



## Your Coverage Questions Answered: COVID-19

- **Are we covered for liability claims related to COVID-19?**

The WCRP Memorandum of Liability Coverage (MLC) covers, in part, *“all sums of monetary damages which a protected party shall become obligated to pay by reason of liability imposed by law...for bodily injury, personal injury, property damage, errors and omissions...caused by an occurrence...”* This means that the liability coverage you have through the WCRP is there for when another party brings a claim or suit against you for monetary damages, because of an occurrence, and for which you have liability. While certain exclusions apply, and each claim or suit must be evaluated when it is received, there is not a specific exclusion where your negligence is alleged when it comes to a virus such as this. If you receive a claim alleging you were negligent in some way related to the COVID-19 virus, contact the WCRP immediately.

- **If we must close county offices due to COVID-19, can we be reimbursed for the cost of doing so?**

The property coverage you have through the WCRP includes “extra expense” and “business interruption” coverage. However, the first requirement is that there is an actual occurrence that caused damage to real or personal property. In other words, an event must have occurred that caused damage to county property before it can be determined if there was related interruption to business, or extra expense. Without that, the extra expense and business interruption coverage may not trigger.

Let’s say, however, that it is determined, hypothetically, that the closing of county offices is considered an occurrence and is also considered damage to county property. The loss will be adjusted on the basis of ACTUAL LOSS SUSTAINED, which is the net profit which is thereby prevented from being earned. It won’t be enough to just say that employees had to be paid while you were closed, but that the closure cost money that would not have otherwise been paid or would otherwise have been earned. If you find yourself closing county offices due to COVID-19, please contact the WCRP immediately and we will discuss your situation.

- **If we must cancel an event due to COVID-19, does our current property policy cover the loss of income from that event?**

The property coverage you have through the WCRP has a coverage grant for CIVIL AUTHORITY. If an outbreak, or infection, occurred at an owned facility and results in a government/civil authority shut down, there may be coverage for lost revenue. Remember, however, as previously mentioned, the first requirement is an actual occurrence that caused damage to real or personal property, and the county would have to prove the lost revenue and that the shutdown was imposed by a government or civil authority which would NOT include the county itself or a Health department.

- **Is event insurance something we need, can we obtain it now for future events, and will it cover events canceled due to COVID-19?**

We have consulted with our broker, Gallagher, and they have informed us that they are unaware of any insurance carrier offering Event Cancellation coverage that includes COVID-19 at this point. Further, if it was an option, it would likely include an exclusion for any outbreak or occurrence that would give rise to the cancellation of an event, that was known at the time the policy was purchased. Gallagher continues to monitor this, and they will advise us as to any developments for a risk-financing or insuring solution.

Please also note that Special Event policies are there to cover the event as it occurs and do not include cancellation of the actual event. Only a specific event cancellation policy will cover the costs associated with cancellation.