

Business Expense Insurance Program

How it Works for Small Businesses



ABC Fashion, a chain of retail clothing stores with 125 employees.



ABC's insurance agent obtains quotes from several P&C insurers, which are required to offer this business interruption cover to small businesses.



ABC selects a workers compensation or business owners' policy with pandemic business interruption cover included. ABC pays an affordable premium for the coverage, which is a small percentage more than its typical annual insurance expense.



A pandemic meets CDC medical criteria and U.S. HHS and the President declares an emergency. Governor of state where ABC operates orders a shutdown of non-essential businesses.



After a 14-day waiting period following a declaration, ABC's insurer sends the company an accelerated payment based on a multiple of its three-month payroll expenses. ABC has needed liquidity in a time of crisis to survive and keep people employed.

