., cost, coverage vs. exclusions) relating to *health insurance coverage*:
- New York State-area coverage options (e.g., *Healthy NY*)
  - Other states’ health insurance initiatives
  - Evidence on relationship between program “take-up” rates and premium cost as a percentage of income.)<sup>28</sup>

---

<sup>28</sup> See n. 22.

## Methodology

---

### I. Choice of Data Collection Strategies

Once the central issues to be addressed in the study had been identified, the project advisory group served as a continual sounding board for developing and refining approaches to be taken to research design, survey development and data collection. For example, among the research and data collection strategies considered were possibilities capitalizing on the Division of Child Care Services (DCCS) ongoing monitoring and contacts with providers statewide, plus others making use of the two statewide unions' provider-contact channels – each offering advantages, but also drawbacks (representativeness of the sample, quality of the data, etc.). In turn, still other options (e.g., mass-mailings of surveys) needed to be weighed as alternatives with competing claims for being used.

Building the data collection strategy around the DCCS/NYCDOHMH role as the state's licensor and monitor of providers was a compelling prospect, and thoroughly explored. Since all applicants for provider licenses as well as many (but not all) providers renewing licenses and a large proportion of providers with active licenses receive on-site inspections each year, “piggy-backing” the administration of a survey by DCCS and NYCDOHMH staff onto such already-scheduled contacts was an obvious opportunity for sampling adequate numbers of providers in a fashion that would minimize any incremental effort required. Due to the potential for introducing unknown response biases that might follow from using interviewers who hold positions of authority over respondents, however, the advisory group was emphatic in preferring alternatives to this approach.

Making use of various union-sponsored events or contacts seemed to promise strong advantages for response rate when compared with less personal unsponsored contacts (e.g., mass-mailings), but assuring the return of such surveys, in all likelihood, would have required substantial special effort and perhaps manpower that might not be available rapidly enough to meet the project's timetable. In addition, limiting data collection to a series of union-sponsored venues – or really, any single organization's interventions – seemed no less problematic than the preceding strategy in its potential, at least, for introducing unknown influences into the process of response when compared with an ideal totally disinterested setting.

The strategy of mass-mailing surveys to providers – while the mainstay of so much research – was also rejected as offering far more weaknesses than strengths. Mailing surveys “cold” to providers around the state was judged especially problematic from the perspective of the time and labor required for adequate follow-up to insure that the resulting sample was anything other than a small, highly-selected group unable to be argued representative of New York's providers overall.

Based on these considerations, a multi-pronged data collection strategy emerged, together with data collection tools that were successively refined, pre-tested (with considerable assistance from some of the advisors) and finalized during the course of the group's planning.<sup>29</sup>

---

<sup>29</sup> The final survey that was used in this study appears in Appendix A.1.

The strategy finally adopted was simple and direct. It involved developing a variety of customized data collection venues in which to administer a survey, in order to achieve a completed sample size comprising a substantial proportion of the entire population of providers. Both the *variety of settings* involved and the *proportion of providers reached* were each judged critical to making such a strategy's results more persuasive than either of the preceding alternatives'.

## **II. Sampling and Sampling Venues**

Relying primarily on any one data collection venue – especially if including only a small proportion of providers who were self-selected into the sample (such as those attending training or a union event) – was believed to introduce unanswerable questions about how representative the resulting sample was of providers at large. Since random sampling among respondents was obviously impossible, the strategy taken was to include samples which – to the extent that they capture an “ordinary” range of diversity - were also demonstrably large enough to provide statistically valid estimates of the characteristics of New York's home-based providers.

As shown in a Technical Sampling Note (see Appendix A.11-1), minimal sample size requirements were first identified to assure that extrapolations of any survey results for New York City and the balance of the state could be expected accurate to within +/- 5% of the two regions' “true” values, with 95% confidence, assuming “relatively” random sampling, as just described. With that assumption, these calculations showed that sample sizes of 363 and 365 for New York City and the balance of the state, respectively, are adequate to support conventional standards of confidence in reporting the study results for these major state regions. As will be seen, both sample size targets were met.

To assure diversity in the sampling effort, data collection occurred within five categories of venues, some of which in turn involved multiple physical locations. Each of these was akin to a study in itself, requiring its own planning, preparation and follow-up work to be successful:

- By far the most ambitious was the production of a statewide videoconference presentation (broadcast September 8, 2008) on insurance issues for child care providers, enabling audience-completion of the survey. (The “Insurance Survey Primer” in Appendix A.3 was supplied to staff facilitating each of the dozens of local sites around the state at which providers attended the videoconference, as a way of standardizing assistance rendered on questions arising in completing the survey from videoconference attendees. Finally, Appendix A.5 includes an example of publicity sent out for the videoconference – a Commissioner's letter inviting providers' attendance – while Appendix A.7 documents SUNY and OCFS staff who participated in or helped produce the conference.)
- Another category of venue involved reaching providers who attended large-scale seasonal meetings and/or focus groups sponsored by the two unions representing home-based providers in New York State: Civil Service Employees Association (CSEA) and United Federation of Teachers (UFT).

- Child Care Resource and Referral (CCR&R) agencies statewide were also urged to participate, when possible, and eventually contacted local providers for completion of almost 100 surveys.<sup>30</sup>
- NYCDOHMH Borough Offices, as well as a number of private child care-related agencies in the City, also assisted with data collection, sometimes administering the survey during providers' office visits and sometimes during home visits to providers;
- DCCS regional offices administered a limited number of surveys, in one case at a regional child care providers' conference occurring locally.

### **III. The Survey Instrument**

Based on the major research themes, initial drafts of a survey instrument were developed to target the three broad topics of homeowner's insurance (including liability riders), health insurance and business liability insurance among providers, with each section devoting major attention to the experiences both of those covered and of those not covered (or partially covered) in the respective areas. Prior to the second meeting of the advisory group, the latest draft was then pre-tested among roughly two-dozen family providers, with the assistance of three advisory group members who were particularly well situated for the task by virtue of their roles in provider associations, unions or licensing agencies.<sup>31</sup>

Roughly half the pre-testers completed the survey in settings on their own (e.g., home) while the other half did so in settings where staff were present to answer questions. In every instance, a major focus of the pre-tests included asking the respondents a series of questions (or having them answer an additional survey) about the experience of completing the main survey, to gather as much evidence as possible from the testers on issues or possible problems requiring modifications to the main instrument. (See Appendix A.2 for the "Instrument Pilot-test Questions" used.) Based on these reviews, further changes were made to the instrument, and then also shared with the advisory group in a final review session. In general, the successive reviews of the instrument identified a fair number of minor-to-modest "fine-tuning" changes, which in the main were able to be adopted, but not major complaints (such as about length) or wholesale rejections of the tool.

The final English-version of the tool (in Appendix A.1) was also translated into Spanish by OCFS staff.<sup>32</sup> Finally, machine-readable formats of each language version were created to expedite data entry.

---

<sup>30</sup> See Appendix A.8 for our invitation for CCR&R agencies' participation.

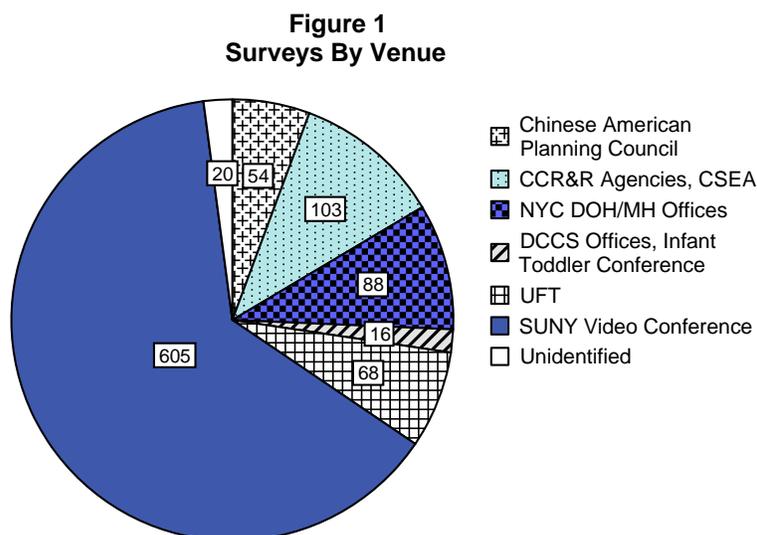
<sup>31</sup> Many thanks to Ed Gresco (CSEA), Lynda Weismantel (Capital District Child Care Coordinating Council) and Barbara Glover-Cox (NYCDOHMH) for their assistance in the pre-testing.

<sup>32</sup> For example, providers served by WHEDCO, a New York City agency mentioned above, were primarily Spanish-speakers.

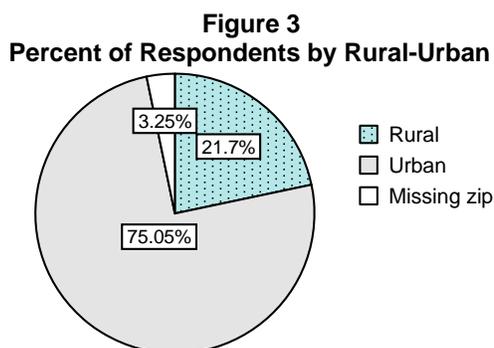
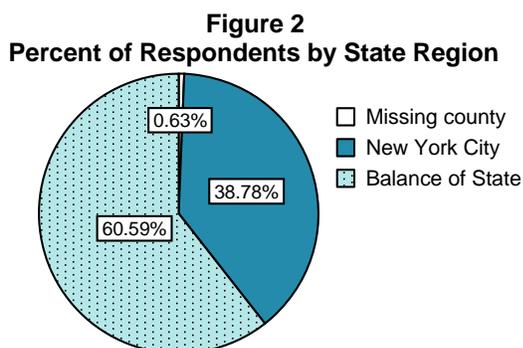
#### IV. Sample Description (Overview)

The final sample of providers who returned surveys for the study represented about **one in every fourteen** regulated family-based providers in the state ( $n = 978$ , or about 7% of the population). Both the sample’s size and diversity of sources seemed to meet the sampling goals established for the review as set out above, in all likelihood helping to provide a reliable snapshot generalizable to New York home-based providers overall.

Of the 978 total respondents, 24 were shown to have completed surveys both at the video-conference and at another venue, leaving a final sample of 954 completed surveys for analysis<sup>33</sup> from the venues shown below in Figure 1.



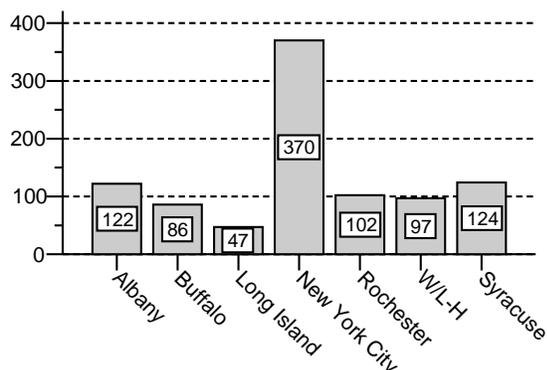
As illustrated below in Figures 2 and 3, the final sample of respondents also included relatively proportionate representations of important regional populations of New York providers:



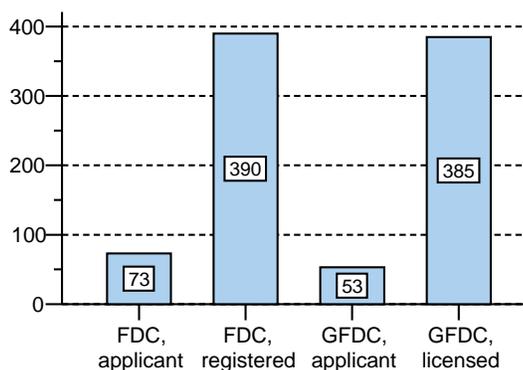
Respondents also included reasonable representations<sup>34</sup> of each of the seven DCCS regions (partially excepting Long Island, which was a bit under-represented) and both modalities of care among family-based providers. (See Figures 4 and 5 below.)

<sup>33</sup> Given the timing of the videoconference and work at other venues, only a small number of respondents mostly at specific locations could possibly have submitted the survey twice; anticipating the possibility, however, the instrument included a prominent, bolded precaution to respondents about this (see Appendix A.1).

**Figure 4**  
Respondents by DCCS Region

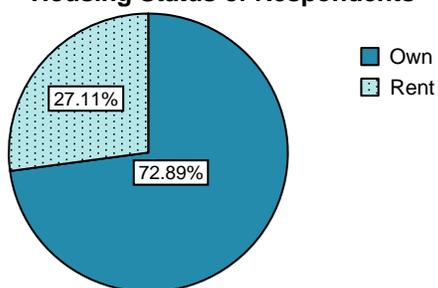


**Figure 5**  
Respondents by Type and Stage of License

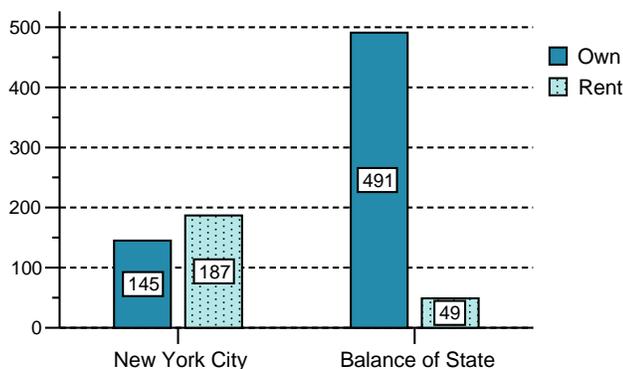


Respondents were predominantly homeowners rather than renters (see Figures 6 and 7), except in New York City, where renters outnumbered homeowners.

**Figure 6**  
Housing Status of Respondents



**Figure 7**  
Respondents by Region and Housing Status



Finally, respondents were overwhelmingly female (92% of those categorized) and markedly similar in age regardless of modality of care (FDC or GFDC) or stage of regulatory status<sup>35</sup> (applicants or licensees/registrants), with average age ranging between 43 and 47 for each group.

<sup>34</sup> OCFS oversight over child care in New York State is spread among seven geographical regions, six of which are named for the municipality in which the regional office is located (Buffalo, Rochester, Syracuse, Albany, Spring Valley, New York City and Long Island). See Appendix A.9 for a map and table showing the county catchment area for each of the regional offices.

<sup>35</sup> In New York, child day care centers and group family day care homes are authorized to operate through a process of *licensure*, conducted by DCCS (except for New York City day care centers); alternatively, school-age child care programs, family day care homes and what are called small day care centers undergo an analogous authorization by DCCS referred to as *registration*.



## Homeowners and Renters Insurance

---

The insurance companies ... [serving] providers are still very leery of insuring their homes because there is a business. The reason is that the ... companies ... don't feel 100% sure that they're not somehow going to get dragged into a liability claim related to their business. [So providers conclude] 'Maybe if I don't talk about it I'll still have coverage.' No, no, no. If you aren't covered and you haven't told your agent, you're going to find out when it's too late.

**Harry Bucciferro**  
**Insurance Company Panelist**  
**September Videoconference**

If your home insurance provider learns that you're operating a business from your home, they may very well drop you as a client and you may lose protection of your home. ... There are two ways to be sure that your business is covered. One is to buy liability insurance that is specifically designed for your business. The other ... is to find out if your [homeowners] insurance company will offer you what is called an endorsement.

**Eric Dinallo, Superintendent**  
**NYS Insurance Department**  
**Videoconference Panelist**

---

### I. Coverage Highlights

- 883 of 954 providers sampled (93%) supplied coverage information.
- **76% of respondents** ( $n = 674$ ) **had insurance.**
- Respondents from rural areas were significantly more likely to be insured than those from urban areas, those outside New York City ("Balance of State") significantly more likely than those from New York City, and homeowners significantly more likely than renters (see Table 2):<sup>36</sup>

| <b>Table 2. Percent of Total Respondents Insured: 76%</b> |     |                         |     |                           |     |
|---|-----|-------------------------|-----|---------------------------|-----|
| <b>By Rural/Urban:</b>                                    |     | <b>By State Region:</b> |     | <b>By Housing Status:</b> |     |
| Rural:  | 92% | New York City:          | 48% | Owners:                   | 97% |
| Urban:  | 72% | Balance of State:       | 92% | Renters:                  | 12% |

### Discussion

#### 1. Rural/Urban Differences\*

=> Urban respondents as a whole were significantly less likely to report having homeowners or renters insurance than their rural counterparts. (See Figure 8 on next page.)

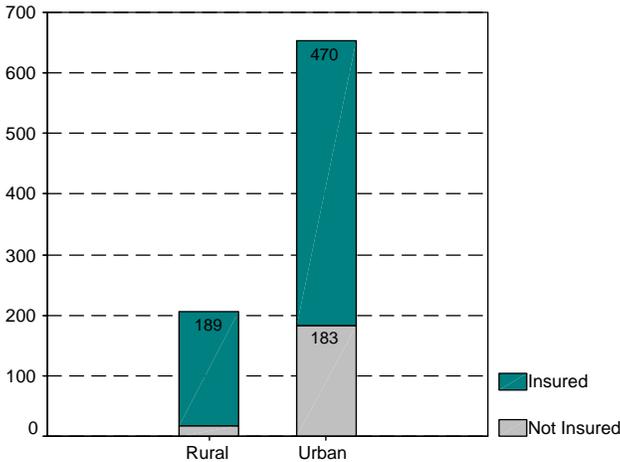
---

<sup>36</sup>  $p < .001$ . See completed tabled results with sample sizes for all comparisons made in Appendices A.13 and A.14. Comparisons by modality of care and among DCCS Regions outside NYC showed no significant differences.

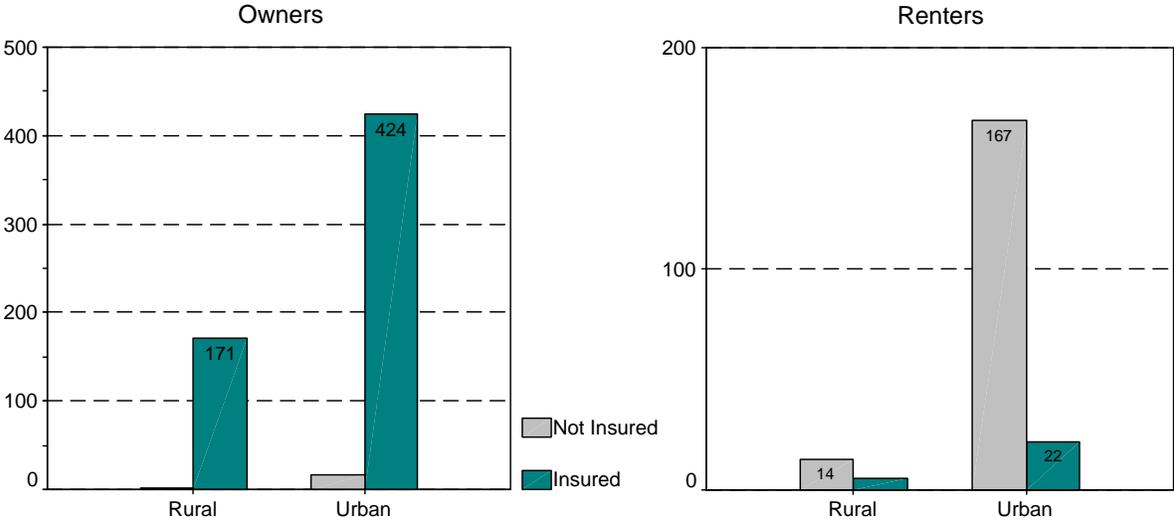
\* See Appendix A.11-2 for details on geographic classifications used in the study.

⇒ Broken down by housing status, however, both rural and urban *homeowners* were largely insured while *renters* were far less likely to be insured regardless of locale. (See Figure 9.)

**Figure 8**  
**Respondents by Rural/Urban Area**



**Figure 9**  
**Respondents by Housing Status and Rural/Urban Area**

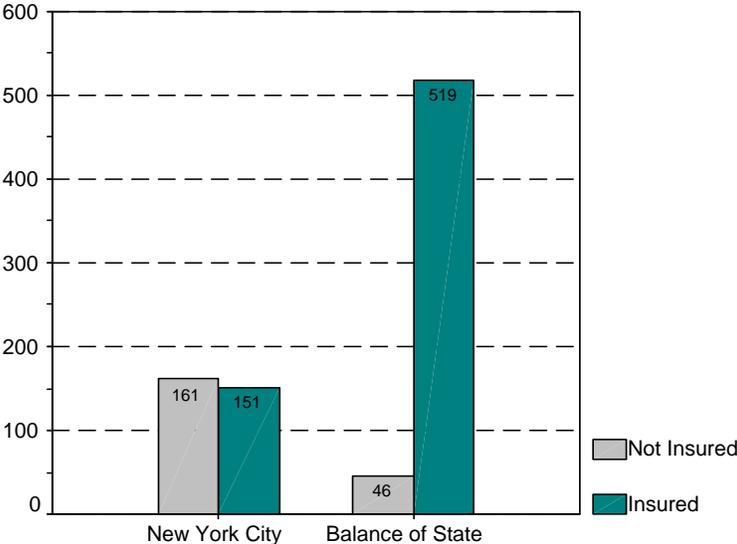


⇒ Differences in coverage between rural and urban respondents were not significant among owners and among renters, taken separately. In effect, the greater concentration of renters in urban areas produces what appear to be “rural-urban” differences, but are in fact more intrinsically related to respondents’ housing status, with renters simply less likely to be insured than homeowners.

**2. State Region Differences**

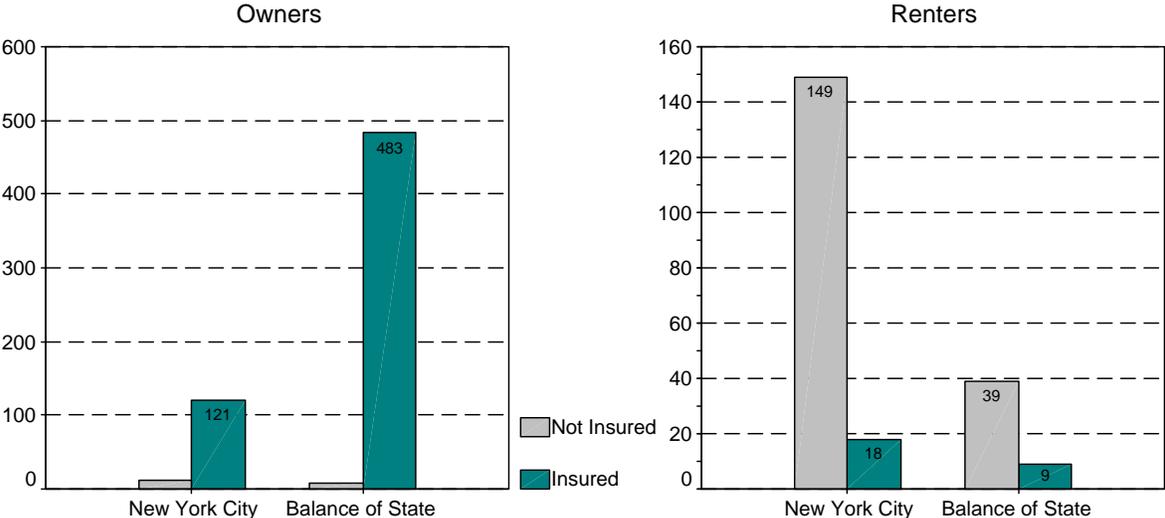
⇒ Just as urban respondents overall were less likely than rural ones to have insurance, as shown in Figure 10, New York City respondents taken as a whole were significantly less likely to be insured than respondents from elsewhere in the state.

**Figure 10**  
**Respondents by State Region**



⇒ Broken down by housing status, however, homeowner respondents in both regions showed extremely high coverage rates and those renting showed far lower rates of coverage. (See Figure 11 below.)

**Figure 11**  
**Respondents by State Region and Housing Status**

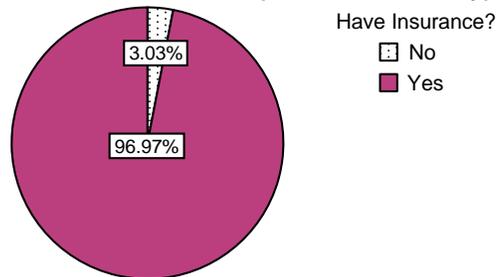


⇒ Coverage rates among homeowners from New York City were slightly lower than rates among homeowners elsewhere, but for practical purposes, this is a distinction without a difference: *Over 90% of each area's homeowners reported having insurance compared with just under 11% and 19% of the two regions' renters, respectively.*

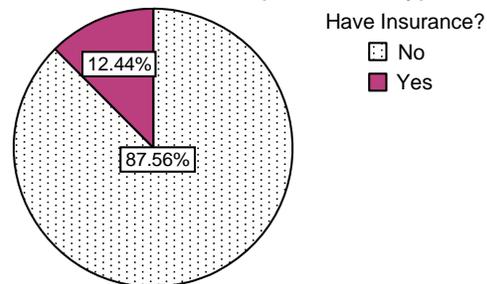
### 3. Housing Status Differences

More than any other characteristic explored, respondents' housing status was associated with stark differences in coverage<sup>37</sup> (see Figures 12-14 below) and appeared to drive other observed differences in coverage. *Overall, only 12% of renters reported coverage, compared with 97% of homeowners.*

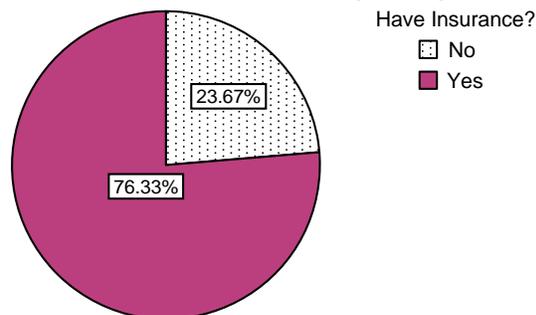
**Figure 12**  
Homeowners Insurance (Homeowners only)



**Figure 13**  
Renters Insurance (Renters only)



**Figure 14**  
Homeowners/Renters Insurance (All respondents)



### 4. Carriers

Among respondents who reported having homeowner or renter's policies, nine companies accounted for the majority of such coverage. Just two companies – Allstate and State Farm – accounted for almost one-third. (See Table 3.) The fact that so many other companies beside these were identified as carriers by only a few providers each may suggest a healthy competitive market affording many options for insurance. But the disparity in the numbers reporting the top two carriers and those reporting all others suggests that competition may not be so robust, or that limited knowledge about alternatives exists among providers, or a combination of both.

<sup>37</sup> Differences in the proportion of respondents insured by housing status were statistically significant ( $p < .001$ ).

| Name of Carrier                             | N          | %            |
|---|------------|--------------|
| Allstate                                    | 130        | 19.3         |
| State Farm                                  | 85         | 12.6         |
| Nationwide                                  | 29         | 4.3          |
| Travelers Insurance                         | 27         | 4.0          |
| New York Central Mutual                     | 26         | 3.9          |
| Liberty Mutual                              | 24         | 3.6          |
| Marshall & Sterling                         | 15         | 2.2          |
| Thomco                                      | 11         | 1.6          |
| Erie Insurance                              | 10         | 1.5          |
| Unspecified                                 | 93         | 13.8         |
| <b>Subtotal</b>                             | <b>450</b> | <b>66.8</b>  |
| <b>Total Insured (Homeowner or Renters)</b> | <b>674</b> | <b>100.0</b> |

\* Throughout this review, all tallies, whenever possible, reflect 'cleaned' survey entries that may differ from respondents' original reporting. In some circumstances, e.g., check-box contents were imputed, such as when insurer information was reported but a box remained unchecked. The language, "deemed," references these operations.

## II. Total Cost Highlights

- 489 of 674 insured providers (73%) supplied cost information.
- **Mean annual premium for homeowner/renter policies** reported (including liability rider but not separate business liability coverage, if reported): **\$1,051**. (See Table 4.)
- There were marked, significant differences in average premiums among providers: Group Family Day Care (GFDC) providers reported higher costs than Family Day Care (FDC) providers, those from urban areas higher costs than rural providers, those from New York City higher costs than those elsewhere, and those from the Long Island, New York City or Westchester/Lower-Hudson (W/L-H)<sup>38</sup> DCCS regions higher costs than those from outside those regions:<sup>39</sup>

| By Modality: |         | By Rural/Urban: |         | By State Region: |         | By DCCS Region: |         |
|--------------|---------|-----------------|---------|------------------|---------|-----------------|---------|
| FDC:         | \$848   | Rural:          | \$728   | NYC:             | \$1,439 | W/L-H:          | \$1,480 |
| GFDC:        | \$1,234 | Urban:          | \$1,185 | Bal. of State:   | \$945   | NYC:            | \$1,439 |
|              |         |                 |         |                  |         | Long Island:    | \$1,327 |

<sup>38</sup> Here and elsewhere in the report, Westchester/Lower-Hudson refers to the DCCS Spring Valley Region. See Appendix A.9 for a map and complete listings of the regions' counties, which often span broad, eclectic areas not apparent from the regional names.

<sup>39</sup>  $p < .001$ . The complete tabled results (in Appendix A.16) including sample sizes and 95% confidence intervals estimated for means allow superior comparisons among the values here. For example, Long Island's result (\$1,327) is based on a smaller  $n$  and shows a wider confidence interval, signaling less certainty about the value reported here.

| <b>Table 4. Mean Annual Premium Including Rider (All Respondents): \$1,051</b> |                        |                         |                        |
|--|------------------------|-------------------------|------------------------|
| <b>By Modality:</b>  | <b>By Rural/Urban:</b> | <b>By State Region:</b> | <b>By DCCS Region:</b> |
|  |                        |                         | Rochester: \$872       |
|  |                        |                         | Buffalo: \$820         |
|  |                        |                         | Syracuse: \$782        |
|  |                        |                         | Albany: \$728          |

## Discussion

### 5. Rural/Urban, State Region and DCCS Region Cost Differences

Annual premiums reported for combined homeowner/renter insurance and optional liability riders differed significantly across each geographic category. Providers identical in all other respects, thus, can expect to face different costs for this coverage depending on where they happen to live. These differences were statistically significant, but – more importantly for providers’ bottom line – many are sizable in dollar terms, as well.<sup>40</sup>

### 6. Cost Differences by Modality

As could be expected, the number of children for whom providers care also influenced total premiums (defined here as including any rider affording child care liability coverage). For all settings – whether rural or urban, New York City or outside the City, or between DCCS regions – Group Family Day Care providers reported higher total premiums than did Family Day Care respondents. While not universally significant, the differences clearly showed Group Family Day Care providers tending to incur higher average policy costs irrespective of their location.<sup>41</sup>

## **III. Liability Riders: Coverage Highlights**

- 575 of 674 insured sample members (85%) supplied coverage information.
- **33% of respondents** ( $n = 188$ ) **reported child care liability coverage through “riders”** (endorsements) on homeowner or renters policies. (See Table 5.)
- FDC providers were significantly more likely to have riders than GFDC providers, those from the Balance of the State significantly more likely than those from New York City, and those from DCCS regions outside Long Island significantly more likely than those from Long Island.<sup>42</sup> Limited sample size for Long Island, however, makes that region’s finding here more suggestive than definitive.<sup>43</sup>

<sup>40</sup> See Appendix A.17 for charts depicting “95% confidence intervals” surrounding the mean annual premiums observed for respondents categorized by rural/urban status and by State Region – in effect, intervals one can be reasonably confident will include the respective group’s true mean premium amount. In general, “non-overlapping” ranges shown in the charts (as appear for rural and urban providers) depict significantly different mean values.

<sup>41</sup> See Appendix A.17 for charts providing the 95% confidence intervals around mean premiums reported for GFDC and FDC respondents in selected areas, as described in the preceding note.

<sup>42</sup> Respondents’ rural/urban classification and housing status showed no bearing on obtaining liability coverage through riders, with roughly one-third of each group doing so. (But see *Discussion* point #7 regarding the importance of housing status, nonetheless.) See complete tabled results with tests in Appendix A.15.

<sup>43</sup> See complete tabled results including responding  $n$ ’s in Appendix A.15.

| <b>By Modality:</b> |     | <b>By State Region:</b> |     | <b>By DCCS Region:</b> |     |
|---------------------|-----|-------------------------|-----|------------------------|-----|
| FDC:                | 40% | New York City:          | 15% | Syracuse:              | 47% |
| GFDC:               | 25% | Balance of State:       | 37% | Rochester:             | 46% |
|                     |     |                         |     | Buffalo:               | 39% |
|                     |     |                         |     | Albany:                | 33% |
|                     |     |                         |     | W/L-H:                 | 33% |
|                     |     |                         |     | NYC:                   | 15% |
|                     |     |                         |     | Long Island:           | 9%  |

## **Discussion**

### **7. “Shadow” Impacts of Housing Status**

While homeowners and renters with insurance were about equally likely to report having liability riders, *the fact that so few renters are insured* leaves that population, *de facto*, less likely to have such coverage because seeking out a separate business liability policy remains their only means of obtaining it.

### **8. Differences by Modality Are Nuanced Rather than Clear-Cut**

Family Day Care providers overall reported making greater use of liability riders than Group Family Day Care providers reported – a mirror-image of the reverse trend seen in the next section with respect to business liability insurance. But geographic variations in this pattern were prominent:

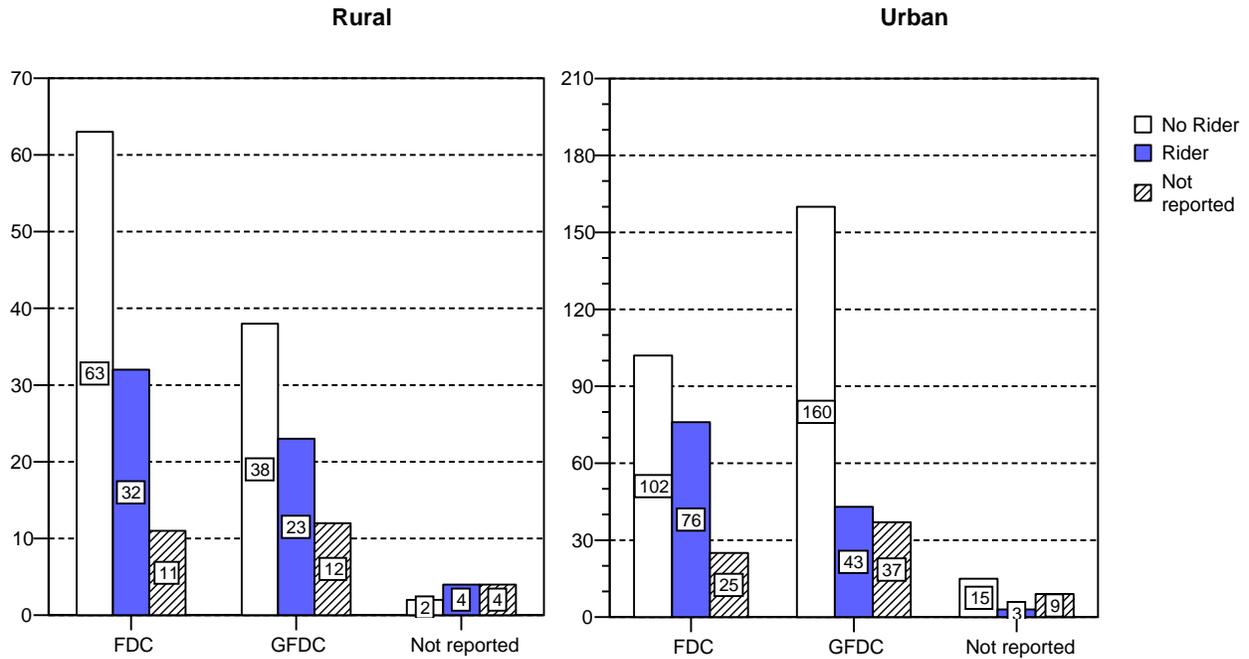
⇒ Within *urban* settings taken as a whole, Family Day Care providers were *twice* as likely as Group Family Day Care respondents to have liability riders (37% vs. 18%, respectively) but no such difference appeared within rural settings (Figure 15 on the next page).<sup>44</sup>

⇒ Similarly, Family Day Care respondents situated *outside New York City* were over fifty percent more likely than Group Family Day Care counterparts to opt for liability riders (40% vs. 25%, respectively) but respondents from New York City showed no such pattern.<sup>45</sup> (See Appendix A.15.)

<sup>44</sup> Differences in liability rider coverage by modality of care were statistically significant within urban, but not rural, settings ( $p < .001$ ).

<sup>45</sup> Analogous to the preceding note, differences in liability rider coverage by modality were statistically significant outside New York City, but not within it ( $p < .001$ ).

**Figure 15**  
**Respondents by Rural/Urban Area and Modality**



**IV. Liability ‘Rider’ Cost**

- 120 of 188 providers reporting liability riders (64%) supplied cost information.
- The **mean annual liability portion** of total premiums reported was **\$306**.
- As expected where the number of children served should influence liability exposure, annual reported costs differed significantly by modality. (Costs were higher for Group Family Day Care than for Family Day Care providers).
- Westchester/Lower-Hudson (DCCS Spring Valley) Region showed a mean cost significantly higher than upstate regions’ (based on marginally adequate sample sizes) as shown in Table 6.<sup>46</sup>

| Table 6. Mean Annual Premium Reported for Child Care Liability Riders (All Respondents): \$306 |       |                           |       |
|--|-------|---------------------------|-------|
| By Modality  |       | By DCCS Region            |       |
| FDC:   | \$272 | Westchester/Lower-Hudson: | \$503 |
| GFDC:  | \$372 | NYC:                      | \$374 |
|  |       | Syracuse:                 | \$278 |
|  |       | Albany:                   | \$276 |
|  |       | Buffalo:                  | \$254 |
|  |       | Rochester:                | \$254 |
|  |       | Long Island:              | NA    |

<sup>46</sup> While rural/urban costs showed no significant differences, New York City sample sizes precluded evaluating the State Region comparison. See Appendices A.18 and A.19 for complete tabled results with tests, plus a chart providing the 95% confidence intervals for mean liability rider premiums reported by Region, as described in n.40.

## V. The Uninsured and Under-Insured: Highlights

- Two-thirds (67%) of *insured* providers opt not to obtain liability riders; among those responding, less than half (44%) reported separate liability policies as the reason, leaving **over half the group – more than one-third of those with homeowner or renters insurance – without liability protection of any type.**<sup>47</sup>
- Among these *partially insured*, the most common reason for not getting liability riders (after having a separate liability policy) was **cost** (26% of those without riders).
- The next most common reason, ‘Other’ (19% ...) – actually a collection of separate reasons – is illuminated by narrative explanations where over half of entries (about 11% of those without riders) revealed a variety of **informational and knowledge issues** including *unfamiliarity with insurance topics, difficulty locating policies and carriers that would meet particular providers’ business needs, or unexamined and potentially risky preconceptions about coverage* that could jeopardize providers’ businesses. For example:

RENTERS COVERAGE IS NOT NECESSARY BECAUSE IT IS IN PUBLIC HOUSING.  
MY APARTMENT BELONGS TO THE CITY OF NEW YORK; THE CITY ... WILL TAKE CARE OF ME IF THERE IS [A] PROBLEM WITH THE BUILDING.

**Two survey respondents, non-Videoconference venues**

- After separate liability policies and cost, the most common *single* reason providers gave for not having liability riders was the **concealment of businesses out of fear of cancellation** by insurers who may, but might not, serve child care providers. Uncertainties in the insurance market for providers have made simply negotiating their coverage(s) problematic for some of them. Sixteen percent of those without liability riders reported they follow this strategy, perhaps *increasing* their risks of cancellation by doing so.
- Among *uninsured* providers, very few respondents attributed their non-coverage to the denial or termination of a policy or application (less than 2% of all the uninsured, each). But 38% of all the uninsured (92% of responders) cited ‘Other’ reasons explained to include primarily **knowledge** and **cost** issues (as in the prior bullets) that could constitute real barriers to fuller coverage among providers.

## Discussion

### 9. Barriers to Coverage Gains

To some observers, the idea of child care providers’ not insuring their homes and businesses almost defies understanding, except perhaps when short-term finances leave no choice in the matter. But a broader view emerges from examining the present sample data. Tables 7, 8 and 9 below summarize the immediate reasons respondents cited for not obtaining riders or homeowner/renter’s insurance. These

<sup>47</sup> As will appear in the review of separate liability insurance, those *without* homeowner or renters insurance are even less likely than those with such coverage to report separate liability policies.

are compared with information from the providers' narrative explanations of their responses<sup>48</sup> and guidance from expert videoconference panelists to enable a better appreciation of providers' understanding, circumstances and potential needs.

a) **Cost concerns were major factors in non-coverage.**

Between one-quarter and one-third of those not opting for liability riders, and those without home-owners/renters insurance, pointed to this.

b) After separate liability policies and cost, the next most frequent reason reported for not having riders was the **concealment of businesses out of a fear of cancellation** by insurers who might not serve child care providers. As introduced by the videoconference panelist remarks which opened this section, insurance industry market forces seem to have created unique difficulties for some providers in simply negotiating their coverage(s).<sup>\*</sup> Ironically, the 16% of respondents who reported that they follow this strategy may *increase* their risks of cancellation by doing so.

| Factor  | <i>n</i>   | %   |
|---|------------|-----|
| Have separate liability policy                      | 172        | 44% |
| Liability coverage not needed/wanted                | 40         | 10% |
| Not reporting business to avoid policy cancellation | 61         | 16% |
| Cost  | 100        | 26% |
| Other   | 75         | 19% |
| <b>Total Insured, No Rider</b>                      | <b>387</b> |     |

| Factor   | <i>n</i>   | %   |
|--|------------|-----|
| Denial of homeowner/renters insurance application  | 4          | 2%  |
| Discontinuance of homeowner/renters policy   | 3          | 1%  |
| Other ( <i>detailed in Table 9 below</i> )   | 79         | 38% |
| <b>Total Uninsured Providers</b>   | <b>209</b> |     |
| <sup>@</sup> Relatively few of those who reported no homeowner/renters insurance provided detail on reasons. |            |     |

| Factor  | <i>n</i>  | %   |
|---|-----------|-----|
| Unable to locate willing insurers                   | 9         | 11% |
| Homeowner/renter insurance not needed/wanted        | 20        | 25% |
| Believe child care disqualifies                     | 5         | 6%  |
| Cost  | 26        | 33% |
| Other   | 35        | 44% |
| <b>Total Providers Uninsured for 'Other' Reason</b> | <b>79</b> |     |

<sup>48</sup> Here and throughout this report, narrative detail from providers is taken from responses to survey items (see instrument in Appendix A.1). Only occasionally are respondents identified more specifically, such as by venue.

<sup>\*</sup> Organizations such as *Resources for Child Caring* have documented many states' providers' cancellation by insurers either seemingly or admittedly deterred by expectations of unacceptable exposure associated with child care businesses.

c) Roughly one-quarter of comments accompanying the responses, “not needed or wanted” or “Other” as reasons for non-coverage reference a **broad, sometimes disturbing lack of knowledge on insurance issues.**

(See panel →)

d) About one-third of those citing “Other” reasons for being uninsured (aside from denial or cancellation) emphasized **unfamiliarity with renters insurance.**

e) About five percent of those without riders (in addition to other uninsured) recounted **difficulty locating appropriate insurers or coverage options**, e.g., carriers willing to combine liability endorsements with homeowner policies, cover adequate numbers of children in group settings or offer liability limits compatible with local Department of Social Services (DSS) requirements (See panel →)

f) **Relatively specialized knowledge about how to evaluate, purchase and maintain insurance policies** appropriate to the needs of child care businesses is imperative for practicing child care providers, but has not penetrated to the level of many in the field, putting unknown numbers of their businesses in jeopardy. (See panel →)

I don't need insurance because I don't have valuables in my house.

[I] didn't know a rider was needed. I don't feel a need for renters insurance.

I live in a Public Housing Project.

**(Explaining why insurance not needed)**

[According to carrier,] no rider [is] allowed on group care.

My homeowners only covers up to 6 kids in my business.

No insurance company would cover liability for child care business.

All the companies would not insure me for both my home and my business.

[I] could not find homeowners insurance that would add a rider for day care.

The [XYZ] rider only covers \$300,000; in order to have a contract with County DSS we need \$500,000.

The insurance company stopped putting riders on homeowner policies.

They didn't have it for the number of children that I have.

Not available through this insurer. [XYZ] does not cover child care ...

I didn't know that my homeowners insurance wouldn't cover my business.

**(Last quote):**

**Respondent attending  
September Videoconference**

**f) Knowledge about how to evaluate, ... (cont.):**

“It’s important for providers to make sure they are covered, and the only way ... to find that out is [to] talk to their agent and explain: ... ‘I’m a child care provider. I’ve got this many kids. Am I covered for this? Am I covered for that? I need to see it in writing.’ ... If they say no, it doesn’t cover you, then now you know [and can] find a different policy. The best thing you can do is to be open.”

**Harry Buccifero**  
**Insurance Company Panelist**  
**Videoconference**

*I didn’t know that my homeowner policy needed to be informed about daycare in [my] home since I have a separate business liability policy.*

**Respondent attending**  
**Videoconference**

*The company checked and found my business [and then] cancelled my policy.*

**Survey Respondent**

## **VI. Satisfaction with Coverage or Status: Highlights**

- 697 of 954 providers sampled (73%) supplied information on their satisfaction with their homeowner or renter’s insurance situation. (See Table 10.)
- **83%** of respondents overall reported being **very or somewhat satisfied** with their insurance situation compared with just **17%** reporting that they were **very or somewhat dissatisfied** – a mix reminiscent of the sample’s insured/uninsured split (76% vs. 24%).<sup>49</sup>
- Spot-checks of surveys showed some respondents reporting “satisfaction” of a personal nature, seemingly unrelated to insurance issues, raising questions about data quality.
- Insured respondents were significantly more likely to report being satisfied than the uninsured<sup>50</sup> but even the latter, surprisingly, showed over 60% as being satisfied.
- Another problem – non-response – was concentrated among the *uninsured* but influenced overall results.
- Reviews of narrative responses demonstrated how satisfaction ratings are inflated, as well as the extent of **knowledge issues** that appear to exist among some providers. Among those *without insurance*, unsatisfied providers chiefly attributed this to **affordability** concerns (39%) and **difficulty finding appropriate carriers and/or coverage options** (33%), but fully half of those who reported themselves “satisfied” credited this to *not* having renters insurance.<sup>51</sup> Given the level of non-response already cited, such results

<sup>49</sup> Differences among different providers were not large. For instance, GFDC providers were significantly less satisfied than FDC respondents, but substantively the difference was quite modest (about 5 percentage points).

<sup>50</sup> Differences in proportions of respondents satisfied by insurance status were statistically significant ( $p < .001$ ).

<sup>51</sup> Among the much larger *insured* group, spot-checks of narrative data both from those who were satisfied and those who were not disclosed no such inconsistencies, suggesting such groups’ perceptions of their insurance situation in the homeowner/renter realm can be taken more nearly at face value.

may not be representative of the uninsured but seem to underline the need for *targeted business education and information services* for providers.

- *Insured* providers who were unsatisfied cited almost identical reasons to those discussed by the uninsured: 40% emphasized **availability** issues and 39% focused on **cost** reservations.

## Discussion

### 10. Differences By Insured Status and the Complication of Non-Response

⇒ Uninsured providers were far more likely than the insured not to report on this topic (55% versus 14%: see Table 10 highlights below), raising questions about how representative the sample findings on the uninsured may be. Those *uninsured who responded* were three times more likely to report themselves unsatisfied in this area than those with insurance but, perhaps surprisingly, still classed themselves as satisfied 62% of the time (versus 87% for the insured).

| Satisfaction Rating  |            | Have Homeowner or Renters Insurance? |              |                |              | Total |
|----------------------|------------|--------------------------------------|--------------|----------------|--------------|-------|
|                      |            | No                                   | Yes          | Total Reported | Not Reported |       |
| Very Unsatisfied     | Number     | 19                                   | 39           | 58             | 3            | 61    |
|                      | % reports  | <b>20.0%</b>                         | <b>6.8%</b>  | 8.6%           | 12.0%        | 8.8%  |
| Somewhat Unsatisfied | Number     | 17                                   | 35           | 52             | 3            | 55    |
|                      | % reports  | <b>17.9%</b>                         | <b>6.1%</b>  | 7.7%           | 12.0%        | 7.9%  |
| Somewhat Satisfied   | Number     | 40                                   | 226          | 266            | 10           | 276   |
|                      | % reports  | <b>42.1%</b>                         | <b>39.2%</b> | 39.6%          | 40.0%        | 39.6% |
| Very Satisfied       | Number     | 19                                   | 277          | 296            | 9            | 305   |
|                      | % reports  | <b>20.0%</b>                         | <b>48.0%</b> | 44.0%          | 36.0%        | 43.8% |
| Total Reported       | Number     | 95                                   | 577          | 672            | 25           | 697   |
|                      | % reports  | 100%                                 | 100%         | 100%           | 100%         | 100%  |
| Not Reported         | Number     | 114                                  | 97           | 211            | 46           | 257   |
|                      | % of total | <b>54.5%</b>                         | <b>14.4%</b> | 23.9%          | 64.8%        | 26.9% |
| Total                | Number     | 209                                  | 674          | 883            | 71           | 954   |
|                      | % of total | 100%                                 | 100%         | 100%           | 100%         | 100%  |

## 11. Factors Important in Satisfaction

- ⇒ Among uninsured, *unsatisfied* providers ( $n = 36$ ), 39% of respondents' narratives attributed this to *affordability* concerns, while almost as many (33%) cited *difficulty finding carriers and/or coverage options* appropriate to their needs.<sup>52</sup>
- ⇒ Among uninsured providers who reported that they were *satisfied* ( $n = 59$ ), eye-opening, 51% of respondents' narratives made a compelling case for provider education efforts by explaining their satisfaction through various “don't need insurance” logics typically singling out *renter's insurance* – often with factual inaccuracies – as unneeded:

I DON'T FEEL THE NEED FOR RENTERS INSURANCE, "NO BIG DEAL" WITHOUT IT.

RENTERS COVERAGE IS NOT NECESSARY BECAUSE I LIVE IN AFFORDABLE HOUSING.

RENTERS COVERAGE IS NOT NECESSARY BECAUSE IT IS IN PUBLIC HOUSING.

MY APARTMENT BELONGS TO THE CITY OF NEW YORK, THE CITY ... WILL TAKE CARE OF ME IF THERE IS [A] PROBLEM WITH THE BUILDING.

MY APARTMENT SHOULD BE WELL PROTECTED BECAUSE IT IS A PUBLIC HOUSING AUTHORITY BUILDING.

MY HOUSE IS INSURED BY NYCHA [New York City Housing Authority].

WE HAVE JUST MOVED INTO OUR OWN PLACE, [I] HAVEN'T FELT A NEED FOR INSURANCE.

MY MOTHER OWNS THE HOME AND I KNOW SHE HAS GREAT INSURANCE.

I AM OK WITHOUT RENTER INSURANCE.

MY BUSINESS OWNER HAS NOT ASKED US TO INSURE YET, PROBABLY SHE HAS A LIABILITY INSURANCE POLICY.

I DON'T THINK I NEED RENTERS INSURANCE, I NEVER HEARD OF RENTER'S INSURANCE.

I DONT NEED TO PAY EXTRA MONEY, MY CHILD CARE BUSINESS IS STILL RUNNING WITHOUT RENTERS INSURANCE.

<sup>52</sup> The remainder provided either generic comments resembling, “I want coverage” or no response at all. See Appendix A.20 for a listing of these respondent comments.

⇒ Among *insured* providers reporting themselves *unsatisfied* ( $n = 74$ ), 40% of respondents attributed this to difficulties in obtaining or locating insurers and/or coverage options appropriate to their businesses (e.g., number of children served, liability limits, coverage for claims of abuse/neglect, renter's policies incorporating child care), followed by almost identical numbers (39%) pointing to policies' cost or other financial characteristics (e.g., lack of payment plans) as major drawbacks; smaller numbers (16%) highlighted what were described as companies' lack of knowledge about and regard for basic aspects of providers' business situations, limitations and needs.<sup>53</sup>

---

<sup>53</sup> See Appendix A.20 for a listing of these respondent comments.



## Business Liability Insurance

---

Providers wouldn't consider owning their own home without having homeowners insurance. ... [A]nd you wouldn't think of putting that at risk for fire, storm or whatever. But a bigger risk is liability: some child gets injured, there can be a major, major expense associated with that.

**Tom Copeland**  
*Resources for Child Caring*  
September Videoconference

Your clients are putting a lot of trust in you when they leave their children in your care. If anything happens - even something ... you have no power to prevent - and a child gets harmed, you can get sued ... [and] lose everything you've ever worked for.

**Gladys Carrión, Commissioner**  
New York State OCFS  
Videoconference

Home-based child care providers... may be relying on ... homeowners insurance to protect (them), *but it won't*. If you have an accident related to your business and file a claim under your homeowner's policy, *it won't be covered.*"

**Eric Dinallo, Superintendent**  
New York State Insurance Department  
Videoconference

I BELIEVE MY HOUSE IS SAFE  
ENOUGH FOR CHILDREN

MY BUSINESS HOURS ARE  
SHORT AND [I HAVE] WELL  
DISCIPLINED CHILDREN

**Two Survey Respondents**  
**(Explaining why**  
**liability insurance is**  
**not needed)**

I DIDN'T KNOW THAT MY  
HOMEOWNERS INSURANCE  
WOULDN'T COVER MY  
BUSINESS.

**Survey Respondent**  
**Videoconference**

---

### I. Coverage Highlights

- 754 of 954 providers sampled (79%) supplied coverage information.
- **32% of respondents** ( $n = 244$ ) **had business liability insurance coverage (Table 11).**
- **38%** of those **with homeowner or renter's insurance** had this coverage but **just one in seven (15%)** of those **without such insurance.**
- GFDC providers were significantly more likely to have business liability policies than FDC providers, those outside New York City significantly more likely than those from the City, homeowners significantly more likely than renters, and those from the Long Island or Westchester/Lower-Hudson regions significantly more likely than Rochester-

region providers.<sup>54</sup> (Group Family Day Care and Long Island providers, in contrast, were significantly *less* likely to have liability riders on homeowner or renter’s policies.)

| <b>Table 11. Percent of Total Respondents Insured (Liability Policies): 32%</b> |                        |   |                          |                                    |
|---|------------------------|---|--------------------------|------------------------------------|
| <b>By Modality</b>  | <b>By State Region</b> | <b>By Homeowner/Renter Insurance Status</b> | <b>By Housing Status</b> | <b>By DCCS Region<sup>55</sup></b> |
| FDC: 24%  | NYC: 25%               | Not Insured: 15%                            | Own: 37%                 | Long Island: 51%                   |
| GFDC: 42%   | Bal. of State: 37%     | Insured: 38%                                | Rent: 16%                | W/L-H: 45%                         |
|   |                        |   |                          | NYC: 25%                           |
|   |                        |   |                          | Rochester: 21%                     |

## Discussion

### **12. Having Homeowner/Renter’s Insurance Seems Pivotal ...**

Upon examination, most other differences in coverage related to whether respondents had homeowner/renter’s insurance as well as their housing status. For example, differences in coverage by State Region largely disappeared when controlling for either of these factors – showing the latter, not Region, to be critical.<sup>56</sup> Alternatively, the regional differences and Group Family Day Care “advantage” in coverage that were observed<sup>57</sup> appear only among providers *with* homeowner/renter’s insurance.

### **13. But Housing Status is Key**

Broken down by housing status, however, *renters* irrespective of homeowner or renter’s insurance status were less likely to have liability coverage than *homeowners* with or without such coverage. (See Figure 16, next page.)

Regardless of other categorizations, then, renters were far less likely to have business liability coverage (about one in seven chances) than homeowners (over one in three chances). Those without homeowner or renter’s coverage were unlikely to have liability policies and renters were unlikely to have homeowner or renter’s coverage.

### **14. Carriers**

Just six insurers statewide accounted for widely varying proportions totaling over half of all business liability policies written for those sampled, raising the same issues of supply suggested by the small number of carriers identified by providers who reported having homeowner/renter’s insurance (see Table 12, next page). Whether these same carriers could readily service an increased demand geographically dispersed throughout the state, is an open question.

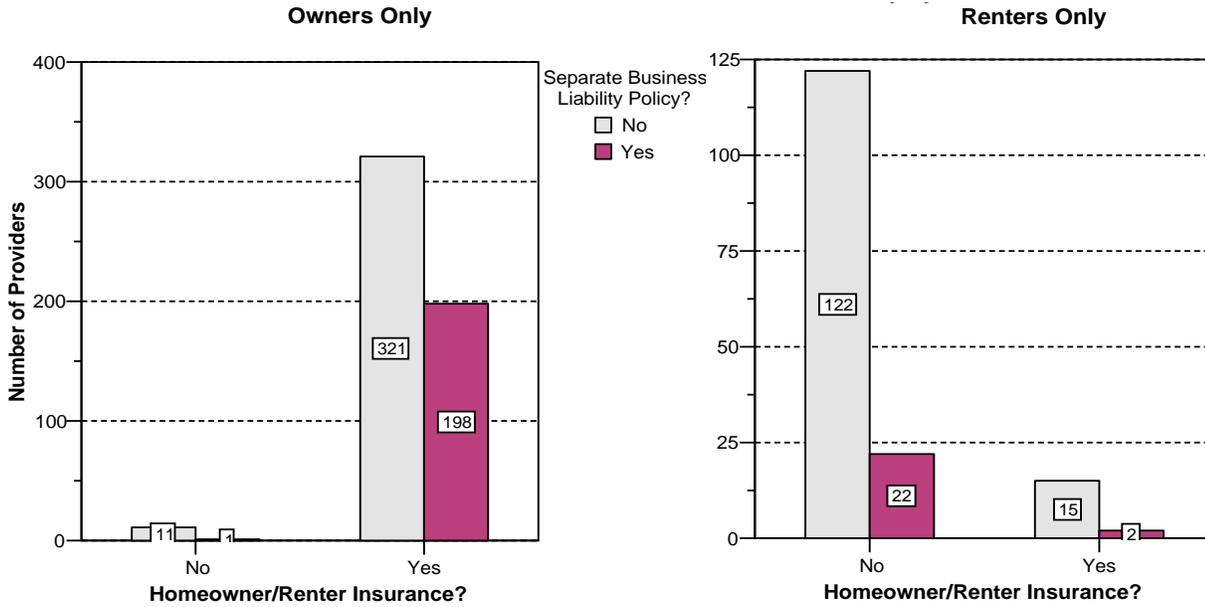
<sup>54</sup>  $p < .001$  (except  $p < .01$  for state region). The Buffalo, Albany and Syracuse regions showed intermediate rates (42%, 37%, 34%, respectively). Rural and urban areas showed no significant coverage difference. See complete tabled results with tests in Appendix A.21.

<sup>55</sup> W/LH refers to Westchester/Lower-Hudson, the Spring Valley Region.

<sup>56</sup> Each region showed from 12%-16% of those *without* homeowner/renter’s insurance covered compared with from 37%-38% of those *with* such insurance and from 11%-17% of renters covered compared with 34%-38% of homeowners. See Appendices A.22 – A.24, “Liability Policy Coverage” Charts.

<sup>57</sup> Note that the latter reverses the pattern of FDC advantage in homeowner/renter liability riders. (Appendix A.15.)

**Figure 16**  
**Business Liability Coverage By Homeowner/Renter Insurance Status and Housing Status**



**Table 12. Business Liability Insurance Carriers: Most Frequent Identifications by Respondents Reported or Deemed Covered<sup>58</sup>**

| Name of Carrier                                     | <i>n</i>   | %            |
|---|------------|--------------|
| Thomco/American Federation of Daily Care Services   | 44         | 18.0         |
| Marshall & Sterling                                 | 36         | 14.8         |
| New England Insurance Services (NEIS) / Child, Inc. | 20         | 8.2          |
| Allstate  | 14         | 5.7          |
| State Farm  | 7          | 2.9          |
| Keller Insurance Services                           | 5          | 2.0          |
| Unspecified   | 52         | 21.3         |
| <b>Subtotal</b>                                     | <b>178</b> | <b>73.0</b>  |
| <b>Total Insured (Business Liability)</b>           | <b>244</b> | <b>100.0</b> |

**II. Cost Highlights**

- 170 of 244 insured providers (70%) supplied cost information.
- The **mean annual premium for business liability policies** reported was **\$758**. (See Table 13, next page.)
- Average premiums reported differed significantly by modality and among DCCS Regions. (Higher costs were reported by Group Family Day Care than by Family Day

<sup>58</sup> See note for prior table of carriers (Table 3).

Care providers.) Small sample sizes, however, make the regional comparisons primarily suggestive.<sup>59</sup>

| <b>By Modality</b> |       | <b>By DCCS Region</b> |       |
|--------------------|-------|-----------------------|-------|
| FDC:               | \$513 | Long Island:          | \$917 |
| GFDC:              | \$880 | Albany:               | \$841 |
|                    |       | Westchester/L-H       | \$795 |
|                    |       | NYC:                  | \$763 |
|                    |       | Buffalo:              | \$705 |
|                    |       | Rochester:            | \$645 |
|                    |       | Syracuse:             | \$619 |

## **Discussion**

### **15. Cost Differences by Modality are Reliable**

Just as seen for homeowner/renter's policy liability rider costs, the higher cost reported by Group Family Day Care providers mirrors expectations that number of children served influences exposure and thus should influence cost. Across the board in all settings, this difference was consistently statistically significant.<sup>60</sup>

### **16. Mean Reported Costs Track Well with Company Quotes**

Based on an arbitrary sampling of websites of companies offering child care business liability insurance in New York State, costs reported by the sample appear to be on-target. While comparisons are inexact given differences among the companies' offerings and between the website listings and data collected for the study, they seem to demonstrate the plausibility of the present data and range of costs by modality. Table 14 shows three such companies' price offerings, categorized by number of children served and policy liability limits.

| <b>Company</b> | <b>Children Covered</b> | <b>Coverage Limits (Per Incident/Per Policy)</b> |                                |
|----------------|-------------------------|--|--------------------------------|
|                |                         | <b>\$100,000/\$300,000</b>                       | <b>\$1 Million/\$3 Million</b> |
| A              | 1-9                     | \$404  | \$554                          |
| A              | 10-12                   | \$574  | \$800                          |
| B              | 1-9                     | \$368  | \$494                          |
| B              | 10-12                   | \$512  | \$698                          |
| C              | 1-6                     | \$425  | \$680                          |
| C              | 7+                      | \$615  | \$960                          |

<sup>59</sup> Comparisons by rural/urban designation and State Region showed no significant differences. Regarding the DCCS regional differences shown, the precaution of fn. 39 applies, given modest sample sizes for all regions here.

<sup>60</sup> Various differences of mean annual premiums were statistically significant ( $p < .001$ ). See Appendix A.26 for charts providing the 95% confidence intervals for mean business liability premiums reported by State Region, by rural/urban designation and by DCCS region, as introduced in an earlier note. For the charts, see n. 40 on interpreting significance through confidence intervals.

### III. The Uninsured: Highlights

- Only one in seven sampled providers *without* homeowner/renter’s policies (15%) had business liability insurance, leaving **85% of these uninsured—about 20% of all providers sampled—without business (or any other) liability protection.**<sup>61</sup>
- Taken together with the one-third or more of providers *with* homeowner/renter’s insurance but *without* liability coverage of some sort, this leaves **roughly half (49%) of all providers sampled without any kind of liability protection.**<sup>62</sup>
- 52% of all sample members without business liability policies attributed this to reasons “other” than the denial or termination of a liability application or policy; *very few providers reported denials or terminations as reasons for not having coverage presently* (2.5% of the uninsured or 13 providers, each). (See Table 15 below and next page.)
- By far the most common reason for not obtaining liability coverage was **cost**, cited by 29% of all sampled providers without coverage. This tracks closely with the “quarter-to-one-third” finding identified earlier for those without homeowner/renter’s insurance and those opting not to purchase liability riders who cited cost reasons.
- Nominally, the next two most common reasons for not obtaining coverage each accounted for just under ten percent of all sampled providers without coverage: **“Homeowner’s rider provides coverage”** and **“Unable to locate willing insurers.”**
- Based on narrative explanations providers supplied for certain other reasons for non-coverage (“not needed/wanted,” “other”), the second most common reason for being uninsured, in actuality, can be summarized as **“lack of knowledge/insurance acumen,”** probably accounting for about 15% of all sampled providers without coverage. In effect, many providers are broadly unfamiliar with such insurance, including its advantages for their businesses and how to obtain it.

## Discussion

### 17. Cost Concerns Preeminent

⇒ Among those without liability insurance who were sampled, 43% did not report reasons for this although the majority did so (see Table 15 below and next page). By far, cost issues were the predominant factor cited in explanation, typically accounting for outright majorities of those who reported *some* reason for non-coverage in most settings.

| Factor  | N  | %    |
|---|----|------|
| Denial of application for business liability policy | 13 | 2.5% |
| Discontinuance of business liability policy         | 13 | 2.5% |

<sup>61</sup> Reflects 24% of providers estimated *without* homeowner/renter’s insurance \* .85, or 20% of all those sampled.

<sup>62</sup> Combined with the previous calculation, this reflects two-thirds of providers *with* homeowner/renter’s coverage lacking riders, of whom 56% don’t have business liability policies, or .67 \* .76 \* .56, or 29% of all those sampled.

| Table 15. Reasons For Being Uninsured (Business Liability): All Uninsured* |            |               |
|--|------------|---------------|
| Factor   | N          | %             |
| Reasons Other than Denial/Cancellation, (Detailed below)                   | 266        | 52.2%         |
| <b>Total Uninsured Providers</b>   | <b>510</b> | <b>100.0%</b> |
| Detail on Reasons Other than Denial/Cancellation*                          |            |               |
| Homeowner/Renter's rider provides coverage                                 | 49         | 9.6%          |
| Coverage not needed/wanted   | 29         | 5.7%          |
| Believe child care business will disqualify                                | 33         | 6.5%          |
| <b>Cost</b>  | <b>147</b> | <b>28.8%</b>  |
| Unable to locate willing insurers  | 48         | 9.4%          |
| Other  | 52         | 10.2%         |
| <b>Total Uninsured Providers</b>   | <b>510</b> | <b>100.0%</b> |

\* 43% of 510 uninsured providers failed to respond on the initial question. Detailed 'other' reasons do not sum to the number of providers checking 'other' (n = 266) since multiple reasons could be reported.

⇒ As graphically portrayed in Figures 17-20, rural providers (n = 69) and those outside New York City (n = 185) were significantly more likely to report cost reasons for not having liability coverage at the present than those identified as urban (n = 186) or situated within the City (n = 80), respectively.<sup>63</sup> (Despite this, respondents from outside the City also showed higher rates of coverage.)

Figure 17: Without Liability Insurance Due to Cost (Rural)

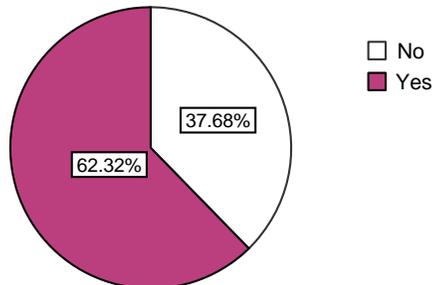
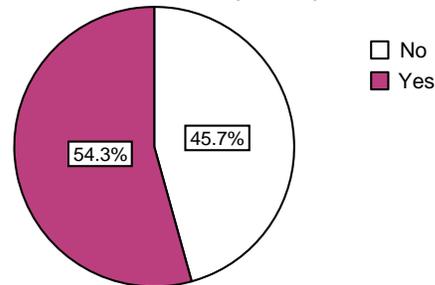
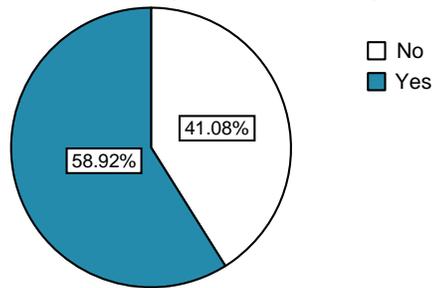


Figure 18: Without Liability Insurance Due to Cost (Urban)

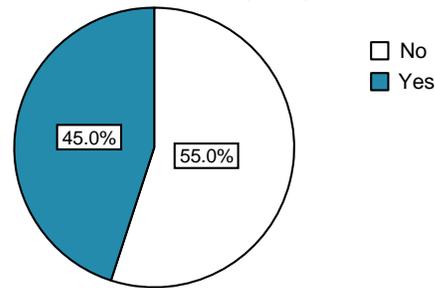


<sup>63</sup>  $p < .05$ . Cost reasons were *not* reported differently by modality, housing status or across DCCS regions. Other factors cited, such as “Unable to locate willing insurers,” appeared with frequencies too small to support useful comparisons. The charts and sample sizes presented represent only the population to whom the question was directed: the subset of the uninsured (n = 266 in table) responding ‘yes’ to: “Are you without a separate liability policy now for reasons *other* than a denial or cancellation ...” (See survey instrument, Q.10(b)(3), in Appendix A.1.)

**Figure 19: Without Liability Insurance Due to Cost (Balance of State)**



**Figure 20: Without Liability Insurance Due to Cost (NYC)**



**18. Lack of Knowledge and Insurance “Acumen”**

Reviews of the narrative explanations providers gave for the responses, “[Business liability] coverage not needed/wanted,” or “Other” reasons for non-coverage (see Table 15 above) showed about two-thirds of the latter with “knowledge issues” that could prevent recognizing insurance needs and obtaining coverage even if it were available. Another 6.5% of the uninsured sample appeared to doubt that coverage was available for their businesses (checking the “Believe child care business will disqualify me” reason for non-coverage). Finally, a portion of those “not needing or wanting” insurance cited problematic reasons for this (e.g., “my house is safe enough for children”). Taken together, these groups comprise about **15% of the uninsured sample with** what appear to be **knowledge and information barriers** to meeting their programs’ insurance security needs.

For example, Table 16 (below and next page) categorizes the explanations provided by 52 respondents citing ‘Other’ reasons for non-coverage (in the final row of the preceding table).<sup>64</sup>

| Reason Category   | %   |
|---|-----|
| Lack of Information/Knowledge (e.g., "I wasn't aware this type of insurance existed.")            | 25% |
| “Haven't Looked into This” (e.g., "Hadn't thought about it.")                                     | 14% |
| Don't Need (e.g., "Mom's home has insurance.")  | 14% |
| Thought Homeowner Policy Would Cover (e.g., "I thought I was covered with my homeowners policy.") | 11% |
| Unable to locate desired policy options (e.g., "They will only cover me for 3 children")          | 9%  |

<sup>64</sup> See Appendices A.27 – A.28 for complete listings of the narrative items provided by respondents who checked ‘Coverage not needed/wanted’ or “Other” (those summarized in the second table) under Q.10(b)(3) on the survey.

| Reason Category   | %         |
|---|-----------|
| Cost<br>(e.g., "I got a quote but they wanted the entire premium up front") | 7%        |
| Have Homeowners Liability   | 5%        |
| <b>Total Providers Responding (of n = 52 checking "Other")</b>              | <b>44</b> |

#### IV. Satisfaction with Coverage or Status: Highlights

- 585 of 954 providers sampled (61%) provided information on their satisfaction with their liability insurance situation – more than a hundred fewer than commented on issues of homeowner or renter’s coverage.
- **69%** of those responding were **very or somewhat satisfied** with their liability insurance status compared with **31%** reporting varying degrees of dissatisfaction in this regard – a less positive balance than that reported for the homeowner/renter’s realm.
- As occurred with homeowner/renter’s insurance topics, respondents’ “satisfaction” in the liability arena was in the eye of the beholder, with some of the reporting reflecting a different standard than expected and thus easily misinterpreted. For example, large majorities of respondents who reported themselves “unsatisfied” or, alternatively, “very satisfied” with their liability situation lacked or had insurance, respectively, but *most of those who were “somewhat satisfied,” surprisingly, also lacked insurance*; reviews of such respondents’ narrative explanations were therefore essential for understanding what was in fact being reported.
- Perhaps as a result, while those without insurance were significantly less likely to report being satisfied than those who were insured,<sup>65</sup> the former still described themselves as “satisfied” 57% of the time. Since the uninsured were far less likely to respond on this topic than those who were insured, the same issues of representativeness and interpretation arose for these “uninsured, but satisfied” providers as seen in the earlier analysis of homeowner and renter’s insurance.
- *Unsatisfied* providers *with or without* liability insurance mainly attributed their non-coverage to **cost issues** (37% of respondents), followed closely by **availability issues** (difficulty locating appropriate carriers and/or coverages, cited by 29% of respondents) and somewhat less closely by **knowledge and information issues** (17% of respondents) – again strikingly similar to the situation disclosed earlier for the sample’s homeowner/renter’s insurance status.
- By more than a 2:1 margin over the next most frequent reason, *uninsured* respondents who were “somewhat” *satisfied* spoke of “not needing” insurance (42% of respondents), compared with 18% citing **cost** issues. Based on reviews of these providers’ narrative comments, the same **knowledge and information issues** disclosed earlier in the realm of homeowner/renter’s insurance seem to be prominent in these providers’ judgments on liability matters.

<sup>65</sup>  $p < .001$ .

## Discussion

### 19. Differences By Insured Status

⇒ Providers without business liability insurance were nearly three times more likely than the insured *not* to disclose information on their satisfaction with their liability status (39% versus 14%: see Table 17 below), raising the same questions faced earlier about how representative the sample findings on the uninsured may be. While providers without insurance who responded were three times more likely to report themselves unsatisfied in this area compared with those with insurance (42% versus 14%), they still reported being “satisfied” 57% of the time (versus 86% for the insured). The next section’s review of the narrative explanations offered with these responses helps in interpreting what seems so puzzling about them, at first glance.

| Satisfaction Rating  |              | Have Business Liability Insurance? |        |                |              | Total  |
|----------------------|--------------|------------------------------------|--------|----------------|--------------|--------|
|                      |              | No                                 | Yes    | Total Reported | Not Reported |        |
| Very Unsatisfied     | Number       | 83                                 | 8      | 91             | 11           | 102    |
|                      | % of reports | 26.7%                              | 3.8%   | 17.5%          | 16.9%        | 17.4%  |
| Somewhat Unsatisfied | Number       | 49                                 | 22     | 71             | 6            | 77     |
|                      | % of reports | 15.8%                              | 10.5%  | 13.7%          | 9.2%         | 13.2%  |
| Somewhat Satisfied   | Number       | 115                                | 72     | 187            | 20           | 207    |
|                      | % of reports | 37.0%                              | 34.4%  | 36.0%          | 30.8%        | 35.4%  |
| Very Satisfied       | Number       | 64                                 | 107    | 171            | 28           | 199    |
|                      | % of reports | 20.6%                              | 51.2%  | 32.9%          | 43.1%        | 34.0%  |
| Total Reported       | Number       | 311                                | 209    | 520            | 65           | 585    |
|                      | % of reports | 100.0%                             | 100.0% | 100.0%         | 100.0%       | 100.0% |
| Not Reported         | Number       | 199                                | 35     | 234            | 135          | 369    |
|                      | % of Total   | 39.0%                              | 14.3%  | 31.0%          | 67.5%        | 38.7%  |
| Total                | Number       | 510                                | 244    | 754            | 200          | 954    |
|                      | % of Total   | 100.0%                             | 100.0% | 100.0%         | 100.0%       | 100.0% |

### 20. Factors Important in Satisfaction

⇒ Among *unsatisfied* providers ( $n = 132$  uninsured,  $n = 30$  insured), 37% of respondents’ narratives attributed this to *cost and affordability concerns*, while almost as many (29%) cited *availability issues* (especially difficulty finding carriers and/or coverage options appropriate to providers’ needs).<sup>66</sup> A third area also frequently noted (17% of respondents) concerned *knowledge and informational issues* quite similar to those already discussed above.<sup>67</sup>

<sup>66</sup> Of the 162 providers, 49 provided no explanation (s). See Appendix A.29 for a list of specific comments made.

<sup>67</sup> See Appendix A.29 for a list of these narratives, categorized by insurance status and satisfaction rating.

⇒ Among uninsured providers who reported that they were “*somewhat satisfied*” ( $n = 115$ ), 42% of respondents’ narratives made a variety of arguments that insurance was *unnecessary*, often under reasoning that could place providers’ businesses at some jeopardy given an unfortunate turn of luck, as illustrated below.<sup>68</sup> These narratives re-state the case suggested earlier for *information and educational efforts* among providers in their capacity as business owners.

SOMEWHAT SATISFIED --NOTHING HAS HAPPENED SO FAR ...  
 SCHOOL-AGED CHILD[REN] ONLY, SO NO COVERAGE IS NEEDED  
 NOT MANY CHILDREN IN CARE NOW, SO NO COVERAGE IS NEEDED  
 FEEL OKAY EVEN WITHOUT LIABILITY INSURANCE  
 BELIEVE [MY] FAMILY CHILD CARE BUSINESS IS SAFE  
 IM OK WITHOUT LIABILITY INSURANCE  
 EVERYTHING IS FINE, SO NO COVERAGE IS NEEDED  
 I CAN TAKE CARE OF MY OWN CHILD CARE BUSINESS  
 SO FAR NOTHING HAS HAPPENED, SO NO INSURANCE IS NEEDED  
 MY BUSINESS HOURS ARE SHORT-- 3 HRS A DAY  
 I PAY MORE ATTENTION TO CHILDREN TO AVOID ACCIDENTS  
 I WILL PAY MORE ATTENTION TO [MY] CHILDREN  
 I WILL BE MORE CAREFUL TO PREVENT ACCIDENTS [FROM] HAPPENING

<sup>68</sup> 58 of these 115 providers gave no explanatory comments. See Appendix A.29 for a listing of these comments.

## Health Insurance

Between 1996 and 2006, both employers' and employees' health insurance premiums among employer-sponsored private-sector plans more than doubled nationally; similar trends among public-sector settings have also been confirmed.

**Agency for Healthcare Research  
& Quality**

**AHRQ News and Numbers,  
August 7, 2008, August 23, 2005**

(See panel →)

Reviews of health insurance coverage among regulated family-based providers in other states have found as few as 8% to as many as nearly 90% of providers insured. Statewide studies in Massachusetts and New Jersey, for example, reported 11% and almost one-third of regulated family child care homes *lacking* insurance, respectively.\*  
(See panel →)

Some providers feel health insurance isn't as vital ... because it isn't directly affecting their child care program. They feel that since health insurance is for the provider, not the children, they don't necessarily need it.

**Benita Zahn, Moderator  
Videoconference**

(See panel →)

Over the last three years, *Healthy New York*, the State initiative to promote private health insurance coverage for individuals and small businesses, showed average weighted premium increases of 19%, 8% and 12%, respectively, bringing most monthly premiums into the \$225-\$250 range (~\$2850 annually). Evidence is building that program enrollees are becoming more price-based in their selection of plans.

**2007 Annual Report on Healthy NY  
January, 2008, pp. I-4, III-5**

One of the few studies in New York found a *median county* rate of 26% of regulated family child care providers who were uninsured, based on a modest sample of 333 providers from six counties representing urban, suburban and rural areas.\*

We signed onto Healthy New York, which we found expensive but affordable. Six years later, my premium had doubled ... [to] what my mortgage costs. On October 1<sup>st</sup>, I had to [decide] between paying my mortgage or paying my health insurance. So I paid my ... mortgage. On October 12<sup>th</sup> I had my appendix removed. [Now] I still have a \$10,000 debt that I'm paying. Every dollar I spend paying off this debt is less money that I can put towards health insurance.

**Family Provider Interview  
Videoconference**

\* A review of 29 states, *Current Data on the Salaries and Benefits of the U.S. Early Childhood Education Workforce* (Center for the Childcare Workforce, 2004), found the range of insured "family providers" between 8% and 85%, but under widely varying definitions and data standards. For Massachusetts, a random sampling of 356 providers yielded 57% ( $n = 203$ ) who were interviewed (*Massachusetts Family Child Care Today: A Report of the Findings from the Massachusetts Cost and Quality Study*; Wellesley College Center for Research on Women, 2003). New Jersey employed a mail survey sent to all 3,800 registered family home providers, of whom 27% (1,040) replied (*Family Child Care in New Jersey: A State Report on Registered Providers Caring for Children in Their Homes*; New Jersey Association of Child Care Resource and Referral Agencies, 2006). The New York family provider sample represented 14% of 2,323 surveys mailed; the study also included center-based providers not included in the description here (*Insurance Matters: An Emerging Crisis in Child Care*; Greater Upstate Law Project, 2003).

## I. Coverage Highlights

- 905 of 954 providers sampled (95%) supplied information on their *own* health insurance coverage; response rates on other household members' coverage were lower, because impacted by *household composition* (e.g., did non-response mean no children in the household or just non-response?)<sup>69</sup>: 64% for children, 62% for spouse, 11% for “others.”
- **Coverage of specific household members was widespread** among providers who were sampled. As can be seen in Table 18, **children were most likely to be insured (91%)** followed closely by **spouses (88%), respondents (i.e., providers themselves, 85%)** and less closely by **“others” (75%)** – probably reflecting parental priorities, children’s insurance initiatives and the realities of obtaining insurance from different sources (i.e., are spouses’ jobs better covered?). **91% of respondents reported at least one (“any”) household member insured while 9% reported no one in the household insured:**

Table 18. Percent of Respondents Reporting Health Insurance for Specific Household Members

| Finding                | Self       | Spouse     | Children   | Others     | Any in Household |
|------------------------|------------|------------|------------|------------|------------------|
| <b>% Covered</b>       | <b>85%</b> | <b>88%</b> | <b>91%</b> | <b>75%</b> | <b>91%</b>       |
| ( <i>n</i> responding) | (905)      | (595)      | (608)      | (103)      | (919)            |
| (% responding)         | (95%)      | (62%)      | (64%)      | (11%)      | (96%)            |

- With one modest exception (see *Discussion* section below), the preceding coverage rates applied across the state, without significant differences.
- Focusing on households with anyone *uninsured* reveals an important phenomenon of “incomplete family coverage”: **20% of respondents faced “incomplete coverage” scenarios, reporting either all or some in their households were uninsured.** Except for modest variations among DCCS regions (which were *not* statistically significant), this pattern was reported at remarkably similar rates by providers from across the state.
- Respondents most often obtained their *own* coverage through a family member or domestic partner (42%), followed closely by state or federal plans (37%). *But there were striking differences across rural/urban designations and especially between providers in and outside of New York City in this respect.* Compared with those sampled elsewhere, **New York City providers were less than one-third as likely to have obtained coverage through family members or domestic partners and over three times as likely to have obtained coverage through state or federal plans. Rural providers were 80% more likely to have gotten coverage through multiple sources and 44% less likely to have received it through state or federal plans,** compared with urban counterparts who were sampled. (See Table 19.)

<sup>69</sup> Q.5 of the survey (see Appendix A.1) included both “have” and “don’t have” (insurance) boxes in an attempt to get at household composition (with both boxes remaining unchecked if no such household member lived with the respondent). Including additional questions dedicated to household composition was ruled out due to concerns about instrument length expressed by the work group.

| Table 19. Percent of Respondents By Source of Own Coverage (Highlights):<br>Households with At Least One Insured Member |                          |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Health Insurance Source   | Rural                    | Urban                    | New York City            | Balance of State         |
| Family Member/Domestic Partner  | 47%                      | 37%                      | 16%                      | 53%                      |
| State or Federal Plan   | 20%                      | 36%                      | 59%                      | 17%                      |
| Multiple Sources  | 18%                      | 10%                      | 10%                      | 13%                      |
| <b>Respondents in Households with One or More Insured Members</b>   | <b>100%</b><br>(n = 169) | <b>100%</b><br>(n = 563) | <b>100%</b><br>(n = 273) | <b>100%</b><br>(n = 474) |

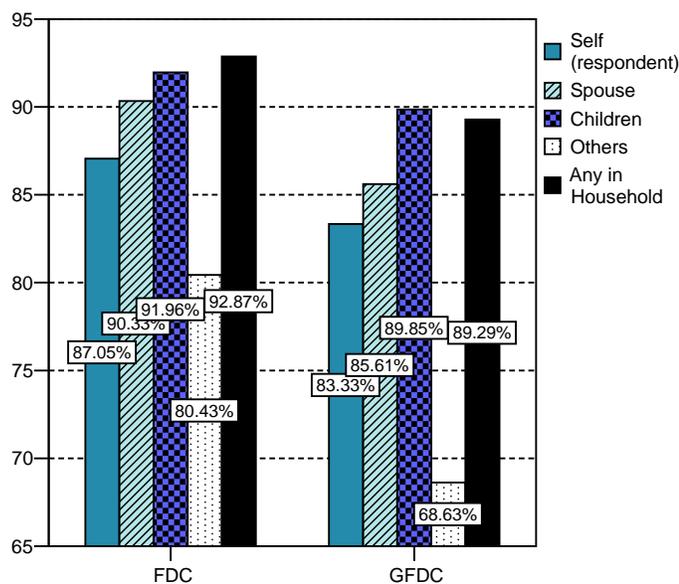
**Discussion**

**21. Consistent Findings on Specific Household Members’ Coverage**

In almost all instances, the proportion of specific household members reported to be insured showed no statistically significant differences based on providers’ modality of care, rural/urban location, residence in or outside of New York City and DCCS region. Compared with the overall findings, only a few small differences in this respect appeared from the sample’s reporting.

⇒ Slightly larger proportions of Family Day Care providers reported coverage for each category of household member than did Group Family Day Care providers (see Figure 21). Because these and the other differences just reviewed were *not* statistically significant, however, they cannot, with any confidence, be assumed to signal “real” patterns.<sup>70</sup>

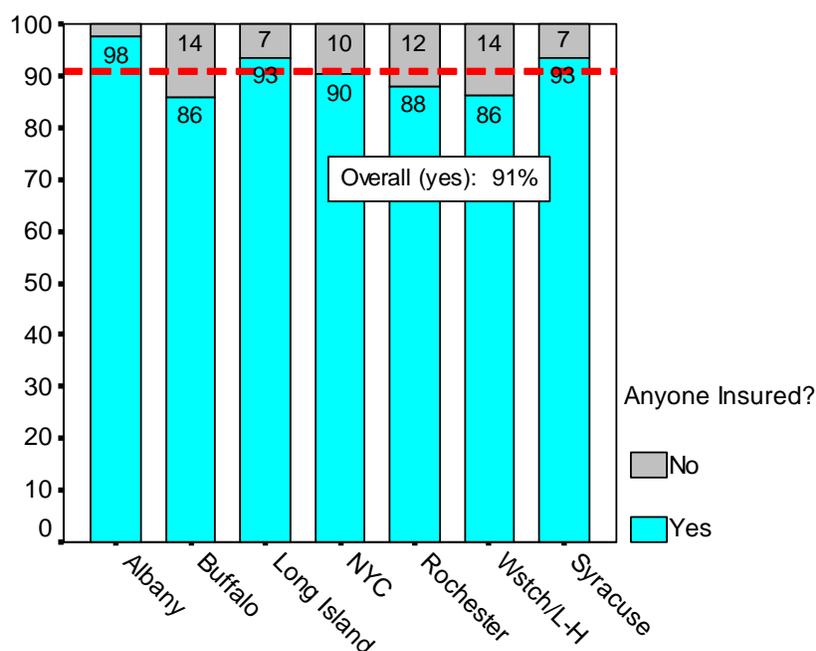
**Figure 21: Percent of Responding Providers Reporting Household Members Insured, By Modality and Member**



<sup>70</sup> See Appendix A.32 for the complete coverage breakdowns run for various factors, including *n*’s for all comparisons made. Reinforcing the findings of no differences is the fact that except for the comparisons of “other” household members, sample sizes were generally adequate to support finding differences had they existed.

⇒ With one exception, DCCS regions mirrored the overall coverage results for specific household members: providers from the Buffalo, Westchester/Lower-Hudson and Rochester regions reported significantly smaller proportions of “any in household” *insured* (86%, 86%, 88%, respectively), but the differences between these and other regions were modest and unlikely to be substantively important.<sup>71</sup> Figure 22 shows the proportions of providers who reported anyone *insured*, by DCCS region, illustrating how modest regional departures from the statewide proportion of “any in household insured” actually were.

**Figure 22: Percent of Regional Respondents Reporting Any Household Member Insured, Compared with Overall Percentage (91%)**



## 22. The Problem of “Incomplete Family Coverage”

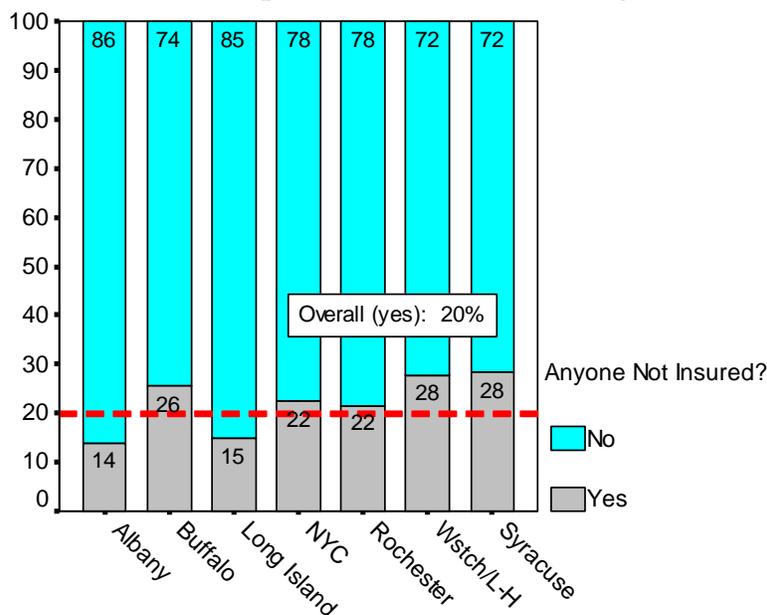
⇒ An alternative, less sanguine perspective on coverage follows from emphasizing not particular individuals’ coverage or households reporting anyone *insured* but rather those reporting anyone *uninsured* – the problem of “incomplete family coverage.” While “only” 9% of respondents’ households included no members who were insured, a much larger group – 20% ( $n = 181$ ) – included either all or some members who were uninsured. By way of clarification, Table 20 maps the various health insurance scenarios reported among the sample, including the two groups with “incomplete” coverage in the present sense, depicted in yellow and green, respectively.

<sup>71</sup>  $p < .05$ . For example, if just four additional Buffalo respondents had reported any household member insured, the difference between the Buffalo region’s 86% coverage value and the median rate reported among all other regions – 91% — would be eliminated.

| Table 20. Matrix of Health Insurance Coverage Scenarios Reported for Households (n = 954) |  |  |   |                        |
|---|--|--|---|------------------------|
| Any Household Members Not Insured?  | Any Household Members Insured?         |  |   |                        |
|   | No (% of reported)                     | Yes (% of reported)                                    | Total (% of reported)                                 | Unable to Determine    |
| No  |  | <b>All Insured</b><br>(n = 738; 80.3%)                 | 738<br>(80.3%)  |                        |
| Yes   | <b>All Uninsured</b><br>(n = 85; 9.2%) | <b>Some Insured, Some Uninsured</b><br>(n = 96; 10.4%) | <b>Incomplete Family Coverage</b><br>(n = 181; 19.7%) |                        |
| Total (% of reported)   | 85<br>(9.2%)                           | 834<br>(90.8%)   | 919<br>(100.0%)                                       |                        |
| Unable to Determine (UTD)   |  |  |   | <b>UTD</b><br>(n = 35) |

► The problem of incomplete coverage appeared consistently throughout the state, including similar percentages of providers reporting it in rural and urban areas (23%, 22%, respectively) and in New York City and elsewhere (22%, 23%, respectively). Among DCCS regions a similar story applied: Albany and Long Island reported somewhat fewer households with anyone uninsured (~14%, 15%, respectively), while Buffalo, Westchester/Lower-Hudson and Syracuse reported somewhat more households in this situation (26%, 28%, 28%, respectively), but these differences were not statistically significant.<sup>72</sup> Figure 23 below illustrates the scope of the partial coverage issue for the various regions, displaying the proportions of regional providers who reported anyone in their household *uninsured*.

**Figure 23: Percent of Regional Respondents Reporting Any Household Member Uninsured, Compared with Overall Percentage (20%)**



<sup>72</sup> p = .05 level.

### 23. Variation in Sources of Coverage and Cost Implications

► Among households with at least one member reported insured ( $n = 834$ ), respondents most often obtained their own coverage through a family member or domestic partner (42%) followed by state or federal plans (37%) and less often by direct purchase (11%) or through another job (6%). Table 21 below details the survey results in this area both as reported (allowing respondents to specify multiple insurance sources) and by breaking out respondents who cited *unique insurance sources* and those who cited *multiple sources* of coverage. The latter, “unduplicated” results permitted unambiguous comparisons of insurance utilization patterns to be made, described next.

Table 21. Own Health Insurance Status and Source of Coverage, if Insured (*As Reported and Unduplicated*): Respondents With At Least One Insured Household Member<sup>73</sup>

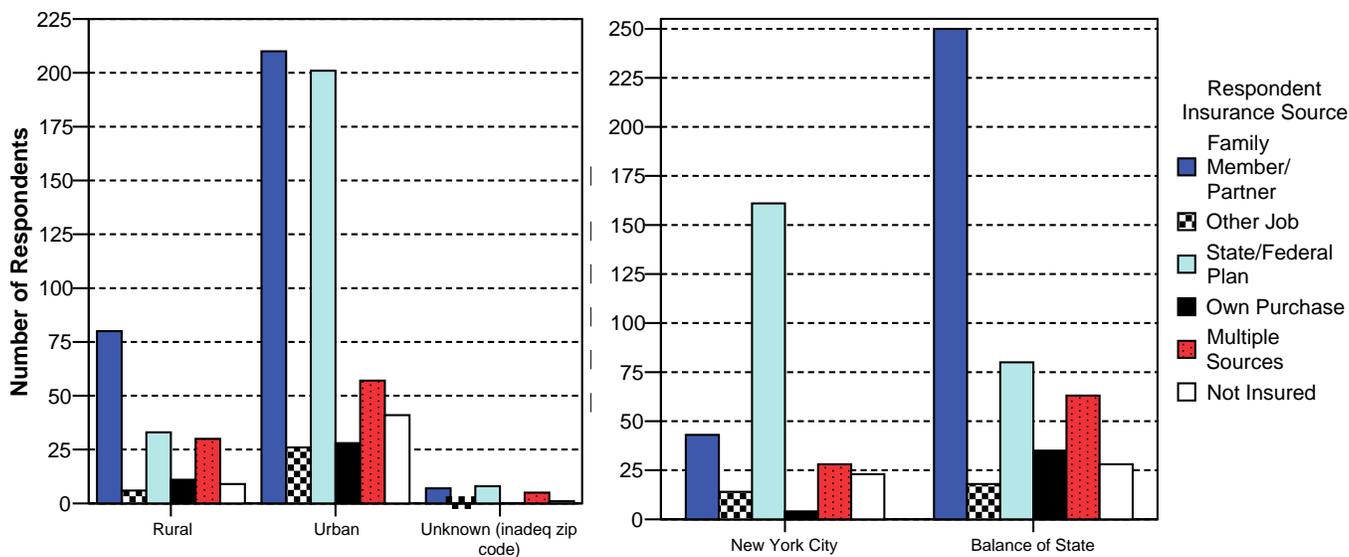
| Health Insurance Source / Status                                  | As Reported |              | Unduplicated |              |
|---|-------------|--------------|--------------|--------------|
|   | N           | %            | N            | %            |
| Family Member or Domestic Partner                                 | 352         | 42.2         | 297          | 39.4         |
| State or Federal Plan   | 312         | 37.4         | 242          | 32.1         |
| Own Purchase  | 88          | 10.6         | 39           | 5.2          |
| Another Job   | 47          | 5.6          | 32           | 4.2          |
| Multiple Sources  | -           | -            | 92           | 12.2         |
| Not Insured   | 70          | 8.4          | 51           | 6.8          |
| Not Reported  | -           | -            | 81           |              |
| <b>Respondents in Households with At Least One Insured Member</b> | <b>834</b>  | <b>100.0</b> | <b>834</b>   | <b>100.0</b> |

► Providers from rural and urban settings, and even more so those inside and outside of New York City, sometimes showed sharply different patterns of utilization of insurance from different sources. Compared with their counterparts elsewhere, **providers from New York City** who were sampled *were three times as likely* to have obtained their own coverage from *state or federal plans* and one-third as likely to have received this through family members or domestic partners. **Rural providers** who were sampled showed somewhat of a reverse pattern—*more likely to have gotten coverage through family members or partners*, less likely through the auspices of state or federal plans, and somewhat more likely to have received coverage under multiple sources. The two parts of Figure 24 (next page) illustrate these patterns from the detailed results highlighted in Table 22.

► Given the cost differentials reported for coverage obtained under different auspices (to be discussed in the Cost section, starting on p. 47), *these differences in the mix of insurance sources used by providers have clear implications for the cost of health insurance that was reported in different areas.*

<sup>73</sup> "As reported" percentages are of all households with at least one member reported insured ( $n = 834$ ), *not* of responses. Subtotals there, also, do not sum to total (or to 100%) since 92 insured respondents checked more than one coverage source and other respondents made no response at all. (See Appendix A.33 for pie charts showing both the original and unduplicated insurance source reports.)

**Figure 24**  
**Households by Respondent Insurance Status and Source (If Insured) for Selected Groups:**  
**Households with Anyone Reported Insured**



**Table 22. Distribution of Respondents By Reported Source of Own Health Insurance Coverage: Respondents With at Least One Insured Household Member**

| Respondent Insurance Source    |                 | New York City | Balance of State | Rural        | Urban        |
|--------------------------------|-----------------|---------------|------------------|--------------|--------------|
| Family Member /DomesticPartner | <i>n</i>        | 43            | 250              | 80           | 210          |
|                                | col. %          | 15.8          | 52.7             | 47.3         | 37.3         |
| Other Job                      | <i>n</i>        | 14            | 18               | 6            | 26           |
|                                | col. %          | 5.1           | 3.8              | 3.6          | 4.6          |
| State/Federal Plan             | <i>n</i>        | 161           | 80               | 33           | 201          |
|                                | col. %          | 59.0          | 16.9             | 19.5         | 35.7         |
| Own Purchase                   | <i>n</i>        | 4             | 35               | 11           | 28           |
|                                | col. %          | 1.5           | 7.4              | 6.5          | 5.0          |
| Multiple Sources               | <i>n</i>        | 28            | 63               | 30           | 57           |
|                                | col. %          | 10.3          | 13.3             | 17.8         | 10.1         |
| Not Insured                    | <i>n</i>        | 23            | 28               | 9            | 41           |
|                                | col. %          | 8.4           | 5.9              | 5.3          | 7.3          |
| <b>Total</b>                   | <b><i>n</i></b> | <b>273</b>    | <b>474</b>       | <b>169</b>   | <b>563</b>   |
|                                | <b>col. %</b>   | <b>100.0</b>  | <b>100.0</b>     | <b>100.0</b> | <b>100.0</b> |

**24. Carriers**

⇒ Just eight insurance carriers (or plans) accounted for almost all of those most-frequently identified as covering specific household members – Blue Cross/Blue Shield, HIP, CDPHP, GHI, Aetna, Medicaid, Medicare and Child Health Plus. Table 23 summarizes the carriers identified for different household members.

More so than with the other types of insurance examined, however, it is likely that the roster shown understates the facts; the penetration of coverage among the sample as

well as the fact that roughly one-third of the sample provided no information while other respondents reported information on *plans* (e.g., Medicaid) instead of carriers, all imply larger numbers of carriers were involved than those tallied.

Table 23. Ranking of Frequently Identified Health Insurance Carriers (or Plans) Covering Household Members,<sup>74</sup> With Percent of Insured Members Covered, By Type of Member

| Name of Carrier / Plan   | Self             |              | Spouse           |              | Children         |              | Others          |              |
|--|------------------|--------------|------------------|--------------|------------------|--------------|-----------------|--------------|
|  | Rank             | %            | Rank             | %            | Rank             | %            | Rank            | %            |
| Unspecified  | 1                | 26.3%        | 1                | 32.3%        | 1                | 36.5%        | 1               | 37.7%        |
| Blue Cross/Blue Shield (various)                                   | 2                | 19.5%        | 2                | 17.2%        | 2                | 11.9%        | 2               | 13.0%        |
| HIP (various)  | 3                | 5.6%         | 3                | 5.7%         | -                | -            | 4               | 6.5%         |
| CDPHP  | 4                | 4.3%         | 6                | 3.6%         | 6                | 2.7%         | -               | -            |
| GHI (various)  | 5                | 4.2%         | 5                | 4.2%         | 5                | 2.9%         | -               | -            |
| Aetna  | 6                | 3.5%         | 4                | 4.6%         | 8                | 2.4%         | -               | -            |
| Medicaid (various)   | 7                | 2.7%         | 9                | 1.7%         | 4                | 3.3%         | 5               | 5.2%         |
| Medicare (various)   | 9                | 2.1%         | 7                | 3.3%         | -                | -            | 3               | 6.5%         |
| Child Health Plus  | -                | -            | -                | -            | 3                | 9.6%         | 6               | 3.9%         |
| <b>Subtotal</b>  | -                | <b>41.9%</b> | -                | <b>40.3%</b> | -                | <b>32.8%</b> | -               | <b>35.1%</b> |
| <b>Total Respondents Reporting Respective Member Types Insured</b> | <b>(n = 769)</b> |              | <b>(n = 523)</b> |              | <b>(n = 553)</b> |              | <b>(n = 77)</b> |              |

► As highlighted in Table 24, the top four plans identified by respondents covered under state or federal plans ( $n = 312$ )<sup>75</sup> were *Family Health Plus*, *Medicaid*, *Medicare* and *Healthy New York*, accounting for one-third of these respondents' plans.<sup>76</sup>

Table 24. Respondent Health Insurance Coverage Through State or Federal Plans: Most Frequent Plan Identifications<sup>77</sup>

| Name of Plan  | <i>n</i>   | %            |
|---|------------|--------------|
| Family Health Plus  | 37         | 11.9         |
| Medicaid  | 28         | 9.0          |
| Medicare  | 23         | 7.4          |
| Healthy NY  | 17         | 5.4          |
| Unspecified   | 100        | 32.1         |
| <b>Subtotal</b>   | <b>205</b> | <b>65.7</b>  |
| <b>Total respondents reporting own coverage through a state or federal plan</b> | <b>312</b> | <b>100.0</b> |

<sup>74</sup> See tables of complete information in Appendices A.37 – A.40. Tallies are approximate since handwritten identifications had to be manually counted due to spelling, wording and data entry variations. In addition, throughout the survey, non-trivial numbers of respondents interchanged *plan* and *carrier* identifications, implying that derived counts would change under a different reporting scheme.

<sup>75</sup> Based on the survey responses “as reported” shown in Table 21.

<sup>76</sup> Unfortunately, another third of these respondents failed to identify their plan.

<sup>77</sup> See precaution on reporting, n. 74.

## II. Cost Highlights

- 399 of 834 providers (48%) with insured household member(s) supplied cost information – a far lower proportion than seen for other insurances reviewed. New York City providers were less than half as likely to respond as others sampled.<sup>78</sup> (See Table 25.)
- The **mean total annual household premium** reported (households with *any* member(s) insured) was **\$3,395** (\$283 monthly).
- Premium costs differed significantly *by source of respondents' own coverage* (ranging from **78% more than the average for those purchasing coverage to 39% less than the average under state or federal plans**), and *by region*.
- Average total household premiums were substantially **higher among Westchester/Lower-Hudson** providers and, surprisingly, considerably **lower among those in New York City**, compared with others sampled.

**Table 25. Mean Annual Insurance Premiums, Sample Sizes and % of Insured Providing Cost Data<sup>79</sup>**

| All Respondents: \$3,395 (n = 399; 48% of Insured) |     |     |                                     |     |     |                    |    |     |
|--|-----|-----|-------------------------------------|-----|-----|--------------------|----|-----|
| By State Region                                    | N   | %   | By Respondent's Own Coverage Source |     |     | By DCCS Region     | n  | %   |
| Bal. of State: \$3,671                             | 318 | 62% | Own Purchase: \$6,055               | 35  | 90% | W/L-H: \$4,956     | 48 | 59% |
| NYC: \$2,212                                       | 78  | 25% | Multiple Sources: \$3,973           | 57  | 62% | Albany: \$3,916    | 74 | 63% |
|  |     |     | Family Member: \$3,471              | 171 | 58% | Buffalo: \$3,753   | 54 | 74% |
|  |     |     | State/Fed. Plan: \$2,056            | 74  | 31% | Rochester: \$3,059 | 52 | 59% |
|  |     |     |                                     |     |     | Syracuse: \$2,955  | 69 | 60% |
|  |     |     |                                     |     |     | NYC: \$2,212       | 78 | 25% |

- The unexpectedly low cost reported for New York City in large part probably reflected the **lower-cost mix of sources from which providers reported receiving coverage there**. *But even controlling for insurance source*, New York City providers sometimes showed significantly lower premiums than those elsewhere (e.g., among those covered under state or federal plans), suggesting that **issues of sample size** (little more than 20 for some of these comparisons) **or unrepresentativeness** among providers who supplied cost information, **may have reinforced the effect of the City's mix of insurance-sources, perhaps to the point of understating its costs** to some extent.
- Whatever the uncertainties relating to *mean regional premium costs*, the evidence on *relative costs* by source of coverage was strong. Across almost all settings, strikingly similar *orderings* of the costs of coverage from different sources were reported: coverage through own purchase (*most expensive*), through multiple sources, through family member or domestic partner, through another job and finally (*least expensive*) through state or federal plans. (See Discussion section Table 26 detail.)

<sup>78</sup> 78 of 311 providers with someone in the household insured supplied cost details for New York City, compared with 318 of 517 such providers elsewhere in the state. See Table 25, this page.

<sup>79</sup> Based on all respondents who reported at least one household member insured. Selected results only for comparisons involving manageable n's. (Long Island is not shown, e.g., since its [cost] sample size was inadequate, leading to the widest confidence interval of any comparison made. "Another job" and "not insured" insurance sources involved even smaller samples [ $< 20$ ]). See Appendix A.34 for tabled results for all comparisons made.

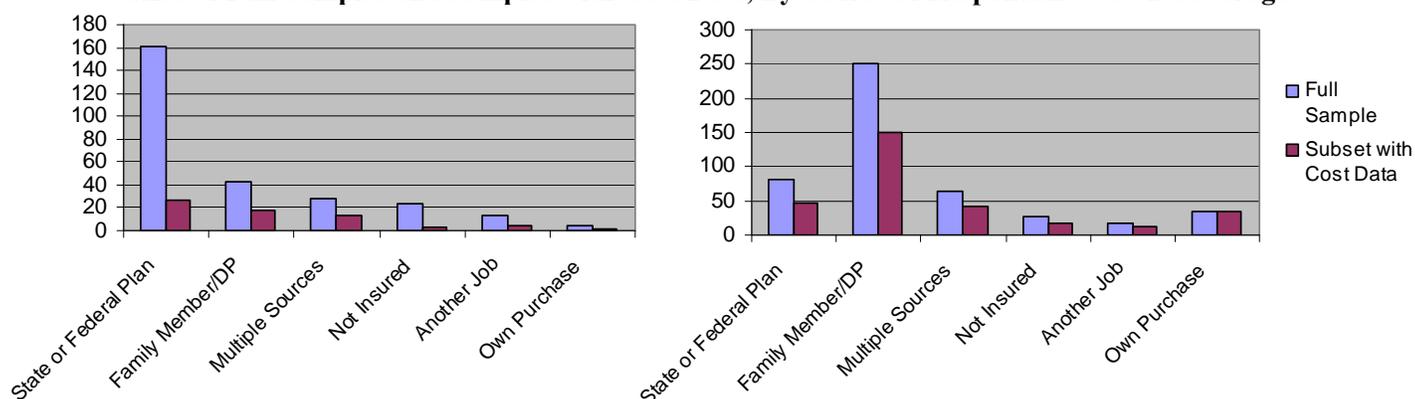
## Discussion

### 25. Non-Reporting of Costs and Doubtful Impacts on Findings

⇒ Even though reporting of costs was much more extensive outside of New York City than within it (compare the adjoining charts in Figure 25, below),<sup>80</sup> there was little evidence that this skewed the findings toward those actually obtained, beyond what could be foreseen from the City’s full sample and the pitfalls of smaller sample size, alone.

As the right-side chart below and Table 26 (Balance of State in blue) show, both the relative size and composition of samples that supplied cost data *outside* of New York City closely matched those of the total sample of insured providers from that area.

**Figure 25: New York City (On left) and Balance of State Non-Reporting of Cost: Sizes of Full Samples and Samples with Cost Data, By Source of Respondent’s Own Coverage**



In contrast, providers from the City who supplied cost data were small in numbers regardless of the source of their insurance (left-side Figure 25 above) and showed a notably different mix of insurance sources than the full New York City sample, in ways not expected to reduce mean costs reported there: i.e., those reporting costs included relatively *fewer*, not more providers insured through *lower-cost* state or federal plans, and relatively *more*, not fewer providers insured through *higher-cost* multiple sources, etc. (again see Table 26, this time the top three rows of the New York City columns, indicated in red).

Consequently, the New York City findings seem best explained not by attrition but by basic characteristics that distinguished both New York City samples here from those sampled from outside the City: *more providers insured through state/federal plans, fewer covered through family members, and hardly anyone purchasing their own coverage* – all characteristics associated with *lower costs* as seen for the New York City sample. (Presumably, the City’s “real” mean cost would have been higher if its

<sup>80</sup> Note that providers from New York City accounted for 39% of the total sample but just 20% of those who supplied information on health insurance costs.

sample had shown providers purchasing their own coverage in proportions comparable to that in the balance-of-state sample – instead of the 1% observed.)

Table 26. Comparison of Full (Insured) Samples and Those with Cost Data In, and Outside of New York City: Percent Distribution of Respondents, By Source of Own Coverage

| Insurance Source                     | New York City |                       | Balance of State |                       |
|--------------------------------------|---------------|-----------------------|------------------|-----------------------|
|                                      | Full Sample   | Subset with Cost Data | Full Sample      | Subset with Cost Data |
| State or Federal Plan                | 59%           | 40%                   | 17%              | 15%                   |
| Family Member/Domestic Partner       | 16%           | 27%                   | 53%              | 50%                   |
| Multiple Sources                     | 10%           | 19%                   | 13%              | 14%                   |
| Not Insured                          | 8%            | 4%                    | 6%               | 5%                    |
| Another Job                          | 5%            | 7%                    | 4%               | 4%                    |
| Own Purchase                         | 1%            | 1%                    | 7%               | 11%                   |
| <b>All Insurance Sources (n)</b>     | <b>273</b>    | <b>67</b>             | <b>474</b>       | <b>304</b>            |
| Missing Insurance Source (n)         | 38            | 11                    | 43               | 14                    |
| <b>Total Insured, 1+ Members (n)</b> | <b>311</b>    | <b>78</b>             | <b>517</b>       | <b>318</b>            |

## 26. Cost Rankings by Source of Insurance

⇒ Given the small sample sizes available within regions – making it difficult to determine whether cost differences among regions reflected different *mixes* of coverage or cost differences for the *same* coverage – drawing fine distinctions among regional costs may be less informative than focusing on unambiguous distinctions such as between higher-cost regions (e.g., Westchester/Lower-Hudson) and others. Another comparison likely to be extremely reliable was the *ranking* of premium costs for different coverage sources.<sup>81</sup> The very coincidence of such orderings reported across different types of comparisons suggested a *relatively sharp hierarchy of premium costs*, summarized in the Table 27, as follows:

Table 27. Descending Ranking ('1' = most expensive) of Household Premium Costs for Selected Geographies, By Source of Respondent Coverage (if any): Households with At Least One Member Insured

| Respondent Health Insurance Source                     | Rural            |    | Urban            |     | New York City   |    | Bal. of State    |     | Total Sample     |     |
|--|------------------|----|------------------|-----|-----------------|----|------------------|-----|------------------|-----|
|  | Rank             | n  | Rank             | n   | Rank            | N  | Rank             | n   | Rank             | n   |
| (1) Own Purchase                                       | 1                | 10 | 1                | 25  | 6               | 1  | 1                | 34  | 1                | 35  |
| (2) Multiple Sources                                   | 3                | 18 | 2                | 35  | 2               | 13 | 2                | 43  | 2                | 57  |
| (3) Family Member/D.P.                                 | 4                | 50 | 3                | 117 | 3               | 18 | 3                | 151 | 3                | 171 |
| (4) Another Job  | 2                | 4  | 5                | 14  | 5               | 5  | 4                | 13  | 4                | 18  |
| (5) State or Federal Plan                              | 5                | 17 | 6                | 55  | 4               | 27 | 5                | 47  | 6                | 74  |
| <b>Households with Insured Member(s) and Cost Data</b> | <b>(n = 108)</b> |    | <b>(n = 280)</b> |     | <b>(n = 78)</b> |    | <b>(n = 318)</b> |     | <b>(n = 399)</b> |     |

<sup>81</sup> Based on what statisticians refer to as “non-parametric” statistics, rank-based findings can be more robust to departures from expectations (such as sample size requirements).

## 27. Market Perspectives on Costs

⇒ Despite helpful initiatives that have occasionally cut premium costs under such options as *Healthy NY*,<sup>82</sup> *continuing premium increases within public programs* (cited above) and *across the entire health insurance sector* clearly represent barriers to such goals as improved coverage among providers or obtaining full family coverage. *These barriers may even vary regionally* given regions' differing proportions of providers covered under higher- versus lower-cost (such as State or federal) auspices.

Following a previous round of *Healthy NY* premium reductions, the 2003 review cited above illustrated that premiums continued to represent a substantial proportion of gross income for lower-income families of varying compositions.<sup>83</sup>

⇒ Since “take-up” rates of insurance have been found to decrease when premiums exceed 5% of gross income,<sup>84</sup> it bears noting:

- The latest average weighted annual premium reported for *Healthy NY* individual plans, \$2,850 (see Introduction), represents 5% of a \$57,000 annual income, with family premiums perhaps three times as much.<sup>85</sup> This could account for *problems in take-up under the Healthy NY – Child Care Providers Pilot Program*, discussed above.<sup>86</sup> As of early 2007, only 211 providers were participating, compared with the 2,100 expected to be served as indicated in the pilot's initial press release.<sup>87</sup>
- Just as worrisome, the average annual total household premium reported among all providers for the present study represents 5% of a \$67,900 annual income.
- *Providers covered through more expensive sources paid even more for coverage.* The annual premium reported among providers purchasing their own policies for this review – \$6,055 – represents 5% of a \$121,100 annual income and tracks fairly closely with other recent cost data for such coverage:

(a) a web-site search using the *United States Federation of Small Businesses* ([www.usfsb.com](http://www.usfsb.com)) “summary of plans” tool, for “any” health insurance policies for single-person businesses in New York State, produced a nine-page listing of plans with a *minimum* quote for “family” coverage of \$6,252 annually (\$521 monthly) including a \$4,000 deductible;

(b) a November, 2008 study of 227,000 major individual and family health insurance policies purchased through eHealthInsurance, an online retailer of health insurance, reported an average annual premium for family coverage of

<sup>82</sup> For example, as described in Greater Upstate Law Project, *Op. Cit.*

<sup>83</sup> *Ibid.*, pp. 12-13.

<sup>84</sup> See n. 22 and the surrounding discussion, above.

<sup>85</sup> New York State Insurance Department, *Op. Cit.*, Table III-14, p. III-21.

<sup>86</sup> See *Research and Legislative Context* (Introduction and Background, above).

<sup>87</sup> *Child Care and Development Fund Plan for FFY 2008-2009*, New York State OCFS, 2007), p. 62 and the Pataki era press release announcing the program (see n. 2, above).

\$4,392 (\$366 monthly), an average deductible of \$2,610, and *New York State the most expensive of all states*.<sup>88</sup>

### III. Those Foregoing Care and the Uninsured

- **Providers with mixed insured-uninsured households were significantly more likely to report episodes of *insured* members' foregoing health care due to policy limitations,**<sup>89</sup> suggesting "*incomplete family coverage*" can be a proxy for problems with insurance quality. Eighteen percent of those with any insured household members reported such episodes, compared with close to 1 in 4 of those who *also* reported uninsured members.
- Compared with providers elsewhere, respondents from **New York City** were significantly *less likely* to report such "unserved" episodes, while those from the **Buffalo, Syracuse and Rochester DCCS regions** were *more* likely to do so. (See Table 28.)
- Insured respondents purchasing their own coverage were most likely to report unserved household episodes while those covered through a different job were least likely to do so.

| <b>All Respondents: 18% (n = 149)</b> |  |  |                       |
|---------------------------------------|--|--|-----------------------|
| <b>By State Region</b>                | <b>By Selected Household Members' Insurance Status</b> | <b>By (Insured) Respondents' Own Coverage Source</b> | <b>By DCCS Region</b> |
| Balance of State: 27%                 | Respondent Not Insured: 6%                             | Own Purchase: 22%                                    | Long Island: 35%      |
| New York City: 16%                    | Spouse Not Insured: 24%                                | Family Member/Partner: 19%                           | Buffalo: 33%          |
|                                       |  | State or Federal Plan: 18%                           | Syracuse: 31%         |
|                                       |  | Another Job: 15%                                     | Rochester: 29%        |
|                                       |  |  | Albany: 22%           |
|                                       |  |  | W/L-H: 19%            |
|                                       |  |  | NYC: 16%              |

- Among providers with at least some *uninsured* household members ( $n = 181$ ), **80% of respondents** reported such uninsured members *unable to locate affordable coverage* meeting their needs. **40%** reported the uninsured had been *denied coverage* at their latest application, while **20%** reported their *removal from a policy* still covering others in the household.<sup>91</sup> Table 29 details these accounts.

<sup>88</sup> Cost and Benefits of Individual and Family Health Insurance Plans November, 2008 (Forrester Consulting on behalf of eHealthInsurance, November, 2008).

<sup>89</sup> Episodes of "foregoing health care" were identified from Q. 6d of the survey instrument (Appendix A.1): "Have any of the covered individuals gone without health care on occasion due to limitations on covered treatments or drugs, waiting periods, high deductible or co-payment amounts or other policy restrictions?"

<sup>90</sup>  $p < .01$  (by state and DCCS regions and by members' insurance status). Based on ( $n = 834$ ) respondents who reported at least one household member insured. Long Island's result, based on the smallest sample ( $n=34$ ), is not highlighted in the discussion and probably best considered suggestive. "Own coverage source" reflects the original variable where multiple choices could be specified, making similar significance tests inappropriate. See Appendix A.41 for complete tabled results including  $n$ 's for all comparisons made (*Factors Associated with Insured Household Members Foregoing ...*).

<sup>91</sup> Note that respondents could specify multiple circumstances. Sample sizes made breakdowns of these result (e.g., by region) unworkable.

- **74% of respondents from among those who cited denials or removals** of uninsured household members reported “income too high” as the reason,<sup>92</sup> evidently referring to public insurance program contacts.
- **Almost all respondents (95%)** who cited uninsured household members reported they would insure everyone in the household if affordable coverage were available;<sup>93</sup> among this group, the average *maximum affordable contribution respondents reported could be made toward additional coverage was \$2,181 – 23% less than Healthy NY’s* latest publicized annual premium (\$2,850, above) and **36% less than the present study’s sample-wide average** (\$3,395). Looked at geographically,<sup>94</sup> no significant differences in such contributions appeared.

Table 29. Respondents Citing One or More Household Members Currently Uninsured ( $n = 181$ ): Reported Circumstances

| Reason for Lack of Coverage  | No (% of responses) | Yes (% of responses) | Total Responses | % of Total Responding |
|--|---------------------|----------------------|-----------------|-----------------------|
| Health insurance denied at most recent application?                                | 60.7%               | 39.3%                | 107             | 59.1%                 |
| Cancelled or removed from a current household policy (for reasons other than age)? | 82.1%               | 17.9%                | 84              | 46.4%                 |
| Unable to locate coverage deemed appropriate and affordable?                       | 19.6%               | 80.4%                | 102             | 56.4%                 |

#### IV. Satisfaction with Coverage or Status

- 776 of 954 providers sampled (81%) reported information on their satisfaction with their health insurance circumstances. (See Table 30.)
- **74%** of respondents reported themselves **very or somewhat satisfied** in this regard compared with **26%** who reported themselves **very or somewhat dissatisfied**.
- More than other types of insurance examined, **there were clear, strong relationships between insurance status and satisfaction**, with large majorities either satisfied or not depending on coverage; *health insurance may be more salient to providers than other policies* where lack of knowledge and interest may have blunted dissatisfaction at non-coverage.

<sup>92</sup> Of 57 such responses, 10 surveys reported both a denial and a removal, leaving 47 respondents in this position. Based on narrative data, only 6 program references were named, involving 4 programs: Child Health Plus, Healthy NY, Family Health Plus and Medicaid ( $n$ 's = 2, 2, 1, 1, respectively.) See Appendix A.42 for a complete listing of denial/cancellation reasons reported.

<sup>93</sup> Of 181 providers with uninsured household members, 135 responded, including 128 (95%) expressing interest.

<sup>94</sup> Except by DCCS region, where sample sizes were inadequate for comparison.

| Household Insurance Coverage Scenario | % Very or Somewhat Unsatisfied | % Very or Somewhat Satisfied | N with data | Total N |
|---------------------------------------|--------------------------------|------------------------------|-------------|---------|
| All Insured                           | 17                             | <b>83</b>                    | 634         | 738     |
| Some or All ("Any") Insured           | 20                             | <b>80</b>                    | 713         | 834     |
| Some or All Uninsured                 | 66                             | <b>34</b>                    | 134         | 181     |
| All Uninsured                         | 89                             | <b>11</b>                    | 55          | 85      |
| All (Total Respondents)               | 26                             | <b>74</b>                    | 776         | 954     |

- **New York City** respondents reported being significantly (although not dramatically) **more satisfied** than others, with **77% very or somewhat satisfied** and 23% more or less unsatisfied; **elsewhere, 73% and 27% reported being satisfied** or unsatisfied, respectively.<sup>95</sup> (Comparisons by modality of care, rural/urban designation and among DCCS regions showed no significant differences in this regard.)
- *Respondents' insurance status and source of insurance* were also significantly related to satisfaction with health insurance situations. The **uninsured and those who purchased their own coverage** were significantly **more likely to be unsatisfied** than others sampled.
- **Among respondents with one or more uninsured household members** ( $n = 181$ , preceding table) who rated themselves *unsatisfied*, **69%** of those who gave reasons for that judgment **focused on affordability issues**.<sup>96</sup>

LOST GOOD COVERAGE WITH TEACHING JOB WHEN I DECIDED TO BECOME A PROVIDER TO BE HOME WITH CHILDREN. WE ARE UNINSURED WITH SMALL CHILDREN—SCARY.

HAVE NONE. NEED TO HAVE SOMETHING THAT IS AFFORDABLE THROUGH STATE AS A LICENSED CHILD CARE PROVIDER

**Two survey respondents**

- 75% of the entire sample (717 of 954) provided information on their general preferences for health insurance coverage; **57%** of respondents **judged “catastrophic” coverage more important** than “preventive” coverage (if *required* to choose); **55%** **preferred lower out-of-pocket expenses coupled with higher premium costs** to having lower premium costs at the price of higher out-of-pocket expenses.

<sup>95</sup>  $p < .05$ .

<sup>96</sup> Appendix A.43 lists the reasons cited by all 134 respondents with uninsured household members who rated their satisfaction, including 89 (66%) who reported being very or somewhat dissatisfied. Of the 89, 54 provided reasons, including 37 (69%) focusing on cost and affordability.

## Discussion

### 28. Differences by Region, Completeness of Household Coverage and Source of Insurance

Table 31 details the differences in satisfaction by region, completeness of household coverage and respondent insurance source just highlighted.

- ⇒ The finding of marginally greater satisfaction among New York City providers sampled (top of Table 31) may relate to the cost advantage or different mix of insurance sources observed there. The data don't allow for a definitive conclusion, but they are consistent with such a relationship.
- ⇒ More important, though, are the differences in satisfaction reported among the sample that corresponded to measures of the completeness of household coverage examined for this review (middle of Table 31; e.g., “*any in the household insured?*”). Coupled with the prior finding that households with uninsured members reported more instances of *insured* members' going without care due to policy or other constraints, such patterns seem to reinforce the perspective of “incomplete family coverage” as a tangible problem requiring attention. To state the obvious, providers with small or sole-proprietor businesses may be just as unable to conduct operations if they themselves or key family members become ill, making incomplete coverage a more distinct liability for these businesses than it might be for some others.<sup>97</sup>
- ⇒ The bottom of Table 31 (next page), finally, details the clear differences in satisfaction associated with respondents' *sources of insurance*, showing the uninsured and those purchasing their own coverage much less likely to be satisfied.

| Table 31. Satisfaction with Health Insurance Situation For Selected Comparisons, By Descending Order of Percentage Reported 'Very Satisfied' |                    |                        |                      |                  |           |
|--|--------------------|------------------------|----------------------|------------------|-----------|
|  | % Very Unsatisfied | % Somewhat Unsatisfied | % Somewhat Satisfied | % Very Satisfied | Total (n) |
| <b>By State Region:<sup>98</sup></b>   |                    |                        |                      |                  |           |
| New York City  | 13                 | 10                     | 33                   | 45               | 271       |
| Balance of State   | 16                 | 11                     | 39                   | 34               | 499       |
| <b>By Anyone in Household Reported <i>Insured?</i>*</b>  |                    |                        |                      |                  |           |
| Yes ( <i>some or all insured</i> )   | 10                 | 11                     | 39                   | 41               | 713       |
| No ( <i>all uninsured</i> )  | 78                 | 11                     | 9                    | 2                | 55        |
| <b>By Anyone in Household Reported <i>Uninsured?</i>*</b>  |                    |                        |                      |                  |           |
| No ( <i>all insured</i> )  | 6                  | 11                     | 40                   | 44               | 634       |
| Yes ( <i>some or all uninsured</i> )   | 57                 | 9                      | 22                   | 11               | 134       |

<sup>97</sup> See Appendix A.43 for a listing of narrative explanations this group of respondents provided for their dissatisfaction, bearing this out.

<sup>98</sup>  $p < .05$

\*  $p < .001$  for differences by anyone insured, by anyone uninsured and by insurance status/source.

| Table 31. Satisfaction with Health Insurance Situation For Selected Comparisons,<br>By Descending Order of Percentage Reported 'Very Satisfied' |                       |                           |                         |                     |                       |
|---|-----------------------|---------------------------|-------------------------|---------------------|-----------------------|
|   | % Very<br>Unsatisfied | % Somewhat<br>Unsatisfied | % Somewhat<br>Satisfied | % Very<br>Satisfied | Total<br>( <i>n</i> ) |
| <b>By Respondent's Insurance Status and Source (if insured)*</b>  |                       |                           |                         |                     |                       |
| Multiple Sources  | 6                     | 11                        | 30                      | <b>53</b>           | 83                    |
| Other Job   | 7                     | 3                         | 43                      | <b>47</b>           | 30                    |
| State or Federal Plan   | 10                    | 9                         | 39                      | <b>42</b>           | 204                   |
| Family Member/Partner   | 3                     | 11                        | 44                      | <b>41</b>           | 266                   |
| Own Purchase  | 21                    | 18                        | 45                      | <b>16</b>           | 38                    |
| Not Insured   | 62                    | 10                        | 17                      | <b>10</b>           | 69                    |
| <b>All Respondents</b>  |                       |                           |                         |                     |                       |
| Total   | 15                    | 10                        | 36                      | <b>38</b>           | 776                   |



## Conclusions

---

OCFS was charged with conducting a study of the availability, accessibility and affordability of insurance for New York's child care providers. Our focus: 1) homeowner and renter's insurance, 2) business liability insurance, and 3) health insurance for regulated home-based providers (both family day care and group family day care).

The findings from a survey of roughly 7% of the universe of regulated home-based providers raise important concerns for the child care community. To highlight:

- One-quarter of the providers who were sampled were *without* homeowner or renter's insurance, with renters significantly less likely to have coverage than homeowners.
- Of those who had homeowner's or renter's insurance, more than one-third lacked liability insurance of any type. Taken together with most of the preceding group, about half of all providers sampled (49%) lacked liability protection.
- Health insurance awareness appeared to be greater than that of other types of coverage, where lack of knowledge and interest was associated with less universal concern about non-coverage. However, although the vast majority of providers (85%) reported having health insurance, 20% indicated that some, or all, of the members of their households were uninsured – a pattern of incomplete family coverage. Providers' own coverage most often came through a family member.

Findings can best be understood in terms of access and knowledge.

1. *Insurance industry information suggests that relatively few insurers offering homeowners or liability coverage serve child care providers in New York. Many providers in the market for such coverage, too, appear unaware of those insurers that do serve providers. Of 15 companies known to offer liability coverage for providers as of 2008,<sup>99</sup> none were among those most frequently used by providers who were sampled, suggesting providers were unaware of many of their options for coverage. In contrast, providers' reports on companies known to them emphasized: renter's policies seldom afford liability endorsements; homeowner policies may not be offered to child care businesses; liability endorsements commonly show policy limits inconsistent with child care regulatory requirements (e.g., number of children covered); and relatively few business liability insurers serve child care providers.*

As possible next steps, a provider trade group, union, or other representative body might:

- i. Use pools of licensed providers to attract "volume" sales agreements offering reduced *homeowner* and *liability* premiums for providers and potentially improved profitability for insurers currently or potentially active in the New York market. The

---

<sup>99</sup> Based on those offering either standalone liability policies or liability endorsements on homeowner policies on the Insurance Department's 2008 Insurance Availability Survey, a survey noted to emphasize *commercial* lines of insurance and thus understating, somewhat, the number of such carriers. The fact that some but very few providers reported using these insurers, however, appears to confirm providers' lack of knowledge of these resources.

- experience of FCCANYS<sup>100</sup>, which teamed with a New York State broker to offer liability coverage, could be relevant here;
- ii. Promote managerial efficiencies as inducements to company participation such as “payment cards” allowing providers to pay premiums in installments—repeatedly mentioned in provider accounts—and helping insurers through lower-cost, more reliable payment processing.
  - iii. Develop updated resource listings of insurers offering homeowner and liability policies in the state, or other informational summaries on accessing such coverage as guides for providers’ use.
2. *Family providers’ level of knowledge about insurance in general as well as purchasing and maintaining insurance discourages some providers from seeking out coverage and puts others’ coverage and security at risk.* Stereotypes often voiced about insurance by New York City renters, too, show that providers there may require special attention in learning about and accessing insurance.

It is obvious that providers could benefit from a training curriculum and informational materials. These could be distributed to them by, for example, a provider trade group, union, other representative body, or by OCFS at license application and renewal times. Such materials would be helpful if they focused on *homeowner* and *liability insurance* resources and “do’s” and “don’ts” for home-providers. Specifically:

- i. Providers need to be equipped to negotiate with agents, insist on documentation of covered and non-covered activities, and make explicit what they might be inclined to avoid;
  - ii. Content and training tailored to renters is essential;<sup>101</sup>
  - iii. Resource listings or other informational guides would be important to include;
  - iv. The recent videoconference represents one model, but interactive strategies are preferable to simply showing a video given the interpersonal skills desired.
3. *In the health insurance area, as many as 20% of providers reported “incomplete family coverage” involving uninsured and, often, “under-served” but insured household members, as well – each particularly problematic for the viability of small and sole-proprietor businesses. 80% of these households attributed the members’ non-coverage to “affordability” issues; 95% were interested in additional insurance at the right price.*

One modest step would be to adjust the current subsidies offered to participants in the *Healthy NY-Child Care Provider Pilot Program* to enable slightly *smaller* family contributions to the cost of this insurance corresponding to the maximum feasible contributions reported in the study. Given the pilot’s modest take-up rate among providers, to date, improving its performance can be an important part of resolving insecurities in

<sup>100</sup> Family Child Care Association of New York State is an association of family providers.

<sup>101</sup> See especially the *Homeowners and Renters Insurance* sections, *The Uninsured and Under-Insured: Highlights and Barriers to Coverage Gains* for informational and knowledge issues reported for renters.

providers' household health insurance situations.<sup>102</sup> Specifically, it would be instructive to examine whether take-up rates would increase if:

- i. The monthly subsidies were increased by 10% (from \$50 to \$55 for individual policies and from \$100 to \$110 for two adult/family policies, respectively);<sup>103</sup> and
- ii. Given their small size, if the adjustments were made in combination with marketing changes that made providers more aware of the availability of the program.

Family-based providers – as do all child care providers - juggle many tasks while exercising their primary responsibility of supporting the optimal growth and development of the young children in their care. As a result of this study, OCFS and its partners, most particularly the Department of Insurance, have come to appreciate just how much remains to be done to support home-based providers and help them protect two key assets that are important to the viability of their livelihoods as well as their personal quality of life: their homes and their health.

---

<sup>102</sup> According to the program's initial press release (see n. 2), 2,100 providers were expected to participate; as of early 2007, however, just 211 were participating. (NYS OCFS, *Op. Cit.*, p. 62).

<sup>103</sup> The increase is intended to offset the difference between: 1) the current individual subsidy (\$600); and 2) the discrepancy between the average maximum contribution providers anticipated making (\$2,181) and the mean weighted annual *Healthy NY* premium (for individual policies) referenced in this report (\$2,850), or \$669, yielding \$69;  $69/600 = 11.5\%$ , rounded down to the nearest 10% and applied separately to each subsidy amount.



## References

---

Agency for Healthcare Research and Quality (2005). *Family Health Insurance Premiums Have Risen 79 Percent and 89 Percent, Respectively, for Workers and Employers Since 1996*. AHRQ News and Numbers, August 23, 2005. Rockville, MD: Agency for Healthcare Research and Quality. From <http://www.ahrq.gov/news/nn/nn082305.htm> .

\_\_\_\_\_ (2008). *Health Insurance Premiums Have More Than Doubled Since 1996*. AHRQ News and Numbers, August 7, 2008. Rockville, MD: Agency for Healthcare Research and Quality. From <http://www.ahrq.gov/news/nn/nn080708.htm> .

Center For the Childcare Workforce (2004). *Current Data on the Salaries and Benefits of the U.S. Early Childhood Education Workforce*. Washington, DC: Center For the Childcare Workforce.

Don't Try This at Home (2004, January 14). *Metroland*, Vol. 27, Number 3, from [http://www.metroland.net/2004\\_back\\_issues.html](http://www.metroland.net/2004_back_issues.html)

eHealthInsurance, by Forrester Consulting (2008). *Cost and Benefits of Individual and Family Health Insurance Plans November, 2008*. Mountain View, CA: eHealthInsurance. From <http://www.ehealthinsurance.com/content/pressNew/CompanyIssuedReport.shtml> .

Family Child Care Association of New York State (FCCANYS) (undated). Unpublished Member Survey. Albany, NY. (Conversation with author; also referenced in Greater Upstate Law Project, *Op. Cit.*)

Greater Upstate Law Project (2003). *Insurance Matters: An Emerging Crisis in Child Care*. Retrieved from Empire Justice Center web site, [www.empirejustice.org](http://www.empirejustice.org). Rochester, NY: Greater Upstate Law Project, Inc.

Keystone Research Center (2006, August). *Brief Summary – Unions in Child Care*. From [www.keystoneresearch.org](http://www.keystoneresearch.org).

New Jersey Association of Child Care Resource and Referral Agencies (2006). *Family Child Care in New Jersey: A State Report on Registered Providers Caring for Children in Their Homes*. Trenton, NJ: New Jersey Association of Child Care Resource and Referral Agencies. From <http://www.njaccrra.org/publications.shtml>.

New York Network (2008, September). *Draft Transcript of Video Broadcast, "Protecting Yourself and Your Business: Insurance for Family and Group Family Child Care Providers."* Albany, NY: New York Network.

New York State (2007). *Act to amend the social services law, in relation to a study of health and homeowner insurance policies available to child care providers*. Albany, NY: Chapter 65 of the Laws of New York (S.2140/A.2093), signed June 4, 2007.

New York State Insurance Department (2008, January). *2007 Annual Report on Healthy NY*. Albany, NY: New York State Insurance Dept. From <http://www.ins.state.ny.us/website2/hny/reports/hnyepp2007.pdf>.

New York State Office of Children and Family Services (2007). *Child Care and Development Fund Plan for FFY 2008-2009*. Albany, NY: OCFS. From [www.ocfs.state.ny.us/main/beccs/stateplan](http://www.ocfs.state.ny.us/main/beccs/stateplan).

\_\_\_\_\_, Early Childhood Education and Training Program and Dept. of Media Production, Professional Development Program, Rockefeller College, University at Albany (2008, September). *Protecting Yourself and Your Business: Insurance for Family and Group Family Child Care Providers*. Rensselaer, NY: OCFS (Video Broadcast).

Resources for Child Caring (undated). *Minnesota Law Attempts to Solve Homeowners' Insurance Crisis*. From [www.resourcesforchildcaring.org/index.cfm?page=homeownersins](http://www.resourcesforchildcaring.org/index.cfm?page=homeownersins).

\_\_\_\_\_. (undated). *Illinois: Site of the Nation's First Contract with Family Child Care Providers*. From <http://www.resourcesforchildcaring.org/index.cfm?page=unionsil>.

\_\_\_\_\_. (undated). *Washington State Reaches Agreement with Child Care Union*. From <http://www.resourcesforchildcaring.org/index.cfm?page=unionswa>.

\_\_\_\_\_. (undated). *Provider-related insurance-related articles and publications*. From <http://www.resourcesforchildcaring.org/index.cfm?page=Insurance%20Issues>.

The Urban Institute (2001, June). *Models for Increasing Child Care Worker Compensation*. Charting Civil Society, No. 8, June 2001. Washington, DC: The Urban Institute. (On Michigan child care provider unionization.)

Wellesley College Center for Research on Women (2003). *Massachusetts Family Child Care Today: A Report of the Findings from the Massachusetts Cost and Quality Study*. Wellesley, MA: Wellesley College Center for Research on Women.

## Appendix

---

|  |    |
|--|----|
| (A.1) Child Care Providers' Insurance Survey Instrument (English version).....   | 67 |
| (A.2) Instrument Pilot-Test Questions.....   | 73 |
| (A.3) Insurance Survey Primer for Staff/Facilitators/Co-trainers.....  | 74 |
| (A.4) Project Work Group Members .....   | 75 |
| (A.5) Deputy Commissioner Letter to Providers (publicizing: Videoconference).....  | 76 |
| (A.6) Videoconference Participants: "Protecting Yourself and Your Business:<br>Insurance for Family and Group Family Child Care Providers," Sept. 8, 2008..... | 77 |
| (A.7) Videoconference Production .....   | 79 |
| (A.8) Notice to CCR&R's Inviting Participation .....   | 80 |
| (A.9) OCFS Division of Child Care Services Regions and Constituent Counties .....  | 81 |
| (A.10) Respondents By County: Map and Table.....   | 82 |
| (A.11-1) Technical Sampling Note: Calculation of Required Sample Sizes.....  | 83 |
| (A.11-2) Rural/Urban and Geographic Classification .....   | 85 |

### All Insurance Types

|   |    |
|---|----|
| (A.12) Most Frequently Identified Insurance Carriers Among Respondents<br>Reporting Insurance or Deemed Insured, by Type of Insurance ..... | 86 |
|---|----|

### Homeowners/Renters Insurance & Liability Riders

|  |    |
|--|----|
| (A.13) Percent of Respondents Reporting Homeowner/Renter Insurance Coverage,<br>by DCCS Regional Office and Modality of Care.....  | 87 |
| (A.14) Percent of Respondents Reporting Homeowner/Renter Insurance Coverage:<br>Summaries for Selected Samples, with Number and Percent of Relevant Samples<br>Providing Data .....                                | 88 |
| (A.15) Percent of Insured Respondents Reporting Child Care Liability "Rider"<br>on Homeowner/Renter Policy: Summaries for Selected Samples,<br>With Number and Percent of Relevant Samples Providing Data .....    | 89 |
| (A.16) Total Annual Homeowner or Renter Insurance Premiums ( <i>including Rider</i> ):<br>Summaries and Tests of Differences Among Selected Groups of<br>Insured Respondents .....                                 | 90 |
| (A.17) 95% Confidence Intervals for Estimated Mean Annual Premiums (By Rural/Urban<br>Designation; By State Region; By Rural/Urban Designation and Modality of Care;<br>By State Region and Modality of Care)..... | 91 |
| (A.18) Total Annual Liability Rider Portion of Homeowner/Renter Insurance Premiums:<br>Summaries and Tests of Differences Among Selected Groups of Insured<br>Respondents Reporting Rider .....                    | 92 |

|   |    |
|---|----|
| (A.19) 95% Confidence Intervals for Estimated Mean Annual Liability Rider Premiums..... | 93 |
| (A.20) Grounds for Dissatisfaction Reported by Uninsured and Insured (Listings).....    | 94 |

### **Business Liability**

|  |     |
|--|-----|
| (A.21) Percent of Respondents Reporting Separate Business Liability Insurance Coverage: Summaries for Selected Samples, with Number and Percent of Relevant Samples Providing Data ..... | 95  |
| (A.22) Liability Policy Coverage by Modality; Liability Policy Coverage by Modality and Homeowner/Renter’s Insurance Status.....   | 96  |
| (A.23) Liability Policy Coverage by State Region; Liability Policy Coverage by State Region and Housing Status.....  | 97  |
| (A.24) Liability Policy Coverage by State Region and Homeowner/Renter’s Insurance Status .....   | 98  |
| (A.24) Liability Policy Coverage by DCCS Region and Homeowner/Renter’s Insurance Status .....  | 98  |
| (A.25) Total Annual Business Liability Insurance Premiums: Summaries and Tests of Differences Among Selected Groups of Insured Respondents .....   | 99  |
| (A.26) 95% Confidence Intervals for Estimated Mean Annual Business Liability Insurance Premiums (By State Region; By Rural/Urban Designation; By DCCS Region).....                       | 100 |
| (A.27, A.28) Reasons Business Liability Insurance ‘Not Needed/Wanted,’ Explanation of ‘Other’ Reasons for Lacking Business Liability Insurance (Listings).....                           | 101 |
| (A.29) Factors Entering Into Satisfaction (Business Liability Coverage/Status) By Insurance Status and Satisfaction Rating (Listings) .....  | 103 |

### **Health Insurance**

|  |     |
|--|-----|
| (A.30) Matrix of Health Insurance Coverage Scenarios Reported for Households .....   | 113 |
| (A.31) Percent of Sample Reporting Health Insurance Coverage for Specific Household Members, by Modality of Care and Category of Household Member.....   | 113 |
| (A.32) Percent of Respondents Reporting Health Insurance Coverage for Specific Household Members: Summaries for Selected Samples, With Number and Percent of Relevant Samples Providing Data ..... | 114 |
| (A.33) Own Coverage Status and Source, If Insured (Respondents in Households With at Least One Member Insured)—original data .....   | 115 |
| (A.33) Respondent Insurance Source (Multiple Sources Unduplicated).....  | 115 |
| (A.34) Total Annual Household Health Insurance Premiums: Summaries and Tests of Differences Among Selected Groups of Respondents Reporting at Least One Household Member Insured.....              | 116 |
| (A.35) Own Health Insurance Status and Source of Coverage, If Insured: Respondents Reporting or Deemed to Have Insured Household Members.....  | 117 |

---

|   |     |
|---|-----|
| <b>(A.36)</b> <i>Own</i> Health Insurance Coverage Through State or Federal Plans: Most Frequent Identifications .....                                  | 117 |
| <b>(A.37)</b> Health Insurance Carrier Reported for <i>Own</i> Coverage: Most Frequent Identifications For Those Reported Insured .....                 | 118 |
| <b>(A.38)</b> Health Insurance Carrier Reported for <i>Spouse's</i> Coverage: Most Frequent Identifications For Spouses Reported Insured .....          | 118 |
| <b>(A.39)</b> Health Insurance Carrier Reported for <i>Children's</i> Coverage: Most Frequent Identifications For Children Reported Insured .....       | 119 |
| <b>(A.40)</b> Health Insurance Carrier Reported for <i>Others'</i> Coverage: Most Frequent Identifications For Others Reported Insured.....             | 119 |
| <b>(A.41)</b> Factors Associated with Insured Household Members Foregoing Health Care: Summaries of Selected Samples .....                              | 120 |
| <b>(A.42)</b> Reasons Reported for Policy Denial or Cancellation of Uninsured Household Members .....   | 121 |
| <b>(A.43)</b> Factors Entering Into Satisfaction (Health Insurance Coverage/Status), Households with Any Member Uninsured, By Satisfaction Rating ..... | 122 |



## Child Care Providers' Insurance Survey

*New York State wants to learn about family-based child care providers' perspectives on important types of insurance. Please take a few minutes to complete the following survey to tell us about your own experiences relating to homeowner's, renter's, health and liability insurance. Your assistance on this will help assure a better understanding of the circumstances and needs of New York's family child care businesses.*

*All information you provide here will be kept strictly confidential. We deeply appreciate your assistance.*

**Stop!**

**If you have already completed this survey at an earlier event, please check here:**   
**Thank you for your help. You do not need to complete this survey again.**

City \_\_\_\_\_ Zip Code \_\_\_\_\_ County/Borough \_\_\_\_\_ Date \_\_/\_\_/\_\_  
 Age \_\_ Sex  F  M Type of care:  FDC, registered or  GFDC, licensed or  
 (Check one)  FDC, applicant  GFDC, applicant  
 (Family Day Care) (Group Family Day Care)

### Homeowner's / Renter's Insurance

- 1) Do you own your own home  or rent?  (Check one)
  - a) If a homeowner, do you presently have homeowner's insurance? .....  Y  N
  - b) If you rent, do you presently have renter's insurance? .....  Y  N
- 2) **If presently covered by homeowner's or renter's insurance, please tell us the following (Otherwise skip to #3):**
  - a) Name of company/insurer? \_\_\_\_\_
  - b) Approximate cost of this policy? \$ \_\_\_\_\_ per month or \$ \_\_\_\_\_ per year
  - c) Does your homeowner's policy include a "rider" that affords liability insurance for your child care business? .....  Y  N
    - 1) If 'yes':
      - Approximately how much does this child care portion *add* to the policy cost?  
 \$ \_\_\_\_\_ per month or \$ \_\_\_\_\_ per year
    - 2) If 'no' (*no rider*), which of the following factors were important in *not* getting a rider?  
 (Check as many as apply)
      - Have separate liability (or business liability) policy
      - Liability coverage not needed/wanted (*Please explain briefly:*)  
 \_\_\_\_\_
      - Not reporting business to avoid cancellation of policy
      - Cost (not reporting business to avoid increase)
      - Other (*Please specify:*)  
 \_\_\_\_\_

3) **If not presently covered by homeowner's or renter's insurance, continue here (Otherwise skip to #4):**

- a) Are you presently uncovered because an application for homeowner's or renter's insurance was *denied*? .....  Y  N

If 'yes':

➤ Name of company? \_\_\_\_\_

➤ What reason(s) for the denial were given?

Child care business (disqualifying)

Other (*Please specify:*)

\_\_\_\_\_

\_\_\_\_\_

- b) Are you presently uncovered because a homeowner's or renter's policy was *cancelled or discontinued*? .....  Y  N

If 'yes':

➤ By whom?  Self  Company (*Specify name:*) \_\_\_\_\_

➤ What reason(s) did you or your insurer have or report for the cancellation?

Child care business (disqualifying)

Cost too expensive

Other (*Please specify:*)

\_\_\_\_\_

\_\_\_\_\_

- c) Are you presently uncovered because of reasons *other* than a denial or cancellation (such as choice, cost or even for no particular reason)? .....  Y  N

➤ If 'yes,' which of the following describe the situation? (*Check all that apply*)

Homeowner's/Renter's coverage not needed/wanted

(*Please explain briefly:*) \_\_\_\_\_

Believe child care business will disqualify me

Cost too expensive

Unable to locate willing insurers

Other (*Please specify:*)

\_\_\_\_\_

\_\_\_\_\_

4) **Whether presently covered or not by homeowner's or renter's insurance, please tell us:**

- a) How satisfied are you with your present homeowner's (or renter's) insurance situation? Are you:
- Very Satisfied    Somewhat Satisfied    Somewhat Unsatisfied    Very Unsatisfied
- b) Briefly list as many as three factors that enter into the preceding answer, starting with the most important of these:
- (1) \_\_\_\_\_
- (2) \_\_\_\_\_
- (3) \_\_\_\_\_

**Health Insurance**

- 5) Please tell us whether each household member has health insurance now by checking the appropriate box. (Check both boxes for "children" or "others" if some have insurance and some do not, or leave both blank if no such household member exists.)

|                      | Self                     | Spouse                   | Children                 | Others                   |
|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Have insurance       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Don't have insurance | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

6) **If any in the household are presently insured, continue here (Otherwise skip to #7):**

- a) Are you *yourself* covered through:
- A family member or domestic partner?    Another job?
- A state or federal plan? (Medicare, Healthy NY, Family Health Plus, Child Health Plus, etc.;  
Please specify:) \_\_\_\_\_
- Your own purchase? OR    Not covered?
- b) What insurance carrier (or company), if any, covers these individuals?
- Self: \_\_\_\_\_
- Spouse: \_\_\_\_\_
- Children: \_\_\_\_\_
- Others: \_\_\_\_\_
- c) Approximately how much in total does the household pay for these covered members' insurance? \$ \_\_\_\_\_ per month or \$ \_\_\_\_\_ per year
- d) Have any of the covered individuals gone without health care on occasion due to limitations on covered treatments or drugs, waiting periods, high deductible or co-payment amounts or other policy restrictions? .....  Y    N

7) **If any household members are *not presently insured*, please tell us the following (*Otherwise skip to #8*):**

a) Were any of the uncovered individuals:

- *Denied* health insurance when they last applied for this?.....  Y  N
- *Cancelled or removed* from a health policy which still serves others in the household (for reasons other than age)?.....  Y  N
- *Unable to locate coverage* which is both appropriate and affordable? .....  Y  N

b) If any of the uncovered individuals were denied or cancelled ('yes' to those items above), what reason(s) for the denial or cancellation were reported?

---



---



---

c) Would the household make use of health insurance covering everyone if it were available at a reasonable cost? .....  Y  N

➤ If 'yes,' what is the maximum premium you would pay to obtain insurance for *all of you*?

\$ \_\_\_\_\_ per month or \$ \_\_\_\_\_ per year

➤ If 'no,' please explain briefly.

---



---

8) **Considering all household members *with or without* health insurance:**

a) How satisfied are you, overall, with your present health insurance situation? Are you:

Very Satisfied  Somewhat Satisfied  Somewhat Unsatisfied  Very Unsatisfied

b) Briefly list as many as three factors that enter into the preceding answer, starting with the most important of these:

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

9) **Thinking about health insurance, please tell us your opinions on the following:**

a) Which of the following do you feel is more important if you had to choose based on cost? (*Check one*)

Preventive coverage

Catastrophic coverage (major illness/hospitalization)

b) Which of the following do you consider more important? (*Check one*)

A plan with a high monthly premium with lower out-of-pocket expenses at point-of-service

A plan with a lower monthly premium with higher out-of-pocket expenses at point-of-service

**Liability Insurance**

10) Do you presently have a separate liability (or business liability) policy for your child care operation (as distinct from a homeowner's policy "rider" for this)? .....  Y  N

a) If 'yes' (*have separate policy*), continue here (*Otherwise skip to b*):

➤ Name of company/insurer? \_\_\_\_\_

➤ Approximate cost of this policy? \$ \_\_\_\_\_ per month or \$ \_\_\_\_\_ per year

b) If 'no' (*no separate policy*), please tell us the following (*Otherwise skip to #11*):

1) Are you without a separate liability policy now because an application for such a policy was *denied*? .....  Y  N

If 'yes':

➤ Name of company? \_\_\_\_\_

➤ What reason(s) for the denial were given?

Child care business (disqualifying)

Other (*Please specify*):

\_\_\_\_\_

2) Are you without a separate liability policy now because such a policy was *cancelled or discontinued*? .....  Y  N

If 'yes':

➤ By whom?  Self  Company (*Specify name*): \_\_\_\_\_

➤ What reason(s) did you or your insurer have or report for the cancellation?

Child care business (disqualifying)

Cost too expensive

Other (*Please specify*):

\_\_\_\_\_

3) Are you without a separate liability policy now because of reasons *other* than a denial or cancellation (such as choice, cost or even for no particular reason)? .....  Y  N

➤ If 'yes,' which of the following describe the situation? (*Check all that apply*):

Homeowner's rider already provides liability coverage

Liability/Business liability coverage not needed/wanted

(*Please explain briefly*): \_\_\_\_\_

Believe child care business will disqualify me

Cost too expensive

Unable to locate willing insurers

Other (*Please specify*):

\_\_\_\_\_

11) ***Whether presently covered or not by a separate liability policy, please tell us:***

a) How satisfied are you with your present liability insurance situation? Are you:

- Very Satisfied     Somewhat Satisfied     Somewhat Unsatisfied     Very Unsatisfied

b) Briefly list as many as three factors that enter into the preceding answer, starting with the most important of these:

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

**Conclusion**

12) **Are there additional comments or concerns you have regarding the above insurance issues which are not addressed by this survey? *If yes, please explain briefly.***

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Thank you again for completing this survey and for sharing your experiences with homeowner's, renter's, health and liability insurance. Your own and others' information will help provide a better understanding of the insurance needs of family child care providers in New York State.**

---

**Instrument Pilot-Test Questions**  
**Study of Family Child Care Providers' Insurance Status**

1. Did any items' questions and/or response choices seem *unclear* to you?  
(Which items? Probe for detail ...)
  
2. Were you *uncertain how to answer* some items on account of not having adequate records to which to refer, on hand with you when you completed the survey?  
(Which items? Probe ..., etc.)
  
3. Did you feel *unable to answer truthfully* on certain items on account of response options which were incomplete or not applicable to yourself?  
(Which items? Probe ..., etc.)
  
4. Were you *reluctant or unable to be candid* in answering some item(s) for any other reason(s)? For example, due to general privacy concerns, fear of repercussions for your business and/or license, or other factors?  
(Which items? Probe ..., etc.)
  
5. Do you feel certain questions *should* have been asked (for example, suggested by other items?) but in fact never appeared?  
(Please explain ...)
  
6. Was there any information you felt was important for us to know but were unable to report on "open-ended" questions (such as #4b, #8b, #10b or #11)?  
(Please explain ...)
  
7. If we have further questions about how you found completing the survey, may we contact you?  
(For example, phone ? ...)

THANK RESPONDENTS FOR THEIR TIME AND ASSISTANCE IN HELPING US  
IMPROVE THE SURVEY.

## Insurance Survey Primer for Staff/Facilitators/Co-trainers

### Purpose of Study

The State Legislature has asked the Office of Children and Family Services to review what types of insurance family child care providers have, including homeowners, health and liability insurance, as well as any problems they have obtaining, using and keeping that insurance. Understanding this will help the state understand whether additional resources or other changes in insurance markets are needed to help keep child care businesses and the children they serve safe when accidents, illness or other unexpected events occur.

### The Survey and Tips on Completing It

Working with providers and other experts, OCFS developed English and Spanish versions of an insurance survey of registered (or licensed) family and group family child care providers.

1. The very best preparation for assisting respondents with questions about completing the survey is simply to be familiar with the document. *Take about ten minutes to read through the survey as if you were a provider attempting to complete it.*
  2. Whether providers complete the survey themselves or someone else does so with their assistance, keeping several points in mind will help to simplify the process for everyone concerned:
    - Each survey section (Homeowner/Renter, Health, Liability) includes four groups of questions, in this order:
      - i. opening questions (*for everyone*)
      - ii. questions for households where some or all members *have* that type of insurance
      - iii. questions for households *without* (or where *some* members lack) that type of insurance
      - iv. closing questions (*for everyone*)
    - **Bolded** questions identify groups of questions (following each bolded item and preceding the next one) that either all require answers or can all be skipped, depending on the respondent and directions given within the bolded questions. For example, item #2 below flags a group of questions (2.a, 2.b, 2.c and all of their parts) to be answered only by those *with* homeowner or renter insurance:
 

**2) If *presently covered* by homeowner’s or renter’s insurance, please tell us the following (*Otherwise skip to #3*):**

When a group of questions applies to a respondent, be sure *every* question in the group is answered—that is, each item preceding the *next* bolded item (#3 in the above example).
- For questions seeking a company name or your cost, provide your best estimate rather than no answer, if possible
  - Complete as many questions as possible within a group even if unable to answer some questions
  - Note: a “rider” is an insurance policy extension affording specific additional coverage

| <b>Project Work Group Members</b> |  |   |
|-----------------------------------|--|---|
| <b>Name</b>                       | <b>Title</b>                                 | <b>Organization</b>   |
| Balogh, Laura                     | Director, Health Benefits Department         | Civil Service Employees Association (CSEA)  |
| Beller, Robin                     | Regional Manager                             | Long Island Regional Office, Div. of Child Care Services (DCCS),<br>Office of Children and Family Services (OCFS) |
| Costello, Sandra                  | Child Care Licensor                          | Buffalo Regional Office, DCCS, OCFS   |
| Deagan, Mary Ellen                | Regional Office Support                      | DCCS, OCFS  |
| Dorr, William                     | Asst. Director of Regional Operations        | DCCS, OCFS  |
| Feehan, Donna                     | Child Care Licensor                          | Long Island Regional Office, DCCS, OCFS   |
| Futia, Scott                      | Deputy Director – Local Govt./Private Sector | Health Benefits Department, CSEA  |
| Garbarino, Barbara                | Regional Child Care Registrar                | Dutchess County Development Council   |
| Glover-Cox, Barbara               | Manager                                      | Bronx Borough Office, NYC Dept. of Health and Mental Hygiene<br>(New York City Licensing)                         |
| Goldstein, Jeff                   | Organizer                                    | United Federation of Teachers (UFT), New York City  |
| Gresco, Ed                        | Statewide Organizer                          | VOICE / CSEA Family Child Care Providers Union  |
| Holt, Diann                       | Child Care Licensor                          | Buffalo Regional Office, DCCS, OCFS   |
| Jones, Gladys                     | Chapter Vice Chair                           | UFT Family Child Care Providers Union (New York City)   |
| McGarry, Kathleen                 | Child Care Licensor                          | Albany Regional Office, DCCS, OCFS  |
| Miller, Tammie                    | Chapter Chair                                | UFT Family Child Care Providers Union (New York City)   |
| Molnar, Janice                    | Deputy Commissioner                          | DCCS, OCFS  |
| Morgenstern,<br>Maurice           | Deputy Bureau Chief                          | New York State Insurance Department, Property Bureau  |
| Sebesta, Fred                     | Senior Research Support Specialist           | Professional Development Program, Research Fdn. of SUNY   |
| Stypa, Jeanette                   | Regional Child Care Registrar                | Community Child Care Clearinghouse-Niagara County   |
| Swolak, Patricia                  | Staff Attorney                               | New York State Insurance Department, Health Bureau<br>(Albany Division)   |
| Weismantel, Lynda                 | Director of Operations                       | Capital District Child Care Coordinating Council  |



New York State  
Office of  
Children & Family  
Services

[www.ocfs.state.ny.us](http://www.ocfs.state.ny.us)

David A. Paterson  
*Governor*

Gladys Carrión, Esq.  
*Commissioner*



## Commissioner's Letter to Providers (Excerpt Only)

July, 2008

Dear Colleague:

This letter contains important updates and changes. Please read each section carefully. If you have any questions, your licensur or registrar is ready to help.

**Protecting Yourself and Your Business: Insurance for Family and Group Family Child Care Providers:** The Division of Child Care Services is offering a special video conference on insurance protection on **September 8, 2008 from 6:45 PM to 9:15 PM**. This training is a great opportunity for you to learn about types of insurance options and give feedback on this important matter. We will be looking for feedback from you in the form of a survey on the types of insurance you have for your child care program including liability, health and homeowners insurance. Sign up online at <http://tsg.suny.edu/> or call SUNY at (518)443-5940.

| <b>Videoconference Participants:<br/>“Protecting Yourself and Your Business: Insurance for Family and Group Family Child Care Providers,” Sept. 8, 2008</b> |                                     |  |
|---|-------------------------------------|--|
| <b>Name</b>   | <b>Title or Role</b>                | <b>Organization</b>                                |
| <b>(Panelists or Sponsoring Organizations)</b>  |                                     |  |
| Bucciferro, Harry   |                                     | Marshall & Sterling Insurance                      |
| Carrión, Gladys, Esq.   | Commissioner                        | NYS Office of Children and Family Services (OCFS)  |
| Copeland, Tom   |                                     | Resources for Child Caring                         |
| Dinallo, Eric   | Superintendent                      | New York State Insurance Department                |
| Molnar, Janice  | Deputy Commissioner                 | DCCS, OCFS   |
| Zahn, Benita  | Moderator                           |  |
| <b>(Other Participants)</b>   |                                     |  |
| Balogh, Laura   | Dir., Health Benefits Department    | Civil Service Employees Association (CSEA)         |
| Becker Family   |                                     |  |
| Campus Children’s Center  |                                     |  |
| Clark Family  |                                     |  |
| Cormier, Gretchen   |                                     | G.G. Family Day Care                               |
| Curtis, Kathleen  |                                     | Kathy’s Family Day Care                            |
| Dutkiewicz Family   |                                     |  |
| Futia, Scott  | Dep. Dir.– Local Govt./Priv. Sector | Health Benefits Department, CSEA                   |
| Garbarino, Barbara  | Regional Child Care Registrar       | Dutchess County Development Council                |
| Goldstein, Jeff   | Organizer                           | United Federation of Teachers (UFT), New York City |
| Gresco, Ed  | Statewide Organizer                 | VOICE / CSEA Family Child Care Providers Union     |
| Hallett-Valentine, Joan   | President                           | Family Child Care Association of New York State    |
| Jones, Gladys   | Chapter Vice Chair                  | UFT Family Child Care Providers Union (NYC)        |
| Kessel, Katrina   |                                     |  |
| Linda & Roger’s Family Day Care   |                                     |  |
| Maloney Family  |                                     |  |
| McLean Family   |                                     |  |
| Meehan Family   |                                     |  |
| Miller, Tammie  | Chapter Chair                       | UFT Family Child Care Providers Union (NYC)        |

| <b>Videoconference Participants:<br/>“Protecting Yourself and Your Business: Insurance for Family and Group Family Child Care Providers,” Sept. 8, 2008</b> |                        |  |
|---|------------------------|--|
| <b>Name</b>   | <b>Title or Role</b>   | <b>Organization</b>                              |
| Panepinto Family  |                        |  |
| Robin’s Family Day Care   |                        |  |
| Rochester YMCA  |                        |  |
| Royal, Andrea   |                        | Alexandria And Akea's Playhouse Inc.             |
| Sandman, Cathey   |                        | Sandman Family Day Care                          |
| Traynor Family  |                        |  |
| Trinity Nursery School & Day Care Ctr.  |                        |  |
| Weismantel, Lynda   | Director of Operations | Capital District Child Care Coordinating Council |
| Wremblewski, Gale   |                        | Brite Beginnings                                 |
| Zwink, Joanna   |                        | Grow With Me Daycare                             |

| <b>Videoconference Production</b>  |                                  |
|--|----------------------------------|
| <b>Name</b>  | <b>Title</b>                     |
| <b>Professional Development Program, Rockefeller College,<br/>University at Albany, Department of Media Production</b> |                                  |
| Barresi, Anne  | Senior Producer                  |
| Bigg , Ronald T.   | Director and Videographer/Editor |
| Conboy, Christine  | Producer/Writer                  |
| Kirchgessner, Ed   | Videographer/Editor              |
| McLean, Everton  | Videographer/Editor              |
| O'Brien, Mike  | Videographer/Editor              |
| Meade, Dan   | Graphic Artist                   |
| Becker, Casey  | Production Assistant             |
| Poulopoulos, Christopher N.  | Production Assistant             |
| Howard, Lisa   | Narration                        |
| <b>New York Network</b>  |                                  |
| Adams, Jen   | Technical Director               |
| Minni, Paul  | Character Generator              |
| Armstrong, John  | Audio                            |
| Staples, Lori  | Teleprompter                     |
| O'Connell, J.D.  | Tape Operator                    |
| Diehl, Karl  | Cameras                          |
| Sebast, Karen  | Cameras                          |
| VanWagenen, Steve  | Cameras                          |
| Tristani, Kermith  | EIC/Master Control               |
| VanVorst, Karen  | Satellite                        |
| Graham, Elizabeth  | Stylist                          |

**From:** (OCFS)  
**Sent:** Monday, September 15, 2008 9:30 AM  
**Subject:** Survey of Family Child Care Providers' Insurance

Notice to CCR&R's

Dear Colleague:

As you may know, last year New York's Legislature requested that OCFS conduct a study of family-based child care providers' insurance status. Following up on the request, just last week OCFS sponsored a statewide videoconference for *registered and licenced family and group family* child care providers, titled, "Protecting Yourself and Your Business: Insurance for Family and Group Family Child Care Providers." Well over a thousand providers attended the training where they also completed a survey telling us about their own insurance situations.

*We would like to ask your assistance in making our survey available to these same types of providers in your area who may visit your facility during the next week either to request the survey or for other purposes. If feasible, this would involve the following:*

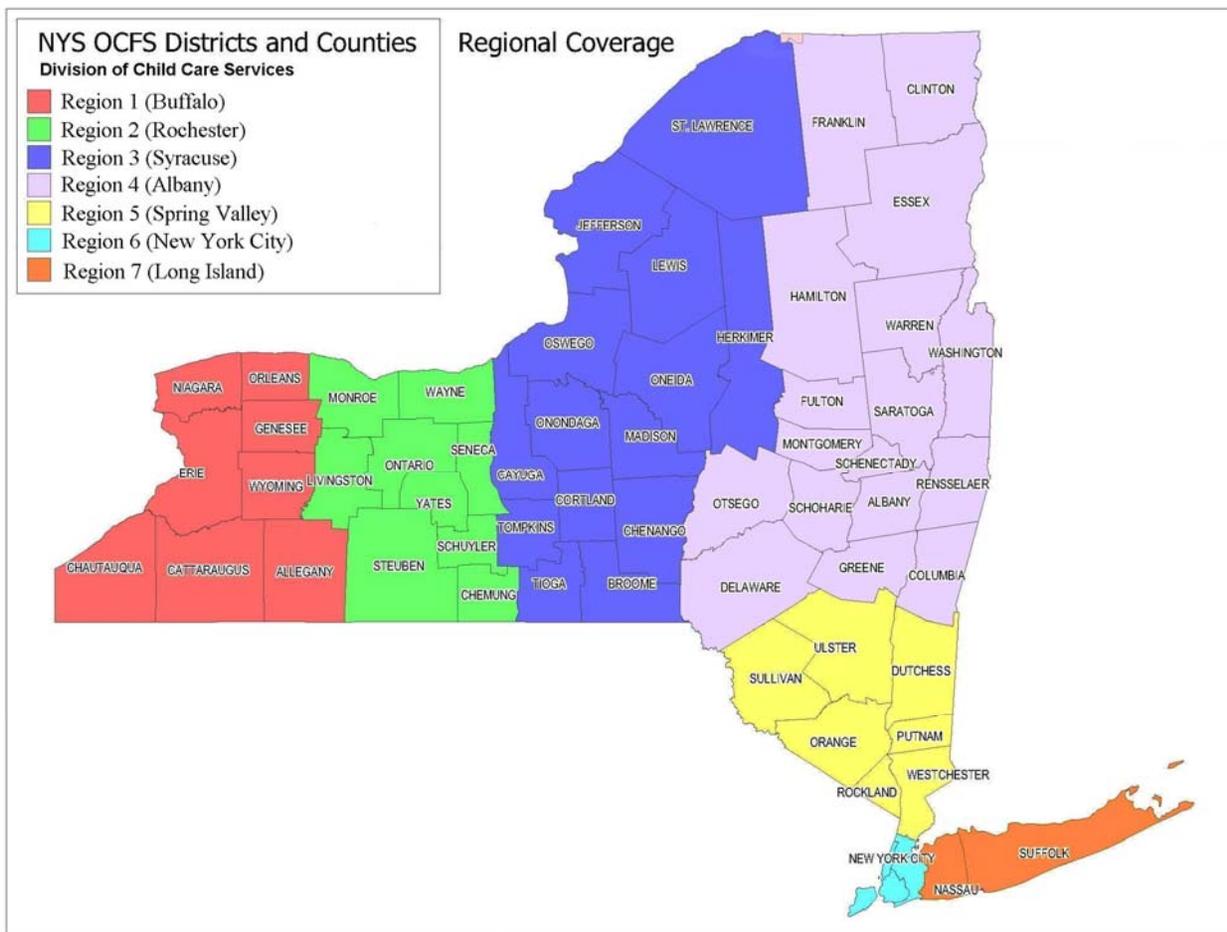
- print a small supply of the English and/or Spanish versions of the survey (SEE ATTACHED), depending on which of these you deem useful; (PLEASE USE SINGLE-SIDED COPIES ON WHITE PAPER);
- make the survey available to those looking for or receptive to completing it (WHO HAVEN'T ALREADY DONE SO);
- have the survey completed to the best of people's ability (E.G., ESTIMATE POLICY COSTS IF UNSURE, RATHER THAN LEAVING BLANK);
- gather all completed surveys together for a single mailing from your location to ours (BUT NOT LATER THAN EARLY THE WEEK BEGINNING SEPTEMBER 22), as follows:

NYS OCFS  
Division of Child Care Services  
52 Washington St.  
Room 309 South  
Rensselaer, NY 12144  
Attn: Fred Sebesta

We apologize for the short time frame available for this. Nevertheless, with your assistance, we hope to be able to reach a good number of additional providers around the state whose experiences would not have been reflected in the study, otherwise. Thank you in advance for your willingness to help us explore this important topic. (Feel free to contact us with any questions you have.)

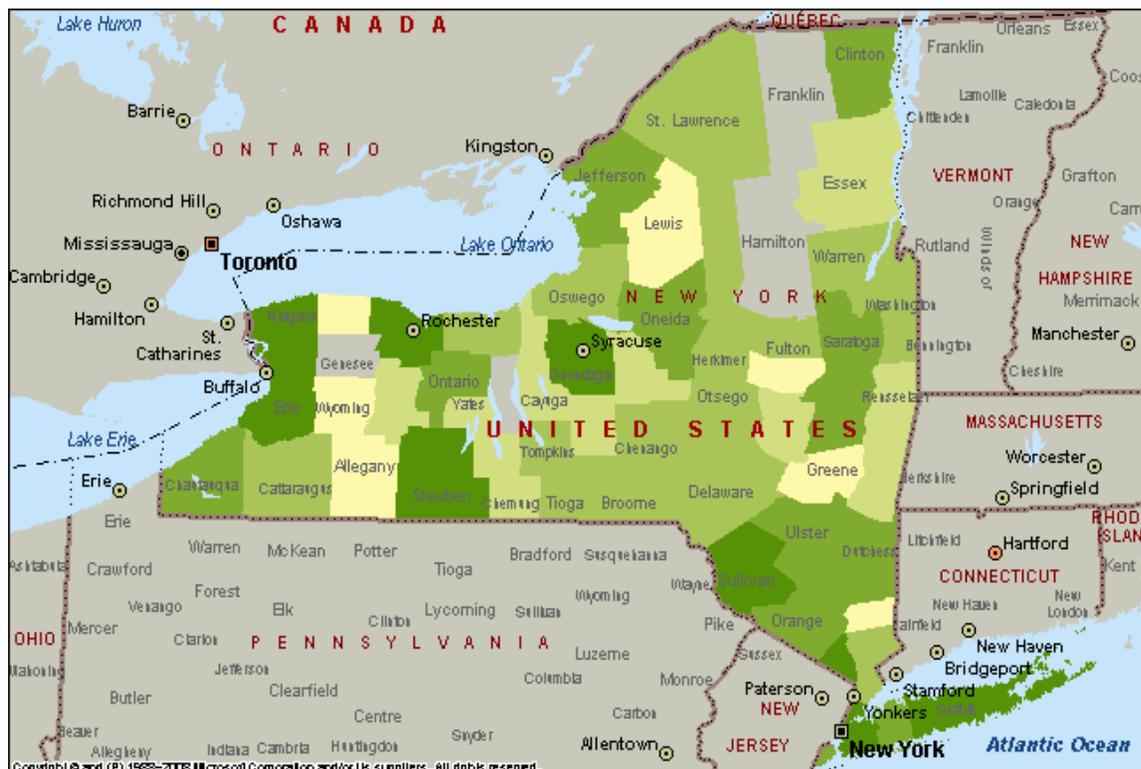
Regards,

### OCFS Division of Child Care Services Regions and Constituent Counties



| DCCS Regions / Counties     |                         |
|-----------------------------|-------------------------|
| <b>Albany Region</b>        | <b>Rochester Region</b> |
| Albany                      | Chemung                 |
| Clinton                     | Livingston              |
| Columbia                    | Monroe                  |
| Delaware                    | Ontario                 |
| Essex                       | Schuyler                |
| Franklin                    | Seneca                  |
| Fulton                      | Steuben                 |
| Greene                      | Wayne                   |
| Hamilton                    | Yates                   |
| Montgomery                  | <b>Westchester-</b>     |
| Otsego                      | <b>Lower-Hudson*</b>    |
| Rensselaer                  | Dutchess                |
| Saratoga                    | Orange                  |
| Schenectady                 | Putnam                  |
| Schoharie                   | Rockland                |
| Warren                      | Sullivan                |
| Washington                  | Ulster                  |
| <b>Buffalo Region</b>       | Westchester             |
| Allegany                    | <b>Syracuse Region</b>  |
| Cattaraugus                 | Broome                  |
| Chautauqua                  | Cayuga                  |
| Erie                        | Chenango                |
| Genesee                     | Cortland                |
| Niagara                     | Herkimer                |
| Orleans                     | Jefferson               |
| Wyoming                     | Lewis                   |
| <b>Long Island Region</b>   | Madison                 |
| Nassau                      | Oneida                  |
| Suffolk                     | Onondaga                |
| <b>New York City Region</b> | Oswego                  |
| Bronx                       | St. Lawrence            |
| Kings                       | Tioga                   |
| New York                    | Tompkins                |
| Queens                      | * Also known as         |
| Richmond                    | DCCS Spring Valley      |
|                             | Region                  |

### Respondents By County



| County         | Surveys (n) | County         | Surveys (n) |
|----------------|-------------|----------------|-------------|
| (Unidentified) | 8           | ONEIDA         | 16          |
| ALBANY         | 19          | ONONDAGA       | 27          |
| ALLEGANY       | 2           | ONTARIO        | 18          |
| BRONX          | 130         | ORANGE         | 18          |
| BROOME         | 9           | ORLEANS        | 2           |
| CATTARAUGUS    | 6           | OSWEGO         | 8           |
| CAYUGA         | 3           | OTSEGO         | 6           |
| CHAUTAUQUA     | 16          | PUTNAM         | 2           |
| CHEMUNG        | 5           | QUEENS         | 84          |
| CHENANGO       | 8           | RENSSELAER     | 4           |
| CLINTON        | 19          | RICHMOND       | 13          |
| COLUMBIA       | 3           | ROCKLAND       | 23          |
| CORTLAND       | 3           | SAINT LAWRENCE | 9           |
| DELAWARE       | 7           | SARATOGA       | 20          |
| DUTCHESS       | 14          | SCHENECTADY    | 13          |
| ERIE           | 28          | SCHOHARIE      | 5           |
| ESSEX          | 5           | SCHUYLER       | 4           |
| FULTON         | 6           | STEUBEN        | 25          |
| GREENE         | 1           | SUFFOLK        | 36          |
| HERKIMER       | 10          | SULLIVAN       | 21          |
| JEFFERSON      | 13          | TIOGA          | 11          |
| KINGS          | 112         | TOMPKINS       | 6           |
| LEWIS          | 2           | ULSTER         | 12          |
| LIVINGSTON     | 3           | WARREN         | 8           |
| MADISON        | 3           | WASHINGTON     | 6           |
| MONROE         | 36          | WAYNE          | 8           |
| MONTGOMERY     | 1           | WESTCHESTER    | 8           |
| NASSAU         | 16          | WYOMING        | 2           |
| NEW YORK       | 41          | YATES          | 3           |
| NIAGARA        | 31          | <b>Total</b>   | <b>978</b>  |

### Technical Sampling Note: Calculation of Required Sample Sizes

This note illustrates how sample size requirements for the study were identified for *each group or population of interest* for which separate estimates were required. (Note that if *separate* estimates of the percentage of providers who are insured were required for males and females, adequate samples would have been required for *each* group, whereas if only an overall estimate is required, only a single sample—sized according to the combined male/female population—would have been required.) Whatever other comparisons were desirable, this study assumed that having valid estimates for each region—New York City and the Balance of the state—was essential, making the identification of specific sample size requirements for each area necessary.

- 1) The total universes—the populations about which inferences are sought from the sample to be drawn—were set equal to the combined family child care providers (FDC + GFDC) in the respective parts of the state: 6,438 for New York City and 7,178 for the balance of the state as of March, 2008.<sup>104</sup>
- 2) For models predicting outcomes such as “has insurance” or “doesn’t have insurance,” the outcome to be predicted can be seen as a dichotomous (0,1) variable. For each group or population of interest, one seeks to estimate the mean of this (0,1) distribution, or to continue the present example, *the proportion of the population* for which “has insurance” applies. The determination of the required sample size for each area of the state required, first, estimation of a quantity known as the standard error of a proportion,  $s_p$ :

$$s_p = \sqrt{(p(1-p))/(n-1)}$$

where  $p$  is the proportion of a sample displaying some characteristic (say, “insured”) and  $n$  is the sample size.

- 3) To obtain results accurate to within a confidence interval of +/- 5% ( $e = .05$ ), with 95% confidence—the standard used for this study—required:

$$e = 1.96 \sqrt{s_p (1 - (n/N))}$$

$$= 1.96 \sqrt{[(p(1-p))/n](1 - (n/N))}$$

(correcting for “sampling without replacement,” where  $N$  is the population size of interest and other factors are defined as above).

- 4) Assuming the most conservative case of maximum variance ( $p=.5$ ),

$$e = 1.96 \sqrt{(.25/n)(1-(n/N))} \quad , \text{ So:}$$

$$n = N/[1 + (1.041 e^2 N)]$$

(a computational formula for this scenario)

<sup>104</sup> Note that Table 1, Regulated Child Care Homes (Introduction and Background section) reflects updated data making almost no difference in required sample sizes, compared with use of the prior year population sizes. (Using the later numbers yielded no change for the Balance of State sample versus a difference of only +1 for the New York City sample.)

- 5) Where N's = 6,438 (New York City) and 7,178 (Balance of State), respectively, the required sample sizes were:

$$n = 6,438 / (1 + (1.041 * (.05)^2 * 6,438)) = 6,438 / 17.75 = \mathbf{363 \text{ (NYC)}}$$

$$n = 7,178 / (1 + (1.041 * (.05)^2 * 7,178)) = 7,178 / 19.58 = \mathbf{365 \text{ (Bal. of State)}}$$

$$n = 363 + 365 = \mathbf{728 \text{ (Total Sample)}}$$

- 6) **For universes of the sizes here, then, using samples of size  $n = 363$  (New York City) or  $n = 365$  (Balance of State) should yield estimates accurate to within +/- 5% of the “true” proportion sought in the respective populations, with 95% confidence.**

### Rural/Urban and Geographic Classification

Throughout the study, rural/urban classification was based on a zip code approximation of a Census tract-based classification scheme developed at six research centers operating under the Federal Office of Rural Health Policy. (See *Rural-Urban Commuting Area (RUCA)* codes, version 1.1, Categorization C, described at <http://depts.washington.edu/uwruca/about.html> and [http://depts.washington.edu/uwruca/ruca1/use\\_healthcare.html](http://depts.washington.edu/uwruca/ruca1/use_healthcare.html).) Using this “sub county” measure of urban and rural characteristics was believed potentially more useful than measures classing entire counties as either rural or urban.

Since the survey instrument requested both county and zip code information, a file intended to represent all possible legitimate zip codes within each county of the state was initially set up with the assistance of online resources (e.g., [www.melissadata.com](http://www.melissadata.com)), including separate records for those zip codes appearing in more than one county. Based on a manual inspection of the data, this allowed corrections of both county and zip code reporting when, e.g., zip codes were transposed or counties were omitted or misspelled, yielding almost complete data on respondents’ counties and extensive if somewhat less complete data on their zip codes. Eventually, only six of 954 respondents appearing in the analysis were unable to be placed within a county and 31 (3%) unable to be classified as rural or urban due to missing zip code information.

| Most Frequently Identified Insurance Carriers Among Respondents Reporting Insurance or Deemed Insured, by Type of Insurance* |            |              |
|--|------------|--------------|
| Name of Carrier  | N          | %            |
| Homeowner/Renter Insurance   |            |              |
| Allstate   | 130        | 19.3         |
| Unspecified  | 93         | 13.8         |
| State Farm   | 85         | 12.6         |
| Nationwide   | 29         | 4.3          |
| Travelers Insurance  | 27         | 4.0          |
| New York Central Mutual  | 26         | 3.9          |
| Liberty Mutual   | 24         | 3.6          |
| Marshall & Sterling  | 15         | 2.2          |
| Thomco   | 11         | 1.6          |
| Erie Insurance   | 10         | 1.5          |
| <b>Subtotal</b>  | <b>450</b> | <b>66.8</b>  |
| <b>Total Insured (Homeowner or Renters)</b>  | <b>674</b> | <b>100.0</b> |
| Health Insurance (Respondent Coverage)   |            |              |
| Unspecified  | 202        | 26.3         |
| Blue Cross Blue Shield (various)   | 150        | 19.5         |
| HIP (various)  | 43         | 5.6          |
| CDPHP  | 33         | 4.3          |
| GHI (various)  | 32         | 4.2          |
| Aetna  | 27         | 3.5          |
| Medicaid (various)   | 21         | 2.7          |
| MVP (various)  | 20         | 2.6          |
| Medicare (various)   | 16         | 2.1          |
| <b>Subtotal</b>  | <b>544</b> | <b>70.7</b>  |
| <b>Total Respondents Insured (Health)</b>  | <b>769</b> | <b>100.0</b> |
| Business Liability Insurance   |            |              |
| Unspecified  | 52         | 21.3         |
| Thomco/American Federation of Daily Care Services  | 45         | 18.4         |
| Marshall & Sterling  | 36         | 14.8         |
| New England Insurance Services (NEIS) / Child, Inc.  | 20         | 8.2          |
| Allstate   | 14         | 5.7          |
| State Farm   | 7          | 2.9          |
| Keller Insurance Services  | 5          | 2.0          |
| <b>Subtotal</b>  | <b>179</b> | <b>73.4</b>  |
| <b>Total Insured (Business Liability)</b>  | <b>244</b> | <b>100.0</b> |

\* All tallies throughout this review, whenever possible, reflect 'cleaned' survey entries that may differ from respondents' original reporting, as noted in the discussion. In some circumstances, e.g., check-box contents were imputed, such as when insurer information was reported but a box remained unchecked. Throughout the report, the language, "deemed," references these operations.

| Percent of Respondents Reporting Homeowner/Renter Insurance Coverage,<br>by DCCS Regional Office and Modality of Care |              |  |      |         |       |   |      |       |       |
|---|--------------|--|------|---------|-------|---|------|-------|-------|
| Regional<br>Office  | Modality     | Respondents ( <i>% of responding</i> ) |      |         |       | No<br>Response<br>( <i>% of<br/>Total</i> ) |      | Total |       |
|   |              | Not Insured                            |      | Insured |       | N   | %    | N     | %     |
|   |              | N                                      | %    | N       | %     |   |      |       |       |
| Albany  | FDC          | 3                                      | 5.2  | 55      | 94.8  | 1   | 1.7  | 59    | 100.0 |
|   | GFDC         | 7                                      | 13.5 | 45      | 86.5  | 3   | 5.5  | 55    | 100.0 |
|   | Total*       | 10                                     | 8.5  | 108     | 91.5  | 4   | 3.3  | 122   | 100.0 |
| Buffalo   | FDC          | 6                                      | 14.3 | 36      | 85.7  | 0   | 0.0  | 42    | 100.0 |
|   | GFDC         | 1                                      | 2.6  | 38      | 97.4  | 2   | 4.9  | 41    | 100.0 |
|   | Total        | 7                                      | 8.3  | 77      | 91.7  | 2   | 2.3  | 86    | 100.0 |
| Long Island   | FDC          | 2                                      | 14.3 | 12      | 85.7  | 0   | 0    | 14    | 100.0 |
|   | GFDC         | 1                                      | 3.4  | 28      | 96.6  | 0   | 0    | 29    | 100.0 |
|   | Total        | 3                                      | 6.4  | 44      | 93.6  | 0   | 0    | 47    | 100.0 |
| NYC**   | FDC          | 92                                     | 70.8 | 38      | 29.2  | 30  | 18.8 | 160   | 100.0 |
|   | GFDC         | 67                                     | 39.9 | 101     | 60.1  | 26  | 13.4 | 194   | 100.0 |
|   | Total        | 161                                    | 51.6 | 151     | 48.4  | 58  | 15.7 | 370   | 100.0 |
| Rochester***  | FDC          | 2                                      | 3.4  | 56      | 96.6  | 0   | 0.0  | 58    | 100.0 |
|   | GFDC         | 4                                      | 11.4 | 31      | 88.6  | 1   | 2.8  | 36    | 100.0 |
|   | Total        | 9                                      | 8.9  | 92      | 91.1  | 1   | 1.0  | 102   | 100.0 |
| Spring Valley   | FDC          | 6                                      | 12.0 | 44      | 88.0  | 1   | 2.0  | 51    | 100.0 |
|   | GFDC         | 0                                      | 0.0  | 38      | 100.0 | 2   | 5.0  | 40    | 100.0 |
|   | Total        | 7                                      | 7.5  | 86      | 92.5  | 4   | 4.1  | 97    | 100.0 |
| Syracuse  | FDC          | 4                                      | 5.1  | 74      | 94.9  | 1   | 1.3  | 79    | 100.0 |
|   | GFDC         | 6                                      | 14.3 | 36      | 85.7  | 1   | 2.3  | 43    | 100.0 |
|   | Total        | 10                                     | 8.2  | 112     | 91.8  | 2   | 1.6  | 124   | 100.0 |
| Undetermined  | FDC          | 0                                      | 0    | 0       | 0     | 0   | 0    | 0     | 100.0 |
|   | GFDC         | 0                                      | 0    | 0       | 0     | 0   | 0    | 0     | 100.0 |
|   | Total        | 2                                      | 33.3 | 4       | 66.7  | 0   | 0    | 6     | 100.0 |
| Total Sample  | FDC          | 115                                    | 26.7 | 315     | 73.3  | 33  | 7.1  | 463   | 100.0 |
|   | GFDC         | 86                                     | 21.3 | 317     | 78.7  | 35  | 8.0  | 438   | 100.0 |
|   | Not reported | 8                                      | 16.0 | 42      | 84.0  | 3   | 5.7  | 53    | 100.0 |
|   | Total        | 209                                    | 23.7 | 674     | 76.3  | 71  | 7.4  | 954   | 100.0 |

\* Regional totals include small numbers of respondents unable to be categorized by modality

\*\* Difference of proportions significant at  $p < .001$

\*\*\* Difference of proportions significant at  $p < .05$

Other differences of proportions shown were not significant at  $p < .05$ .

| Percent of Respondents Reporting Homeowner/Renter Insurance Coverage:<br>Summaries for Selected Samples, with Number and Percent of Relevant Samples Providing Data |                               |      |         |      |                    |       |                          |      |       |       |
|---|-------------------------------|------|---------|------|--------------------|-------|--------------------------|------|-------|-------|
| Sample  | Respondents (% of responding) |      |         |      |                    |       | No Response (% of Total) |      | Total |       |
|   | Not Insured                   |      | Insured |      | Total (% of Total) |       |                          |      |       |       |
|   | N                             | %    | N       | %    | N                  | %     | N                        | %    | N     | %     |
| Total Sample  | 209                           | 23.7 | 674     | 76.3 | 883                | 92.6  | 71                       | 7.4  | 954   | 100.0 |
| By Modality of Care   |                               |      |         |      |                    |       |                          |      |       |       |
| FDC   | 115                           | 26.7 | 315     | 73.3 | 430                | 92.9  | 33                       | 7.1  | 463   | 100.0 |
| GFDC  | 86                            | 21.3 | 317     | 78.7 | 403                | 92.0  | 35                       | 8.0  | 438   | 100.0 |
| By Rural/Urban Designation*   |                               |      |         |      |                    |       |                          |      |       |       |
| Rural   | 16                            | 7.8  | 189     | 92.2 | 205                | 99.0  | 2                        | 1.0  | 207   | 100.0 |
| Urban   | 183                           | 28.0 | 470     | 72.0 | 653                | 91.2  | 63                       | 8.8  | 716   | 100.0 |
| By State Region*  |                               |      |         |      |                    |       |                          |      |       |       |
| NYC   | 161                           | 51.6 | 151     | 48.4 | 312                | 84.3  | 58                       | 15.7 | 370   | 100.0 |
| Balance of State  | 46                            | 8.1  | 519     | 91.9 | 565                | 97.8  | 13                       | 2.2  | 578   | 100.0 |
| By DCCS Region@   |                               |      |         |      |                    |       |                          |      |       |       |
| Albany  | 10                            | 8.5  | 108     | 91.5 | 118                | 96.7  | 4                        | 3.3  | 122   | 100.0 |
| Buffalo   | 7                             | 8.3  | 77      | 91.7 | 84                 | 97.7  | 2                        | 2.3  | 86    | 100.0 |
| Long Island   | 3                             | 6.4  | 44      | 93.6 | 47                 | 100.0 | 0                        | 0.0  | 47    | 100.0 |
| NYC   | 161                           | 51.6 | 151     | 48.4 | 312                | 84.3  | 58                       | 15.7 | 370   | 100.0 |
| Rochester   | 9                             | 8.9  | 92      | 91.1 | 101                | 99.0  | 1                        | 1.0  | 102   | 100.0 |
| Spring Valley   | 7                             | 7.5  | 86      | 92.5 | 93                 | 95.9  | 4                        | 4.1  | 97    | 100.0 |
| Syracuse  | 10                            | 8.2  | 112     | 91.8 | 122                | 98.4  | 2                        | 1.6  | 124   | 100.0 |
| By Respondent Housing Status*   |                               |      |         |      |                    |       |                          |      |       |       |
| Owners  | 19                            | 3.0  | 608     | 97.0 | 627                | 98.0  | 13                       | 2.0  | 640   | 100.0 |
| Renters   | 190                           | 87.6 | 27      | 12.4 | 217                | 91.2  | 21                       | 8.8  | 238   | 100.0 |

Total Sample' N's typically include small numbers of respondents unable to be categorized on other fields (e.g., modality) and thus exceed the sums of corresponding sub-sample N's shown.

\* Differences of proportions insured by rural/urban designation, state region and housing status significant (p. = .001 level).

@ Test of equality of proportions across DCCS regions significant (p. = .001 level).

Other differences of proportions shown not significant (p. = .05 level).

| Percent of Insured Respondents Reporting Child Care Liability "Rider" on Homeowner/Renter Policy:<br>Summaries for Selected Samples, with Number and Percent of Relevant Samples Providing Data |  |      |       |      |                             |      |                                      |      |       |       |
|---|--|------|-------|------|-----------------------------|------|--------------------------------------|------|-------|-------|
| Sample  | Respondents ( <i>% of responding</i> ) |      |       |      |                             |      | No Response<br>( <i>% of Total</i> ) |      | Total |       |
|   | No Rider                               |      | Rider |      | Total ( <i>% of Total</i> ) |      |                                      |      |       |       |
|   | N                                      | %    | N     | %    | N                           | %    | N                                    | %    | N     | %     |
| Total Sample  | 387                                    | 67.3 | 188   | 32.7 | 575                         | 85.3 | 99                                   | 14.7 | 674   | 100.0 |
| By Modality of Care*  |  |      |       |      |                             |      |                                      |      |       |       |
| FDC   | 166                                    | 59.7 | 112   | 40.3 | 278                         | 88.3 | 37                                   | 11.7 | 315   | 100.0 |
| GFDC  | 201                                    | 75.0 | 67    | 25.0 | 268                         | 84.5 | 49                                   | 15.5 | 317   | 100.0 |
| By Rural/Urban Designation  |  |      |       |      |                             |      |                                      |      |       |       |
| Rural   | 103                                    | 63.6 | 59    | 36.4 | 162                         | 85.7 | 27                                   | 14.3 | 189   | 100.0 |
| Urban   | 277                                    | 69.4 | 122   | 30.6 | 399                         | 84.9 | 71                                   | 15.1 | 470   | 100.0 |
| By State Region*  |  |      |       |      |                             |      |                                      |      |       |       |
| NYC   | 100                                    | 84.7 | 18    | 15.3 | 118                         | 78.1 | 33                                   | 21.9 | 151   | 100.0 |
| Balance of State  | 284                                    | 62.7 | 169   | 37.3 | 453                         | 87.3 | 66                                   | 12.7 | 519   | 100.0 |
| By DCCS Region@   |  |      |       |      |                             |      |                                      |      |       |       |
| Albany  | 65                                     | 67.0 | 32    | 33.0 | 97                          | 89.8 | 11                                   | 10.2 | 108   | 100.0 |
| Buffalo   | 42                                     | 60.9 | 27    | 39.1 | 69                          | 89.6 | 8                                    | 10.4 | 77    | 100.0 |
| Long Island   | 31                                     | 91.2 | 3     | 8.8  | 34                          | 77.3 | 10                                   | 22.7 | 44    | 100.0 |
| NYC   | 100                                    | 84.7 | 18    | 15.3 | 118                         | 78.1 | 33                                   | 21.9 | 151   | 100.0 |
| Rochester   | 43                                     | 54.4 | 36    | 45.6 | 79                          | 85.9 | 13                                   | 14.1 | 92    | 100.0 |
| Spring Valley   | 49                                     | 67.1 | 24    | 32.9 | 73                          | 84.9 | 13                                   | 15.1 | 86    | 100.0 |
| Syracuse  | 54                                     | 53.5 | 47    | 46.5 | 101                         | 90.2 | 11                                   | 9.8  | 112   | 100.0 |
| By Respondent Housing Status  |  |      |       |      |                             |      |                                      |      |       |       |
| Owners  | 352                                    | 66.9 | 174   | 33.1 | 526                         | 86.5 | 82                                   | 13.5 | 608   | 100.0 |
| Renters   | 14                                     | 70.0 | 6     | 30.0 | 20                          | 74.1 | 7                                    | 25.9 | 27    | 100.0 |

Total Sample' N's typically include small numbers of respondents unable to be categorized on other fields (e.g., modality) and thus exceed the sums of corresponding sub-sample N's shown.

\* Differences of proportions insured by modality and state region significant (p. = .001 level).

@ Test of equality of proportions across DCCS regions significant (p. = .001 level).

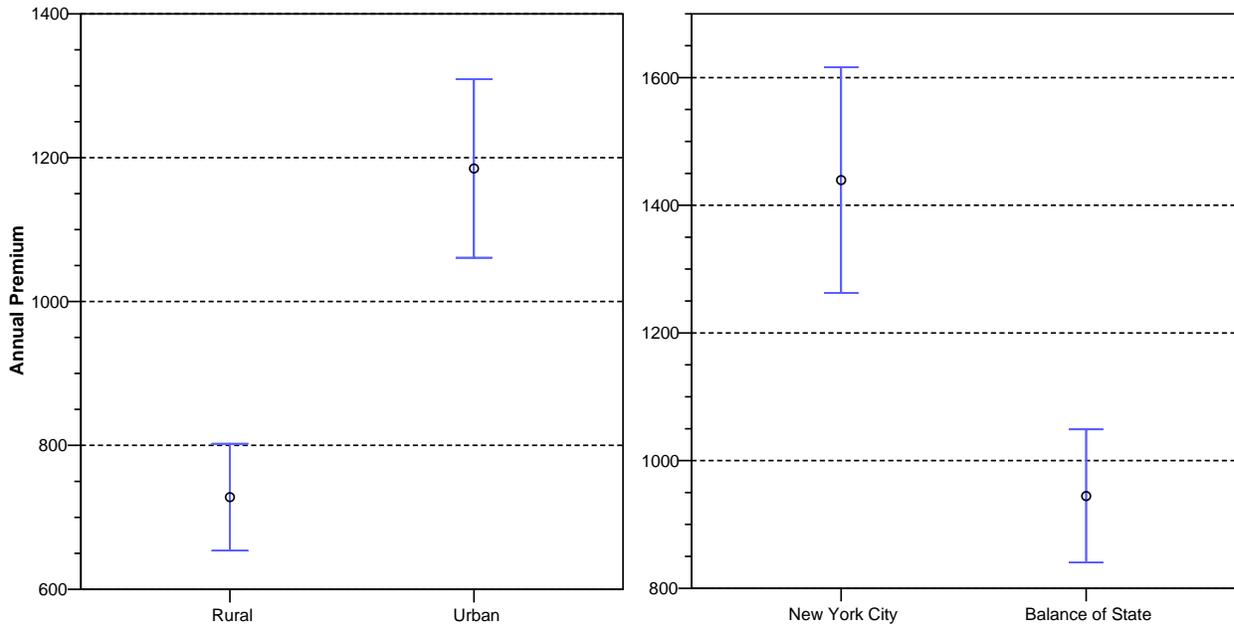
Other differences of proportions shown not significant (p. = .05 level).

| Total Annual Homeowner or Renter Insurance Premiums ( <i>including Rider</i> ):<br>Summaries and Tests of Differences Among Selected Groups of Insured Respondents |       |  |        |         |         |     |
|--|-------|--|--------|---------|---------|-----|
| Sample   | Mean  | 95% Confidence Interval<br>for Mean (std. error) | Median | Minimum | Maximum | N   |
| <b>Total Sample</b>  |       |  |        |         |         |     |
| Total  | 1,051 | 960 - 1142 (46)                                  | 790    | 85      | 15,600  | 489 |
| <b>By Modality of Care*</b>  |       |  |        |         |         |     |
| FDC  | 848   | 769 - 926 (40)                                   | 700    | 85      | 3,600   | 226 |
| GFDC   | 1,234 | 1067 - 1401 (85)                                 | 860    | 93      | 15,600  | 238 |
| <b>By Rural/Urban Designation*</b>   |       |  |        |         |         |     |
| Rural  | 728   | 654 - 802 (38)                                   | 610    | 85      | 3,000   | 135 |
| Urban  | 1,185 | 1061 - 1309 (63)                                 | 900    | 93      | 15,600  | 343 |
| <b>By State Region*</b>  |       |  |        |         |         |     |
| New York City  | 1,439 | 1262 - 1616 (89)                                 | 1,300  | 100     | 4,900   | 105 |
| Balance of State   | 945   | 840 - 1049 (53)                                  | 700    | 85      | 15,600  | 381 |
| <b>By DCCS Region@</b>   |       |  |        |         |         |     |
| Albany   | 728   | 640 - 816 (44)                                   | 647    | 100     | 3,000   | 77  |
| Buffalo  | 820   | 639 - 1002 (91)                                  | 608    | 300     | 4,800   | 60  |
| Long Island  | 1,327 | 1095 - 1559 (114)                                | 1,044  | 180     | 3,000   | 34  |
| New York City  | 1,439 | 1262 - 1616 (89)                                 | 1,300  | 100     | 4,900   | 105 |
| Rochester  | 872   | 663 - 1081 (105)                                 | 650    | 85      | 3,600   | 61  |
| Spring Valley  | 1,480 | 938 - 2021 (270)                                 | 1,000  | 130     | 15,600  | 57  |
| Syracuse   | 782   | 627 - 937 (78)                                   | 593    | 93      | 6,000   | 92  |

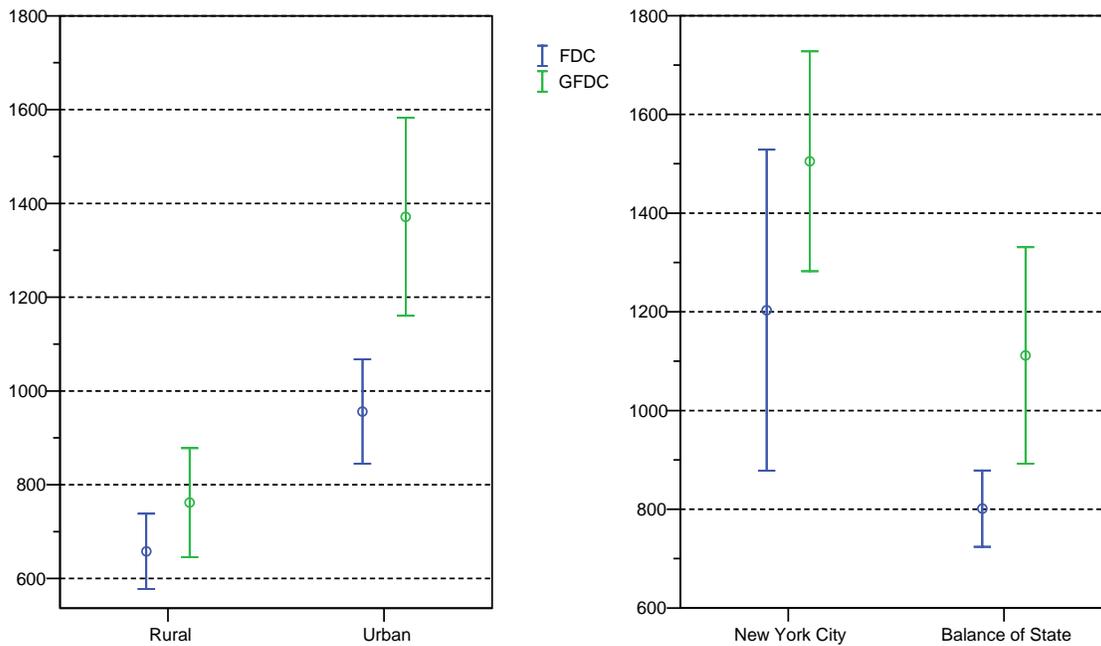
\* Differences of mean premiums by modality, by rural/urban designation and by state region significant (p = .001 level).

@ Test of equality of mean premiums across DCCS regions significant (p = .001 level).

**95% Confidence Intervals for Estimated Mean Annual Premiums**



**95% Confidence Intervals for Estimated Mean Annual Premiums**



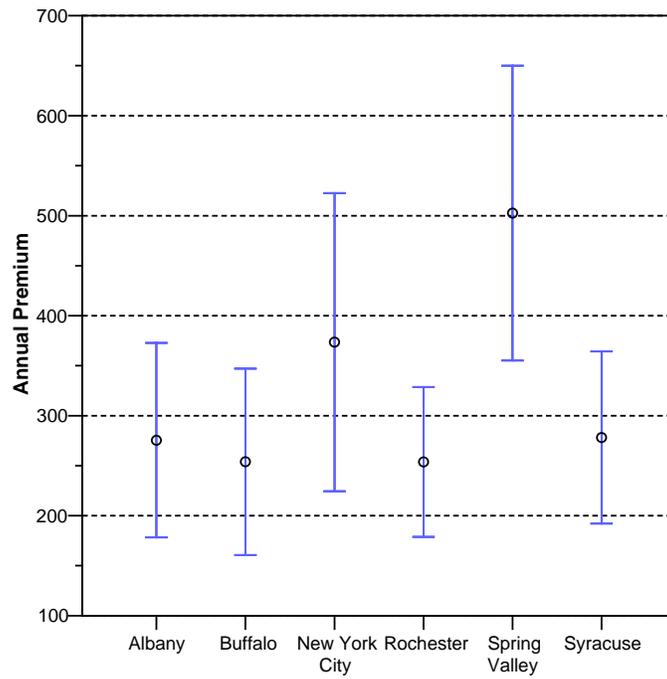
| Total Annual Liability Rider Portion of Homeowner/Renter Insurance Premiums:<br>Summaries and Tests of Differences Among Selected Groups of Insured Respondents Reporting Rider |      |  |        |         |         |     |
|---|------|--|--------|---------|---------|-----|
| Sample  | Mean | 95% Confidence Interval for<br>Mean (std. error) | Median | Minimum | Maximum | N   |
| <b>Total Sample</b>   |      |  |        |         |         |     |
| Total   | 306  | 264 - 348 (21)                                   | 245    | 0       | 1,000   | 120 |
| <b>By Modality of Care*</b>   |      |  |        |         |         |     |
| FDC   | 272  | 227 - 317 (22)                                   | 200    | 0       | 905     | 72  |
| GFDC  | 372  | 283 - 462 (44)                                   | 300    | 31      | 1,000   | 42  |
| <b>By Rural/Urban Designation</b>   |      |  |        |         |         |     |
| Rural   | 333  | 241 - 425 (45)                                   | 200    | 0       | 1,000   | 39  |
| Urban   | 288  | 242 - 334 (23)                                   | 240    | 40      | 905     | 79  |
| <b>By State Region</b>  |      |  |        |         |         |     |
| New York City   | 374  | 225 - 523 (68)                                   | 418    | 40      | 800     | 12  |
| Balance of State  | 298  | 254 - 343 (22)                                   | 200    | 0       | 1,000   | 108 |
| <b>By DCCS Region@</b>  |      |  |        |         |         |     |
| Albany  | 275  | 178 - 373 (46)                                   | 200    | 0       | 725     | 19  |
| Buffalo   | 254  | 161 - 347 (44)                                   | 200    | 31      | 600     | 17  |
| Long Island   | -    | -  | -      | -       | -       | 0   |
| New York City   | 374  | 225 - 523 (68)                                   | 418    | 40      | 800     | 12  |
| Rochester   | 254  | 179 - 329 (36)                                   | 220    | 50      | 600     | 20  |
| Spring Valley   | 503  | 355 - 650 (68)                                   | 450    | 97      | 1,000   | 14  |
| Syracuse  | 278  | 192 - 364 (42)                                   | 151    | 47      | 986     | 38  |

\* Difference of mean premiums by modality significant (p = .05 level).

@ Test of equality of mean premiums across DCCS regions significant (p = .01 level).

Differences of mean premiums by rural/urban designation and by state region *not* significant (p = .05 level).

**95% Confidence Intervals for Estimated Mean Annual Liability Rider Premiums**



## Grounds for Dissatisfaction Reported by Uninsured and Insured (Listings)

### Uninsured, unsatisfied ...

| Case | HO/R Ins factor 1 (q4b1)  | HO/R Ins factor 2 (q4b2)   | HO/R Ins factor 3 (q4b3)                   |
|------|---|--|--|
| 1    | IM NOT COVERED, BUT I WANT TO BE AND DONT KNOW HOW TO GET INSURANCE   | I LOOKED BRIEFLY BUT THE LACK OF INFO DISCOURAGED ME             | I ASSUME ITS TOO EXPENSIVE AND UNNECESSARY |
| 2    | POSSIBLE LOSS AND NO REIMBURSEMENT  |  |  |
| 5    | WANT PROTECTION IN CASE SOMETHING HAPPENS   | LANDLORD HOLD EXTRA INSURANCE FOR MY DAY CARE                    | COST TOO EXPENSIVE                         |
| 8    | FEEL THAT IT WOULD BETTER OFF TO HAVE INSURANCE   |  |  |
| 9    | SOMEWHAT UNSATISFIED THAT I'M STILL LOOKING   | VERY UNSATISFIED FOR INSURANCE                                   |  |
| 11   | THERE ISNT UNIVERSAL RENTERS INS W/IN MY FINANCIAL  |  |  |
| 14   | I WOULD LIKE INSURANCE  |  |  |
| 16   | DOES NOT COVER ITEMS I FEEL IMPORTANT   | WANT TO CHARGE A HIGHER RATE TO COVER BUSINESS                   |  |
| 19   | LOW COST  | GOOD INSURANCE   |  |
| 20   | NOT ENOUGH INFORMATION  | COST   |  |
| 21   | HAVE TO CONTACT THE HOMEOWNERS IF EVERY TIME SOMETHING NEEDS TO BE REPORTED   |  |  |
| 25   | TOO EXPENSIVE   | NO COVERAGE FOR MY SPECIFIC NEEDS                                |  |
| 26   | AFFORDABILITY   |  |  |
| 27   | AFFORDABILITY   | COVERAGE   |  |
| 29   | NOT AFFORDABLE  | AFFORDABLE WITH A GOOD DEDUCTABLE                                |  |
| 36   | I am not paid enough by my clients to be able to afford day care insurance on top of my other expenses, i.e., renter's insurance. | It is unfair to penalize individuals who own certain breed dogs. |  |

### Insured, unsatisfied:

| Case | HO/R Ins factor 1 (q4b1)  | HO/R Ins factor 2 (q4b2)   | HO/R Ins factor 3 (q4b3)                            |
|------|---|--|---|
| 1    | not sure how good insurance would actually be   | because of blur as to what might be personal   | responsibility or business liability                |
| 2    | I NEED MORE COVERAGE FOR MY DAYCARE   | I need TO be able to afford inSURANCE  |   |
| 3    | THEY ONLY WANT TO COVER SIX KIDS  |  |   |
| 4    | WILL ONLY COVER UP TO 6 CHILDREN AT MY HOUSE  | ILL UNWILLING TO GIVE ACCURATE QUOTE.  |   |
| 8    | IM SOME WHAT UNSATISFIED BECAUSE IF MY HOME OWNERS INS COMPANY FINDS OUT THAT I HAVE A DAY CARE THEY WILL CANCEL ME                 |  |   |
| 9    | COST  |  |   |
| 10   | THEY SEEMED TO IGNORE MY BUSINESS NEEDS, POSSIBLY DO NOT HAVE   | MANY INS COS WILL NOT COVER DAY CARE   |   |
| 12   | LOST PREVIOUS HOMEOWNERS INSURANCE DUE TO HAVING A DAY CARE IN MY HOME AND THIS WAS THE ONLY COMPANY I COULD FIND                   |  |   |
| 13   | LACK OF CONCERN FOR OUR BUSINESS  | CONCERN FOR OUR PROTECTION   | WE HAVE ALL OUR INSURANCE-CAR, LIFE, ETC            |
| 14   | EXPENSIVE   | TOO SELECTIVE ON COVERAGE  |   |
| 15   | CONSTANT INSPECTION   | HIGH COVERAGE  | CCONSTANT REQUEST FOR INFORMATION                   |
| 16   | NO RIDER  | NO ENDORSEMENTS TENSIONS   | DOES NOT HAVE CHILD CARE LIABILITY COVERAGE         |
| 17   | I HAD TO FILE A CLAIM LAST YEAR AND IT WAS A BIT OF A HEADACHE  |  |   |
| 18   | NEED GENERAL LIABILITY COVERAGE FOR DAY CARE  | NEED CHILD ABUSE ALIGATION COVERAGE FOR DAY CARE                                       | NEED BUSINESS PROPERTY COVERAGE                     |
| 19   | PROTECTION  | SECURITY   | CONFIDENCE  |
| 21   | \$200 RIDER ONLY COVERS CHILDREN IN MY CARE   | IF THERE ARE MORE THAN 2 CHILDREN IN MY CARE NO ONE IS COVERED.                        |   |
| 22   | COST  | LACK OF UNDERSTANDING ABOUT GFDC   | LACK OF UNDERSTANDING OF GFDC REGULATION            |
| 23   | MONEY/COST  | LACK OF UNDERSTANDING ABOUT WHAT FDC INVOLVES  | LACK OF UNDERSTANDING OF REGS & STATUTES RATIOS ETC |
| 24   | WOULD LIKE TO HAVE DAY CARE COVERED   | EMPLOYEE TO BE COVERED   | DAY CARE ITEMS COVERED                              |
| 25   | COMPANY LIMITS NUMBER OF STUDENTS THAT WE CAN ACCEPT  | THIS IS STATE LICENSE ALLOWED  |   |
| 26   | COMPANY LIMITS # OF STUDENTS (BELOW STATE LICENSE#)   |  |   |
| 27   | THOUGHT I HAD COVERAGE A CLOSER LOOK REVEALED I AM NOT COVERED  | WILL DEFINITLY PURSUE ACQUIRING INSURANCE FOR MY BUSINESS                              |   |
| 33   | WOULD LIKE TO HAVE THE DAY CARE COVERED   | EMPLOYEES COVERED  | DAY CARE PROPERTY COVERED (SUPPLIUS, FURNITURE)     |
| 34   | COMPANY KEEPS RAISING ABOUT \$200 PER YEAR  |  |   |
| 36   | BUSINESS INS. ONLY COVERS 8 CHILDREN  |  |   |
| 37   | NOT INSURED FOR CHILDCARE DUE TO THE EXPENSIVE COSTS FOR CHILD CARE \$100 PER CHILD 5 TO 6 KIDS \$500 \$600 PER MONTH               |  |   |
| 38   | NOT ENOUGH COVERAGE FOR THE NUMBER OF CHILDREN (LIMITED TOO)  | COST FOR SEPERATE POLICY   | CANCELLATION OF HOMEOWNERS WITH DAY CARE RIDERS     |
| 39   | CARRYING MORTGAGE REQUIRES HOMEOWNERS INSURANCE-WE PAY THE PREMIUMS BUT ARE NOT COVERED BECAUSE OF THE BUSINESS                     |  |   |
| 41   | I DONT LIKE THAT THEY DONT COVER ALL THE KIDS IM ALLOWED TO WATCH   |  |   |
| 42   | COST  |  |   |
| 43   | RIDER IS ONLY VALID FOR AN ENROLLMENT OF 6 CHILDREN NOT 6+2   | RIDER DOES NOT COVER ALLEGATIONS AT SEXUAL ABUSE                                       |   |
| 44   | COST  | DONT THINK ITS RIGHT THAT THE INSURANCE CO CAN TELL YOU WHAT YOU CAN HAVE IN YOUR HOME |   |
| 45   | INSURERS ABILITY IS CHANGE POLICIES AT A MOMENTS NOTICE   | INSURERS OBSERVED DEMANDS AND METHODS OF INFORMATIVE                                   | AND THEIR WHEN YOU CONTENT ANY UNFAIR CHARGES       |
| 46   | IT IS VERY EXPENSIVE TO INSURE THE CHILDREN IN THE DAYCARE  |  |   |
| 47   | EXPENSE OF POLICY   | GIVES SOME COVERAGE OF LIABILITY BUT NOTHING GREAT                                     |   |
| 48   | RATES TOO HIGH  | MONTHLY PAYMENT PLANS (AFFORDABLE)   |   |
| 49   | IF ANYTHING HAPPENED HAVING NOTHING TO DO   |  |   |
| 50   | MY INSURANCE DO NOT COVER ME FOR FLOOD OR TERROISM OF ANY KIND OF HURRICANE ETC   |  |   |
| 51   | COST IS TOO HIGH  |  |   |
| 53   | UNAFFORDABLE \$600 YEAR PLUS \$400 HOME INS.  | HARD TO FIND A INSURANCE COMPANY   |   |
| 55   | NOT SURE COVERAGE IS ENOUGH OR CORRECT  |  |   |
| 56   | IT IS HARD TO FIND RENTER INSURANCE THAT ALLOWS DAYCARE   |  |   |
| 57   | HOMEOWNERS ONLY COVERS 6 CHILDREN   | SEPERATE RELIABILITY IS SPECIFIC FOR DAYCARE   |   |
| 59   | TOO COSTLY  |  |   |
| 60   | NO FLOOD INSURANCE OR HAZZARD DOES NOT  | WILL NOT COVER CHLD CARE BUSINESS  |   |
| 61   | EXPENSIVE   | NOT ENOUGH   |   |
| 62   | COST - NEW INSURANCE COMPANT AS OF 09/08  |  |   |
| 63   | COMPANY KEEPS RAISING RATES ABOUT \$200 PER YEAR  |  |   |
| 64   | I KNOW LIABILITY INS COULD HELP PROTECT ME, BUT AM UNHAPPY WITH THE LOOP HOLES AND FEAR THINKING IM COVERED ONLY TO FIND OUT IM NOT |  |   |
| 66   | COST TOO HIGH   | DID NOT COVERED DAYCARE  |   |
| 67   | DID NOT KNOW  |  |   |
| 68   | INSURANCE COMPANIES WONT TALK TO YOU ONLY BROKERS   | NO ONE ANSWERS THE QUESTIONS DIRECTLY  |   |
| 69   | DO NOT KNOW WHAT IS TRULY COVERED IN REGARD TO THE DAY CARE   |  |   |
| 70   | THE COST HAS DOUBLED TRIPLED BUT MY EARNINGS HAVE GONE DOWN   |  |   |
| 71   | THE COST PER YEAR FOR DAYCARE INSURANCE IS TOO HIGH   |  |   |
| 73   | I WOULD LIKE A HIGHER AMOUNT OF COVERAGE  | MY AGENT ISNT AS HELPFUL AS ID LIKE  |   |
| 74   | COST  | DIFFICULT FINDING INSURANCE FOR 8 KIDS   |   |

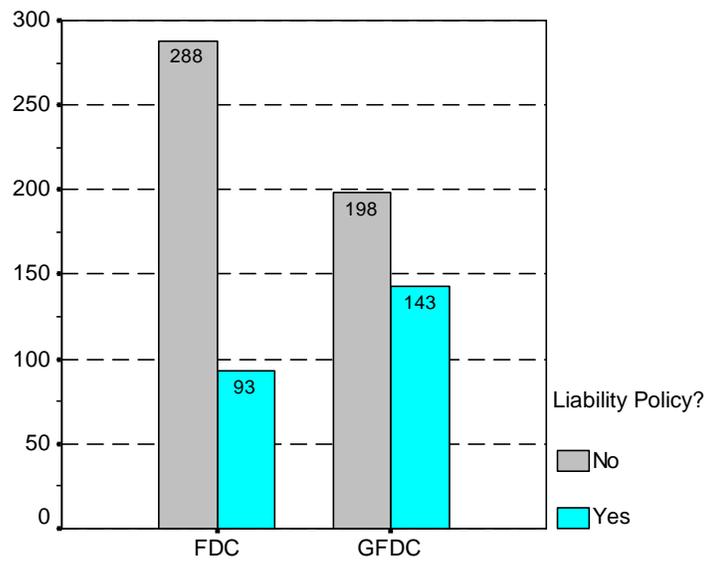
| Percent of Respondents Reporting Separate Business Liability Insurance Coverage:<br>Summaries for Selected Samples, with Number and Percent of Relevant Samples Providing Data |  |      |                           |      |                             |      |                                   |      |       |       |
|--|--|------|---------------------------|------|-----------------------------|------|-----------------------------------|------|-------|-------|
| Sample   | Respondents ( <i>% of responding</i> ) |      |                           |      |                             |      | No Response ( <i>% of Total</i> ) |      | Total |       |
|  | No Separate Liability Policy           |      | Separate Liability Policy |      | Total ( <i>% of Total</i> ) |      | N                                 | %    | N     | %     |
|  | N                                      | %    | N                         | %    | N                           | %    |                                   |      |       |       |
| Total Sample   | 510                                    | 67.6 | 244                       | 32.4 | 754                         | 79.0 | 200                               | 21.0 | 954   | 100.0 |
| By Modality of Care*   |  |      |                           |      |                             |      |                                   |      |       |       |
| FDC  | 288                                    | 75.6 | 93                        | 24.4 | 381                         | 82.3 | 82                                | 17.7 | 463   | 100.0 |
| GFDC   | 198                                    | 58.1 | 143                       | 41.9 | 341                         | 77.9 | 97                                | 22.1 | 438   | 100.0 |
| By Rural/Urban Designation   |  |      |                           |      |                             |      |                                   |      |       |       |
| Rural  | 116                                    | 68.2 | 54                        | 31.8 | 170                         | 82.1 | 37                                | 17.9 | 207   | 100.0 |
| Urban  | 372                                    | 66.7 | 186                       | 33.3 | 558                         | 77.9 | 158                               | 22.1 | 716   | 100.0 |
| By State Region*   |  |      |                           |      |                             |      |                                   |      |       |       |
| NYC  | 199                                    | 75.1 | 66                        | 24.9 | 265                         | 71.6 | 105                               | 28.4 | 370   | 100.0 |
| Balance of State   | 307                                    | 63.4 | 177                       | 36.6 | 484                         | 83.7 | 94                                | 16.3 | 578   | 100.0 |
| By DCCS Region@  |  |      |                           |      |                             |      |                                   |      |       |       |
| Albany   | 69                                     | 62.7 | 41                        | 37.3 | 110                         | 90.2 | 12                                | 9.8  | 122   | 100.0 |
| Buffalo  | 42                                     | 58.3 | 30                        | 41.7 | 72                          | 83.7 | 14                                | 16.3 | 86    | 100.0 |
| Long Island  | 18                                     | 48.6 | 19                        | 51.4 | 37                          | 78.7 | 10                                | 21.3 | 47    | 100.0 |
| NYC  | 199                                    | 75.1 | 66                        | 24.9 | 265                         | 71.6 | 105                               | 28.4 | 370   | 100.0 |
| Rochester  | 66                                     | 79.5 | 17                        | 20.5 | 83                          | 81.4 | 19                                | 18.6 | 102   | 100.0 |
| Spring Valley  | 42                                     | 55.3 | 34                        | 44.7 | 76                          | 78.4 | 21                                | 21.6 | 97    | 100.0 |
| Syracuse   | 70                                     | 66.0 | 36                        | 34.0 | 106                         | 85.5 | 18                                | 14.5 | 124   | 100.0 |
| By Respondent Homeowner/Renter Insurance Status*   |  |      |                           |      |                             |      |                                   |      |       |       |
| Not Insured  | 133                                    | 85.3 | 23                        | 14.7 | 156                         | 74.6 | 53                                | 25.4 | 209   | 100.0 |
| Insured  | 349                                    | 62.1 | 213                       | 37.9 | 562                         | 83.4 | 112                               | 16.6 | 674   | 100.0 |
| By Respondent Housing Status*  |  |      |                           |      |                             |      |                                   |      |       |       |
| Owners   | 338                                    | 62.8 | 200                       | 37.2 | 538                         | 84.1 | 102                               | 15.9 | 640   | 100.0 |
| Renters  | 143                                    | 84.1 | 27                        | 15.9 | 170                         | 71.4 | 68                                | 28.6 | 238   | 100.0 |

Total Sample' N's typically include small numbers of respondents unable to be categorized on other fields (e.g., modality) and thus exceed the sums of corresponding sub-sample N's shown.

\* Except for rural/urban distinctions, all other differences of proportions insured are significant (p = .001 level, except p = .01 for state region).

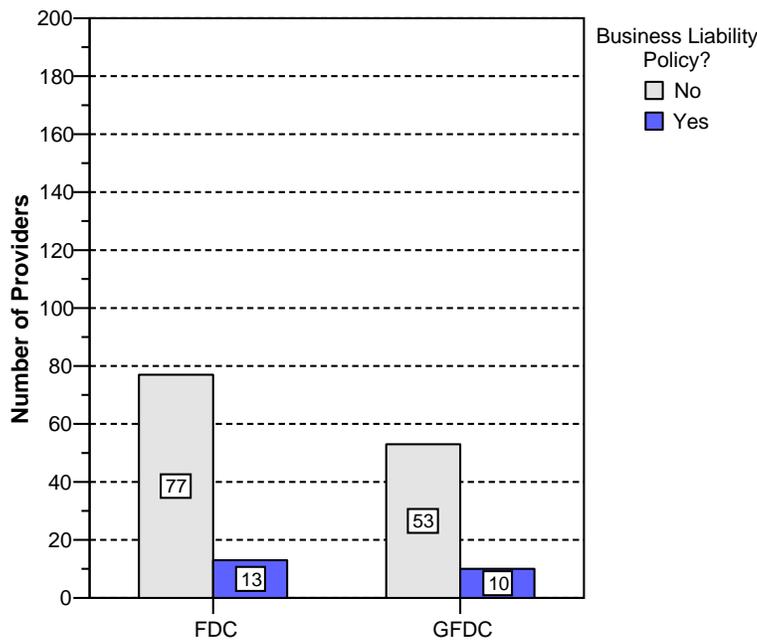
@ Test of equality of proportions across DCCS regions significant (p = .001 level).

### Liability Policy Coverage by Modality

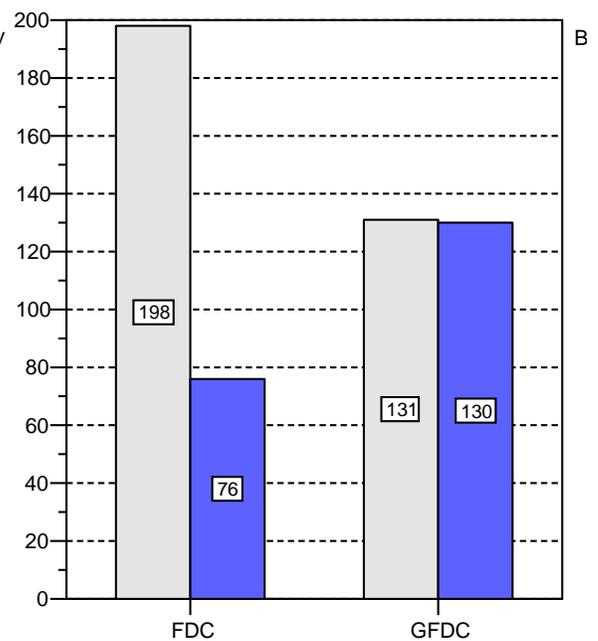


### Liability Policy Coverage by Modality and Homeowner/Renter's Insurance Status

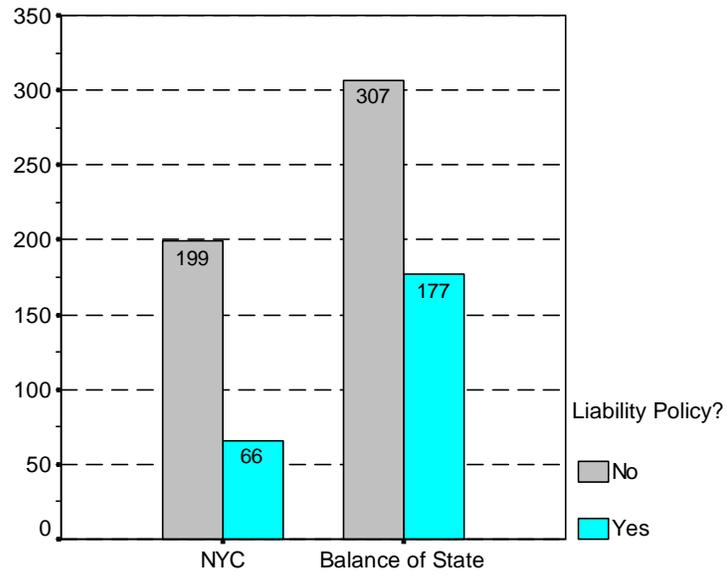
#### Without Homeowner or Renter Insurance



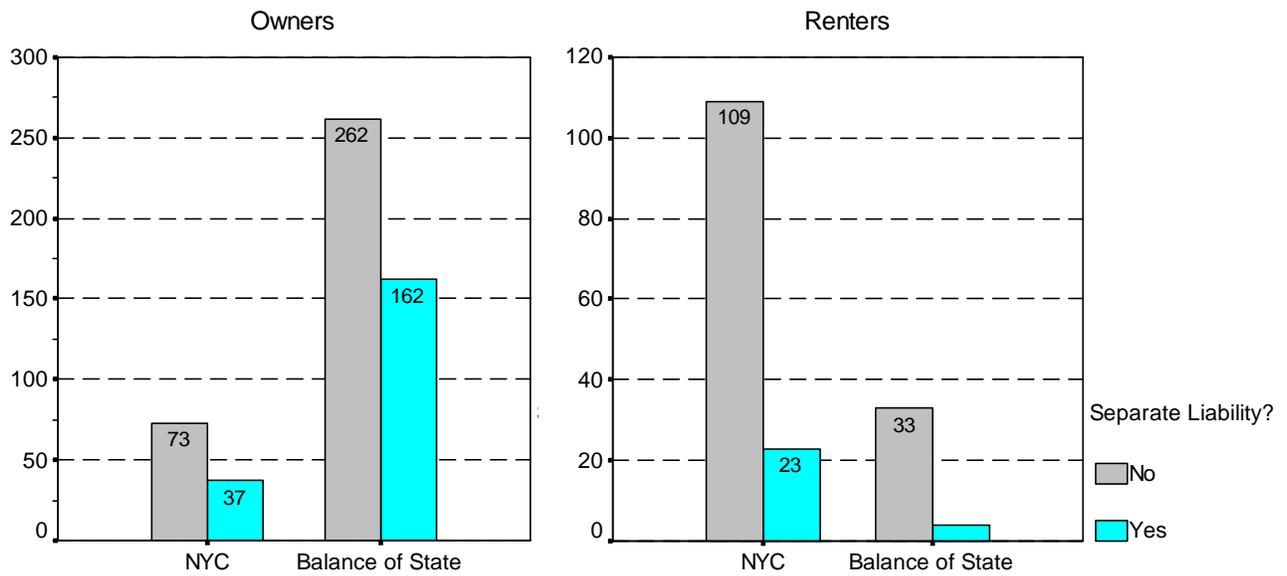
#### With Homeowner or Renter Insurance



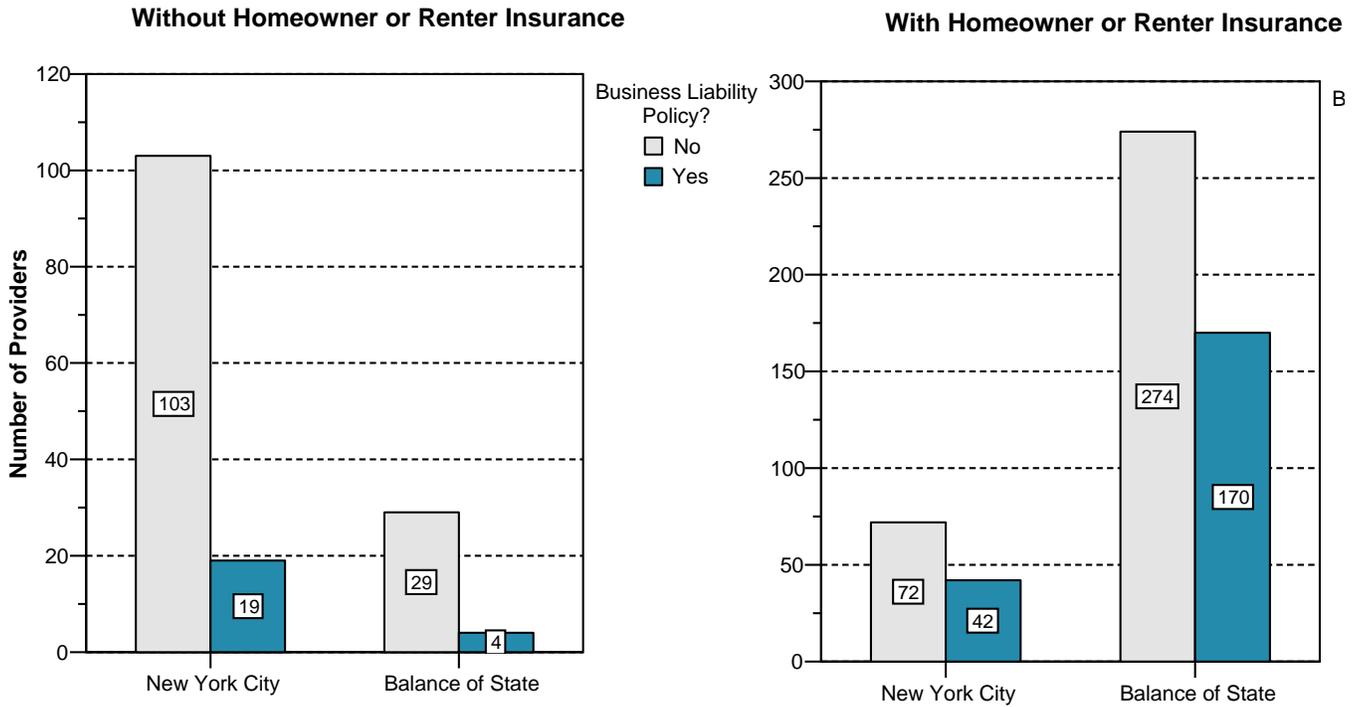
### Liability Policy Coverage by State Region



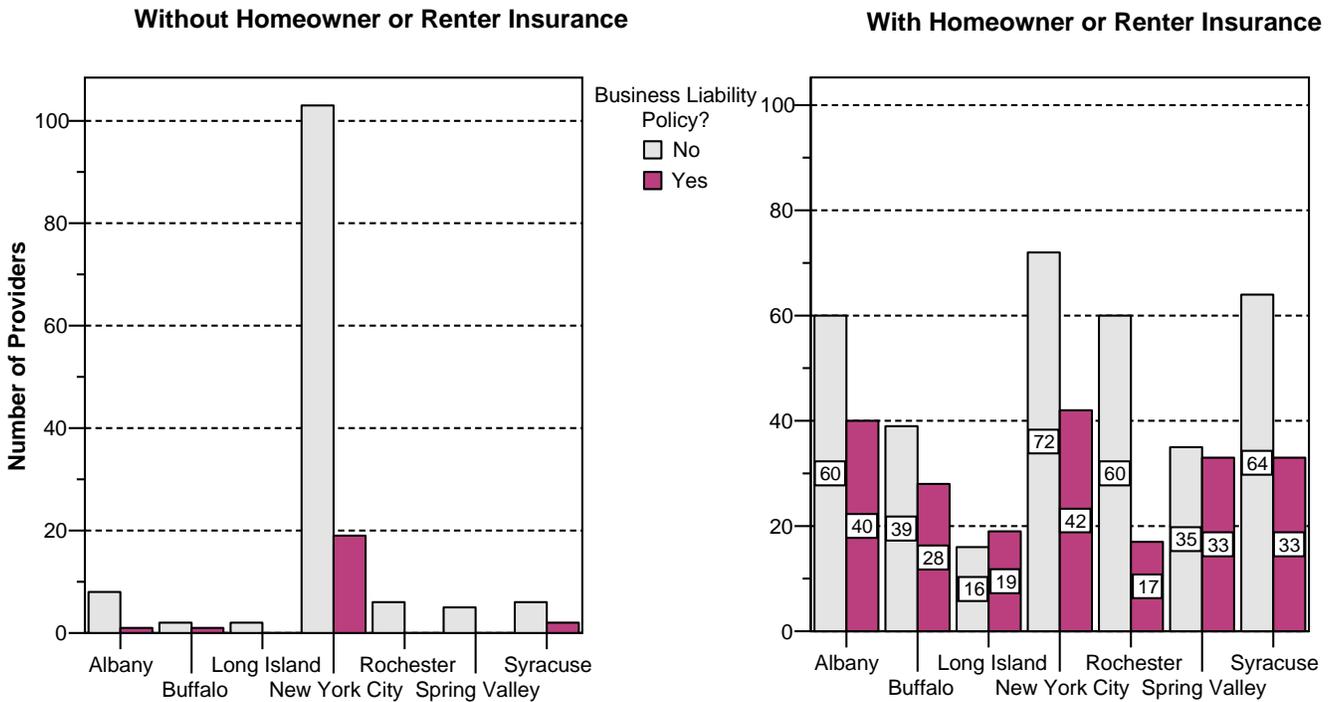
### Liability Policy Coverage by State Region and Housing Status



### Liability Policy Coverage by State Region and Homeowner/Renter's Insurance Status



### Liability Policy Coverage by DCCS Region and Homeowner/Renter's Insurance Status

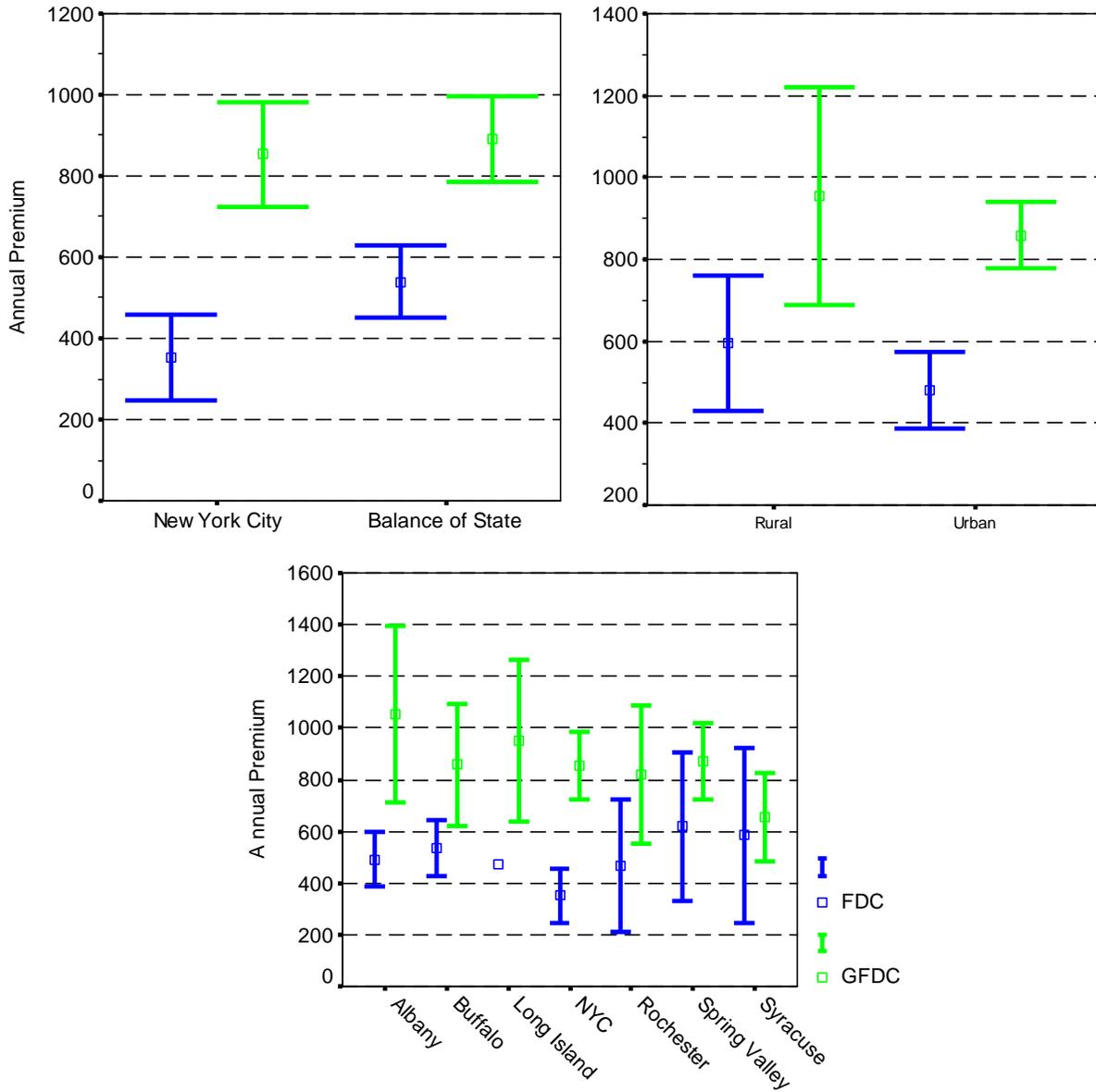


| Total Annual Business Liability Insurance Premiums:<br>Summaries and Tests of Differences Among Selected Groups of Insured Respondents |      |  |        |         |         |     |
|--|------|--|--------|---------|---------|-----|
| Sample   | Mean | 95% Confidence Interval<br>for Mean (std. error) | Median | Minimum | Maximum | N   |
| <b>Total Sample</b>  |      |  |        |         |         |     |
| Total  | 758  | 693 - 822 (33)                                   | 689    | 0       | 3,000   | 170 |
| <b>By Modality of Care*</b>  |      |  |        |         |         |     |
| FDC  | 513  | 434 - 593 (40)                                   | 494    | 0       | 1,800   | 57  |
| GFDC   | 880  | 797 - 963 (42)                                   | 800    | 71      | 3,000   | 108 |
| <b>By Rural/Urban Designation</b>  |      |  |        |         |         |     |
| Rural  | 811  | 635 - 986 (87)                                   | 600    | 0       | 3,000   | 40  |
| Urban  | 740  | 673 - 807 (34)                                   | 698    | 71      | 2,040   | 129 |
| <b>By State Region</b>   |      |  |        |         |         |     |
| New York City  | 763  | 641 - 885 (60)                                   | 775    | 71      | 1,508   | 40  |
| Balance of State   | 756  | 679 - 833 (39)                                   | 650    | 0       | 3,000   | 130 |
| <b>By DCCS Region</b>  |      |  |        |         |         |     |
| Albany   | 841  | 618 - 1065 (109)                                 | 600    | 225     | 3,000   | 30  |
| Buffalo  | 705  | 567 - 842 (67)                                   | 600    | 270     | 2,040   | 27  |
| Long Island  | 917  | 643 - 1191 (128)                                 | 723    | 474     | 1,900   | 15  |
| New York City  | 763  | 641 - 885 (60)                                   | 775    | 71      | 1,508   | 40  |
| Rochester  | 645  | 453 - 836 (87)                                   | 580    | 100     | 1,050   | 12  |
| Spring Valley  | 795  | 662 - 927 (64)                                   | 800    | 100     | 1,650   | 23  |
| Syracuse   | 619  | 439 - 799 (87)                                   | 554    | 0       | 1,800   | 23  |

\* Difference of mean annual premiums by modality significant (p = .001 level).

All other differences of mean annual premiums shown not significant (p = .05 level).

### 95% Confidence Intervals for Estimated Mean Annual Business Liability Insurance Premiums



**Reasons Business Liability Insurance ‘Not Needed/Wanted’(n=29)**

Population: 'Without Business Liability coverage due to Other' (Q.10(b)(3)), Subset: ‘Coverage not needed/wanted’ checked

**No Sep liability (other) - Expl 'Not needed/wanted' (q10b3nne)**

|   | Frequency | Pct   |
|---|-----------|-------|
| Valid (No response)   | 8         | 27.6  |
| )   | 4         | 13.8  |
| .-----  | 1         | 3.4   |
| CANT AFFORD ONE NOW   | 1         | 3.4   |
| CHILDCARE NOT IN MY HOME  | 1         | 3.4   |
| DO NOT NEED   | 1         | 3.4   |
| I BELIEVE MY HOUSE IS SAFE ENOUGH FOR CHILDREN  | 1         | 3.4   |
| I HAVE ONLY 1-2 CHILDREN IN MY PROGRAM  | 1         | 3.4   |
| IN INITIAL STATE OF ORGANIZATIONS AND STARTING  | 1         | 3.4   |
| JUST THE ASSISTANT  | 1         | 3.4   |
| MY BUSINESS HOURS ARE SHORT AND WELL DISCIPLINED CHILDREN   | 1         | 3.4   |
| NA  | 1         | 3.4   |
| NO COVERAGE NEEDED  | 1         | 3.4   |
| NOT MANY CHILDREN ENROLLED YET  | 1         | 3.4   |
| NOT YET NEEDED TILL REGISTERED  | 1         | 3.4   |
| ONLY OLDER SCHOOL-AGED CHILD ENROLLED   | 1         | 3.4   |
| WAS CARING FOR FAMILY MEMBER  | 1         | 3.4   |
| WHEN I FIRST LOOKED FOR COVERAGE @ 12-15 YRS AGO TOO EXPENSIVE. AFTER TRAINING (A FE<br>YEARS AGO) OR INS. I NO LONGER WANT IT. | 1         | 3.4   |
| WIL OBTAIN WHEN NEEDED  | 1         | 3.4   |
| Total   | 29        | 100.0 |

**Explanation of 'Other' Reasons for Lacking Business Liability Insurance (n=52)**  
 Population: 'Without Business Liability coverage due to Other' (Q.10(b)(3)), Subset: 'Other' reason checked

**Case Summaries**

|      |    | No Sep liability (other) - Expl 'Other' (q10b3oe)  |
|------|----|--|
| own  | 1  | DONT KNOW ABOUT THIS INSURANCE OR THAT IT IS NEEDED  |
|      | 2  | I AM NOT YET REGISTERED AND DONT NEED IT YET   |
|      | 3  | I HAVENT LOOKED INTO IT YET. AFTER TAKING THIS CLASS I WILL DEFINITELY BE LOOKING INTO THE INSURANCE NOW.  |
|      | 4  | THOUGHT POLICY WOULD COVER UNTILL TONIGHT  |
|      | 5  | NOT IN MY HOME   |
|      | 6  | I THOUGH I WAS COVERED WITH HOMEOWNERS POLICY  |
|      | 7  | NOT SURE OF KIND OF COVEREAGE BECAUSE ANOTHER INSURANCE COMPANY DISCOVERED ME TO HAVE HOMEOWNERS AND LIABILITY TOGETHER BECAUSE COVERAGE IS INSUFFICIENT TO COVER LAWSUIT                      |
|      | 8  | I WAS TOLD BY MY HMO CARRIER THAT DAY CARE COVERAGE DOESNT EXIST AND THEY JUST UPED MU LIMITS. THEY WILL ONLY COVER ME FOR 3 CHILDREN.   |
|      | 9  | CHECKED MY POLICY ONLY TO REALIZE I LACK COVERAGE  |
|      | 10 | DID NOT KNOW ENOUGH INFO ABOUT LIABILITY POLICY  |
|      | 11 | I HAVE AN INGROUND POOL AND NO COMPANYS IS AFFORDABLE  |
|      | 12 | I DID NOT INQUIRE ABOUT A LIABILITY BUSINESS POLICY  |
|      | 13 | JUST DIDNT KNOW I HAD TO GET THE OTHER INSURANCE THAN HOMEOWNERS   |
|      | 14 | THE COST WAS TOO EXPENSIVE THE FIRST YEAR BECAUSE IT TOOK A YEAR TO GET MY LICENSE (THANKS TO THE PERSON WHO LET IT SIT ON THEIR DESK) BUT SINCE THEN I JUST NEVER SET OUT TO CHANGE MY POLICY |
|      | 15 | SHOPPING   |
|      | 16 | DAYCARE IS NOT UNDER OPERATION AS YET  |
|      | 17 | INCREASED THE LIABILITY COVERAGE THROUGH MY HOMEOWNERS TO EVEN MORE COVERAGE THAN THEY REQUIRED.   |
|      | 18 | HADNT THOUGHT ABOUT IT, BUT WILL NOW LOOK MORE CLOSELY AT WHAT COVERAGE I HAVE   |
|      | 19 | STILL HAVE NOT SENT IN FOR IT  |
|      | 20 | DID NOT KNOW   |
|      | 21 | DO NOT HAVE PARTICULAR REASON  |
|      | 22 | DIDNT KNOW MY HOME OWNERS POLICY WOULDN'T COVER ME   |
|      | 23 | NEVER THOUGHT I NEEDED IT AS WE HAVE A REGULAR LIABILITY COVERAGE WITH OUR HOME OWNERS INSURANCE   |
|      | 24 | ASSISTANT @ DAYCARE  |
|      | 25 | CURRENT HOME AND AUTO W/SAME COMPANY TO QUALIFY FOR DISCOUNTED PREMIUMS  |
|      | 26 | NOT AFFORDABLE WHEN ON FIXED INCOME  |
|      | 27 | HAVENT INQUIRED YET  |
|      | 28 | I'M NOT AWARE OF SUCH INSURANCE.   |
|      | 29 | DIDNT THINK ABOUT IT OR KNOW I SHOULD  |
|      | 30 | I HAVENT STARTED LOOKING FOR LIABILITY INSURANCE THOUGH I HAVE THE INFORMATION WITH ME   |
|      | 31 | CAN NOT COMBINE PERSONAL HOMEOWNERS, BUSINESS LIABILITY- NO POLICY WILL DROP YOU IF YOU HAVE BUS   |
| rent | 1  | NO KNOWLEDGE OF THE NEED FOR THE INSURANCE   |
|      | 2  | AND CAN NOT FIND INSURANCE FOR TRANSPORTY CHILDREN BACK AND FOURTH TO SCHOOL   |
|      | 3  | MOMS HOME/MOMS BUSINESS HAS INSURANCE  |
|      | 4  | JUST STARTING SEARCHING FOR INFO   |
|      | 5  | I GOT A QUOTE FOR \$1000 FOR AROUND \$500/YEAR BUT THEY WANTED THE ENTIRE PREMIUM UP FRONT   |
|      | 6  | INTERESTED IN GETTING LIABILITY INSURANCE, BUT HAVE NO INFORMATION REGARDING LIABILITY INSURANCE   |
|      | 7  | DON'T KNOW MUCH ABOUT LIABILITY INSURANCE  |
|      | 8  |  |
|      | 9  | I WASN'T AWARE THIS TYPE OF INSURANCE EXISTED...   |
|      | 10 |  |
|      | 11 |  |
|      | 12 | REVIEWING THOMCO INSURANCE   |
|      | 13 | CHILDREN NO FULL CAPACITY GET THE TIME   |
|      | 14 | VERY UNSATISFIED NOT TO HAVE LIABILITY INS   |
|      | 15 |  |
|      | 16 | OPENING NEW BUSINESS   |
|      | 17 | I FOUND AN INEXPENSIVE POLICY, BUT THEY WERE ASKING TOO MANY QUESTIONS AND PRIVATE INFORMATION ABOUT MY DAYCARE  |
|      | 18 |  |
|      | 19 |  |

**Factors Entering Into Satisfaction (Business Liability Coverage/Status), By Insurance Status and Satisfaction Rating**  
 Sample: n= 311 Without Business liability insurance (q10 = 2 (No)) and Insurance Status non-missing

**Case Summaries**

| How satisfied w/ Liability Ins situation? (q11a) | Very Unsatisfied |   | Liability Ins factor 1 (q11b1) | Liability Ins factor 2 (q11b2)                    | Liability Ins factor 3 (q11b3)  |
|--|------------------|---|--------------------------------|---|---|
|  |                  |   |                                |   |   |
| 1  |                  | personal liability  |                                | cost of insurance is not in line with our income  |   |
| 2  |                  | Can not find an insurance company to cover business                 |                                |   |   |
| 3  |                  | TO HIGH - NOT ABLE TO COVER COST - CUTS FROM MONROE COUNTY          |                                | CUTS FROM MAGGIE BROOKS - MONROE COUNTY           | CUTS FROM COUTNY - I CANT AFFORD  |
| 4  |                  |   |                                |   |   |
| 5  |                  | I donT have AnY inSuraNCE BUT NEED IT                               |                                |   |   |
| 6  |                  | YOU NEVER KNOW WHEN SOMETHING WILL HAPPEN                           |                                | TOO EXPENSIVE                                     |   |
| 7  |                  | I HAVE NO INSURANCE   |                                |   |   |
| 8  |                  | I DONT HAVE ANY   |                                | DID NOT KNOW WHERE TO GO FOR INCREASE             | U   |
| 9  |                  |   |                                |   |   |
| 10   |                  | BEING UNCOVERED FEELS UNSAFE  |                                |   |   |
| 11   |                  | BECAUSE I PRESENTLY HAVE NONE/HAVENT COMPLETED FORM                 |                                |   |   |
| 12   |                  | NEED TO FIND SOMEONE WILLING AND REASONABLE COST                    |                                |   |   |
| 13   |                  | BECAUSE I HAVE NONE   |                                | NO ONE WILL GIVE ME ANY                           | UNTS U  |
| 14   |                  | I DONT LIKE KNOWING THAT I CAN LOSE EVERYTHING                      |                                |   |   |
| 15   |                  | ITS VERY IMPORTANT TO HAVE A LIABILITY CHILDREN AND STAFF INSURANCE |                                | TO HAVE INSURANCE IN CASE A HOUSE DISASTER        | TO HAVE PEACE OF MINE IN CASE THERE IS AN ACCIDENT                              |
| 16   |                  |   |                                |   |   |
| 17   |                  | I DONT HAVE INSURANCE   |                                |   |   |
| 18   |                  | LIMITED RIDER STATE RISK  |                                | RELUCTANT TO ATTACH ENDORSEMENTS                  | NUMBER OF CHILDREN FOR COVERAGE QUESTIONABLE                                    |
| 19   |                  |   |                                |   |   |
| 20   |                  |   |                                |   |   |
| 21   |                  | INSURANCE WONT COVER MORE THAN 2 CHILDREN                           |                                | COST  |   |
| 22   |                  | DONT HAVE ANY   |                                |   |   |
| 23   |                  | COST  |                                | COST  | COST  |
| 24   |                  |   |                                |   |   |
| 25   |                  | I WAS UNAWARE OF THE NEED FOR BUSINESS LIABILITY                    |                                | I THOUGHT MY HOMEOWNERS INS. COVERED MY NEEDS     |   |
| 26   |                  | SAFTY   |                                | PERVENTIVE  | MED   |
| 27   |                  | COST  |                                | COST  | TOO EXPENSIVE   |
| 28   |                  | I WISH IT COULD BE IN PAYMENT PLANS                                 |                                | FOR IT TO BE MORE AFFORDABLE                      | FOR IT TO BE MORE ACCESSIBLE  |
| 29   |                  | CANT FIND INSURANCE   |                                | WORRIED ABOUT LAW SUIT                            |   |
| 30   |                  | KNOWLEDGE   |                                | COST  |   |
| 31   |                  | IT IS IMPERATIVE I GET LIABILITY INSURANCE                          |                                | IM VERY NERVOUS NOT HAVING IT                     |   |
| 32   |                  | COST FACTOR   |                                | IS IT HARD TO FIND A COMPANY                      | WHAT TYPE OF COVERAGE SHOULD A PERSON   |
| 33   |                  | INSURANCE CO UNWILLING TO PROVIDE COVERAGE                          |                                | I HAVE DONE THIS FOR 10+ YEARS AND SHOULD BE ABLE | TO GET INSURANCE FOR MY BUSINESS  |
| 34   |                  | I KNOW I SHOULD HAVE LIABILITY                                      |                                |   |   |
| 35   |                  | I NEED MORE COURAGE   |                                |   |   |
| 36   |                  | NERVOUS ABOUT INCIDENTS THAT MAY OCCUR                              |                                |   |   |
| 37   |                  | TOO EXPENSIVE ALMOST NOT WORTH HAVING A DAYCARE, DONT MAKE ENOUGH   |                                |   |   |
| 38   |                  | WORRY ABOUT HAVING ACCIDENT OR PROPERTY AND IMPENDING LAWSUIT       |                                | COULD LOSE MY HOME IF THIS HAPPENS                |   |
| 39   |                  |   |                                |   |   |
| 40   |                  | I NOW REALIZE THAT I HAVE TO MAKE SURE I AM COVERED                 |                                |   |   |
| 41   |                  | NONOT ENOUGH IN COMPANY   |                                | NEED MORE INSURANCE COMPANIES LOCAL               | INSURANCE COMPANIES NEED TO COVER THE WORKING MAN                               |
| 42   |                  | IT IS NOT WISE TO BE IN BS FROM MY HOME WITHOUT INSURANCE           |                                |   |   |
| 43   |                  |   |                                |   |   |
| 44   |                  |   |                                |   |   |
| 45   |                  |   |                                |   |   |
| 46   |                  | NEED  |                                |   |   |
| 47   |                  | FINDING AFFORDABLE, SPERATE LIABILITY INSURANCE                     |                                | NOT USING HOME OWNERS INSURANCE                   |   |
| 48   |                  | COST IS A BIG FACTOR ESPECIALLY NOW WHEN HUSBAND IS UNEMPLOYED      |                                |   |   |
| 49   |                  | I COULD BE A SITTING DUCK IF SOMEONE EVER INJURED                   |                                | IVE JOINED NAFCC IN ORDER TO APPLY FOR INS BUT AN | NOW AFRAID TO FOR FEAR OF LOSING THE POLICY MY MOTHER OWNER OF BUILDING NOW HAS |
| 50   |                  |   |                                |   |   |
| 51   |                  |   |                                |   |   |
| 52   |                  |   |                                |   |   |
| 53   |                  | BECAUSE I DONT HAVE ANY LIABILITY INS                               |                                |   |   |
| 54   |                  | PRESENTLY IM NOT COVERED BY ANY LIABILITY                           |                                |   |   |
| 55   |                  |   |                                |   |   |
| 56   |                  | DUE TO PUBLIC LOSSES  |                                |   |   |
| 57   |                  |   |                                |   |   |
| 58   |                  |   |                                | NO COVERAGE                                       | J   |
| 59   |                  | ALWAYS WORRIED ABOUT LAWSUITS                                       |                                | CANT FIND INSURANCE                               |   |
| 60   |                  | KNOW I NEED TO GET ONE JUST TO SAVE \$ AND DO IT                    |                                |   |   |

Case Summaries

|   |   | Liability Ins factor 1 (q11b1)  | Liability Ins factor 2 (q11b2)   | Liability Ins factor 3 (q11b3)                              |
|---|---|---|--|---|
| How satisfied w/ Liability Ins situation? (q11a)  | Very Satisfied                                  | 61 PRICE TOO HIGH (UP FRONT)  |  |   |
|   | Unsatisfied                                     | 62 NO COVERAGE  |  |   |
|   |   | 63 WOULD LIKE TO FIND CO THAT'S AFFORDABLE FOR LIABILITY  |  |   |
|   |   | 64 DIDN'T KNOW THIS COULD HURT MY BUSINESS  | SCARED OF HAVING SOMETHING HAPPEN TO PROTECT MYSELF & FAMILY MEMBERS                         | SCARED OF WHAT CAN HAPPEN IF I DON'T                        |
|   |   | 65 PEACE OF MIND I CAN HAVE WITH INSURANCE  | COVERAGE   | I DO NOT WANT TO LOSE EVERYTHING BECAUSE I AM NOT PROTECTED |
|   |   | 66 AFFORDABILITY  | LONG TERM DEDUCTABLES  | ACCESSABILITY   |
|   |   | 67 HIGH DEDUCTABLES   | COST   | CURRENT DATE OF INSURANCE                                   |
|   |   | 68 COST   |  | COST DCP-DO NOT MAKE ENOUGH TO COVER ANY COST               |
|   |   | 69  |  |   |
|   |   | 70  |  |   |
|   |   | 71  |  |   |
|   |   | 72  |  |   |
|   |   | 73 I AM UNPREPARED IN THE EVENT OF A LAWSUIT  |  |   |
|   |   | 74 THE STATE REQUIRES PROVIDERS TO PAY FOR EXTRA INSURANCE TO COVER THEMSELVES FROM BEING SUED. | THE COUNTY REQUIRES PROVIDERS TO PAY FOR EXTRA INSURANCE TO COVER THEMSELVES FROM BEING SUED |   |
|   |   | 75  |  |   |
|   |   | 76  |  |   |
|   |   | 77 COST   |  |   |
|   |   | 78 PRICE TOO HIGH (UPFRONT)   |  |   |
|   |   | 79  |  |   |
|   |   | 80 COST   | COVERAGE   | LIABILITY   |
|   |   | 81  |  |   |
|   |   | 82  |  |   |
|   |   | 83 Needs to be more affordable  | group rates ... Union? VOICE rates?  | monthly or sem-annual premiums instead of once a year       |
|   | Somewhat Unsatisfied                            | 1 UNDERSTAND NEED FOR COVERAGE  | LIMIT DAMAGE TO COST OF HOME   | PREVENTIVE MEASURE  |
|   |   | 2   |  |   |
|   |   | 3 COVERAGE IS LIMITED   | ITS EXPENSIVE  |   |
|   |   | 4 DIDNT REALIZE IT DIDNT COVER MY DAYCARE BUSINESS  |  |   |
|   |   | 5   |  |   |
|   |   | 6 WOULD LIKE A COMPANY THAT COVERS FALL AMT OF CHILD PRESENT.                                   |  |   |
|   |   | 7 I AM NOT  | IN THE POSITION OF OWNING  | THE BUSINESS SO I DO NOT HAVE                               |
| 8 AFTER WATCHING THE VIDEO CONF-IM CONCERNED ABOUT PROPER COVERAGE                                |   |   |  |   |
| 9 WEEL IT SEEMS THAT BE PROTECTED IS IMPORTANT  |   | I NEVER KNOW ANYTHING ABOUT IT  | NOW THAT I KNOW, I WANTED TO GET MORE INFORMATION ABOUT IT                                   |   |
| 10 NO PEACE OF MIND   |   | WORRING ABOUT POSSIBLE INJURIES TO CHILDREN   |  |   |
| 11  |   |   |  |   |
| 12  |   |   |  |   |
| 13  |   |   |  |   |
| 14 INSUFFICIENT COVERAGE  |   | SUFFICIENT COVERAGE INAFFORDABLE  | OVERWHELMED AND UNCLEAR AS TO WHAT IS SUFFICIENT   |   |
| 15  |   |   |  |   |
| 16 COST IS A MAJOR FACTOR   |   | NOT SURE IF POLICY WILL COVER MY DAYCARE BUSINESS   |  |   |
| 17 COVERAGE IS MINIMUM  |   | ONLY COVERS 3 FULL TIME CHILDREN  |  |   |
| 18 TOO EXPENSIVE  |   |   |  |   |
| 19 I DONT HAVE A SEPERATE LIABILITY BECAUSE I DIDNT KNOW I NEEDED OR UNTIL I WENT TO GROUP FAMILY |   |   |  |   |
| 20 COST   | COST  | COST  |  |   |
| 21 COST   | INSURANCE COMPANIES CHARGE TO MUCH              | FOR SMALL BUSINESS OWNERS TO AFFORD   |  |   |
| 22 BE WILLING TO BUY LIABILITY INSURANCE BUT HAS NO RELATED INFORMATION                           |   |   |  |   |
| 23  |   |   |  |   |
| 24  |   |   |  |   |
| 25  |   |   |  |   |
| 26 NOT SURE IF WHAT I HAVE IS ENOUGH  |   |   |  |   |
| 27 DEPRECIATION FACTORS RIP OFF COMPARED TO WHAT IS PAID (FOR PROPERTY)                           |   |   |  |   |
| 28  |   |   |  |   |
| 29  |   |   |  |   |
| 30 COST IS TOO EXPENSIVE  | WE HAVE NEVER THOUGHT ABOUT LIABILITY INSURANCE | BEFORE  |  |   |

Case Summaries

|   |                      | Liability Ins factor 1 (q11b1)                                      | Liability Ins factor 2 (q11b2)   | Liability Ins factor 3 (q11b3)   |
|---|----------------------|---|--|--|
| How satisfied w/ Liability Ins situation? (q11a)        | Somewhat Unsatisfied | 31 THE STIPULATIONS IN THE POLICY IS UNCLEAR                        | IT CHANGES   | I AM COMPLETELY UNSURE OF MANY THINGS WRITTEN IT   |
|   |                      | 32 UNWORTHY IF THERE ARE ONLY ON OR TWO CHILDEN UNDER THE PROGRAM   |  |  |
|   |                      | 33 CAN NOT AFFORD PREMIUM, HOPE THE GOVERNMENT CAN HELP             |  |  |
|   |                      | 34  |  |  |
|   |                      | 35  |  |  |
|   |                      | 36 WILL NOT COVER FOR OVER 6 KIDS                                   | NOTHING GIVEN IN WRITING REGARDING MY POLICY                               |  |
|   |                      | 37 LIABILITY CONCERNING CHILDREN IS FRIGHTENING                     | INS. IS EXPENSIVE  | INS. LAWS/PRACTICELEAVE ONE FEELING THEY COULD STILL BE UNPROTECTED EVEN AFTER PAYING FOR INS. |
|   |                      | 38  |  |  |
|   |                      | 39  |  |  |
|   |                      | 40 COST   | COST   | COST   |
|   |                      | 41 POLICIES ARE VERY EXPENSIVE                                      | LAWYERS SUGGEST OUR REGULAR HOMEOWNERS MAY BE DROPPED OR BE MORE EXPENSIVE |  |
|   |                      | 42 I WOULD FEEL COMFORTABLE IF HAVING A POLICY IN CASE OF INCIDENTS | I I  |  |
|   |                      | 43 I DIDNT KNOW IT WAS NECESSARY                                    | I WILL CONSIDER IT IS I HAVE MORE INFORMATION TO                           | UNDERSTAND WHY OR WHY NOT I SHOULD HAVE IT   |
|   |                      | 44 I DONT FEEL ITS ENOUGH COVERAGE                                  | MY AGENT ISNT VERY HELPFUL   | THE AMOUNT COVERED IS NOT HIGH ENOUGH TO ME  |
|   |                      | 45 LIMITED TO NUMBER OF CHILDREN CAN BE CARED FOR                   | AFRAID IF I USE IT I WILL LOSE COVERAGE                                    |  |
|   |                      | 46 I DONT HAVE THE PEACE OF MIND WITHOUT LIABILITY INSURANCE        | IM HESITATED TO START THE SEARCH BECAUSE I DONT HAVE TIME                  | IM CONCERNED WITH THE APPLICATION PROCESS WHICH CAN BE TIME CONSUMING AND COMPLICATED          |
|   |                      | 47  |  |  |
|   |                      | 48  |  |  |
|   | Somewhat Satisfied   | 49 Wish I could afford to have a policy                             | Not enough companies to choose from  |  |
|   |                      | 1 Can put two claims per year. IF I                                 | put a claim on homeowner, possible you                                     | cant on daycare  |
|   |                      | 2   |  |  |
|   |                      | 3   |  |  |
|   |                      | 4 HIGH PREMIUMS   | CANNOT AFFORD  | SOMEWHAT TAKING RISK   |
|   |                      | 5 DONT FEEL IT NECESSARY NOW  | WAITNING FOR BUSINESS TO START   |  |
|   |                      | 6 GREAT ONLINE SERVICE  | COPY FORMS ONLINE AND GET BENEFITS ETC.                                    | WORST OF ALL IS CALLING AND TALKING TO SOMEONE RECORDINGS                                      |
|   |                      | 7 LIABILITY LIMITS ARE MEAGER AT MOST                               | IF I EVER HAVE A CLAIM ILL BE DROPPED                                      | AFFORABLE PREMIUMS .   |
|   |                      | 8   |  |  |
|   |                      | 9   |  |  |
|   |                      | 10  |  |  |
|   |                      | 11  |  |  |
|   |                      | 12  |  |  |
|   |                      | 13 I HAVE MANY QUESTIONS FOR MY INSURANCE MAN                       |  |  |
|   |                      | 14  |  |  |
|   |                      | 15  |  |  |
|   |                      | 16 AFFORDABLE   |  |  |
|   |                      | 17 I DONT HAVE SEPERATE COVERAGE                                    |  |  |
|   | 18                   |   |  |  |
|   | 19 COST              | WILLING INS   |  |  |
| 20  |                      |   |  |  |
| 21 COST   |                      |   |  |  |
| 22 COVERAGE FOR THE BUSINESS                            | OUT OF POCKET PAY    |   |  |  |
| 23  |                      |   |  |  |
| 24  |                      |   |  |  |
| 25  |                      |   |  |  |
| 26 DO NOT KNOW ENOUGH ABOUT SEPARATE LIABILITY T ANSWER |                      |   |  |  |
| 27  |                      |   |  |  |
| 28  |                      |   |  |  |
| 29 PROTECTION FOR SELF CHILDREN                         | ACCIDENT PROTECTION  | AFFORDABLE  |  |  |
| 30 COST   |                      |   |  |  |
| 31  |                      |   |  |  |
| 32  |                      |   |  |  |
| 33  |                      |   |  |  |
| 34 COST   |                      |   |  |  |
| 35  |                      |   |  |  |
| 36  |                      |   |  |  |
| 37 NOT SURE ABOUT ALL THAT IS COVERED                   |                      |   |  |  |
| 38 COVERS WHAT I NEED COVERED                           | COST IS REASONABLE   | CLAIMS ARE TAKEN CARE PROMPTLY                                      |  |  |

Case Summaries

|  |                    | Liability Ins factor 1 (q11b1)                                 | Liability Ins factor 2 (q11b2)                        | Liability Ins factor 3 (q11b3)  |
|--|--------------------|--|---|---|
| How satisfied w/ Liability Ins situation? (q11a) | Somewhat Satisfied |  |   |   |
| 39   |                    |  |   |   |
| 40   |                    |  |   |   |
| 41   |                    | SOMEWHAT SATISFIED NOTHING HAPPENED SO FAR                     | SOMEWHAT UNSATISFIED WHAT IF SOMETHING SHOULD HAPPEN  | VERY UNSATISFIED IF SOMETHING HAPPENS IM NOT COVERED                        |
| 42   |                    |  |   |   |
| 43   |                    | SCHOOL-AGED CHILD ONLY, SO NO COVERAGE NEEDED                  | SAVE MONEY  |   |
| 44   |                    | NOT MANY CHILDREN IN CARE NOW, SO NO COVERAGE IS NEEDED        |   |   |
| 45   |                    |  |   |   |
| 46   |                    | NO COVERAGE IS NEEDED  |   |   |
| 47   |                    | COVERAGE IS NOT NEEDED   |   |   |
| 48   |                    | SAVE MONEY   |   |   |
| 49   |                    |  |   |   |
| 50   |                    |  |   |   |
| 51   |                    |  | NO  |   |
| 52   |                    |  |   |   |
| 53   |                    |  |   |   |
| 54   |                    | KNOW MORE ABOUT MEDICAL INSURANCE PERSONAL & FAMILY NYS HIGHER |   |   |
| 55   |                    | NOT SURE ABOUT BUSINESS PROPERTY COVERAGE.                     |   |   |
| 56   |                    |  |   |   |
| 57   |                    | COST IS ALWAYS HIGH AND GOING HIGHER EVERY RENEWAL             | AGENT WE DONT SEE ENOUGH I DONT THINK                 | AFTER THIS VIDEO CONFERENCE I FEEL I HAVE BEEN MISLEAD BY MY AGEN ON INS CO |
| 58   |                    |  |   |   |
| 59   |                    |  |   |   |
| 60   |                    |  |   |   |
| 61   |                    | COST! VERY EXPENSIVE   | COVERAGE SEEMS GOOD                                   |   |
| 62   |                    |  |   |   |
| 63   |                    |  |   |   |
| 64   |                    | TOO EXPENSIVE  | LARGE DEDUCTIBLE                                      |   |
| 65   |                    |  |   |   |
| 66   |                    | NO CHILDREN TO CARE, SO NO COVERAGE IS NEEDED                  | V   |   |
| 67   |                    | FEEL OKAY EVEN WITHOUT LIABILITY INSURANCE                     |   |   |
| 68   |                    | SAVE MONEY   | EVERYTHING IS FINE, SO NO COVERAGE IS NEEDED          |   |
| 69   |                    | SAVE MONEY   | NO EXTRA INSURANCE                                    | I CAN TAKE CARE OF MY BUSINESS  |
| 70   |                    | I WN7 NEED -TO RZY EXTRA NUNEV . -                             | I CAN TAKE CARE OF MY OWN CHILD CARE BUSINESS         |   |
| 71   |                    | BELIEVED FAMILY CHILD CARE BUSINESS IS SAFE                    | DONT PAY EXTRA INSURANCE FEE                          |   |
| 72   |                    | IM OK WITHOUT LIABILITY INSURANCE                              |   |   |
| 73   |                    |  |   |   |
| 74   |                    |  |   |   |
| 75   |                    | MORE COVERAGE  | U   |   |
| 76   |                    |  |   |   |
| 77   |                    | NEED TO FIND INSURANCE (HEALTH AND HOME)                       |   |   |
| 78   |                    | NEED MORE INFO.  | CCOST   |   |
| 79   |                    |  |   |   |
| 80   |                    |  |   |   |
| 81   |                    |  |   |   |
| 82   |                    | NO CURRENT ISSUES AT THIS TIME OR IN THE PAST                  |   |   |
| 83   |                    |  |   |   |
| 84   |                    |  |   |   |
| 85   |                    |  |   |   |
| 86   |                    |  |   |   |
| 87   |                    | SAVE MONEY   |   |   |
| 88   |                    | HIGH PREMIUM   |   |   |
| 89   |                    |  |   |   |
| 90   |                    | I AM HAPPY THAT I AM ABLE TO OBTAIN IT                         | I AM HAPPY THIS WORKSHOP GAVE ME THE DIRECTION NEEDED | AS USUAL WORRIED ABOUT COST   |
| 91   |                    |  |   |   |
| 92   |                    | NO CHILDREN WITH ME YET  | EXCEPT FOR MY SON AND HE HAS INSURANCE                |   |
| 93   |                    |  |   |   |
| 94   |                    | PEACE OF MIND  | KNOWING I AM COVERED BY SOME INSURANCE                | KNOWING THE CHILDREN ARE COVERED  |
| 95   |                    | NOT A LOT OF INFO ON COVERAGE                                  | DOES NOT COVER A LOT                                  |   |

Case Summaries

|   |                    | Liability Ins factor 1 (q11b1)                                    | Liability Ins factor 2 (q11b2)   | Liability Ins factor 3 (q11b3)  |   |         |
|---|--------------------|---|--|---|---|---------|
| How satisfied w/ Liability Ins situation? (q1 1a) | Somewhat Satisfied | 96  |  |   |   |         |
|   |                    | 97  |  |   |   |         |
|   |                    | 98  | HAVE NEVERUSED IT SO I DONT KNOW   |   |   |         |
|   |                    | 99  | IVE HAD NO OCCASION TO USE IT  |   |   |         |
|   |                    | 100   |  |   |   |         |
|   |                    | 101   |  |   |   |         |
|   |                    | 102   | SO FAR NOTHING HAS HAPPENED,SO NO INSURANCE IS NEEDED                      | ITS GOOD TO HAVE COVERAGE IF THINGS DO HAPPEN                         |   |         |
|   |                    | 103   | I DONT THINK I NEED LIABILITY INSURANCE                                    | MY BUSINESS HOURS ARE SHORT 3 HRS A DAY                               | I DONT WANT TO INCREASE MY BUSINESS EXPENSE |         |
|   |                    | 104   | I DONT NEED TO PAY EXTRA MONEY   | I PAY MORE ATTENTION TO CHILDREN TO ADVOID ACCIDENTS                  |   |         |
|   |                    | 105   | SAVE MONEY   | I DONT NEED LIABILITY INSURANCE                                       |   |         |
|   |                    | 106   | NO EXTRA COST  | I WILL PAY MORE ATTENTION TO CHILDREN                                 |   |         |
|   |                    | 107   |  |   |   |         |
|   |                    | 108   |  |   |   |         |
|   |                    | 109   |  |   |   |         |
|   |                    | 110   | AFFORDABLE PRICE WITH HOMEOWNER INSURANCE                                  | GOOD COVERAGE   |   |         |
|   |                    | 111   | I DONT THINK I NEED TO BUY LIABILITY INSURANCE BECAUSE I HAVE 1-2 CHILDREN | I DONT HAVE TO PAY EXTRA FEE  |   |         |
|   |                    | 112   | I DONT NEED TO PAY EXTRA MONEY   | I CAN TAKE CARE OF MY CHILD CARE BUSINESS                             | U   |         |
|   |                    | 113   | I DONT NEED TO PAY EXTRA MONEY   | I WILL MORE CAREFUL TO PREVENT ACCIDENTS HAPPEN                       |   |         |
|   |                    | 114   | WOULD LIKE HIGHER LIMITS   | WOULD LIKE BROADER COVERAGE   | WOULD LIKE IT TO COVER MORE CHILDREN        |         |
|   |                    | 115   |  |   |   |         |
|   | Very Satisfied     |   | 1  | Cost  | how fast it starts                          |         |
|   |                    |   | 2  | not needed  |   |         |
|   |                    |   | 3  | replacement value   | deductable                                  | premium |
|   |                    |   | 4  |   |   |         |
|   |                    |   | 5  | LARGE COVERAGE WHICH IS NO LONGER AVAIAABLE TODAY BUT I STILL HAVE IT |   |         |
|   |                    |   | 6  |   |   |         |
|   |                    |   | 7  | COVERS EVERYTHING I NEED TO HAVE                                      |   |         |
|   |                    |   | 8  | NEVER HAD TO USE IT   |   |         |
|   |                    |   | 9  | AFFORDABLE  |   |         |
|   |                    |   | 10   | AFFORDABLE  |   |         |
|   |                    |   | 11   |   |   |         |
|   |                    |   | 12   |   |   |         |
|   |                    |   | 13   | FEEL I NHAVE GOOD COVERAGE FOR MY HOME                                |   |         |
|   |                    |   | 14   |   |   |         |
|   |                    |   | 15   | NEVER HAD TO USE THIS INSURANCE                                       |   |         |
|   |                    |   | 16   |   |   |         |
|   |                    |   | 17   |   |   |         |
|   |                    |   | 18   |   |   |         |
|   |                    | 19  |  |   |   |         |
|   |                    | 20  | IN CASE OF A LAWSUIT   |   |   |         |
|   | 21                 | INS. AGENT CONTACTS MY REGULARLY TO DISCUSS MY NEEDS & COVERAGE   |  |   |   |         |
|   | 22                 |   |  |   |   |         |
|   | 23                 |   |  |   |   |         |
|   | 24                 | BECAUSE I HAVE THE MOST LIABILITY I CAN GET                       | I AM COVERED   | I AM STILL WITH THE SAME COMPANY FOR 5 YEARS                          |   |         |
|   | 25                 |   |  |   |   |         |
|   | 26                 |   |  |   |   |         |
|   | 27                 |   |  |   |   |         |
|   | 28                 | IN CASE OF LAWSUIT  |  |   |   |         |
|   | 29                 | I FEEL PROTECTED  | IT IS NOT WISE TO OPERATE WITHOUT INSURANCE                                |   |   |         |
|   | 30                 |   |  |   |   |         |
|   | 31                 | COST  | GOOD CUSTOMER SERV VERY HELPFUL  | LOCATION OF AGENT   |   |         |
|   | 32                 |   |  |   |   |         |
|   | 33                 | EXCELLENT THING TO GET INSURANCE                                  | FOR A PROVIDER   |   |   |         |
|   | 34                 | IT HELPS PROTECT  | IT HELPS PROTECT ON INJURIES OF CHILDREN AND ADULTS                        | HELPS TO PROTECT AGAINST LAWSUITS LEGAL DEFENSE                       |   |         |
|   | 35                 | WILLING TO BUY LIABILITY IF ALMOST/FULL ENROLLMENT TO THE PROGRAM |  |   |   |         |
|   | 36                 |   |  |   |   |         |
|   | 37                 |   |  |   |   |         |
|   | 38                 | SAME AS ON #4   |  |   |   |         |

Case Summaries

|  |                |      | Liability Ins factor 1 (q11b1)   | Liability Ins factor 2 (q11b2) | Liability Ins factor 3 (q11b3) |
|--|----------------|------|--|--------------------------------|--------------------------------|
| How satisfied w/ Liability Ins situation? (q11a) | Very Satisfied | 39   |  |                                |                                |
|  |                | 40   |  |                                |                                |
|  |                | 41   | CSOT IS LOW  | COVERS EVERYTHING THAT I NEED. |                                |
|  |                | 42   |  |                                |                                |
|  |                | 43   |  |                                |                                |
|  |                | 44   | AMOUNT OF COVERAGE   | COVERAGES ARE EARLY OCCURANCE  | PEOPLE COVERED OUR POLICY      |
|  |                | 45   | COST INCOME IS LOW AND COST OF ADDL INSURANCE CAN MAKE IT NOT PROFITABLE TO WORK |                                |                                |
|  |                | 46   |  |                                |                                |
|  |                | 47   |  |                                |                                |
|  |                | 48   |  |                                |                                |
|  |                | 49   |  |                                |                                |
|  |                | 50   |  |                                |                                |
|  |                | 51   |  |                                |                                |
|  |                | 52   |  |                                |                                |
|  |                | 53   |  |                                |                                |
|  |                | 54   | PRICE  | COVERAGES                      |                                |
|  |                | 55   | COST   | HIGH PREMIUM                   | CAN NOT GO WITHOUT             |
|  | 56             |      |  |                                |                                |
|  | 57             |      |  |                                |                                |
|  | 58             |      |  |                                |                                |
|  | 59             |      |  |                                |                                |
|  | 60             | COST | COVERAGES  |                                |                                |
|  | 61             |      |  |                                |                                |
|  | 62             |      |  |                                |                                |
|  | 63             |      |  |                                |                                |
|  | 64             |      |  |                                |                                |

**Factors Entering Into Satisfaction (Business Liability Coverage/Status), By Insurance Status and Satisfaction Rating**  
 Sample: n= 209 With Business liability insurance (q10 = 3 (Yes)) and Insurance Status non-missing

Case Summaries

|  |                      |  | Liability Ins factor 1 (q11b1)                            | Liability Ins factor 2 (q11b2)  | Liability Ins factor 3 (q11b3)                               |
|--|----------------------|--|---|---|--|
| How satisfied w/ Liability Ins situation? (q11a) | Very Unsatisfied     | 1  | NEED TO FIND INSURANCE FOR BUSINESS                       |   |  |
|  |                      | 2  |   |   |  |
|  |                      | 3  | COST  | LACK OF UNDERSTANDING OF GFDC   | LACK OF UNDERSTANDING OF GFDC REGULATIONS                    |
|  |                      | 4  | LACK OF UNDERSTANDING OF WHAT FAMILY CHILD CARE INS       | COST COST COST  | LLACK OF UNDERSTANDING OF REGULATIONS/ STATUTES- RATIOS ETC. |
|  |                      | 5  |   |   |  |
|  |                      | 6  | PRICE(COST PER YEAR)                                      | PAYMENT UP FRONT  |  |
|  |                      | 7  |   |   |  |
|  |                      | 8  | It is expensive!<br>Price is too COSTLY                   | It discriminates against my dog!<br>the BusinESS Side Of EQUIPMENT + FURNITURE MAY NOT BE COVERED | I get nothing out of it.                                     |
|  | Somewhat Unsatisfied | 1  |   |   |  |
|  |                      | 2  | THP POLICY CHANGED AND WILL NOT COVER ME AT FULL CAPACITY |   | Q  |
|  |                      | 3  |   |   |  |
|  |                      | 4  | DOES NOT COVER EVERYTHING I NEED                          |   |  |
|  | 5                    | DISATISFIED W/FULL PAYMENT UPFRONT                               |   |   |  |
|  | 6                    | GENERAL LIABILITY IS OFFERED BUT NO AUTO                         | ALSO NO BUSINESS PROPERTY                                 |   |  |
|  | 7                    | HOMEOWNERS TRYING TO DENY COVERAGE BECAUSE OF NUMBER OF STUDENTS |   |   |  |
|  | 8                    | HOMEOWNERS TRYING TO DENY COVERAGE FOR MORE THAN 10 PUPILS       |   |   |  |
|  | 9                    |  |   |   |  |
|  | 10                   | COST   | AGENT PROFESSIONAL  |   |  |
|  | 11                   | CC,ST  | AEENR -JROKSSSLN-RSTN.                                    |   |  |
|  | 12                   | NEED COVERAGE FOR GROUP NOT LIMITED TO 8 OR LESS                 |   |   |  |

Case Summaries

|  |                      | Liability Ins factor 1 (q11b1)   | Liability Ins factor 2 (q11b2)                                 | Liability Ins factor 3 (q11b3)                      |   |
|--|----------------------|--|--|---|---|
| How satisfied w/ Liability Ins situation? (q11a) | Somewhat Unsatisfied | 13   |  |   |   |
|  |                      | 14   | THEY HAVE NEVER ASKED IF I WANTED TO UPDATE IT                 |   |   |
|  |                      | 15   | INSURERS ATTITUDE  | INSURERS PACKAGE AND A VARIETY OF TYPES NO VARIETY  | INSURANCE BROKERS (COVERAGE, CHILDCARE, EMPLOYEES)          |
|  |                      | 16   | LIMITED COVERAGE   | VERY EXPENSIVE                                      | HARD TO GET   |
|  |                      | 17   | THEY DO NOT COVER FLOOD HURRICANE ETC                          |   |   |
|  |                      | 18   | COST TO MUCH   | DOESNT COVER ENOUGH                                 | HIGH DEDUCTABLE   |
|  |                      | 19   |  |   |   |
|  |                      | 20   | UNSURE OF WHAT EXACTLY IS COVERED                              | COST  |   |
|  |                      | 21   | NOT ENOUGH COVERAGE  |   |   |
|  |                      | 22   | COST IS TOO HIGH   | VERY CONFUSING                                      | NOT LOCAL   |
|  | Somewhat Satisfied   | 1  |  |   |   |
|  |                      | 2  | I WISH WE COULD PAY IN INSTALLMENTS BUT THEY WANT LUMP PAYMENT |   |   |
|  |                      | 3  | NO PRINTED POLICY  |   |   |
|  |                      | 4  | COVERAGE IS UNCCSAR AS NO                                      | PRINTED POLICY EXISTS TESTS A                       | LISTING OF ITEMS COVERED                                    |
|  |                      | 5  | DESCENT RATE   |   |   |
|  |                      | 6  |  |   |   |
|  |                      | 7  | NOT SURE NEVER FILED A CLAIM.                                  |   |   |
|  |                      | 8  |  |   |   |
|  |                      | 9  |  |   |   |
|  |                      | 10   |  |   |   |
|  |                      | 11   |  |   |   |
|  |                      | 12   | PEACE OF MIND IN NAVING COVERAGE                               | NEED TO RESEARCH EXACT COVERAGE                     |   |
|  |                      | 13   | EXTRA EXPOSE EASC MONTH IS SOMETIMES MORE THAN I CAN SPARE.    |   |   |
|  |                      | 14   | OUT OF STATE INSURANCE COMPANY SEEMS MORE                      | EXPENSIVE NOT MANY OPTIONS OTHERWISE                |   |
|  |                      | 15   |  | OUT OF STATE POLICY SO I PAY EXTRA                  | VERY CONFUSING  |
|  |                      | 16   |  |   |   |
|  |                      | 17   | IT GIVES ME A PEACE OF MIND                                    | MY PROPERTY IS COVERED                              | MY BUSINESS CAN BE COMPENSATED                              |
|  |                      | 18   |  |   |   |
|  |                      | 19   | SATISFIED BUT COST IS HIGH                                     |   |   |
|  |                      | 20   | PEACE OF MIND  |   |   |
|  |                      | 21   | COST   | SERVICE   | AVIALIBILITY  |
|  |                      | 22   |  |   |   |
|  |                      | 23   | TOO MUCH MONEY   |   |   |
|  |                      | 24   | GOOD PRICE   | GOOD COVERAGE                                       | HAVENT HAD CLAIM SO DONT KNOW HOW DEPENDABLE AND EFFEICIENT |
|  |                      | 25   | FEEL COVERED PEACE OF MIND                                     | NEVER HAD TO USE IT                                 | COSTLY YET NOT REQUIRED FOR FDC                             |
|  |                      | 26   |  |   |   |
|  |                      | 27   | NOT SURE IF I HAVE ENOUGH INS COVERAGE                         |   |   |
|  |                      | 28   | DO NOT LIKE ANNUAL PREMIUMS THAT HAS TO BE PAID @ ONCE         | I HAVE IT   |   |
|  |                      | 29   |  |   |   |
|  |                      | 30   | HAVING TO PAY ALL IN ONE/NOT MONTHLY                           |   |   |
|  |                      | 31   | I HAVE NOT USED MY LIABILITY INS SO I REALLY DONT KNOW         |   |   |
|  |                      | 32   |  |   |   |
|  |                      | 33   | COVERS ALL MY CHILDREN   | HAS CHILD ABUSE COVERAGE AND LEGAL EXPENSE COVERAGE | PEACE OF MIND COVERAGE                                      |
|  |                      | 34   | ALWAYS THERE TO ANSWER QUESTIONS                               | NO ACCIDENT   |   |
|  |                      | 35   | COVERAGE AND LIMITS  |   |   |
|  |                      | 36   | I FEEL SECURE  | ITS THE PREMIUM THAT I CAN AFFORD                   |   |
|  |                      | 37   | QUARTERLY OPTIONS  | NOT EXPENSIVE                                       | GIVES ME A SENSE OF SECURITY                                |
|  |                      | 38   | THE COST IS AFFORDABLE   |   |   |
|  |                      | 39   | A PEACE OF MIND  | AFFORDABLE COST                                     |   |
|  |                      | 40   | PEACE OF MIND  | COST IS AFFORDABLE                                  |   |
|  | 41                   | PREVENTIVE ISSUE   | PROTECT BY THE INSURANCE                                       |   |   |
|  | 42                   | THE COST IS REASONABLE   |  |   |   |
|  | 43                   | PEACE OF MIND  | MANDATORY FOR MEMBERS OF ACS AFFILIATED FDC NETWORK            |   |   |
|  | 44                   | FEEL EASY IF THE PROGRAM IS COVERED BY LIABILITY INSURANCE PROVIDED BY ACS |  |   |   |
|  | 45                   | MY CHILD CARE BUSINESS IS INSURED  | I DONT NEED TO PAY EXTRA FEE                                   |   |   |
|  | 46                   | PEACE OF MIND  | COST IS AFFORDABLE   |   |   |
|  | 47                   |  |  |   |   |
|  | 48                   | PEACE OF MIND HAVING IT HOPE I NEVER NEED TO USE IT                        | IF I DO NEED TO USE IT, I HOPE IT COMES THROUGH FOR ME         |   |   |
|  | 49                   |  |  |   |   |
|  | 50                   | PROPERTY DAMAGE (FINE FLOOD)   | BUSINESS LIABILITY-CHILD HURT/EMERGENCY                        |   |   |

Case Summaries

|  |                    | Liability Ins factor 1 (q11b1)  | Liability Ins factor 2 (q11b2)  | Liability Ins factor 3 (q11b3)                            |
|--|--------------------|---|---|---|
| How satisfied w/ Liability Ins situation? (q11a) | Somewhat Satisfied |   |   |   |
|  | 51                 |   | I FEEL THIS WAS A GREAT REMINDER TO HAVE LIABILITY AND HEALTH INSURANCE IW AS HOPING FOR ANSERS AS TO WHERE TO FIND MORE AFFORDABLE LIABILITY |   |
|  | 52                 | COST OF THE INSURANCE   | FINDING AN INSURANCE THAT COVERS 8 CHILDREN   | ABLE TO PAY A MONTHLY INSTALLMENTS                        |
|  | 53                 | JUST STARTED COVERAGE THIS COMPANY HAS RATES \$300 LESS PER YEAR THAN OTHERS        | LOCAL AGENT   |   |
|  | 54                 |   |   |   |
|  | 55                 |   |   |   |
|  | 56                 | AFFORDABLE PRICE  | GOOD COVERAGE   |   |
|  | 57                 | FEEL OBLIGATED TO BUY LIABILITY INSURANCE FOR THE CHILDREN AND PROGRAM              |   |   |
|  | 58                 | PEACE OF MIND   | COST IS AFFORDABLE  |   |
|  | 59                 | LOW COST  | MY CHILD CARE BUSINESS IS PROTECTED BY INSURANCE  |   |
|  | 60                 | I HAVE ATTAINED MORE INFORMATION TO ASSIST MAKING                                   | A MORE EDUCATED DECISION  |   |
|  | 61                 | SATISFIED EXCEPT FOR COST   |   |   |
|  | 62                 |   |   |   |
|  | 63                 | I HAVE NOT HAD ANY INCIDENTS AND ISSUES YET   | I ONLY HAD THEM A YEAR  | KNOW HOW THEY ARE   |
|  | 64                 |   |   |   |
|  | 65                 | COST  | COVERAGE FINDING OUT SOMETHING ISN'T COVERED AFTER SOMETHING HAPPENS  | DEDUCTABLE HIGH   |
|  | 66                 | I NEVER HAD TO DO ANYTHING BUT PAY THE BILL. I NEVER DELT WITH ANY CLAIMS AS OF YET |   |   |
|  | 67                 | HAVE NEVER FILED A CLAIM DONT KNOW  |   |   |
|  | 68                 | JUST TO KNOW THAT I HAVE SOME JUST IN CASE  | NEED TO BECOME INCORPORATED   |   |
|  | 69                 | CHILD CARE BUSINESS WAS PROTECTED   | LOW COST  |   |
|  | 70                 | I WISH IT WAS LESS EXPENSIVE  |   |   |
|  | 71                 | NO COVERAGE FOR POOL OR TRAMPOLINE  |   |   |
|  | 72                 | FEEL OBLIGATE TO HAVE LIABILITY INSURANCE AS A CHILD CARE PROVIDER                  |   |   |
|  | 1                  | liability   | coverage  | cost  |
|  | 2                  |   |   |   |
|  | 3                  | COST  | FULL COVERAGE   | PROFESSIONAL SERVICE                                      |
|  | 4                  |   |   |   |
|  | 5                  | CosT  |   |   |
|  | 6                  |   |   |   |
|  | 7                  | AFFORDABLE  |   |   |
|  | 8                  | THANK GOD I HAVENT HAD TO USE THE INS   | KNOW IF SOMETHING HAPPENS INJURY I AM COVERED   | MY CHILDREN ARE SAFE                                      |
|  | 9                  |   |   |   |
|  | 10                 |   |   |   |
|  | 11                 |   |   |   |
|  | 12                 |   | 1   |   |
|  | 13                 | AFFORDABLE PREMIUMS   | GOOD COVERAGE   |   |
|  | 14                 |   |   |   |
|  | 15                 |   |   |   |
|  | 16                 | GREAT PROTECTION  | RESPONSIBLE-RETURN CALLS PROMPTLY   | GREAT RATE  |
|  | 17                 | THOMCO SPECIALIZES IN DAY CARE POLICIES THRU THE FEDERATION OF DAY CARE PROVIDERS   |   |   |
|  | 18                 | PRICE IS RIGHT  | COVERAGE IS ADEQUATE  |   |
|  | 19                 | PRICE IS RIGHT  | COVERAGE IS ADEQUATE  |   |
|  | 20                 | COST  |   |   |
|  | 21                 |   |   |   |
|  | 22                 |   |   |   |
|  | 23                 | GOOD CO PAY   | GOOD PRICE  |   |
|  | 24                 | COVERAGE RECENTLY OFFERED HOMEOWNERS INSURANCE ALSO                                 | AFFORDIABILITY  | CUSTOMER SERVICE  |
|  | 25                 |   |   |   |
|  | 26                 |   |   |   |
|  | 27                 |   |   |   |
|  | 28                 | THE COVERAGE FOR LIABILITY ACCIDENTALLY PROPERTY ETC.                               |   | I WISH THE COST OF DAYCARE INS WAS MORE AFFORDABLE THOUGH |
|  | 29                 | I'VE NEVER SUBMITTED A CLAIM SO I CANT SAY  |   |   |
|  | 30                 | COST  | COVERAGE  | INSURANCE AGENCY AND AGENT                                |
|  | 31                 | COST OF POLICY  | TYPE OF COVERAGE  | OUT OF LIABILITY  |
|  | 32                 | POLICY IS VERY AFFORDABLE   | POLICY IS COMPREHENSIVE   | PROCESS TO OBTAIN POLICY IS VERY SIMPLE                   |
|  | 33                 | COVERING THE CHILDREN   |   |   |
|  | 34                 |   |   |   |
|  | 35                 | COVERAGE  | SERVICE   |   |
|  |                    |   |   |   |
|  | Very Satisfied     |   |   |   |

Case Summaries

|  |                | Liability Ins factor 1 (q11b1)                                     | Liability Ins factor 2 (q11b2)                                  | Liability Ins factor 3 (q11b3)     |
|--|----------------|--|---|------------------------------------|
| How satisfied w/ Liability Ins situation? (q11a) | Very Satisfied | 36 VERY HELPFUL ON THE PHONE WITH QUESTIONS                        | THEY CALL BACK IN A TIMELY MANNER                               | VERY KIND AND POLITE ON THE PHONE  |
|  |                | 37 PEACE OF MIND   |   |                                    |
|  |                | 38 PEACE OF MIND   |   |                                    |
|  |                | 39 PEACE OF MIND   |   |                                    |
|  |                | 40 PEACE OF MIND   |   |                                    |
|  |                | 41 I NEVER HAD TO USE IT FOR DAYCARE 34 YEARS                      | I FEEL COMFORTABLE KNOWING I HAVE IT                            | ALLSTATE COVERS 6 CHILDREN         |
|  |                | 42 PREMIUM NOT TO EXPENSIVE  | PEACE OF MIND   |                                    |
|  |                | 43 PEACE OF MIND   |   |                                    |
|  |                | 44 COVER THE MOST IMPORTANT THING                                  | THE COST IS REASONABLE  |                                    |
|  |                | 45 COVER THE IMPORTANT THING OR PARTS                              | THE COST IS REASONABLE  |                                    |
|  |                | 46 COVER THE IMPORTANT THING OR PARTS                              |   |                                    |
|  |                | 47 COVER THE IMPORTANT THING OR PARTS                              |   |                                    |
|  |                | 48 COVER THE IMPORTANT THING OR PARTS                              |   |                                    |
|  |                | 49 NO PREMIUM  |   |                                    |
|  |                | 50 I DONT HAVE TO PAY PREMIUM                                      |   |                                    |
|  |                | 51 MY NETWORK DOES NOT CHARGE ME EXTRA MONEY FORLIABILTY INSURANCE |   |                                    |
|  |                | 52 WITH INSURANCE I HAVE PEACE OF MIND                             | THE COST IS AFFORDABLE  |                                    |
|  |                | 53 I AM COVERED BY MY POLICY                                       | I HAVE PEACE OF MIND  | COST IS AFFORDABLE                 |
|  |                | 54 GRATEFUL FOR PEACE OF MIND W/LIABILITY INSURANCE                |   |                                    |
|  |                | 55 COST COULD BE LOWER   |   |                                    |
|  |                | 56 COST COULD BE LOWER   |   |                                    |
|  |                | 57 COST COULD BE LOWER   |   |                                    |
|  |                | 58 INSURANCE IS REASONABLE   | INSURANCE IS AFFORDABLE   | INSURANCE GAVE ME PIECE OF MIND    |
|  |                | 59 FELL COMFORTABLE KNEWING THAT AM CAUSED                         |   | AFFORDABLE INSURANCE               |
|  |                | 60 THE RATES ARE VEY REASONABLE                                    | VERY EASY TO CONTACT  | VERY HELPFUL                       |
|  |                | 61 INDSURANCE COVERS EACH MEMBER OF MY DAYCARE                     |   |                                    |
|  |                | 62 INDSURANCE COVERS EACH MEMBER OF MY DAYCARE                     |   |                                    |
|  |                | 63 INDSURANCE COVERS EACH MEMBER OF MY DAYCARE                     |   |                                    |
|  |                | 64 CPR AND FIRST AID TRAINING                                      | NO POOLS TRAMPOLINE OR ANIMALS                                  | MUST BE LICENSED                   |
|  |                | 65 CPR AND FIRST AID TRAINING                                      |   |                                    |
|  |                | 66 CPR AND FIRST AID TRAINING                                      |   |                                    |
|  |                | 67 HAVE NOT NEEDED TO USE INSURANCE YET                            |   |                                    |
|  |                | 68 NAT'L ASSOC OF CCR&R-DOD PATNERSHIP PAY FOR IT (MILITARY)       | LIABILITY LIMITS ARE HIGH                                       | GOOD COVERAGE                      |
|  |                | 69 NAT'L ASSOC OF CCR&R-DOD PATNERSHIP PAY FOR IT (MILITARY)       |   |                                    |
|  |                | 70 NAT'L ASSOC OF CCR&R-DOD PATNERSHIP PAY FOR IT (MILITARY)       |   |                                    |
|  |                | 71 NAT'L ASSOC OF CCR&R-DOD PATNERSHIP PAY FOR IT (MILITARY)       |   |                                    |
|  |                | 72 CAST AVAILIBILITY IS REASONABLE                                 | CAR PAY MONTHLY   | CLAIM PAYMENT AMOUNT IS ADEQUATE   |
|  |                | 73 CAST AVAILIBILITY IS REASONABLE                                 |   |                                    |
|  |                | 74 COMPLETELY SATISFIED  |   |                                    |
|  |                | 75 THE COST OF THIS POLICY IS VERY AFFORDABLE AND REASON           | WITH THIS COVERAGE. 2 HAVE PEACE OF MIND IN RUNNING MY BUSINESS |                                    |
|  |                | 76 PEACE OF MIND   |   |                                    |
|  |                | 77 COST IS AFFORDABLE  | RELATIONSHIP WITH INSURANCE COMPANY IS GOOD                     | I HAVE PEACE OF MIND WITH COVERAGE |
|  |                | 78 CHARGES ARE REASONABLE  | IF YOU NEED COPIES OF ANYTHING IT COMES PROMPTLY                |                                    |
|  |                | 79 CHARGES ARE REASONABLE  |   |                                    |
|  |                | 80 CHARGES ARE REASONABLE  |   |                                    |
|  |                | 81 CHARGES ARE REASONABLE  |   |                                    |
|  |                | 82 CHARGES ARE REASONABLE  |   |                                    |
|  |                | 83 THEY SPECIALIZE IN DAYCARE INSURANCE                            |   |                                    |
|  |                | 84 NNEVER USED THEM AS A CLAIM                                     |   |                                    |
|  |                | 85 ONLY POLICY I COULD FIND THAT COVERED SEXUAL ABUSE              | IT PROTECTS ME IN ALL ASPECTS I NEED                            | VERY RELIABLE                      |
|  |                | 86 ONLY POLICY I COULD FIND THAT COVERED SEXUAL ABUSE              |   |                                    |
|  |                | 87 THEY COVER ALL EXPENSES   | WE CHECKED AND NOT GOOD INSURANCE RECEIVED                      | NOT EXPENSIVE                      |
|  |                | 88 THEY COVER ALL EXPENSES   |   |                                    |
|  |                | 89 COST EFFECTIVE  |   |                                    |
|  |                | 90 SEVERAL COVERAGE  | AFFORDABLE  | HIGH LIMITS                        |
|  |                | 91 SEXUAL COVERAGE   | AFFORDABLE  | HIGH LIMITS                        |
|  |                | 92 COST  |   |                                    |
|  |                | 93 COST  |   |                                    |
|  |                | 94 COST  |   |                                    |
|  |                | 95 COST  |   |                                    |

Case Summaries

|  |                | Liability Ins factor 1 (q11b1) | Liability Ins factor 2 (q11b2)   | Liability Ins factor 3 (q11b3) |
|--|----------------|--------------------------------|----------------------------------|--------------------------------|
| How satisfied w/ Liability Ins situation? (q11a) | Very Satisfied | GREAT COVERAGE                 | THEY ALWAYS STOP FOR BETTER RATE | EASY TO TALK TO                |
|  |                | COST AFFORDABLE                | COVERAGE                         |                                |

| Matrix of Health Insurance Coverage Scenarios<br>Reported for Households ( $n = 954$ ) |                                |   |                     |            |
|--|--------------------------------|---|---------------------|------------|
| Any Household Members Not Insured?   | Any Household Members Insured? |   |                     | Total      |
|  | No                             | Yes   | Unable to Determine |            |
| <b>No</b>  |                                | All Insured<br>( $n = 738$ )                    |                     | <b>738</b> |
| <b>Yes</b>   | All Uninsured<br>( $n = 85$ )  | Some Insured,<br>Some Uninsured<br>( $n = 96$ ) |                     | <b>181</b> |
| <b>Unable to Determine</b>   |                                |   | $n = 35$            | <b>35</b>  |
| <b>Total</b>   | <b>85</b>                      | <b>834</b>                                      | <b>35</b>           | <b>954</b> |

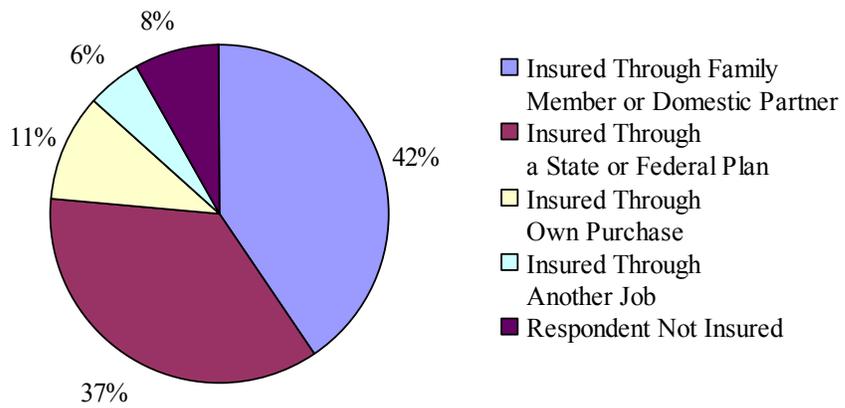
| Percent of Sample Reporting Health Insurance Coverage for Specific Household Members,<br>by Modality of Care and Category of Household Member |                  |  |             |     |                         |             |                  |
|---|------------------|--|-------------|-----|-------------------------|-------------|------------------|
| Modality  | Household Member | Percent, (N) of Respondents Reporting Member(s): |             |     | Percent of Total Sample |             | Total Sample (N) |
|   |                  | Insured  | Not Insured | (N) | Respondents             | No Response |                  |
| FDC   | Self             | 87.1   | 12.9        | 448 | 96.8                    | 3.2         | 463              |
|   | Spouse           | 90.3   | 9.7         | 300 | 64.8                    | 35.2        |                  |
|   | Children         | 92.0   | 8.0         | 311 | 67.2                    | 32.8        |                  |
|   | Others           | 80.4   | 19.6        | 46  | 9.9                     | 90.1        |                  |
|   | Any in H/H       | 92.9   | 7.1         | 449 | 97.0                    | 3.0         |                  |
| GFDC  | Self             | 83.3   | 16.7        | 408 | 93.2                    | 6.8         | 438              |
|   | Spouse           | 85.6   | 14.4        | 264 | 60.3                    | 39.7        |                  |
|   | Children         | 89.8   | 10.2        | 266 | 60.7                    | 39.3        |                  |
|   | Others           | 68.6   | 31.4        | 51  | 11.6                    | 88.4        |                  |
|   | Any in H/H       | 89.3   | 10.7        | 420 | 95.9                    | 4.1         |                  |
| Total   | Self             | 85.0   | 15.0        | 905 | 94.9                    | 5.1         | 954              |
|   | Spouse           | 87.9   | 12.1        | 595 | 62.4                    | 37.6        |                  |
|   | Children         | 91.0   | 9.0         | 608 | 63.7                    | 36.3        |                  |
|   | Others           | 74.8   | 25.2        | 103 | 10.8                    | 89.2        |                  |
|   | Any in H/H       | 90.8   | 9.2         | 919 | 96.3                    | 3.7         |                  |

\* N's within 'Total' rows include small numbers of respondents unable to be categorized by modality. Differences of proportions insured by modality *not* significant ( $p = .05$  level) for any category of household member shown, but were nearly so for 'any in household' ( $p = .06$ ).

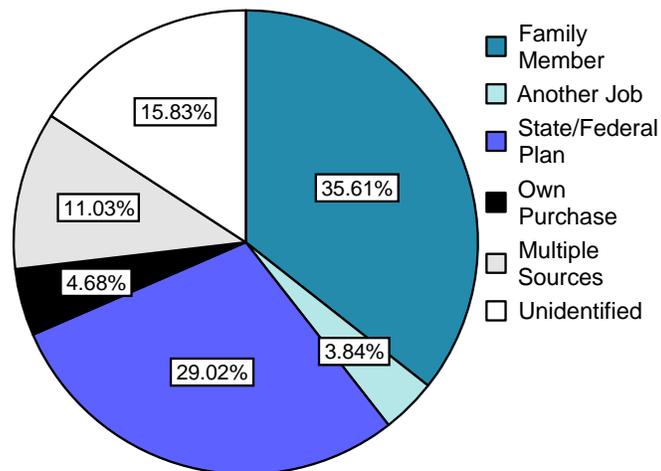
| Percent of Respondents Reporting Health Insurance Coverage for Specific Household Members:<br>Summaries for Selected Samples, With Number and Percent of Relevant Samples Providing Data |                  |        |        |          |        |                  |
|--|------------------|--------|--------|----------|--------|------------------|
|  | Sample           | Self   | Spouse | Children | Others | Any in Household |
| <b>Total Sample</b>  |                  |        |        |          |        |                  |
| % Covered  | Total Sample     | 85.0   | 87.9   | 91.0     | 74.8   | 90.8             |
| (N responding)   |                  | (905)  | (595)  | (608)    | (103)  | (919)            |
| (% responding)   |                  | (94.9) | (62.4) | (63.7)   | (10.8) | (96.3)           |
| <b>By Modality of Care</b>   |                  |        |        |          |        |                  |
| % Covered  | FDC              | 87.1   | 90.3   | 92.0     | 80.4   | 92.9             |
| (N responding)   |                  | (448)  | (300)  | (311)    | (46)   | (449)            |
| (% responding)   |                  | (96.8) | (64.8) | (67.2)   | (9.9)  | (97.0)           |
| % Covered  | GFDC             | 83.3   | 85.6   | 89.8     | 68.6   | 89.3             |
| (N responding)   |                  | (408)  | (264)  | (266)    | (51)   | (420)            |
| (% responding)   |                  | (93.2) | (60.3) | (60.7)   | (11.6) | (95.9)           |
| <b>By Rural/Urban Designation</b>  |                  |        |        |          |        |                  |
| % Covered  | Rural            | 83.2   | 88.6   | 89.1     | 75.0   | 87.7             |
| (N responding)   |                  | (202)  | (158)  | (138)    | (16)   | (203)            |
| (% responding)   |                  | (97.6) | (76.3) | (66.7)   | (7.7)  | (98.1)           |
| % Covered  | Urban            | 85.6   | 87.8   | 91.7     | 74.1   | 91.8             |
| (N responding)   |                  | (674)  | (419)  | (447)    | (85)   | (686)            |
| (% responding)   |                  | (94.1) | (58.5) | (62.4)   | (11.9) | (95.8)           |
| <b>By State Region</b>   |                  |        |        |          |        |                  |
| % Covered  | NYC              | 83.7   | 84.8   | 91.2     | 71.1   | 90.1             |
| (N responding)   |                  | (337)  | (158)  | (217)    | (38)   | (345)            |
| (% responding)   |                  | (91.1) | (42.7) | (58.6)   | (10.3) | (93.2)           |
| % Covered  | Balance of State | 85.6   | 88.9   | 90.6     | 76.6   | 91.0             |
| (N responding)   |                  | (562)  | (433)  | (385)    | (64)   | (568)            |
| (% responding)   |                  | (97.2) | (74.9) | (66.6)   | (11.1) | (98.3)           |

Differences of proportions insured *not* significant ( $p = .05$  level) for any category of individual or comparison shown.

**Own Coverage Status and Source, If Insured  
(Respondents in Households with at Least  
One Member Insured)**



**Respondent Insurance Source  
(Multiple Sources Unduplicated)**



| Total Annual Household Health Insurance Premiums:<br>Summaries and Tests of Differences Among Selected Groups of Respondents<br>Reporting at Least One Household Member Insured |       |  |        |         |         |     |
|---|-------|--|--------|---------|---------|-----|
| Sample  | Mean  | 95% Confidence Interval<br>for Mean (std. error) | Median | Minimum | Maximum | N   |
| <b>Total Sample</b>   |       |  |        |         |         |     |
| Total   | 3,395 | 3057 - 3733 (172)                                | 2,400  | 0       | 24,000  | 399 |
| <b>By Modality of Care</b>  |       |  |        |         |         |     |
| FDC   | 3,340 | 2857 - 3823 (241)                                | 2,400  | 0       | 16,320  | 190 |
| GFDC  | 3,342 | 2848 - 3836 (247)                                | 2,460  | 0       | 24,000  | 189 |
| <b>By Rural/Urban Designation</b>   |       |  |        |         |         |     |
| Rural   | 3,417 | 2788 - 4045 (317)                                | 2,400  | 0       | 16,200  | 108 |
| Urban   | 3,306 | 2906 - 3706 (203)                                | 2,400  | 0       | 24,000  | 280 |
| <b>By State Region*</b>   |       |  |        |         |         |     |
| New York City   | 2,212 | 1596 - 2829 (310)                                | 1,500  | 0       | 15,000  | 78  |
| Balance of State  | 3,671 | 3282 - 4060 (198)                                | 2,688  | 0       | 24,000  | 318 |
| <b>By DCCS Region@</b>  |       |  |        |         |         |     |
| Albany  | 3,916 | 3220 - 4613 (349)                                | 3,000  | 0       | 14,400  | 74  |
| Buffalo   | 3,753 | 2557 - 4948 (596)                                | 2,790  | 0       | 24,000  | 54  |
| Long Island   | 3,499 | 1713 - 5285 (856)                                | 2,388  | 0       | 14,400  | 21  |
| New York City   | 2,212 | 1596 - 2829 (310)                                | 1,500  | 0       | 15,000  | 78  |
| Rochester   | 3,059 | 2360 - 3757 (348)                                | 2,400  | 0       | 10,320  | 52  |
| Spring Valley   | 4,966 | 3710 - 6222 (625)                                | 3,630  | 0       | 16,320  | 48  |
| Syracuse  | 2,955 | 2234 - 3677 (361)                                | 2,400  | 0       | 16,200  | 69  |
| <b>By (Ungrouped) Source of Respondent's Coverage**</b>   |       |  |        |         |         |     |
| Family Member or<br>Domestic Partner  | 3,471 | 3005 - 3937 (236)                                | 2,500  | 0       | 16,320  | 171 |
| Another Job   | 2,459 | 1420 - 3497 (492)                                | 2,094  | 0       | 7,800   | 18  |
| State or Federal Plan   | 2,056 | 1516 - 2596 (271)                                | 1,482  | 0       | 10,200  | 74  |
| Own Purchase  | 6,055 | 4732 - 7378 (651)                                | 5,400  | 400     | 14,400  | 35  |
| Multiple Sources  | 3,973 | 3112 - 4833 (430)                                | 3,600  | 0       | 16,200  | 57  |

\* Difference of mean premiums by state region significant ( $p = .01$  level).

@ Test of equality of mean premiums across DCCS regions significant ( $p = .01$  level).

\*\* Difference of mean premiums by respondent coverage source significant ( $p = .001$  level). N's for this section are smaller than those directly reported, representing respondents citing *only* each respective source while distinguishing all other respondents reporting more than one source.

Differences of mean premiums by modality and by rural/urban designation *not* significant ( $p = .05$  level).

| <i>Own Health Insurance Status and Source of Coverage, If Insured:<br/>Respondents Reporting or Deemed to Have Insured Household Members*</i> |            |              |
|---|------------|--------------|
| Health Insurance Status   | N          | %            |
| Insured Through Family Member or Domestic Partner   | 352        | 42.2         |
| Insured Through a State or Federal Plan   | 312        | 37.4         |
| Insured Through Own Purchase  | 88         | 10.6         |
| Insured Through Another Job   | 47         | 5.6          |
| Respondent Not Insured  | 70         | 8.4          |
| <b>Total Respondents Reporting or Deemed to Have Insured Household Members</b>  | <b>834</b> | <b>100.0</b> |

\* Subtotals do not sum to the total because 92 insured respondents checked more than one coverage source and other respondents made no response.

| <i>Own Health Insurance Coverage Through State or Federal Plans:<br/>Most Frequent Identifications*</i> |            |              |
|---|------------|--------------|
| Name of Plan  | N          | %            |
| Unspecified   | 100        | 32.1         |
| Family Health Plus  | 37         | 11.9         |
| Medicaid  | 28         | 9.0          |
| Medicare  | 23         | 7.4          |
| Healthy NY  | 17         | 5.4          |
| <b>Subtotal</b>   | <b>205</b> | <b>65.7</b>  |
| <b>Total respondents reporting own coverage through a state or federal plan</b>                         | <b>312</b> | <b>100.0</b> |

\* Tallies are approximate because handwritten identifications had to be manually counted due to spelling, wording and data entry variations. In addition, many respondents entered insurance *carrier* names instead of the requested *plans*, implying that derived counts would change under a different reporting.

| Health Insurance Carrier Reported for <i>Own</i> Coverage:<br>Most Frequent Identifications* For Those Reported Insured |            |              |
|---|------------|--------------|
| Name of Carrier   | N          | %            |
| Unspecified   | 202        | 26.3         |
| Blue Cross Blue Shield (various)  | 150        | 19.5         |
| HIP (various)   | 43         | 5.6          |
| CDPHP   | 33         | 4.3          |
| GHI (various)   | 32         | 4.2          |
| Aetna   | 27         | 3.5          |
| Medicaid (various)  | 21         | 2.7          |
| MVP (various)   | 20         | 2.6          |
| Medicare (various)  | 16         | 2.1          |
| <b>Subtotal</b>   | <b>544</b> | <b>70.7</b>  |
| <b>Total respondents reported<br/>or deemed insured</b>   | <b>769</b> | <b>100.0</b> |

\* Tallies are approximate because handwritten identifications had to be manually counted due to prolific spelling, wording and data entry idiosyncrasies which resulted in automated counts of '1' (!) for most companies specified. In addition, many respondents named *plans* (e.g., "Medicaid") providing coverage rather than specific *carriers*, somewhat deflating other counts obtained.

| Health Insurance Carrier Reported for <i>Spouse's</i> Coverage:<br>Most Frequent Identifications* For Spouses Reported Insured |            |              |
|--|------------|--------------|
| Name of Carrier  | N          | %            |
| Unspecified  | 169        | 32.3         |
| Blue Cross Blue Shield (various)   | 90         | 17.2         |
| HIP (various)  | 30         | 5.7          |
| Aetna  | 24         | 4.6          |
| GHI (various)  | 22         | 4.2          |
| CDPHP  | 19         | 3.6          |
| Medicare (various)   | 17         | 3.3          |
| MVP (various)  | 13         | 2.5          |
| Medicaid (various)   | 9          | 1.7          |
| <b>Subtotal</b>  | <b>393</b> | <b>75.1</b>  |
| <b>Total spouses reported<br/>or deemed insured</b>  | <b>523</b> | <b>100.0</b> |

\* See preceding table note.

| Health Insurance Carrier Reported for <i>Children's</i> Coverage:<br>Most Frequent Identifications* For Children Reported Insured |            |              |
|---|------------|--------------|
| Name of Carrier   | N          | %            |
| Unspecified   | 202        | 36.5         |
| Blue Cross Blue Shield (various)  | 66         | 11.9         |
| Child Health Plus   | 53         | 9.6          |
| Medicaid (various)  | 18         | 3.3          |
| GHI   | 16         | 2.9          |
| CDPHP   | 15         | 2.7          |
| MVP (various)   | 14         | 2.5          |
| Aetna   | 13         | 2.4          |
| Fidelis   | 11         | 2.0          |
| <b>Subtotal</b>   | <b>408</b> | <b>73.8</b>  |
| <b>Total respondents with child/ren reported or deemed insured</b>  | <b>553</b> | <b>100.0</b> |

\* Tallies are approximate because handwritten identifications had to be manually counted due to prolific spelling, wording and data entry idiosyncrasies which resulted in automated counts of '1' (!) for most companies specified. In addition, many respondents named *plans* (e.g., "Child Health Plus") providing coverage rather than specific *carriers*, somewhat deflating other counts obtained.

| Health Insurance Carrier Reported for <i>Others'</i> Coverage:<br>Most Frequent Identifications* For Others Reported Insured |           |              |
|--|-----------|--------------|
| Name of Carrier  | N         | %            |
| Unspecified  | 29        | 37.7         |
| Blue Cross Blue Shield (various)   | 10        | 13.0         |
| Medicare (various)   | 5         | 6.5          |
| HIP  | 5         | 6.5          |
| Medicaid   | 4         | 5.2          |
| Child Health Plus or Family Health Plus  | 3         | 3.9          |
| <b>Subtotal</b>  | <b>56</b> | <b>72.7</b>  |
| <b>Total respondents with others reported or deemed insured</b>  | <b>77</b> | <b>100.0</b> |

\* See preceding table note.

| Factors Associated with Insured Household Members Foregoing Health Care:<br>Summaries of Selected Samples |   |              |              |              |  |
|---|---|--------------|--------------|--------------|--|
| Sample  | Insured Household Members<br>Occasionally Unserved Due to Policy<br>Parameters? (%) |              |              | Total<br>(N) | Difference<br>Significant?                 |
|   | No  | Yes          | Not Reported |              |  |
| <b>Total Sample (&gt;= one insured household member):</b>   |   |              |              |              |  |
| <b>Total</b>  | <b>58.3%</b>  | <b>17.9%</b> | <b>23.9%</b> | <b>834</b>   | <b>-</b>                                   |
| <b>By Specific Household Members' Insurance Status:</b>   |   |              |              |              |  |
| Respondent Not Insured  | 39.6%   | 22.6%        | 37.7%        | 53           | p < .01                                    |
| Respondent Insured  | 59.8%   | 17.7%        | 22.5%        | 769          |  |
| Spouse Not Insured  | 50.0%   | 23.5%        | 26.5%        | 34           | p < .01                                    |
| Spouse Insured  | 62.0%   | 18.5%        | 19.5%        | 523          |  |
| Child(ren) Not Insured  | 36.8%   | 15.8%        | 47.4%        | 19           | p < .001                                   |
| Child(ren) Insured  | 60.9%   | 19.5%        | 19.5%        | 553          |  |
| <b>By State Region:</b>   |   |              |              |              |  |
| New York City   | 84.0%   | 16.0%        |              | 200          | p < .01                                    |
| Balance of State  | 73.0%   | 27.0%        |              | 430          |  |
| <b>By DCCS Region:</b>  |   |              |              |              |  |
| Albany  | 77.9%   | 22.1%        |              | 104          | p < .01<br>(test of<br>equality<br>of %'s) |
| Buffalo   | 66.7%   | 33.3%        |              | 60           |  |
| Long Island   | 64.7%   | 35.3%        |              | 34           |  |
| New York City   | 84.0%   | 16.0%        |              | 200          |  |
| Rochester   | 71.0%   | 29.0%        |              | 69           |  |
| Spring Valley   | 81.5%   | 18.5%        |              | 65           |  |
| Syracuse  | 69.4%   | 30.6%        |              | 98           |  |
| <b>By Source of (Insured) Respondents' Coverage<br/>(by descending rate of 'unserved' reports):*</b>      |   |              |              |              |  |
| Not Insured   | 48.6%   | 25.7%        | 25.7%        | 70           | -  |
| Own Purchase  | 61.4%   | 21.6%        | 17.0%        | 88           | -  |
| Family Member/Domestic Partner  | 66.5%   | 19.3%        | 14.2%        | 352          | -  |
| State or Federal Plan   | 58.3%   | 18.3%        | 23.4%        | 312          | -  |
| Another Job   | 66.0%   | 14.9%        | 19.1%        | 47           | -  |

\* "Source of Coverage" subtotal N's do not sum to total N because some insured respondents checked more than one coverage source while others made no response. (The overlapping counts preclude similar significance tests for this primarily heuristic section.)

**Reasons Reported for Policy Denial or Cancellation of Uninsured Household Members (n = 47 unduplicated)**

| <b>Population: Any Household Members Not Presently Insured; Subset: Uninsured Denied or Cancelled (q7a)</b> |   |
|---|---|
| 1   |   |
| 2   | MADE TOO MUCH MONEY BECAUSE OF BACK CHILD SUPPORT   |
| 3   | MADE TOO MUCH MONEY   |
| 4   | INCOME  |
| 5   | INCOME  |
| 6   | IV,   |
| 7   |   |
| 8   | CHILD HEALTH PLUS SAID I MADE TOO MUCH MONEY MEAN WHILE ITS MY 14 YRS OLD SON WHICH HE IS ASMAIC MY HOUSE THAT IS NOT WORKING AND MY SELF WHICH I AM A DIABETIC HAVE THYROID, HIGH BLOOD PRESSURE |
| 9   | TOO MUCH WAGES  |
| 10  | OUR INCOME WAS TOO HIGH   |
| 11  |   |
| 12  |   |
| 13  | HAD TO MAKE DECISION ON PAY INS ELECTRIC BILL OR PAXINS FOR HEALTH INSURANCE, INSURANCE IS OUR INCOME HEALTH INSURANCE WAS RAISED ASTRONOMICALLY OVER THE LAST 5 YEARS                            |
| 14  | CROWD OUT PROVISION OF HEALTHY NY   |
| 15  | INCOME TOO HIGH   |
| 16  | MADE TOO MUCH MONEY   |
| 17  | CANT AFFORD IT  |
| 18  | BECAUSE OF INCOME SLIGHTLY EXCEEDED THE LIMIT I AM LOOKING FOR OTHER HEALTH INSURANCE OPTIONS   |
| 19  |   |
| 20  | DIVORCED INCOME TOO HIGH  |
| 21  |   |
| 22  | EXCEED INCOME MAKE TO MEET FOR HEALTH INSURANCE   |
| 23  | MADE \$50 TOO MUCH. I WOULD HAVE PAIED THAT \$50 TO GET SOME INSURANCE.   |
| 24  |   |
| 25  | MADE TOO MUCH-LIVED @ HOME AT PARENTS   |
| 26  | I MADE TOO MUCH FOR THEM TO COVER   |
| 27  |   |
| 28  |   |
| 29  |   |
| 30  | THE FAMILY INCOME IS TOO HIGH TO GET THE FAMILY HEALTH PLUS   |
| 31  |   |
| 32  | WE MAKE TOO MUCH MONEY  |
| 33  | LETTER WAS SENT WITH NO EXPLANATION FOR CHILD HEALTH PLUS.  |
| 34  | HEALTHY NY. THEY WANTED OVER \$500 MONTH FOR COVERAGE   |
| 35  |   |
| 36  |   |
| 37  | LEGAL AGE CHILD NOT IN COLLEGE  |
| 38  | MAKE TOO MUCH MONEY FOR THEM  |
| 39  |   |
| 40  | INCOME WAS SLIGHTLY OVER THE GUIDE LINE FOR FAMILY HEALTH PLUS  |
| 41  |   |
| 42  | MADE TOO MUCH FOR MEDICAID  |
| 43  | CANCELLATION DUE TO HIGH INCOME. PROVIDERS INCOME WAS EXCEED THE GOVERNMENT HEALTH INSURANCE GUIDELINE  |
| 44  | MADE TOO MUCH FOR HELP AND ANY OTHER COVERAGE IS TOO MUCH TO PAY PER MONTH  |
| 45  | WENT OVER INCOME LEVEL FOR MYSELF. MY CHILDREN ARE COVERED THROUGH THERE FATHERS INSURANCES.  |
| 46  | INCOME, HUSBAND LOST JOB  |
| 47  |   |

**Factors Entering Into Satisfaction (Health Insurance Coverage/Status), Households with Any Member Uninsured, By Satisfaction Rating**  
 Sample: n= 134 (of 181 Total) Households with Uninsured Member(s) and Satisfaction Data non-missing

|                  | Health Ins factor 1 (q8b1)   | Health Ins factor 2 (q8b2)  | Health Ins factor 3 (q8b3)   |
|------------------|--|---|--|
| Very Unsatisfied | 1 NOT AFFORDABLE   | MAY NOT QUALIFY IF I APPLY  | MIGHT NOT QUALIFY IF I HAVE PRE-EXISTING CONDITIONS  |
|                  | 2 TOO EXPENSIVE - RUNNING DAY CARE CANT AFFORD IT                          | UNDER CHILD CARE HEALTH PLUS - THEY AUDIT YOU EVERY SO - MANY MONTH AND IT MAKES YOU FEEL LIKE A CRIMINAL |  |
|                  | 3 4 CHILDREN W/O HEALTH INSURANCE - NOT GOOD!!                             | CANT AFFORD HEALT INSURANCE. IF YOU CAN THEN IT DOESNT COVER EVERYTHING                                   |  |
|                  | 4 WE HAVE APPLIED FOR FAMILY HEALTH PLUS/CHILD HP TAKING FOREVER           | WE ARE UNISURED WITH SMALL CHILDREN -- SCARY  | LOST GOOD COVERAGE W/ TEACHING JOB WHEN I DECIDED TO BECOME A PROVIDE TO BE HOME W/ CHILDREN |
|                  | 5  |   |  |
|                  | 6 PREMIUMS WAY TOO HIGH  | COVER VERY LITTLE   | CO PAYMENTS HIGH   |
|                  | 7 PREMIUMS   | COVER   | CO PAY   |
|                  | 8  |   |  |
|                  | 9 PAY FOR  | PAY FOR PRICE FOR MEDICARE  | ONLY GOING TO DOCTOR WHEN IN PAIN  |
|                  | 10   |   |  |
|                  | 11 GENERAL DOCTORS ARE EXPENSIVE CANT VISITED AS I WOULD LIKE REGULAR      | WOULD LIKE REGULAR  | DENTIST  |
|                  | 12 THE INSURANCE COMP SAID OUR INCOME WAS TOO HIGH                         |   |  |
|                  | 13   |   |  |
|                  | 14   |   |  |
|                  | 15 PRESCRIPTIONS COST  | TESTING   | PREVENTIVE   |
|                  | 16 COSTLY  | LIMITED W/OPTIONS   | NO SERVICE FOR SMALL BUSINESS  |
|                  | 17 COST  | INCREASES   | HEALTHY NY WAS SUPPOSED TO BE OFFERED FOR PEOPLE WHO CANNOT AFFORD TO PAY                    |
|                  | 18 NOT ADEQUATE TOO MUCH COST  | NOT ENOUGH COVERAGE SPEC PRESCRIPTION   | CO PAY OUTRAGEOUSLY EXPENSIVE  |
|                  | 19   |   |  |
|                  | 20   |   |  |
|                  | 21   |   |  |
|                  | 22 LACK OF MONEY FOR COVERAGES   | PREMIUMS TOO HIGH   | TYPE OF COVERAGE ARENT BROAD ENOUGH  |
|                  | 23   |   |  |
|                  | 24 NEED TO HAVE HEALTH INSURANCE   | NEED DENTAL BENEFITS  |  |
|                  | 25 DONT HAVE ANY   | INS CO TOO EXPENSIVE  |  |
|                  | 26 MY DAUGHTER IS NOT COVERED SHE IS 19 AND DOESNT ATTEND SCHOOL FULL TIME |   |  |
|                  | 27 UNAFFORDABLE 4 CHOICE OF DR AND FACILITIES                              | LIMITATIONS   | HIGH DEDUCTABLES   |
|                  | 28   |   |  |
|                  | 29   |   |  |
|                  | 30 SINGLE PARENT   | HIGH PREMIUMS   | NOT AFFORDABLE   |
|                  | 31   |   |  |
|                  | 32 MY HUSBAND AND I WERE RECENTLY REMOVED BECAUSE OF HIGHER INCOME         | MY HUSBAND HAS INSURANCE PLAN IN THIS EMPLOYMENT BUT IT IS VERY EXPENSIVE                                 |  |
|                  | 33 THE FEAR OF SOMETHING HAPPENING W/O INSURANCE                           | WE ARE AROUND KIDS EVERY DAY TRYING TO STAY HEALTHY SO I DONT HAVE TO PAY FOR A DR.                       | THE FACT THAT WE HAVE TO GET SHOTS AND PAPERS SIGNED BY A DOCTOR EVERY 2 YEARS               |
|                  | 34   |   |  |
|                  | 35 IF I GET MARRIED I WILL NOT BE ABLE TO AFFORD COLLEGE FOR MY SON        | I PRAY I STAY HEALTHY AND DO NOT NEED MEDICAL CARE  | IF INSURANCE WAS AVAILABLE AT REASONABLE COST I WOULD PURCHASE IT                            |
|                  | 36 NEED AFORDABLE INS WITH PRESCRIPTION PLAN                               |   |  |
|                  | 37 HUSBAND LEFT JOB AND NOW WE HAVE NO HEALTH INSURANCE                    | NEED INS I CAN AFFORD THROUGH D/C FOR SELF HUSBAND  |  |
|                  | 38   |   |  |
|                  | 39   |   |  |
|                  | 40 I AM DIABETIC   | MEDICINE ARE TO HIGH COST   | ANY OTHER ADDED COST FOR PARTUCULAR TEST   |
|                  | 41   |   |  |
|                  | 42 LITTLE COVERAGE FOR DOCTOR  | DENTIST   | HAVE TO USE THEIR DR'S   |
|                  | 43 CANT AFFORD IT  |   |  |
|                  | 44   |   |  |
|                  | 45 NEED TO BE MORE AFFORDABLE  | I BELIEVE ALL SHOULD HAVE INSURANCE - LIKE CANADA   | I BELIEVE THE GOVERNMENT SHOULD TAKE CARE OF US BEFORE OTHERS                                |
|                  | 46 NOT AFFORDABLE TO INDIVIDUAL  |   |  |
|                  | 47   |   |  |
|                  | 48   |   |  |
|                  | 49   |   |  |
|                  | 50   |   |  |
|                  | 51   |   |  |
|                  | 52 I AM NOT COVERED  |   |  |
|                  | 53   |   |  |
|                  | 54 CURRENTLY NO STATE OR FEDERAL PLAN                                      | HAS ILLNESS AND NEED TO PAY OUT OF POCKET   |  |
|                  | 55 CURRENTLY NO STATE OR FEDERAL PLAN                                      | NEED GOVERNMENT'S SUBSITY FOR HEALTH INSURANCE  | 0'   |
|                  | 56   |   |  |
|                  | 57 NO DENTAL, NO EYES, NO MENTAL HEALTH                                    | THE CO PAY EQUAL OUT TO OVER \$290 A MONTH ON TOP OF THE \$560  | NO ONE CARE  |
|                  | 58   |   |  |
|                  | 59 AFFORDABILITY   | COVERAGE  |  |
|                  | 60 AFFORDABILITY   | COVERAGE  | ACCESSABILITY  |

Factors Cited in Satisfaction with Health Insurance Situation (q8b1 - 3), By Satisfaction Rating (q8a)

|   | Health Ins factor 1 (q8b1)  | Health Ins factor 2 (q8b2)                                     | Health Ins factor 3 (q8b3)                                     |
|---|---|--|--|
| Very Unsatisfied                        | 61 IT IS TOO EXPENSIVE TO BUY   | MY DR MIGHT NOT BE MY DR IF INSURANCE                          | CO DOES NOT LIST HIM   |
|   | 62 THEY SAY I MAKE TOO MUCH MONEY TO BE INSURED. NOT TRUE             | THEY NEVER NOW THE ANSWERS OF MY QUESTIONS                     | THEY DONT HAVE A HEALTH PLAN FOR ME OR SPOUSE                  |
|   | 63 I DONT GO THROUGH THE DRS BECAUSE I CAN NOT AFFORD THE             | VISIT - OR THE DENTIST - I NEED GLASSES AND                    | CAN NOT AFFORD THE EYE EXAM MUCH LESS THE GLASSES              |
|   | 64 COST HIGH  | M  |  |
|   | 65  |  |  |
|   | 66 CANT FIND AFFORDABLE   | CANT FIND REASONABLE INS                                       |  |
|   | 67 IT NEEDS TO BE MADE AFFORDABLE. ITS UNAFFORDABLE                   | EACH FAMILY HAS DIFFERENT THINGS GOING ON PERSONALLY           | EACH INDIVIDUALS NEEDS TO BE LOOKED AT                         |
|   | 68 CANT AFFORD INSURANCE  |  |  |
|   | 69 HAD TO CALL TO GET PRENOTICEATION                                  | HAD TO PAY FOR WELL VISITS                                     |  |
|   | 70 CANT AFFORD IT   |  |  |
|   | 71  |  |  |
|   | 72 HAVE NONE  | NEED TO HAVE SOMETHING THAT IS AFFORDABLE THROUGH STATES AS    | LICENSED DAYCARE PROVIDER, WE SHOULD HAVE SOMETHING AFFORDABLE |
|   | 73 COST OF TAKING FAMILY TO DR  | A  | FFEAR OF EMERGENCIES   |
|   | 74 I NEED TO HAVE A FEW PRESCRIPTIONS EACH MONTH (EXPENSIVE)          | COST OF MEDICATION   | I WOULD LIKE TO START A FAMILY (BIRTHS ARE COSTLY)             |
|   | 75 CANT GO TO DOCTOR  | I NEED TO HAVE TESTING OR PROCEDURES DONE TO EXPENSIVE W/O/INS |  |
|   | 76  | IF I GOT HURT I WOULD NOT BE ABLE TO PAY BILL                  |  |
|   | 77  |  |  |
| Somewhat Unsatisfied                    | 1   |  |  |
|   | 2 THAT IT WAS MADE UNAVAILABLE TO US AFTER MANY YEARS                 | PAYMENTS & PREMIUMS WERE NEVER NEGLECTED                       | LEFT US HIGH & DRY - NO CONCERN                                |
|   | 3 IT IS TOO EXPENSIVE   | IT DOES NOT COVER EVERYTHING                                   | TO MUCH HASSALE  |
|   | 4   |  |  |
|   | 5   |  |  |
|   | 6 I HAVE NO HEALTH INSURANCE  |  |  |
|   | 7   |  |  |
|   | 8 COST - WE ALL APPLY   | IT IS NEEDED AND NOT EVERYONE CAN AFFORD                       | LACK OF KNOWLEDGE  |
|   | 9 NOT COVERAGE FOR PHYSICAL EXAM                                      | NO PROTECTION  | CANT VISIT DOCTORS   |
|   | 10 COST   | DENTIL_PERSRIPTION DOCTORS                                     |  |
|   | 11  |  |  |
| Somewhat Satisfied                      | 1   |  |  |
|   | 2 HAVE FREE CLINIC FOR BASICS AND PAY WHEN NEED TO SEE A DOCTOR       |  |  |
|   | 3   |  |  |
|   | 4 SAME SERVICES MEDICATIONS COVERED OTHERS NOT                        |  |  |
|   | 5 COST  | WILLING INS  | .-1.   |
|   | 6 IM OK WITH MYSELF AS I TAKE CHRIST JESUS AS MY HEATH AND WHOLNESS   | IM CONCERNED WITH PEOPLE I WILL HIRE                           | I DO HAVE COMBINED INSURANCE IN CASE OF ACCIDENT               |
|   | 7 COST PER MONTH  | FAIR CO-PAYS   | JUST WISH IT COVERED YOUR DEPENDENT LONGER THAN                |
|   | 8 PRESCRPTION MEDICINE COST AFFORDABLE                                | ALL MOSTLY DOCTORS PROVIDE SERVICE UNDER FHP INSURANCE         | NO COST TO PARTICIPATE WITH THE CARRIER                        |
|   | 9 AFFORDABLE  | DISCENT COVERAGE   | DOES NOT HAVE SPECIALTY COVERAGE                               |
|   | 10  |  |  |
|   | 11 COST TO ADD SOUSE TO HEALTH INSURANCE                              |  |  |
|   | 12  |  |  |
|   | 13 COVERAGE FOR CHILDREN STILL AT HOME PASS AGE WITHOUT ANY INSURANCE | AFFORDABLE WITH LOW COST CO PAY                                |  |
|   | 14  |  |  |
|   | 15 DO NOT COVER GLASSES   |  |  |
|   | 16  |  |  |
|   | 17  |  |  |
|   | 18  |  |  |
| 19 MY CO PAYS GO UP                     | OOOUT OF POCKET COST BY EMPLOYEES ALSO GO UP                          | LIMITED PROVIDERS  |  |
| 20                                      |   |  |  |
| 21                                      |   |  |  |
| 22 COST RAISED EVERY YEAR               | CO-PAY IS HIGH  | ONLY AFFORD INDIVIDUAL COVERAGE FAMILY - TOO HIGH              |  |
| 23 VISUAL NOT COVERED                   |   |  |  |
| 24 MY SONS NEED IT                      |   |  |  |
| 25 CO PAY IS TOO HIGH                   |   |  |  |
| 26 I PAY A TEAR FEE AT                  | THE HOSPITAL WHEN I GO  |  |  |
| 27                                      |   |  |  |
| 28 I HAVE ABSOLUTELY NO COVERAGE MYSELF | AS THE MAIN PROVIDER OF MY HOME I CAN'T AFFORD ANYTHING TO            |  |  |
| 29                                      | HAPPEN TO ME  |  |  |
| 30 FREE                                 | NEEDED HEALTH CARE  | UNABLE TO WORK W/O TREATMENT                                   |  |

Factors Cited in Satisfaction with Health Insurance Situation (q8b1 - 3), By Satisfaction Rating (q8a)

|                | Health Ins factor 1 (q8b1)                         | Health Ins factor 2 (q8b2) | Health Ins factor 3 (q8b3)                         |
|----------------|--|----------------------------|--|
| Very Satisfied |  |                            |  |
| 1              | NO COPAYMENT                                       | PREVENTIVE COVERAGE        |  |
| 2              | COST TOO MUCH                                      | CANT AFFORD IT             | I WILL TRY TO GET IT                               |
| 3              |  |                            |  |
| 4              | AT LEAST MOST OF ARE COVERED                       | THE CHILDREN ARE PRIORITY  | THE CHILDS IS AFFORDABLE AND MY HUSBANDS FREE      |
| 5              | MY INSURANCE COVER IF I HAVE TO BE HOSPITALIZED    | KEEP UP TO DATE ON POLICY  | ITS A GOOD PLAN FOR MYSELF AND FAMILY AND BUSINESS |
| 6              | UNABLE TO AFFORD NONFEDERAL STATE HEALTH INSURANCE |                            |  |
| 7              | GOOD RATES (AFFORDABLE)                            |                            |  |
| 8              | COST   | COVERAGE                   | AVAILABILITY                                       |
| 9              |  |                            |  |
| 10             |  |                            |  |
| 11             |  |                            |  |
| 12             |  |                            |  |
| 13             |  |                            |  |
| 14             |  |                            |  |
| 15             |  |                            |  |