

Test Your Insurance Policy for Potential Relief from the COVID-19 Pandemic

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With the recent emergence of COVID-19, many businesses may already have started to feel the effects of a slowdown or interruption in their business operations. To curtail those concerns, businesses should check their insurance coverage to determine if they have business interruption insurance, which generally helps protect against lost income after a covered peril that affects a business. While covered perils typically include theft, fire, wind, falling objects, and/or lightening, recent policies have been offered to expand coverage to adapt to modern business interruption damages such as cyber-attacks.

So the first step is to carefully analyze your business insurance policy documents to determine if your insurer helps cover losses arising from COVID-19. To the extent coverage is available to protect against COVID-19 losses, the recent travel bans implemented by the U.S. government, and many local and state governments issuing a state of emergency, are factors that may be the trigger point for which insurance coverage or business income loss coverage may apply. A stronger case for coverage was made since the announcement of a national state of emergency.

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