




Coverage and Fall Reopening

This communication has been sent to all USIP members and brokers.

Please feel free to distribute this communication throughout your organization.



This communication is intended to underscore the importance of recommended guidelines and highlight certain renewal changes that may influence school reopening plans for the 2021-2022 academic year.

The Department of Health, Office of Superintendent of Public Instruction (OSPI), and the Office of the Governor are allowing local school districts to create their own reopening plans. However, due to certain coverage developments, we wish to address the potential implications for districts choosing to operate outside guidance presented in the OSPI Decision Tree and/or subsequent guidance documents.

The 2021-2022 Communicable Disease Exclusion

The 2021-2022 USIP Memorandum of Coverage will contain a liability exclusion for losses arising out of the actual or alleged transmission of a communicable disease, or caused by, resulting from, or in connection with a communicable disease. Exclusions of this nature are being broadly implemented industry-wide, and finding alternative coverage for COVID-19 or any other communicable disease in the current market is not likely at this time.

Coverage Implications and Program Response

While a formal coverage determination cannot be made until an actual claim is made, USIP members have potential coverage for liability arising out of communicable diseases prior to September 1, 2021. However, the

Communicable Disease Exclusion will apply to all liabilities effective after renewal.

USIP is currently developing a defense-only sublimit within the pool's coverage layer that will facilitate reimbursement to members for future communicable disease defense. The sublimit and language surrounding this coverage will be included with renewal documents.

District Reopening Planning for 2021-2022

In light of these changes, USIP *strongly advises* member districts to continue adhering to the following best practices while developing their plans for the 2021-2022 academic year:

- Follow all recommended Department of Health guidelines
- Utilize all direction from the Department of Labor and Industries with regard to how COVID-19 impacts both employers and employees

Superintendents and school boards operating outside of these guidelines after renewal may experience increased liability exposure with the new exclusion. Please take this potential exposure into consideration when formulating your plans for reopening this fall.