

Aon | Professional Services

COVID-19 – Insurance Overview

COVID-19 is prompting insurance coverage questions. Because each insurance buyer maintains its own combination of coverages and policies, we have prepared this high-level guide to how different types of coverage may respond.

We urge insurance buyers to contact their brokerage teams with specific questions or concerns, especially if any sort of potential COVID-19-related claim is anticipated. **Short term**, focus will be on claim activity, existing policy language, and the need for informed advocacy. **Longer term**, COVID-19 will compel firms to extend their consideration of risk and insurance to include their approaches to business continuity, health insurance, talent/compensation, retirement, and beyond.

It is important to remember that the following summary information is general in nature. Specific policy language and claim circumstances will determine any actual interpretation of coverage.

| Line of Coverage | Potential for Coverage | Notes |
|--|-------------------------------------|--|
| Property / Business Interruption | None - under typical policy wording | Policy language typically requires loss of income or extraordinary expenses due to property damage from a covered peril. Policies tend to restrict or exclude coverage for a pandemic disease. |
| Workers' Compensation | Yes | Coverage for work-related health problems and lost wages would need to be established if a US eligible "employee" contracted the virus at work or during business. |
| Foreign Voluntary Workers' Compensation | Yes | Provides workers' compensation coverage for employees traveling outside their resident country. |
| Business Travel Accident | Yes | Coverage may be available for eligible participants traveling outside their home country who contract the virus and require evacuation or incur medical expenses. |
| General Liability | Likely to be restricted. | Liability coverage is typically restricted for claims involving sickness, disease, or illness. |

The following provides additional comments relating to COVID-19.

Non-US Workers' Compensation

Non-US operations will quite possibly be subject to local country workers' compensation requirements. These should be reviewed for their anticipated response to COVID-19.

Cyber Insurance

Concern about the spread of the COVID-19 has triggered the largest work-from-home mobilization in history. This redeployment of personnel could expand vulnerabilities to malicious attempts to infiltrate critical operating systems. It is important to remind colleagues of the need for vigilance and the dangers of opening attachments and links from untrusted sources. Ideally, employees working remotely will do so on secured networks and devices.

Special Crime (KR&E)

KR&E coverage typically includes “Expatriate Security Evacuation” and “Travel Security Evacuation” if an employee, and in some cases their family, needs to be evacuated for security reasons.

Major Medical/Health Insurance

In most instances, traditional life and health insurance policies do not limit coverage based on epidemic or pandemic circumstances. Any questions should be addressed with life and health insurance specialists.

Aon COVID-19 Resources

Aon’s Infectious Disease Response Task force has created a webpage to support our clients in mounting an effective infectious disease response. This page provides important information and practical solutions that are actionable, timely and relevant. We encourage you to visit this site via the link below:

[Novel COVID-19 \(2019-nCoV\) Response Site](#)

We also encourage insurance buyers to seek guidance from health agencies, including the Centers for Disease Control (CDC) and the World Health Organization (WHO), as well as local government entities for a comprehensive and timely view of current situations as well as information about the nature and characteristics of the virus itself.

Past communicable disease outbreaks such as SARS, Ebola and Zika viruses, prompted many insurers to insert communicable disease exclusions or other limitations in their policies. The nature of COVID-19 and its impact on business and individuals will lead to new developments that Aon is and will continue monitoring. Any questions should be directed to existing Aon client service teams, or to the contacts listed below.

For additional information about COVID-19 insurance issues, please contact **Jim Miraval** or **Chris Fill**.

This document has been provided as an informational resource for Aon clients. It is intended to provide general guidance on potential exposures and is not intended to provide medical advice or address medical concerns or specific risk circumstances. Due to the dynamic nature of infectious diseases, Aon cannot be held liable for the guidance provided. We strongly encourage our clients to seek additional safety, medical, and epidemiologic information from credible sources such as the Centers for Disease Control and Prevention and the World Health Organization. As regards insurance coverage questions, please note that Aon is not authorized by insurers to make coverage determinations on their behalf. Insurance coverage depends on specific fact patterns and on the insurer’s application and interpretation of policy wording on a case-by-case basis. Coverage will be subject to the terms, conditions and exclusions in the applicable Policy. Any information in this communication should not be used as a substitute for legal advice.