

PROUDLY PRESENTED BY:



CORONAVIRUS PERSONAL LINES FAQ

Every American has been impacted by the COVID-19. Whether it's adjusting to new teleworking arrangements, having the children home from school, being furloughed from a job or having to cancel travel plans, the pandemic is changing our lives in many ways.

You quite naturally have questions and concerns about how COVID-19 affects their insurance coverage. In this FAQ, we address some of the questions you've asked about personal insurance. As we note throughout, your Trusted Choice® Independent Insurance Agent can help you better understand what's covered in a policy and whether you need additional insurance. And because independent agents work with multiple companies, they can present you with different options and get you the best quote.



Q. I'VE BEEN DRIVING LESS BECAUSE OF MY CITY'S STAY-AT-HOME ORDER. CAN I GET A DISCOUNT ON MY AUTO INSURANCE?

Insurance carriers recognize that most policyholders have been driving fewer miles since the pandemic started. Many companies have announced they will issue a credit on premiums. A typical credit might be 15% to 25% of your monthly bill. The duration of these credits will vary, but most will be for about two billing periods.

Check with your Trusted Choice agent to see if you are eligible for a credit or if there is other relief available. Many insurers have said they will not cancel a policy if there is a hardship related to the coronavirus pandemic. Most companies are also waiving late fees and providing flexible payment schedules.

Q. IF I'M NOT DRIVING VERY MUCH, SHOULD I CHANGE MY AUTO COVERAGE?

For most drivers, it's best to leave their policy as is since they are still driving occasionally to pick up groceries or get prescriptions. Even if you decided not to drive at all, most states require you to have insurance for as long as you own the vehicle. Plus, auto insurance often covers more than just accidents. If your policy includes physical damage coverage, it will provide protection if your car is vandalized, damaged or stolen.

If you're no longer commuting to work, check with your independent agent to see if it's possible to adjust your policy. You may be able to receive a mileage discount.

You also need to make sure everyone driving your car is covered. Perhaps a child has moved home while university campuses are closed, or another family member is staying with you during the pandemic. If you live in a state that allows your carrier—and therefore you—to exclude drivers from your auto policy, one or more family members now driving the car may not be covered until you add them.

Also, if someone is using your vehicle to make deliveries, make sure your policy covers that type of use. **(See Food Deliveries below.)**

Q. WHAT IF I GET IN A CAR ACCIDENT DURING THE PANDEMIC? WILL MY INSURANCE COMPANY BE ABLE TO HELP ME? ARE CLAIMS ADJUSTERS STILL WORKING?

Yes, insurance companies are open and doing business. They continue to help their policyholders 24/7 but not necessarily in person. You may be asked to use your company's online claims center. In most cases, you will be able to file your claim online and upload photos of the damage to your car. Depending on the damage, you may not need to see an adjuster.

Q. DOES MY PERSONAL AUTO POLICY COVER ME IF I MAKE FOOD DELIVERIES?

Check with your Trusted Choice Independent Insurance Agent to see whether your policy covers delivering food on behalf of your employer. There is an exclusion in most policies for "public or livery conveyance," but this generally does not apply to food delivery. However, some carriers have specifically excluded food delivery.

Your agent should also be able to tell you if your carrier is making any special accommodations due to coronavirus. A few companies have said they will not deny a claim on the basis of use if the insured driver is delivering food, medicine or other essential goods for their employer.

You may also be covered by your employer's business auto policy, but only if your employer has added you to the policy as an insured. Even if you're covered by your employer's policy, your personal policy will be the primary coverage if there is an accident. The driver's policy covers the liability for both the driver and the business. If the driver's limits are exhausted, the business auto policy provides excess coverage.

Also, ask your independent agent if your liability limits are high enough to protect you in the event of an accident while you're delivering food.

Q. WHAT IF MY CAR IS BEING REPAIRED AT AN AUTO SHOP THAT IS CLOSED BECAUSE OF THE CORONAVIRUS PANDEMIC? WILL MY RENTAL LIMIT BE EXTENDED?

Many carriers have waived or extended their rental limits so that you will be able to continue to drive until your own vehicle is repaired. Check with your independent insurance agent for details.

Q. IF I GET COVID-19 FROM MY JOB, CAN I GET WORKERS' COMPENSATION?

Workers' compensation is state regulated, so laws vary. However, in order to qualify for workers' compensation under any circumstances, the injury or disease must be occupational. That is, the injury or illness must arise out of and in the course and scope of your employment. Most states also stipulate that the injury or disease must be caused by conditions "peculiar" to the work. To be peculiar, the disease must be found to occur almost exclusively in a certain field or due to the employee's working conditions.

For example, black lung disease in the coal mining industry is a disease that is peculiar to a miner's work. Coal miners are subject to prolonged exposure to higher-than-normal concentrations of coal dust.

Worker's comp claims are thoroughly investigated. Some of the questions asked can include:

- What is the timing of the symptoms in relation to work?
- Have coworkers shown or experienced similar symptoms?
- How common is the illness among workers in this industry?
- Is the employee predisposed to this illness?
- What are the employee's personal habits and medical history?

At this point, it seems unlikely that contracting COVID-19 will be covered by workers' compensation for most employees. However, certain occupations such as first responders, nursing-home workers and hospital workers may be able to meet these tests. A few states have already announced that these occupations potentially qualify for workers' comp for COVID-19.

Q. AS A TELEWORKER, WOULD I BE COVERED UNDER WORKERS' COMPENSATION IF I AM INJURED WHILE AT HOME?

Yes, but only if you were doing work for the company at the time. The question that arises with work-from-home injuries is whether the employee was actually "on the job" at the time of the injury. Workers' comp is heavily fact-based, especially in a work-from-home situation. The employee must be found to have been acting in the interest of the company when they were hurt.

While accidents do happen, your employer's and your goal should be to provide a safe space for you to work in your home. Do you have a designated room where you can work? Do you have the right equipment to do your job efficiently and safely? Do you have fixed work hours and established times for breaks and lunch? If your employer has a teleworking policy, be sure you are following it.

Q. WHAT IF SOMEONE CLAIMS THEY GOT SICK FROM COVID-19 AFTER VISITING MY HOME? WILL MY HOMEOWNERS POLICY COVER THE LIABILITY?

The answer depends on whether you, the insured, are found to be the source of the disease or whether someone else in your home at the time (say, a neighbor) is the source.

Most homeowners policies exclude bodily injury or property damage that arise out of the transmission of a communicable disease by an insured. So if you have COVID-19 and transmit it, your policy would not cover a claim. However, if a guest in your home causes the transmission, the policy would cover a claim against you since that person is not an insured.

The biggest hurdle in either case is proving that you are legally liable for the spread of the disease. The injured party would have to prove that your conduct was negligent, that it caused the transmission of the disease and that it resulted in actual monetary damage. A court often must decide such cases.

An umbrella policy may offer extra protection. These policies provide additional liability coverage and higher limits than a homeowners policy. Many umbrella policies exclude communicable diseases, but some do not. Ask your Trusted Choice agent to clarify what's in your policy.

Q. IF I'M WORKING FROM HOME, DOES MY HOMEOWNERS POLICY COVER DAMAGE TO BUSINESS PROPERTY?

Homeowners policies will typically cover business property, but usually it's for a small amount (less than \$2,500). If you have equipment from your business that you've had to move to your house because of the coronavirus pandemic, you may need additional coverage. Ask your Trusted Choice independent agent about your policy limits and whether you need a home business endorsement.

Q. BECAUSE OF THE PANDEMIC, I'VE DECIDED TO SHIFT MY BUSINESS TO MY HOME. HAVE MY INSURANCE NEEDS CHANGED?

Your Trusted Choice independent agent can review your coverage and help you decide if you need a business owner's policy. Or if you already have one, your agent can determine whether it needs to be amended due to the change in your location. One liability risk to keep in mind is whether customers will be visiting your home. Business policies can protect you against potential lawsuits as well as provide coverage for your property such as computer and office equipment.

Q. DO I NEED RENTERS INSURANCE IF I HAVE AN APARTMENT?

Unfortunately, many renters don't have renters insurance, believing they don't need it because the landlord maintains the property. While the landlord is responsible for the physical upkeep of your apartment, you can be held liable for damage to your unit or for another person's injury.

More importantly, renters insurance covers loss or damage to personal property such as furniture, clothing, valuables and electronic equipment. Renters insurance is fairly inexpensive and can give you peace of mind that your belongings are protected. Talk to your independent agent about a policy that's right for your situation, especially if you are now working from home. The same considerations for homeowners insurance apply to renters insurance when it comes to insuring business property and liability.

Q. IS CYBER CRIME SOMETHING I SHOULD BE CONCERNED ABOUT IF I'M NOW WORKING FROM HOME?

Definitely. Cyber criminals are always looking for new ways to exploit system vulnerabilities. For example, your internet connection may not be very secure. Criminals may try to hack into your company's network through your remote desktop or laptop.

As a precaution, be sure you are using a virtual private network (VPN) at home, staying on top of software updates and using two-factor authentication. Also, never click on a link or open an attachment in an email from someone you don't know.

If you're an employee, your employer should have cyber insurance to protect against electronic theft, loss of data and disruption of your company's networks. If you're self-employed, ask your Trusted Choice Independent Insurance Agent about cyber and data breach coverage.

Many insurers offer privacy and network security coverage as a part of a business or professional liability insurance policy. You need to protect not only your computers and systems but also your customers' personal data. This is especially true if you have access to financial records. For example, if you do tax preparation, you could be held liable for a data breach if you failed to protect your clients' information.

Most cyber policies will cover customer notification of a breach, anti-fraud protection for customers, security incident investigations, cyber extortion and ransomware costs.

Q. I LOST MY JOB DUE TO CORONAVIRUS. CAN I CONTINUE MY HEALTH INSURANCE?

Check with your company's HR specialist about your options. Some employers will extend employee benefits during a furlough period. If your benefits have been terminated, you may be eligible to continue coverage under a federal law known as COBRA. The law protects health insurance benefits for up to 18 months, allowing you to keep your existing coverage. However, you must pay the premiums yourself.

You can also buy health insurance from a state-run exchange or under the Affordable Care Act at [healthcare.gov](https://www.healthcare.gov). Normally, you must buy coverage during the open enrollment period, but losing your job is considered a qualifying event. The advantage to these policies is that you may be entitled to a premium subsidy based on your income.

If your income has been significantly reduced, you may qualify for Medicaid. Enrollment is year-round and based on your monthly income. You can find out more at [benefits.gov](https://www.benefits.gov).

Q. MY FLOOD INSURANCE PREMIUMS ARE DUE, BUT I'M NOT SURE I CAN PAY THEM. IS THERE ANY RELIEF?

Yes, the Federal Emergency Management Agency (FEMA) recently announced that it is extending the grace period to renew flood insurance to help policyholders affected by the coronavirus pandemic. For NFIP flood insurance policies with an expiration date between February 13, 2020, and June 15, 2020, the grace period will be extended from 30 to 120 days.

Q. I'M HOPING TO TRAVEL LATER THIS YEAR. WILL TRAVEL INSURANCE PROTECT ME IF I HAVE TO CANCEL MY TRIP BECAUSE OF THE CORONAVIRUS PANDEMIC?

Travel insurance policies currently exclude coronavirus from trip interruption and trip cancellation coverage since the virus is now deemed to be a "foreseeable" event. However, a policy may provide medical benefits and emergency evacuation coverage, which can be very important if you are traveling to an area that does not have good medical care. In addition, these plans usually cover travel delays and missed connections.

More expensive coverage known as "cancel for any reason," or CFAR, may possibly cover you if you decide not to travel because of coronavirus. Keep in mind these policies are more expensive, usually 10% or more of the price of your trip compared to standard travel policies that cost about 4% to 6% of a trip. CFAR plans also only reimburse 50% to 75% of a trip's cost.

Be sure to find out what your plan covers, both while traveling and at your destination.

Q. DOES WEDDING INSURANCE COVER CORONAVIRUS?

Wedding insurance covers a number of situations that may result in the cancellation of a wedding event. However, most wedding insurance plans do not cover pandemics; and at this time, any new policy would exclude a claim for coronavirus since it is “foreseeable and/or under your control.”

Policies issued before the pandemic may provide limited coverage for coronavirus. For example, if you or a family member got sick and had to be quarantined, you may be covered for certain losses. Or if the venue you chose decided to close because of coronavirus, you may be covered. Claims are decided on an individual basis, so you would have to check with the insurer.

Wedding insurance typically covers nonrefundable deposits and other costs a couple may incur if an event is canceled. This may include extreme weather conditions, accidents, unexpected military deployment, lost or stolen wedding-day attire, or a vendor who goes out of business.

Q. WHY SHOULD YOU WORK WITH YOUR TRUSTED CHOICE INDEPENDENT AGENT?

Independent insurance agents have access to multiple insurance companies, so they can find you the best coverage, accessibility and competitive pricing while working for you. And as the coronavirus pandemic evolves, they'll be there to help you adjust your coverage, up or down, to make sure you're properly protected without overpaying.

And most importantly, they can help you navigate the coverage that you have today, so you'll know where your insurance coverage might be able to help you through this difficult time.