

We are getting calls from all over the country from our Insureds as to their Church Insurance Policy providing coverage caused by the pandemic of the coronavirus. We want to provide you with some of the information concerning most Business Insurance Policies which INCLUDE your Church Insurance Policy – REGARDLESS of the Company that provides your coverage.

Also, we are here to help you during these difficult times. IF your church wants to look into applying for the Paycheck Protection Program (PPP) or the Small Business Emergency Bridge Loan, we have the applications and the information. Contact us for more details.

Lastly, this may be a good time to review your Insurance Programs – reducing expenses in these difficult days may be to your advantage. We are here to offer our services in reviewing your Church Insurance Portfolio and offering additional Proposals for your review.

Now – Does My Church Insurance Policy Cover The COVID-19 -

### **Does my business income policy protect me while my business is temporarily closed due to COVID-19?**

Generally speaking, the answer is no.

Most business income policies require physical damage to the building covered on the policy to qualify for business income benefits. Business income loss from a virus, bacterium, or other microorganism is not usually a “covered peril”.

### **What does a business income policy normally cover?**

Also called business interruption insurance, business income coverage is a standard endorsement that can be added to a business owners policy.

Business income is part of a property policy that would cover an insured for loss of income resulting from a “covered loss.” For example, if a business’s office burns to the ground, the company will not be able to generate revenue. Business income would provide a level of reimbursement, which is detailed in the policy itself.

### **Am I covered if the government forces my business to temporarily close?**

#### **What if my geographic area is affected by “shelter in place” rules?**

Most policies do not cover a “civil authority” (any branch of federal, state, or local government) forcing your business to temporarily close. Unless direct physical damage occurs on your property or adjacent properties, coverage is usually not triggered.

However, disaster relief loans **may be available to small businesses** affected by mandatory closings due to COVID-19. This is a pending development, and you can contact our office for more information including loan applications for Non-Profits.

### **Can I get business insurance coverage (such as a business owner's policy) after a coronavirus-related loss occurs?**

No. Just as you can't purchase collision coverage and expect the insurance company to cover a car accident that already happened, you can't buy coverage for a pre-existing business loss. Insurance carriers require you to sign off that you have "no known losses" before they will issue coverage. A claim filed for an event that took place before the policy was in effect (also called "in force") will be denied.

### **What if I shut down my Church and cancel services as a preventive measure? Will any policy cover this?**

Most policies do not cover business losses from a temporary closure of this nature, whether it's due to a mandate from a civil authority or done as a preventive measure.

### **If an employee contracts coronavirus, is my business responsible for related costs? If so, am I able to claim this?**

All workers compensation claims require an employee to show that the injury or illness arose both (a) out of and (b) in the course of their employment. If they can't demonstrate this, they will not be compensated. Because workers compensation statutes vary quite a bit by state, each situation should be examined on a case-by-case basis. These reviews must consider the statutes of the relevant jurisdiction(s).

We recommend contacting your carrier's claims department to begin a formal claims process if you're curious about coverage.

### **Can our Church be held legally liable IF we hold services and someone contracts the Covid-19 virus from being at the service?**

YES, the First Amendment does protect "the free exercise" of religion and "the right of the people peaceably to assemble." These are bedrock constitutional principles, deeply enshrined in American law and repeatedly affirmed by the U.S. Supreme Court. But the Supreme Court has also said that religious liberty does not trump all forms of government regulation, even when the regulation clearly impacts a specific religious practice.

But we ask, where may government draw the line on the practice of religion? The courts have struggled with the answer to that question for much of our history. During these difficult times, Insurance Companies are recommending that services of any kind NOT be held. Your Church CAN be sued – so do not take the chance.

### **How are most Church insurance carriers responding to COVID-19?**

Each insurance carrier is handling the coronavirus differently. We encourage you to visit your carrier's website to see how they're responding to the outbreak.

How can I file a claim with my Church Insurance carrier?

Although our Agency represents MOST of the Companies that will insure a Church or Non-Profit, we do not represent them all. But below are some claim numbers, websites or emails for your convenience. You can file a claim directly with your insurance carrier.

- GuideOne – Claims – 888-748-4326 – [www.guideone.com](http://www.guideone.com)
- Church Mutual – 800-554-2642 – [www.churchmutual.com](http://www.churchmutual.com)
- Brotherhood Insurance – 800-333-3371 – [www.brotherhodmutal.com/claims](http://www.brotherhodmutal.com/claims)
- Hanover Insurance. – 800628-0250 – [www.hanover.com/claims.html](http://www.hanover.com/claims.html)
- Travelers - (800) 238-6225 or [First.Report@travelers.com](mailto:First.Report@travelers.com)
- The Hartford - (800) 327-3636
- Liberty Mutual - (844) 3-CLAIMS
- Philadelphia - (800) 765-9749 or [Claimsreport@phly.com](mailto:Claimsreport@phly.com)
- USLI - (800) 765-9749 or [NewLosses@usli.com](mailto:NewLosses@usli.com)
- Chubb - (800) 252-4670

Hopefully this information will be helpful to you in the days ahead. Again, this MAY be a good time to also REVIEW your Insurance coverage – YOUR Church may need to adjust some coverages during the days ahead if finances are reduced. We can help – even IF we are not your Agent – let us HELP Your Ministry.

We are here as we are listed as an ‘Essential Business’ – we are practicing ‘social distancing’ and pray you are also. Again, let our Agency help you during these trying times.

**Insuring those who serve,**

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