



Insurance Considerations for Security Professionals

What questions should security directors ask about their organization's insurance coverage?

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Find definitions of commonly used commercial insurance terms at [NAIC](#) or [IRMI](#).

ALL POLICIES

- What is the coverage territory of the policy (where is an incident covered)?
- Are there any specific territorial exclusions? If so, do they apply to all terms of the policy, or just certain extensions or endorsements?
- Who qualifies for the coverage under the policy?
 - Individual employees
 - Specific nationalities/classes of employees
 - Board members
 - Dependents
 - Independent contractors or consultants
 - Volunteers
- Does the policy require advance notification of new exposures, and if so, what are the terms of notification?
- What are the terms and deadlines surrounding incident and claim notification?
- How does the policy define the difference between covered organizational and uncovered personal exposure? For example, does the travel medical policy provide some benefits for a personal excursion tacked on to the end of a business trip?
- Are any policy terms based on assumptions about the organization's security risk management program? Alternately, are there any details about the organization's risk mitigation protocol that can be used with underwriting to reduce costs or increase coverage?
- Explore policy exclusions, and ask questions about any terms that aren't clear.
- Discuss "what-if" scenarios to understand which policies respond to common incidents and anticipated situations.

WORKERS' COMPENSATION/DBA INSURANCE

- Does your organization maintain multiple workers' compensation coverages based on employee status, funding source, location of work, etc.? If so, what is your organization's mechanism for identifying appropriate coverage for reporting exposure, incidents and claims?
- Do your workers' compensation policies provide different terms for war or terrorism coverage? If so, does your organization obtain supplemental coverage in an effort to create coverage consistency within the program?
- What are the reporting obligations for incidents involving known employee injury?
- How does your organization prioritize reporting requirements for incidents that may be covered by multiple policies?

HEALTH INSURANCE AND TRAVEL MEDICAL INSURANCE

- Does the insurer specify a designated emergency response provider?
- If an alternate emergency response provider is used, can those costs be covered by the medical insurer?
- For expatriate medical cover, what is the maximum time an enrollee can spend in his/her home country before coverage is invalidated?
- For travel medical cover, what is the maximum trip duration on the policy?
- Does the policy contain a pandemic exclusion?

CYBER COVERAGE

- How does the coverage respond to vulnerabilities associated with employees' access outside of company policy, such as using an unsecured device?
- How will the policy respond to increased offsite exposure from new remote work arrangements?
- What are the reporting deadlines and obligations after a suspected incident? After a known breach?
- If your organization reports a cyber-attack, what incident response services can you expect from the provider, and under what timeline?
- Will the provider be flexible in modifying coverage to meet evolving threats?
- Does the provider require any specific compliance, training, or audit obligations?

KIDNAP, RANSOM AND EXTORTION (AKA Special Crimes)

- Does/should your organization restrict awareness and details of KRE policy to a limited group of individuals?
- Does the insurer specify a designated emergency response provider?
- If an alternate emergency response provider is used, will those costs be covered by the KRE/Special Crimes insurer?
- What are the triggers for political/security evacuation, if covered under your policy?
- Does the coverage include funds for preventative services?
- Is there coverage for post-incident support for covered individuals?
- Does the policy include coverage for the following?
 - Threats
 - Disappearances
 - "Express" incidents
 - Child abduction
 - Unlawful detention