

March 17, 2020

Washington Hospitality Property and Casualty Business Insurance Statement

Many Washington Hospitality Association members have reached out to us for guidance relating to the coronavirus pandemic and the role business insurance may play in their recovery efforts. The most frequently asked question is: if my business is limited service only, or if I have to close my business, will it constitute a business interruption claim within my insurance coverage?

The answer is it depends on the exact wording of your current insurance policy.

With that said, having robust coverage for business interruption relating to virus/pandemic is very uncommon as most insurance policies contain limiting or exclusionary language for virus and contagious diseases.

The current best practice for a hospitality business owner is to review your current insurance policy terms and conditions with your agent/broker. It is important to understand the specific coverage in place as each policy form varies. Once an understanding of the current policy's terms and conditions has been formed, it may make sense for an owner to submit a business interruption claim, even if a claim is borderline or considered a long-shot to be covered.

If you cannot reach your broker and would like the Washington Hospitality Association Business Insurance Team to review your policy, please let us know.

Our program partners at Parker, Smith and Feek are well equipped to provide professional services to our members during these uncertain times.

Please reach out to our partner Patrick McHugh.

Patrick McHugh

Account Executive

PARKER, SMITH & FEEK

Direct: 425-709-3686 | Cell: 206-790-7649

Toll Free: 800-457-0220 | Fax: 425-709-7460

e: pmchugh@psfinc.com

2233 112th Avenue NE, Bellevue, WA 98004