



Coronavirus Insurance Updates

How are insurance carriers providing relief?

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The market is evolving – quickly

As we continue to work our way through the struggles faced by businesses due to Coronavirus, as well as the changes to our economy, insurance carriers have, in certain instances, made adjustments to provide some relief to clients.

What are those adjustments?

Exposure Reductions – providing overhead reductions and premium relief

Billing Relief – increasing cash flow for the client and easing overhead burden

It is important to note that each insurance carrier's stance is different. For either of the two adjustments to be considered, you must submit a request. Each situation is being addressed on a case-by-case basis.

If either of the two adjustments above make sense for your organization, contact your agent to further the discussion.



Exposure Adjustments

Exposure is the mechanism for how your insurance policy is rated. Workers' compensation premium is calculated from payroll. Payroll is the exposure.

General liability premium can be calculated from various exposures, typically one of:

- 1) Payroll
- 2) Gross Receipts
- 3) Square Footage

Given how quickly everything is evolving, especially regarding essential and non-essential designations, carriers may provide exposure relief. If you anticipate your payrolls or gross receipts declining due to coronavirus, carriers may decrease those exposures on your current policy. By doing so, they are allowing you to decrease your current premium and ultimately lower your insurance costs.

It is important to note that exposures will still be subject to audit.



Billing Relief

In certain situations, specific insurance carriers have been willing to offer different options regarding their billing. Those options have included:

- 1) Deferred payments
- 2) Spreading current premiums due over future payments
- 3) Deferred Notices of Cancellation

Insurance carriers have been accommodating their clients' lack of cash flow due to the coronavirus. It is important to note that you *must* reach out to your agent in order to inquire about the availability of any of these options. They are not guaranteed and must be requested.

The insurance carriers are looking at every situation on a case by case basis and there is no uniform protocol. Carriers may not all approach these situations the same.



What can OneGroup do for you?

Most importantly, we are here and available for you. As we all learn to work and navigate through this unprecedented situation, please do not hesitate to pick up the phone and call us regarding your commercial insurance, risk management and HR questions.

We are here and available for the following:

- Commercial Insurance Needs
- Risk Management Questions & Concerns
- Workforce Planning – Furlough, Lay-Off Considerations
- Employee Benefits – Coverage Continuation for all Benefits
- Various Paid Leave Types
- Other HR Matters





Please contact us with any questions or concerns:



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