Property and Casualty Insurance
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What is property and casualty insurance?

Property and casualty insurance together represent two of the four major categories or lines of insurance. Health/disability insurance and life insurance are the two others. Property insurance covers a variety of risks associated with property whether it be real estate or personal property. Fire insurance, inland marine insurance, and ocean marine insurance fall within the property line of insurance. Generally, casualty insurance covers risks arising out of actions toward others. Liability insurance, for instance, falls within the category of casualty insurance. However, casualty insurance comprises a variety of other types of insurance, including some that are property related:

- Aviation
- Auto
- Boiler and machinery
- Crime
- Workers’ compensation

Some of these insurance products are fairly unrelated. As a result, casualty insurance is somewhat difficult to define precisely.

Property and casualty insurance for business owners

As a business owner, you face potential risks to the real estate you own or use, your equipment, the records you keep, your automobiles or other vehicles, and not least of all, your workforce. You should familiarize yourself with several types of insurance that provide property and casualty coverage to protect your business and these important assets. You can purchase coverage individually as mono-line policies, or in combination as commercial package policies. Often, you will save money by obtaining a package policy in lieu of several individual policies—it is less expensive for an insurance company to offer several lines of insurance for one customer and it can pass along some of those savings to you. One type of package policy is the business owners policy (BOP), which offers a combination of property, casualty, and business interruption insurance for small to medium-size businesses. If your preference is to purchase individual policies, you should consider the following for your business:

- Accounts receivable/valuable papers insurance
- Automobile/fleet insurance
- Buildings and equipment insurance
- Business interruption insurance
- Crime insurance
- Fire insurance
- Workers’ compensation insurance

Each of these types of insurance has an individual discussion presenting some background on the coverage they offer for business owners. Refer to those of interest to you.
Be aware of situations and items not covered

Be careful not to assume that a particular type of insurance covers all risks that fall within that general category. For example, valuable papers insurance doesn’t cover data processing programs or instructions or papers you store in facilities not listed in your policy declarations. A business auto policy, moreover, doesn’t routinely offer medical payments coverage or uninsured/underinsured motorist coverage. In some cases, you can arrange for any additional coverage you desire by adding endorsements to your policy.