

A Time for Renewal

Agents must be proactive about prescribing coverage in the virtual world

By Donna Asta

Many of us have transitioned to working from home in response to COVID-19 protocols and are reliant on technology now more than ever. Nevertheless, productive, proactive and profitable teleworking can be accomplished by keeping a number of things in mind.



Now is the time to take a closer look at whether your agency has appropriate cyber insurance. While most offices connect through a VPN and use encryption technology, not everyone has that available at home. Remind your employees and customers to utilize proper security measures when conducting business from home.

Also, do you, your employees and clients have insurance that covers business-related activities at home? Review your agency's coverage and confirm the extent of coverage for employees working from home. This is also an excellent time to generate more premium by recommending business insurance policies and business interruption coverage to clients, particularly for business owners and independent contractors working from home.

When meeting with your clients via video conference, use that time as an opportunity to offer appropriate types of coverage and consider whether your clients' needs have changed. A recent Arkansas claim involved a client who was running an uninsured daycare out of her home. Although the broker did not have any knowledge of the business, they should have created a checklist of possible exposures to ask their clients about. Making a list of clients to contact each day and fine-tuning a checklist of important questions will help keep you informed and prepared.

A checklist helps with identifying insurance needs, but also in assessing a particular risk, as you may have less information available to obtain coverage for your client. For example, a claim arose in New York involving a large commercial bakery that had installed a new assembly line. The agent was unaware of the new equipment because he did not visit the bakery in person as he normally does every year at renewal time. When the new assembly line broke down, the client sustained an uninsured business interruption loss. Had the agent prepared for his virtual meeting with a checklist of questions, it's possible the loss would have been covered.

As COVID-19 continues to affect every business, some have changed the nature of

their business altogether. Think about the distilleries that are now making hand sanitizer. Who would have thought that would happen a year ago? Review your clients' websites for additional insight. For example, a recent claim in Wisconsin involved a landscaping company that also started removing snow. While the change in their business was on the client's website, it was not disclosed to the broker.

Accessing state records may help determine ownership and the names of officers and directors. Do your clients have state reporting requirements? Look it up. We saw a claim in Indiana involving different trucking mileages reported to the state from that reported to the insurer. One of the claims against the insured broker was that it should have confirmed the numbers with the state's reports. Reviewing your customers' tax returns might also provide additional insight on the coverage limits your clients require.

Working from home should not be daunting. While it may not be ideal for some, it can be effectively managed with technology and some thoughtful workarounds.

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