



Construction workers all over the world take precautions as they continue to work through the COVID-19 Pandemic.

COVID-19

How it will impact your business.

How does COVID-19 (Coronavirus) impact YOUR business? Below are a few frequently asked questions to provide you with the information you need to make important decisions.

Business Interruption/ Business Income Loss

Q: Is there “business income coverage” if a governmental authority (civil authority) requires my business to close?

A: No. There must be physical damage to property leading to the cessation of a business.¹ (i.e. If people don’t go out to eat because of the fear of the virus, that is not a covered cause of loss.)² The same is true if people are restricted to their homes because of an outbreak of the virus in their community.

Q: Is there “business interruption insurance coverage” for communicable diseases such as COVID-19?

A: No. Coverage requires covered direct physical damage to property of a customer or a supplier. To date, there are no reported cases in the United States regarding business interruption coverage in connection with human infectious disease epidemic or pandemics.

General Liability

Q: What actions/inactions could possibly lead to my business being found legally liable for an injury from COVID-19? *This is not an exclusive list.

A: Allowing an employee who is known to be infected with the virus to continue working; failure to adhere to required health and prevention guidelines; remaining open following an order by a civil authority to close, etc. (Gov. Tony Evers Emergency Order - Prohibiting Mass Gatherings of 10 People or More) The likelihood a business owner may be held legally liable for injury to a third party who contracted COVID-19 on the business’s premises is very low, but not impossible.³

Worker’s Compensation

Q: Does COVID-19 create a workers’ compensation exposure for my business? (For Employers)


A: Not likely. Any illness/disease must meet the following requirements to be covered.⁴ The illness must be “occupational” meaning it arose out of and was in the course and scope of the employment and was caused by conditions “peculiar” to the work. COVID-19 would likely not qualify.

Unless, it can be proven that the employee has an increased risk of contracting the virus due to the peculiarity of his/her job. (i.e. health-care, transportation, delivery workers, etc.) These situations are evaluated on a case by case basis.

Q: Am I covered by worker’s compensation if I contract COVID-19? If so, how do I file a claim? (For Employees)

A: (See coverage above). In the event you become ill, it is your responsibility to; tell your supervisor immediately; obtain any necessary medical attention; and maintain all relevant medical and payment records for possible future use.⁵ It is your employer’s responsibility to report your injury/illness to their insurance carrier, the insurance carrier will report to the Department of Workforce Development.⁶

What Employers Need to Know

This additional **RESOURCE GUIDE** will answer questions like: What if my employee is showing signs of an illness? Should we be reviewing our FMLA, PTO (or equivalent) and sick leave policies? Should we be reviewing our discrimination and ADA policies? Are employees entitled to unemployment benefits? And more. The Starr Group is here for you. Be smart. Be safe. Be Healthy. 

***Statements in this article regarding policies and coverage provide general information only and does not constitute legal or professional advice. Coverage details regarding specific insurance should be discussed directly with a licensed agent.**

Sources:

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- 2- <https://www.iamagazine.com/strategies/read/2020/03/13/can-coronavirus-concerns-trigger-business-interruption-coverage>
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