

Robin VanBruggen

From: Briana Benenati
Sent: Thursday, March 19, 2020 10:26 AM
To:
Cc: Robin VanBruggen
Subject: - Coronavirus Pandemic

Importance: High

Good Morning

We have had many inquiries and concerns regarding how insurance will respond to the Coronavirus and below is our summarization of relative coverages.

Workers Compensation: Worker's Comp only covers for occupational disease that arises out of the course of employment related to specific work performed (think coal miners/black lung disease). Since the Coronavirus is an ordinary life disease affecting the general public it would not be construed as a work related claim and therefore would likely not be covered under your Worker's Compensation policy.

Business Income & Civil Authority: Coverage is intended to be triggered only when there is actual physical damage to your property, as a result of a covered peril i.e. fire, lightning, wind damage, etc. and you have a property claim resulting in the closure of your business until the property is repaired. This is the intent of this coverage and therefore the loss of business income would likely not be covered for a shut down due to the Coronavirus. Because there is no current court precedent set, we can only respond based on the policy form coverages as they exist.

General Liability: It is likely that the policy would not respond, as the trigger would have to be as a result of an Occurrence AND, something the courts would determine that you were "legally" obligated to pay. Occurrence is defined in the policy as the following: An accident, including continuous or repeated exposure to substantially the same general harmful conditions

Please keep in mind that this is unprecedented and the outcome and impact relative to insurance remains to be seen. We also highly recommend that all of our clients defer to the CDC guidelines for further information.

<https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>

<https://www.cdc.gov/workplacehealthpromotion/index.html>

Ultimately, we always recommend should a claim present itself, please report it to our agency and we will turn into your carrier for determination.

Please feel free to contact our office directly should you wish to discuss further or have additional questions or concerns. Thank you!

Best Regards,

Bri