

# ERRORS & OMISSIONS

## RISK MANAGEMENT ALERT

### Timely, Accurate and Complete Claim Reporting

Does your agency offer the service of reporting claims to insurance carriers on behalf of its customers? Be vigilant. To avoid E&O exposure on claims being reported to you by your customers, you must:

**Avoid making comments to your customers regarding coverage.** It's natural to want to provide information based on your experience. However, it's not your role to determine coverage. Take the customer's information and forward it to the carrier for a coverage determination.

**Forward all claim information from the customer to the carrier in a timely manner.** A delay could result in a denial of the claim and an E&O exposure for your agency. Immediate forwarding is optimal, but don't wait longer than 24 hours.

**Ensure all information provided by the customer is relayed in its entirety to the carrier.** Do not paraphrase, interpret or alter claim information – forward what you receive. Any deviation that results in reduced, or a denial of, coverage will be an E&O exposure for your agency.

**Report claims to all appropriate carriers as there may be several policies that may respond to a given claim.**

**Ensure that excess carriers are provided notice of the claim.** Do not assume that because a carrier has the underlying and excess coverage that both policies are triggered when the claim is reported to the carrier on the underlying policy. This can help you avoid an E&O issue for failure to report or untimely reporting.

**Be mindful and vigilant in your business practices and submit all claim information received from your clients in a timely, accurate and complete manner to reduce the risk of E&O exposure. If you do not offer this service, advise your customers, in writing, to report all claims directly to the appropriate carrier.**

We KNOW  
for Insurance Agents

E&O

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