



CARIBBEAN
HOTEL & TOURISM
ASSOCIATION

STORM PREP

Webinar Series

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Your partner in travel

Your Insurance Checklist

SPEAKERS



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CARIBBEAN
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Caribbean Hotel & Tourism Association Travel Protection Plan



Presented by:

Kelly P. Sahner, Senior Vice President, Sales & Marketing

CHTA's Exclusive Travel Protection Plan (Plan #F525C)

Travel Protection for your guests made easy:

- **Book**
 - Guests book vacations with you
- **Protect**
 - Clients protect their travel with their purchase of the CHTA Travel Protection Plan
- **Enjoy**
 - Guests enjoy their travel

CHTA's Plan – What does it do for me?

BOOK

- CHTA Members sign up for Free
- Make Money (Opportunity to Earn Ancillary Revenue)
- Offer additional customer service to your guests during difficult times, without creating an additional burden to your staff
- Easy to add to Your Booking Engine and/or Website

PROTECT

- Protect your Revenue
- Protect your Staff from having to make difficult decisions about refunds.
- Cover your guests entire booking (hotel and air) covered in case of cancellation, interruption, delay, medical incidents while traveling, or lost or damage baggage

RELAX

- Getting coverage is easy
- Reassure your guests that once they book, they can relax
- Have your guests back as they explore your destination
- 24/7 Worldwide Traveler Assistance

Closer Look at the Plan Benefits

Coverage for the Travel Arrangements

Plan Benefits	Maximum Benefit Amount pp
Trip Cancellation	Trip Cost
Trip Interruption	150% of Trip Cost
Missed Connection	\$1,000
Travel Delay	\$1,000

Trip Cancellation & Interruption

What Is Covered

Coverage for Medical Reasons such as:

- Sickness, Injury, or death of a traveler, a traveling companion or family member and the family does not even have to be traveling with the insured

Coverage for Non-Medical Reasons such as:

- Common Carrier delays of 12 hours due to strike, bad weather, or mechanical breakdown
 - Bad weather such as a Hurricane
- Damage or destruction of home or destination due to natural disaster
- Pregnancy that occurs after the plan is purchased
- Involuntary job termination, and much more...

The Plan Reimburses:

Trip Cancellation- Up to Total Trip Cost per person:

- Non-refundable pre-paid & insured arrangements such as hotel and air costs

Trip Interruption: Up to 150% of Total Trip Cost per person

- Unused pre-paid accommodations & new airfare to return home

Missed Connection & Trip Delay

What Is Covered:

Missed Connection:

Covers a delayed arrival at your destination of 3 hours or more due to:

- Airline flight delay caused by bad weather, or
- Any Common Carrier caused delay

Travel Delay:

Covers a delay of 12 hours or more due to:

- Common Carrier delay
- Lost or stolen passports, travel documents, or money
- Documented weather event that prevents traveler from getting to point of departure

The Plan Reimburses:

Missed Connection: Up to \$1,000 per person

- Additional transportation cost to join the trip
- Any unused land / water arrangements

Travel Delay: Up to \$1,000 per person

- Additional out of pocket costs for meal and hotel accommodations until travel becomes possible

Coverage for the Guests' Belongings

Plan Benefits	Maximum Benefit Amount pp
Baggage & Personal Effects	\$1,000
Baggage Delay	\$500

Baggage & Baggage Delay

What Is Covered:

Baggage and Personal Effects:

- Covers lost, damaged, or stolen baggage & personal effects during a trip

Baggage Delay:

- Covers a Common Carrier baggage delay of more than 24 hours

The Plan Reimburses:

Baggage and Personal Effects: Up to \$1,000 per person

- Lost or stolen
- Damaged items including luggage
- Per item limits apply such as \$600 total limit on jewelry, watches, and cameras
- **items not covered:** electronic equipment, property, tickets, money, etc.

Baggage Delay: Up to \$500 per person

- For additional immediate need items such as toiletries, pajamas, clothes, etc.

Keep All Receipts for Items that are Purchased while your Bag is Delayed

Coverage for the Traveler

Plan Benefits	Maximum Benefit Amount pp
<u>Medical Expense / Emergency Evacuation:</u>	
Accident & Sickness Medical Expenses	\$50,000
Emergency Medical Evacuation & Repatriation	\$500,000
Accidental Death and Dismemberment	\$25,000

Medical Expense, Repat & AD&D

What Is Covered

Accident & Sickness Medical Expense Benefits:

- Excess coverage for on-trip expenses
- Emergency evacuation & transportation costs

Emergency Evacuation & Repatriation:

- Medical transportation expenses to an appropriate treatment facility and or home when required

Accidental Death & Dismemberment:

- Death or dismemberment at any time during trip

The Plan Reimburses:

Medical Expense Benefits: Up to \$50,000pp

- On trip medical expenses; no deductible or co-pay
- Secondary Coverage

Emergency Evacuation & Repatriation: Up to \$500,000pp

- Reimbursement of emergency evacuation expenses and / or repatriation costs

Accidental Death & Dismemberment: Up to \$25,000

- 100% of the benefit amount for death and various benefit amounts for a dismemberment

Non-Insurance Services

Non-Insurance Services
One Call 24-Hour Assistance Services
Global Xpi Medical Records Service

One Call 24-Hour Worldwide Travel Assistance

Managing A Medical Emergency

- Monitor medical care with 24/7 Doctors and Nurse Helpline
- Arrange medical consultations
- Maintain daily contact with patient and/or designated family members
- Transport back home

One Call Travel Solutions

- Pre-trip travel information & advice
- Luggage Tracking
- Travel document & ticket replacement
- Emergency cash transfer assistance
- Legal referral

Concierge Service

- Restaurant and shopping recommendations/reservations
- Local transport (rental car/limousine, etc.) information and reservations
- Golf course information, referrals, recommendations and tee time



Global Xpi

Global XPI: Emergency Medical Information

- **Online Emergency Information**
 - Service included at no cost
 - Customer fills out Medical History
 - ✓ Previous treatments
 - ✓ Medications, Allergies
 - ✓ Physician Information and more





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NAVIGATING INSURANCE AHEAD OF THE NEW HURRICANE
SEASON

BROKERS TO THE CARIBBEAN
Any challenge, any risk, anywhere

AGENDA

- Synopsis of the Insurance Industry Post 2017 Hurricane Season
- Business Continuity
- Critical Areas of Insurance for any Hotel Related Business
- The Claims Reporting Process
- About CGM Gallagher
- Role of a Broker
- Questions



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SYNOPSIS OF THE INSURANCE INDUSTRY POST 2017 HURRICANE SEASON



WHAT'S HAPPENING IN THE INSURANCE MARKET

- According to Munich Re, estimated losses from natural disasters in 2017 is estimated around US\$330B
- This is largely attributed to Harvey, Irma and Maria (H.I.M) along with the earthquake in Mexico
- Of the above losses, less than half were insured (approx. US\$135B). This is a huge bill for international re-insurers
- They have become very reactive and are placing a greater emphasis on underwriting
- Capacity will sometimes become a challenge
- Rates have increased significantly ranging from between 10% to as much as 60% in certain islands





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BUSINESS CONTINUITY



Business Continuity, An Insurance Perspective

- What is a disaster?
- What does Business Continuity look like to Hoteliers?
- What do you do when disaster strikes?
- How important is it for you to get back up and running as quickly as possible?
- Do you have outstanding Loans? How do you pay your debts?
- What happens if you are out of business for an extended period of time?
- How will you deal with the emotional and financial cost of having to send long standing employees home?



Business Continuity, An Insurance Perspective

- A disaster is a sudden event, such as an accident or a catastrophe that causes great damage or loss of life
- When contemplating insurance, persons think about tangible things like building and contents insurance
- Loss of income is seldom a major consideration for persons thinking about insurance
- Attention is seldom given to the time it will take to get back up and running
- Even when you are operational, you can still be losing money





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CRITICAL AREAS OF INSURANCE FOR ANY HOTEL



Required Insurances

Property Damage All Risks/ Fire & Perils

- Covering All Risks of Physical Loss or Damage (subject to specified exclusions) included but not limited to:
 - ❖ Fire, Lightning, Explosion
 - ❖ Catastrophe Perils (Earthquake, Volcanic Eruption, Hurricane)
 - ❖ Flood
 - ❖ Overflow of the Sea

- What can be covered?
 - ❖ Buildings & Structures
 - ❖ Contents
 - ❖ Furniture, Fixtures, Fittings
 - ❖ Equipment
 - ❖ Stock
 - ❖ Leasehold Improvements
 - ❖ Landscaping



Required Insurances

Property Damage All Risks - Extensions of Cover Include

- Removal of Debris
- Professional Fees
- Temporary Removal
- Subsidence & Landslip
- Landlord/Tenants
- Alterations/Additions usually notified within 30 days
- Public Authorities
- Landscaping
- Subrogation Waiver
- Property in the open
- Automatic Reinstatement
- Workmen
- 85% Average



Required Insurances

Property Damage All Risks - Extensions of Cover Include Cont'd

- Looting
- Accidental Damage
- Employees Tools & Equipment
- Managers Personal Effects
- Deductibles
 - ❖ Catastrophe – 2% of sum Insured applied separately
 - ❖ Flood not caused by a Catastrophe - Varies
 - ❖ Fire & Lightning – Usually Nil
 - ❖ Accidental Damage – Varies
 - ❖ All Other Losses - Varies



Required Insurances

Some Property Damage - Exclusions

- War
- Mould & Asbestos
- Vermin
- Subsidence excludes – carpark, walls, gates, fences unless building is damaged, settlement, coastal/river erosion, damage caused by demolition
- External structures are usually excluded for catastrophe coverage – e.g. walls, gates, signage
- Defective Workmanship
- Wear & Tear
- Theft
- Loss caused by Nuclear and hazardous materials





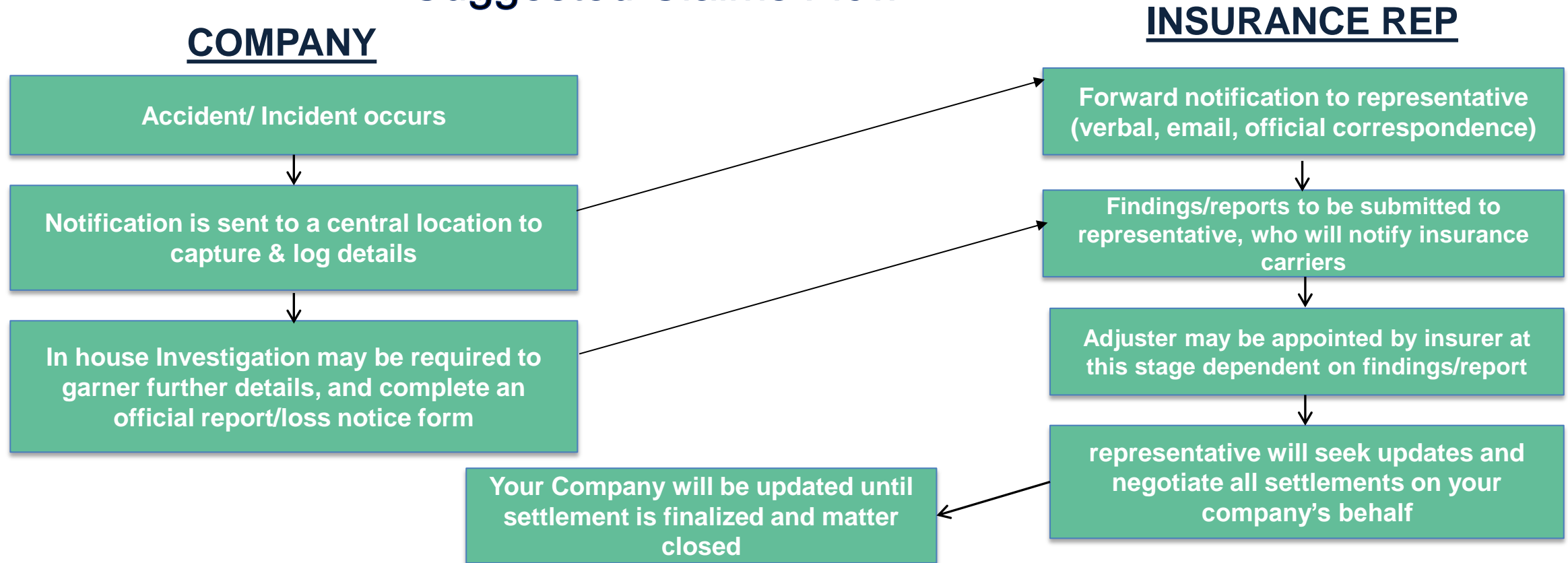
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The Claims Reporting Process



Claims Process

Suggested Claims Flow



NB: We encourage what we call the "**Broken Finger Nail Policy**" where all incidents should be notified regardless of severity.



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Be Careful When Handling Claims

- What should be reported?
- **Everything**
- When should it be reported?
- **Immediately**
- What should be done following an injury loss?
- **Only** provide assistance if injuries are very minor
- Initial first response would be in keeping with good customer relations
- **Never** admit or deny liability verbally or in writing.
- Submit a detailed statement and/or incident report along with witness' statement
- Advise of any pending legal proceedings
- Any correspondence received from injured party/attorney or representative, must be forwarded **unanswered** to your insurance representative





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Smith Orloff & Associates

SMITH ORLOFF & ASSOCIATES

International Insurance Loss Consultants / Adjusters Representing The Insured

Present An Executive Briefing

Successfully Surviving A Catastrophic Loss
From An Insurance Standpoint

Presented By
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Overview

Understanding and Making Sure That Insurance Coverage Is Appropriate & Avoid Pitfalls Before The Loss Occurs

- Covered Property
- Limits of Coverage
- Covered Perils
- Policy Conditions / Coverages

The Claim Settlement Process / Maximizing the Settlement

Business Interruption Loss & Extra Expense

- Establishing the Limit of Insurance before the Loss
- Preparing and Presenting the Claim

Understanding and Making Sure That Insurance Coverage Is Appropriate and Avoiding Pitfalls Before The Loss Occurs

Covered Property

- Building
- Contents / Equipment
- Stock / Inventory
- Business Interruption and Extra Expense

Limits of Coverage

Covered Perils

- All Risk vs. Named Peril
- Windstorm and Flood
- Wind Driven Rain
- Earthquake
- Collapse

Policy Conditions / Coverages

- Replacement Cost vs. Actual Cash Value
- Holdbacks / Buyouts
- Coinsurance
- Agreed Value Endorsement
- Ordinance / Code Upgrade
- Loss of Off-Premises Power & Water
- Costs of Architects & Engineers in Reconstruction
- Foundations, Walkways, Roads & Landscaping
- Blanket Coverage
- Consequential Business Interruption
- Deductibles For Windstorm & Earthquake
- Appraisal Clause

Maximizing The Claim Settlement / Being Proactive

- Must Be Proactive
- Understand The Policy & How It Applies to the Loss
- Use of Experts
- Schedule Meetings With Company Adjusters
 - Scope of Loss
 - Evaluate Alternatives to Reconstruction
 - Seize the Opportunity for Enhancing Capacity / Efficiency
 - Participate in Establishment of Reserve
 - Request Advances
- Responsibility to Mitigate Further Damages
- Precision in Uncovering Critical Detail
- Be Aware of Diminution of Useful Lives

Maximizing The Claim Settlement / Being Proactive (continued)

- Document the Loss
 - Photographs
 - Get Your Own Restoration Estimates
 - Keep Accurate Cost Records
 - Preserve Damaged Articles for Adjuster's Review
 - Preparation of Your Own In-Depth Loss Estimates
 - Losses Can Be Settled on an Estimated Basis
- Mitigation of Business Interruption Loss Used As a Leverage
 - Efficient Handling of Continuing Expenses
- Use of Extra Expense Coverage
- Negotiating Skills / Negotiating On An Informed Basis

Business Interruption Loss & Extra Expense

- Establishing the Limit of Insurance
 - Net Income Plus Continuing Expenses
 - Ordinary Payroll Expense Exclusion
 - Address Costs to Stay In Business & Mitigate- Extra Expense
 - Have a Plan
- Preparing and Presenting the Claim
- Restoration Period

QUESTION & ANSWER



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