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The Novel Coronavirus and Your Camp

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The Coronavirus was unknown to the world until late December of last year, just two months ago. Now it dominates the headlines and people and businesses at home and abroad are assessing how they will be impacted by this virus as it stands now, or if it gets much worse and more widespread.

We have been fielding calls constantly about business income coverage and how it would apply if your camp is shut down due to the virus. First a quick primer on this coverage. Business Income Coverage is triggered by *a direct physical loss at camp caused by an insured peril*. A fire, windstorm, explosion, etc. that shuts camp down would clearly trigger your coverage. Unfortunately a virus is not 'a direct physical loss,' and therefore would not trigger this coverage.

For many years now, especially since the H1N1 virus some years ago, separate coverage for Business Income caused by a Communicable Disease or Food Contamination has generally been available. There are three primary elements that all are required in order for coverage to apply:

- Your entire operations must be shut down, and
- The closure must be the result of an outbreak at your premises, and
- The closure must be either ordered or recommended by any local, state, or federal Dept. of Health or other governmental authority having jurisdiction over your camp.

While this provides some element of protection, clearly there are situations that could cause camps to close or lose campers that do not fall under these three contingencies.

If your camp is open but parents are simply afraid to let their children come to camp there is no coverage. If the government quarantines a neighborhood that has several of your campers, there is no coverage. If the government decides to close all camps in your county or state and there is no outbreak at yours, there is no coverage. These are just some of the uninsurable business risks that now face every business owner not - just camps.

However there is a possible partial solution to this problem – tuition refund insurance. This coverage is purchased by your camp families and, depending upon the insurer and coverage they buy, it could reimburse them for most or all of your tuition if their children get sick or are quarantined and can't attend camp. In addition, 'cancel for any reason' is available for usually up until 2 days prior to the start of camp. There may be caveats as to when the coverage must be purchased such as before the last tuition payment is made, and special coverage might have to be arranged for foreign campers.

It may be a helpful tool for you to communicate to your camp families now about your refund policy and the availability of tuition refund coverage so they can protect their tuition if they wish to do so.

Information about tuition refund coverage can be found on our website at <https://www.sobelins.com/products-services/camp-insurance/tuition-refund-insurance>

We will of course continue to monitor this as you do as well, and will keep you abreast of any new developments that are relevant for us to share.