



# UNDERSTANDING YOUR INSURANCE BOARD COVERAGE

## CORONAVIRUS – COVID-19

### PROPERTY INSURANCE

Is a "**BUSINESS INCOME**" loss covered by our Insurance Board policy if it results from the Coronavirus COVID-19? The facts involving any potential claim scenario are unique and must be thoroughly investigated. Please note that your adjuster will make the ultimate decision regarding coverage under this extension. Generally, the Business Income "Communicable Disease and Food Contamination" Extension offers coverage if:

- 1) There is an outbreak at the "insured premises" described in the Memorandum of Insurance; **and**
- 2) The outbreak is caused directly by infectious or bacterial organisms. . .which causes illness; **and**
- 3) The order from a local, state or federal Department of Health to temporarily shut down or suspend your entire "operations" is a **direct result** of an outbreak at the "insured premises"

The policy includes an extension for Loss of Business Income resulting from "Communicable Disease" or "Food Contamination". This special coverage extension has an annual limit of \$25,000 regardless of the number of occurrences and a 72 hour waiting period before losses will be paid. Some items have a \$5,000 sublimit. See Forms & Endorsement for detail

What about expenses related to an event that is cancelled? **EVENT CANCELLATION EXPENSE REIMBURSEMENT** coverage is included. In summary, it reimburses unrefunded expenses associated with the cancellation of an event that an employee or volunteer was scheduled to attend. Your standard deductible will apply and is subject to a \$25,000 sublimit.

### GENERAL LIABILITY & PROFESSIONAL LIABILITY

Coverage determinations are dependent upon the allegation(s) and causation. In general, we believe that the standard defense and indemnity coverage should apply to most potential coronavirus allegations against churches. As always, each claim will be evaluated individually based upon the facts when making a determination of coverage.

### WORKERS' COMPENSATION

Can Coronavirus become a **Workers' Compensation** Claim? Yes, if an employee contracts COVID-19 after being in close contact with a party infected with the virus during employment, employers may be responsible. Below are some examples where employees may be eligible for workers' compensation coverage:

- 1) Employees who contract the virus during a business trip to a location where they are directly exposed to the illness/disease.
- 2) Employees who contract the virus at work by a coworker that tested positive for COVID-19.
- 3) Employees who contract the virus after being required to work in a location with infected parties.



*Our insurance serves you so you can serve God.*

*Serve God*

DISCLAIMER: Coverage cannot be placed, bound, or altered without written confirmation from a licensed agent. This communication, along with any attachment, does not amend, extend or alter the coverage terms, exclusions and conditions of insurance policies referenced herein. Policy language is controlling and supersedes. Guidance provided by the Insurance Board does not constitute legal advice; please seek the advice of an attorney if you wish to obtain legal advice.