

HOSPITALITY COVER PLUS⁺

Hospitality Risk Management




Risk Management Techniques that Make a Difference

Guest Slips & Falls

The most frequent guest injuries continue to stem from slips and falls. Many slip and fall claims are preventable with regular maintenance and a pro-active approach to guest and employee safety. Over time, the majority of the claims dollars that a hotel will incur come from guest slips and falls.

- Tubs and showers are frequently the location of guest slips, falls, and other injuries. These areas need continuous inspection and maintenance. Your team should include the following in your safety program and regular room inspections:
- The tubs and showers of all rooms should be inspected regularly. The hotel should record the results of all inspections and any repairs.
- Keep records of all maintenance procedures on bathtubs and showers. This includes floor care activities, repairs performed, times and dates of those services, and care products used.
- Non-slip surfaces should be inspected by Housekeeping every time the bathroom is cleaned. If there is excessive wear or breakdown of the non-slip surfaces, this should be reported to management and maintenance immediately.
- Non-slip surfaces should be maintained in accordance with the maintenance instructions provided by the manufacturer. This includes only using recommended cleaning supplies and chemicals. Using incorrect techniques and cleaning agents can increase the

likelihood of a slip or fall on these surfaces. Failure to maintain these surfaces in accordance with these requirements limits liability on behalf of the manufacturer or installer in the event of a claim.

- All repairs to the tub, shower, or its non-slip surface, should be completed by a licensed, insured contractor. A Certificate of Insurance should be on file at the property for all contractors, prior to work commencing.
- Be on the lookout for foreign substances on the floor such as water, food, grease, oil, soap, dirt, or debris in and around all bathrooms.
- Always use "Wet Floor" signs.
- Use a doormat inside each entrance during inclement weather. Routinely inspect mats for damage and excessive wear, replacing them as necessary.
- Investigate and thoroughly address the source of spills.
- Do not allow guests into unauthorized areas.
- Promptly repair any broken or damaged walkways, carpeting, curbs and stairs. Clearly mark any areas under repair.
- Clear walkways of litter, debris, cords, and furniture.
- Provide handrails for any set of stairs with more than three steps, up or down.

Make it clear to all team members that they are responsible for the safety of everyone on the property. This responsibility is shared by all staff, not just management and maintenance.



Certificates of Insurance

Any and all individuals, vendors, contractors, or third-party firms performing services on the property must provide a compliant Certificate of Insurance (COI) before commencing work. The COI aids in verifying that every vendor has sufficient coverage in force that meets the risk management requirements of ownership and management. **The COI must do the following:**

- Show proof of adequate insurance coverage for the individual or contractor as relates the services being provided, including: General Liability, Workers' Compensation, Automobile, and Umbrella coverage
- Reflect an insurance carrier with a financial rating certified by A.M. Best Rating Service as A-, X or stronger
- Reflect insurance coverage currently in force
- Name the property ownership entity, management entities, and all additional entities associated with hotel operations as "Additional Insured"

The specific limits required for each type of contractor and vendor, as well as sample language for requesting COIs, are available in the customized Certificate Procurement Program that you received for your hotel. If your property needs an updated copy, **please contact the Hospitality Cover Plus+ Risk Management Team.**

If Additional Insured status is granted on the COI only "where required by written contract" or via an endorsement, this stipulation must be included in the contract before execution, or the language should be removed from the Certificate of Insurance. When the COI is provided to the Hospitality Cover Plus+ Risk Management Team for review, the contract should be included as well. Both should be reviewed in advance of the execution of the contract and before the commencement of any work. A contract should be in force with all vendors and contractors.

Sole proprietors, without exception, must also carry insurance coverage (including workers' compensation) which meets or exceeds the levels outlined in the Certificate Procurement Program for your hotel. While certain states may not require sole proprietors to carry workers' compensation coverage, the risk management requirements for Hospitality Cover Plus+ dictate that coverage be in force.

Below is a list of some of the types of vendors which must provide a **compliant COI to work on your property:**

- Staffing Companies
- Landscapers
- Snow Removal Services
- Shuttle Services
- Electricians
- Plumbers
- Painters
- Contractors
- Roofers
- Sprinkler Contractors
- Caterers
- Valet
- Spa Operators
- Lifeguards
- Street & Road Pavers
- Retail Tenants
- Security Guards
- Bands, DJ's & Audio-Visual Vendors

The contractor should be able to provide the hotel with a compliant COI within 1-2 business days. Upon receipt of a COI from a potential or current contractor, forward it, as well as the proposed contract, to the Hospitality Cover Plus+ Risk Management Team for review. The team will provide a prompt review and detail any required revisions or inadequacies. The Hospitality Cover Plus+ Risk Management Team can clarify, and amendments, endorsements, or revisions needed to both the contractor and the contractor's insurance broker on your behalf.

For vendors that provide ongoing services, a compliant COI must be provided annually, in advance of renewal execution of the contract.

Failure to procure necessary COIs leaves property ownership and management financially exposed to claims and lawsuits which may arise from the negligence of uninsured or underinsured service providers. If you are unsure as to whether a COI is needed or experience difficulty in obtaining a COI, please contact the Hospitality Cover Plus+ Risk Management Team for assistance.



DID YOU KNOW?

Slips and falls account for 31% of all General Liability claims in the hospitality industry and 41% of total incurred claims dollars. The average slip and fall claim at a hotel has direct costs in excess of \$13,000. Sidewalk, parking lot, and curb cracks may occur over time due to a variety of circumstances. While small rises or dips in pavement or sidewalks may occur, it is important for each hotel to monitor any changes diligently. In many states, even a slight rise or variance in the walkway can trigger liability on behalf of a hotel in the event of a guest injury. Any repairs should be completed in short order and the area should be clearly marked until the hazard is resolved.

FROM YOU:

Q: Do I need to get a new COI from our snow removal contractor every year?

A: Yes, a compliant, in force, COI needs to be provided by every contractor, including snow removal and landscaping, **in advance of the execution of the annual contract.**

state may be too low to limit Legionella growth. Use a Water Management Program to address potential exposure with the **following guidelines:**

- Monitor temperature, disinfectant, and pH frequently.
- Store hot water at temperatures above 140° F and ensure that hot water in circulation does not fall below 120° F. Recirculate hot water continuously, if possible.
- Store and circulate cold water at temperatures below 68° F.
- Ensure a disinfectant residual is detectable throughout the water system.
- Flush low-flow piping runs and dead legs at least weekly and flush infrequently used fixtures regularly. Document all flushing activities.
- Clean and maintain water system components, such as mixing valves, aerators, shower heads, hoses, filters, and storage tanks, regularly.
- Address water stagnation, which encourages biofilm growth, reduces temperature levels, and levels of disinfectant. This commonly occurs during periods of reduced occupancy or off-peak season.

If you believe that Legionella may have been detected in the hotel's water system, notify the Hospitality Cover Plus+ Risk Management Team immediately.

Legionnaires Exposure

Legionnaires Disease, spreads through the inhalation of water droplets containing the bacteria, Legionella. As a result, buildings with cooling towers, decorative water fountains, pools, hot tubs, and other large plumbing systems are all fertile breeding grounds for Legionella and may facilitate its spread.

Systems that may have been stagnant, along with temperature changes, provide ideal conditions for bacteria that causes Legionnaires. Legionella grows best within a certain temperature range (77° F-113° F). To keep water outside the range for Legionella growth, it is important to keep cold water cold and keep hot water hot. It is important to maintain heaters at appropriate temperatures while following local and state anti-scald regulations. Maximum temperatures allowed by your





Hotel Insurance Marketplace Update

Global insured losses from natural disasters reached \$53 Billion in the first half of 2023, which represents only a fraction of the total economic losses as a result of the disasters. Seemingly relentless storm activity and more severe weather patterns country-wide continue to put upward pressure on property insurance pricing. With an over 6% increase in the most recent quarter, the 2023 insurance market forecast continues to indicate a rise in insurance pricing in property (10-20% with much more severe increases in wind, hail and flood areas), general liability (7-12%) and excess liability coverages. Wind coverage, especially Named Wind coverage, is at nearly historic highs in pricing and lows in availability countrywide.

Continuing to follow your safety and risk management programs and protocols, including the documentation of those activities, is more critical than ever. It is paramount to differentiate yourselves from the average hotel around the country. In this way, you can outperform, and thus realize more competitive rates than what the marketplace is delivering on average to your competitors. If you have any questions on this or need any assistance, please contact us at any time.

Our team will continue to assist you in managing the property and liability exposures at your properties, which will serve to reduce claims activity and set you apart from the average hotel. The Hospitality Cover Plus+ Risk Management Team looks forward to continuing to work with you and your team in the implementation and execution of the risk management techniques that continue to make a proven difference.

Additional risk management resources, including your guide to claims reporting, additional claims forms, past and current newsletters are always available online at: <https://www.dii-ins.com/specialty-programs/hospitality-cover-plus/>

Diversified Insurance Industries

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