

## Insurance Agent E&O COVID-19 Update



COVID-19 has affected everyone's lives in immense ways. With many individuals being laid off and suffering economic hardships, undoubtedly there will be an increase in insurance claims and litigation. There has already been several lawsuits throughout the country seeking business income coverage and other coverages as a result of COVID-19 related issues. All of this will likely cause an increase in insurance agent E&O claims.

Under these circumstances it is recommended to use the following best practices as an insurance agent.

- i. With social distancing being the new norm it is important to develop and implement new contactless ways to interact with your insurance customers. This includes: using e-signature methods; Zoom meetings as opposed to in-person meetings; and electronic delivery of insurance documents.
- ii. Be extremely careful in making comments to your customers about claims or potential claims. It is uncertain how companies are going to handle COVID-19 related claims, but initially it looks like many of these claims are going to be denied.
- iii. Use checklists and have insurance customers electronically sign off and date the checklist.
- iv. Review policy declaration pages and have insurance customers sign off and date declaration pages.
- v. Perform regular thorough reviews with your insurance customers.
- vi. Clearly document files.
- vii. Implement and consistently use a good computerized agency management system.
- viii. Use Confirmation emails.
- ix. Specifically advise insurance customers in writing to review their insurance documents and let the agent know if any changes are needed.
- x. Identify potentially problematic insurance customers and take extra measures to protect against potential claims from these customers.

If you have more questions please feel free to reach out to attorney Aaron Simon at [asimon@meagher.com](mailto:asimon@meagher.com) or 612-386-4617.

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