



COVID-19: Business Interruption Claims Process Guidance

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As businesses are faced with the circumstances surrounding the COVID-19 pandemic, they will seek ways in which to recover losses resulting from closures, loss of personnel, supply chain interruptions, and other damages.

Claims attributed to disease or pandemic typically are excluded from coverage. However, this is an unprecedented event, and it is impossible to predict the unexpected changes that may occur from either carriers, regulators, and other sources.

We anticipate that the majority of business interruption losses will be denied. However, insurance carriers may request specific information throughout the claims process.

We have compiled some of the questions your claims adjuster may ask you while they evaluate your case.

- Has the property or premise where the loss occurred sustained any physical damage? Describe the type or nature of the loss.
- Is your business fully closed? If so, on what date did it fully close?
- Has your business reduced its hours of operation? If yes, please describe.
- Has ingress or egress to your business been prevented physically either partially or totally. If so, provide an explanation as to how and why.
- Has a state or city order impacted your business operations? If so, please provide a copy of the order.

During an interruption of your business, it's in your best interest to document the financial impact on your organization. You may want to consider having the below items and information available should current conditions change:

- The last 12 months of financial records for your organization
- The prior year's tax filing documents
- Recordings of all expenses that you continue to incur despite the necessary suspension of your operations. Some examples are listed below:
 - Wages for employees who were sent home but still paid
 - Wages for employees involved in clean-up or repair
 - Overtime paid to employees to fulfill orders that would have been completed during normal hours if not for the loss
 - Outside vendors involved in clean-up, repair, etc.
 - Leasing of temporary space while your facility is repaired
 - Leasing or purchase of any items necessary to continue operations
- Documentation of lost business due to:
 - Canceled orders
 - Refused orders
 - Supply chain interruption
- Any other items deemed related to your business interruption

