



COVID-19 | Impact on Your Personal Insurance

Frequently Asked Questions (FAQ)

Please note that most standard insurance policies exclude injury or loss due to communicable disease such as COVID-19. Consult your employer and/or insurance advisor on any questions regarding your specific coverage.

Q: Am I responsible for damage or theft to business property, such as a company laptop, while working from home? Is there any coverage included on my homeowner's policy?

A: Any questions you have regarding your responsibility for damage to property provided to you but owned by your employer should be answered by your company. Your homeowner's policy does include some limited protection should business property get damaged while in your home. This coverage limit can range from \$2,500 up to \$25,000 depending upon the insurance company and the state in which you reside. If the property is away from your insured location the limit for business property can be excluded or even further limited. In most cases, your employer will have included this property under the commercial property policy for the business, but you should confirm this information with your manager.

Some homeowner's policies also include protection for data that is lost due to a covered loss. The coverage would provide funds to replace or recreate lost information for certain causes of loss. Just as with direct damage to business property, you should confirm with your employer what, if any, protection the business insurance has for loss or damage to company data.

Q: Does the liability exclusion for business exposure apply to working remotely?

A: Most homeowner's policies have an exclusion for liability arising from business conducted at your home. The premium for liability coverage for your home and personal activity does not consider the larger risk often associated with an active business.

For the most part, performing your office work from your home would be considered incidental and not fall under the intended purpose of the business exclusion. Considerations that could alter that interpretation include regular visits by clients or vendors to your home, actual commercial operations within the home, large increase in business property or direct business revenues to you that exceed \$10,000 annually. It is advisable to discuss any concerns about liability arising from working at home with both your employer as well as your insurance agent.

Q: If I am injured while working from home will my company's Workers' Compensation policy cover my injuries and lost wages?

A: Workers' Compensation coverage would be extended to include work related injuries that occur in the course of your duties. If you suffer a work-related injury while working remotely, your employer's human resource contact can instruct you on the process to



report the incident and initiate a workers' compensation claim. Please note that the injury must occur in the course of your work-related duties or the workers' compensation coverage does not apply.

Q: Could I be held personally liable for damages from a data breach or violation of the corporate privacy agreement related to client information when I am working from home?

A: All employees are expected to adhere to the code of conduct and technology requirements of their employer. The pandemic does not void any of those requirements. In fact, given the widespread use of remote access during the COVID-19 crisis, one could argue the pandemic heightens the importance of observing the protocols for accessing your company's data.

We recommend reviewing your remote access and code of ethics policies to ensure you are complying. Your manager or IT team can assist with any questions. At a basic level, all staff working remotely should not use public or unprotected or unencrypted Wi-Fi for work purposes.

There is widespread reporting of breaches involving Zoom conference services. The Zoom security team is sending updates daily to close these security gaps. It is important to follow the basics of safeguarding yourself during conferencing. Use secured access, password protection, and limit access only to invitees once the call has started. Click [here](#) to access USI recommendations for securing your personal data which would also apply to protecting client information.

Utilizing your own router with guest networks is a best practice to avoid or mitigate breaches that can expose your personal information and client data. An employer provided computer will most likely have a higher level of security than a home computer and

should be the first choice of equipment for work related activity when operating remotely.

Q: Does my personal auto protect me for losses that occur in the course of my work duties?

A: Most personal automobile policies include protection for an entity that you operate your car on behalf of, such as an employer. An accident that occurred while taking a package to a shipping location would include protection for your employer if the business was named in the lawsuit.

Restrictions on livery and delivery service are not typically acceptable risks for a personal automobile policy. If you are employed in the service business and are now running deliveries in your personal vehicles due to COVID-19 restrictions, you should discuss this change with your insurance agent and confirm that coverage is provided. Several national insurance companies have confirmed that delivering food or services would be covered under your personal auto policy if this use is a temporary change due to COVID-19 restrictions on eat-in service for restaurants. Please confirm with your agent or company how this potential exposure is being handled if you are now using your personally insured vehicle for work related deliveries.

Q: How should I manage my residential or personal employees such as a personal assistant, nanny or housekeeper?

A: Manage your home employees with the same consideration as any employer. The safety of your employees and family are paramount. Unless essential, it would be wise to practice social distancing and sheltering at home with regards to employees that usually enter your house.

For long-time employees, you might consider ways to keep your loyal staff engaged so that they return when the virus is under control. For example, finding



additional tasks for staff or providing financial support during the quarantine will assist with maintaining your employees.

Q: Should I anticipate an increase in cyber-attacks during the COVID-19 pandemic?

A: The rapid rise in cyber-attacks due to more people working and shopping remotely is well-documented. With the exponential increase of employees working from home in response to COVID-19, hackers and criminals are on high alert for potential targets.

USI has created a checklist of actions to help make your home Wi-Fi access safer. You can find the checklist [here](#). Prevention is the first and most important step to keeping you, your family and your data safe. If you have not purchased personal cyber coverage, it should be strongly considered. Cyber Coverage is a valuable part of any risk management plan especially given the current extraordinary environment.

Q: Are there recommendations for securing properties that are unoccupied for longer periods than normal?

A: If you own real estate that will go unoccupied for an extended period, you should take steps to secure the home to avoid theft or vandalism. Heat and air conditioning should be maintained at the location to avoid water or heat damage. The thermostat can be set at an efficient temperature to conserve energy but do not shut your system off.

Timers or smart technology that maintains proper lighting in the home can help to deter criminals who target unoccupied residences. Stopping mail delivery and having neighbors remove packages from your front doorstep are also good practices when you are away for an extended period. Activate any available

security systems and be sure your contact list is current for your alarm monitoring company.

If the property will be unoccupied and you have limited access to check on it, take measures to reduce water damage. For example, shutting off the ice maker and main water valve can mitigate the chance of water running for days in an unattended home which can result in devastating property damage.

For other tips on securing your home, please click [here](#) for USI Personal Risk's home protection check list.

Q: What are best practices for managing short-term rental properties?

A: Given the widespread order for social distancing and sheltering at home, it is recommended that you remove any short-term rental notices from rental sites to avoid publicly stating the lack of occupancy. It is also suggested that you avoid strangers staying in your rental given the possibility of spreading the virus via surfaces in your home. Establishing space and quarantining your family is the best method for slowing the spread of the virus.

Q: Can I make a claim for lost income on my rental property due to COVID-19 restrictions?

A: Rental properties are subject to a loss of rents due to COVID-19. The government directives due to COVID-19 are designed to slow down the movement of the populace to reduce the spread of the virus. The restrictions limit the chance of securing tenants for a rental property. Most property insurance policies exclude coverage for lost rents due to a communicable disease like COVID-19. The U.S. Congress is pressing insurers and industry associations to treat COVID-19 as a covered cause of loss for small business under business interruption. At this point the insurance companies have not agreed to cover these losses. If

that exception is eventually made for businesses, there is a chance the same exception may be made for lost rental income. It is important to track the reduction in revenue from shelter at home and work from home directives due to the pandemic, as that would be the basis of the financial loss on a claim. Contact your insurance professional with questions or for assistance documenting the financial loss.

Q: Have insurance companies offered any assistance for clients that face financial difficulties due to COVID-19 imposed restrictions?

A: Yes, insurance companies that provide home and automobile coverage have issued responses in support of those affected by COVID-19. For example, some are offering a premium refund on personal auto policies due to shelter at home orders. Please visit the Personal Risk section of the [USI COVID-19 Resource Center](#) for a list of USI insurance company responses on billing and “premium refunds” for automobile insurance. Click [here](#) for more information.

Please contact your USI Personal Risk Specialist for more information on the specifics of your policies and coverage.

Helpful Resources

To help clients navigate these challenging times USI has implemented a **STEER** (Steer Through Epidemic & Economic Recovery) **Task Force**. This cross-functional team is working to provide timely COVID-19 information, understand cross-industry and geography impact and evolving responses, and to develop and deliver tailored solutions to help clients **steer** through this epidemic challenge and economic recovery.

For additional resources, tools, information, and links, please visit our COVID-19 resource page: www.usi.com/public-health-emergencies.

