

Avoid Insurance Related Risks To Help Your Bottom Line

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With the new year in full gear, your company likely has set revenue and growth goals for 2018. Unfortunately, just one uninsured or underinsured loss can often derail these efforts. Therefore, this is a great time for companies to review their insurance program and keep some of these best practices in mind:

- First, check out [Ken Gorenberg's recent post](#) that provides some great "New Year's Resolutions for Policyholders."
- Consider reviewing your claims history over the last few years. Are there trends? Are there steps that might be available to your company to mitigate those particular risks? Moreover, how does your insurance program's coverage limits align with those risks?
- Does your company have procedures in place to determine when and how to see that your insurance company is given notice of claims against the company? If your broker provides notice of claims to your carrier, does your company require the broker to send your company confirmation?
- Where are your organization's insurance records and policies stored? Historical occurrence based policies could have real value decades later, so more complete records of older insurance policies might help defray costs of potential future latent injury and environmental claims.
- What records does your company have of its status as an additional insured? If your company requires contract partners to add it as an additional insured on another company's insurance policy in business transactions, does your company have copies of those insurance policies? Can you otherwise confirm that your company was added as an additional insured? Can your company take steps to better understand and verify the scope of coverage provided and limits and sub-limits of that policy?
- With cyber threats becoming more frequent and significant, consider how your company's insurance program would provide coverage for those risks. Does your company have coverage under any of its insurance policies, cyber insurance or otherwise? If your company is buying or renewing cyber insurance, has your insurance broker discussed with you whether your coverage is aligned with the needs of your company?
- If your company is planning on acquiring another company, consider requiring a Reps and Warranty policy as part of the deal to guard against future risk.

Lastly, if your insurance company denies coverage for a claim, consider the

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Insurance Recovery and Counseling
Ocean Marine and Cargo Coverage
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Representations and Warranties
Workers' Compensation and Employers' Liability

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denial closely and whether you should take their position at face value. Similarly, keep in mind that your broker can be valuable in these situations, but he or she usually is not a coverage lawyer. Consider hiring coverage counsel to evaluate the denial and help your company negotiate or litigate if necessary with your insurance company.