

HOSPITALITY COVER PLUS+

FEBRUARY 2020

FLU SEASON

The spread of illnesses, such as colds and the flu, occurs when water droplets of coughs and sneezes become airborne. Illnesses spread quickly when this moisture contacts surfaces such as tabletops, counters, doorknobs, keyboards, vehicle consoles and front desk supplies. Certain viruses and bacteria can remain on surfaces for two hours or longer, which is plenty of time for multiple staff members, guests, and vendors to come into contact with them. As your teams work closely and come into direct contact with others frequently, this means that germs and bacteria can spread easily and quickly. Team members should be reminded of the role they play in demonstrating good hygiene to each other and to guests.

According to the CDC, the single best way to protect against the flu is to get vaccinated annually. With the consultation of their personal doctor, encourage flu shots for all staff members. Encourage team members to check with their doctor promptly if they are pregnant, or have specific medical conditions, and experience flu symptoms.

The recent, international outbreak of coronavirus further stresses the importance of taking preventative steps to help prevent the spread of colds, the flu, and other communicable diseases. The CDC recommends the following:

- Sneeze or cough into a tissue and then throw it away.

- Wash your hands often with soap and water for at least 20 seconds. If soap and water are not available, use an alcohol based hand sanitizer.
- Avoid touching the nose, mouth and eyes with unwashed hands.
- Practice healthy habits; including sufficient sleep, proper nutrition, regular exercise and hydration.
- Regularly, thoroughly clean commonly touched surfaces and common areas with disinfecting cleaners.
- If you need to wear gloves, wash your hands thoroughly after removing them.
- Try not to use other team members' supplies (phone, computer, office supplies, tools, electronics, etc.)
- Avoid close contact with any people who are sick.
- Notify the Maintenance Department when any area is out of soap, sanitizer, or paper towels.

It is important to encourage sick team members to limit contact with non-infected employees and guests. Review your absentee policies to ensure that this practice is encouraged until infected employees are no longer contagious. Follow the requirements of public health authorities as relates to notification of infectious disease outbreak. If you fear that your property may be affected by an infectious disease outbreak, notify the Hospitality Cover Plus+ Risk Management Team immediately.

DID YOU KNOW?

Flu activity is currently high and is expected to continue for several weeks. The CDC estimates that the flu causes 49 million flu related illnesses and 960,000 flu hospitalizations each year. Approximately 40% of the U.S. population chooses to get the flu vaccine each year, preventing an estimated 7 million flu illnesses and 109,000 flu hospitalizations each year.

More information can be found at: www.cdc.gov/flu

FROM YOU

- Q: In the Winter the hotel receives requests to have parties or events at the indoor pool. Who can hold an event here?
- A: *Only registered guests should be allowed in the pool area. No parties or events, irrespective of the host, should be held in the pool area.*

CONTACT

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AUTOMOBILE SAFETY PROGRAM

Many properties operate large 10-15 passenger vans which frequently shuttle guests to airports and local attractions. These vehicles present a unique set of risk characteristics.

Due to the design, handling, and balancing of these vehicles, studies have found that some of these vehicles have significantly higher rollover rates than other vehicles.

The National Highway Traffic Safety Administration (NHTSA) now prohibits most schools from transporting children with 15 passenger vans due to these safety concerns.

The Hospitality Cover Plus+ Risk Management Team recommends the following for such vehicles:

- Remove the rear seat to reduce the weight behind the rear axle
- Limit capacity to 10 passengers (including driver)
- Load forward seats first
- Do not tow trailers or load cargo on the roof

All vehicles should undergo regular, comprehensive safety inspections. The records of all drivers should be reviewed, at least annually, for any infractions or violations.

Hospitality Cover Plus+ is firmly committed to the safety of all team members and guests. Driver inattention is a factor in the majority of vehicle accidents.

Cell phone and other handheld device use while driving is a common, often harmful distraction. According to the NHTSA, distraction related fatalities represent approximately 16% of all fatalities. Researchers at the University of Toronto found the risk of having a traffic accident while using a cell phone to be the same as while drunk driving. The annual cost of crashes caused by cellphone use has been estimated at \$43 billion.

Drivers may not use any handheld device while operating a property vehicle or while driving a vehicle on company business. Cell phone use is PROHIBITED while driving any hotel vehicles.

The Hospitality Cover Plus+ Risk Management Team strongly recommends the following:

- Adhere to all state laws regarding cell phone use while driving
- Allow voicemail to handle all calls and return when safe
- Ask a passenger to make the call if necessary
- Headphones should never be worn while driving
- Laptops should never be used while driving
- Require notification by employees of any change in license status or driving record
- Enforce a clear policy banning texting while driving
- In the event of an accident, notify the Hospitality Cover Plus+ Risk Management Team immediately

Each hotel should request motor vehicle records (MVRs) for all potential drivers at the time of hiring, and annually thereafter. Driving history and violations are an indicator of future performance and may affect the insurability of a hotel driver. MVRs are readily available by request of the driver. New driver MVRs must be approved by the Hospitality Cover Plus+ Risk Management Team. In order to do this, please provide the driver's name, date of birth, driver's license number, and current MVR to the Hospitality Cover Plus+ Risk Management Team.

All drivers must be at least 25 years of age, with 5 years of driving experience. The Hospitality Cover Plus+ Risk Management Team recommends the following points system as relates violations:

Type A Violation: Includes (but is not limited to) DWI/DUI, Refusing Substance Test, Reckless Driving, Manslaughter, Hit & Run, Eluding a Police Officer, any Felony, Drag Racing, License Suspension, and Driving While License Suspended. Any driver with these types of violations is a major concern.

Type B Violation: Includes all vehicle accidents, regardless of fault.

Type C Violation: Includes all moving violations not classified as Type A or Type B (Speeding, Improper Lane Change, Failure to Yield, Running Red Lights or Stop Lights, etc.).

Type D Violation: Includes all non-moving violations (Illegal Parking, Vehicle Defects, etc.).

As relates the guidelines for disciplinary action or driving approval, The Hospitality Cover Plus+ Risk Management Team recommends the following:

Reassignment to a Non-Driving Position:

- Type A Violations: 1 or more in the preceding 36 months
- Type B Violations: 2 or more in the preceding 36 months
- Type C Violations: 3 or more in the preceding 36 months
- 1 Type B Violation and 2 Type C Violations in the preceding 36 months

Probation (6 Months):

- Type B Violations: 1 or more in the preceding 36 months
- Type C Violations: 2 or more in the preceding 36 months
- 1 Type C Violation and 2 Type D Violations in the preceding 36 months
- Type D Violations: 3 or more in the preceding 36 months

LAUNDRY FIRES

One of the most common locations of fire origin is the on-site laundry facility. The laundry room contains many flammable items; including lint, linens, chemicals, pallets and storage containers. Additionally, this exposure can be increased by the high electrical use by industrial laundry appliances.

When dryers operate with lint clogged screens, overheating can occur. Overheating can lead to the ignition of lint accumulations, which can spread to other cloth in the laundry load. Fire may even spread to laundry and laundry carts outside of the dryer, and ultimately to the building itself. Other sources of lint ignition may include heating from the dryer belt slipping, dryer fan motor failure, or overloading.

The Hospitality Cover Plus+ Risk Management Team recommends the following in the laundry area:

- Clean the lint screens at least daily to maintain the minimum required airflow through the dryer when operating. When dryer use is heavy, more frequent cleaning may be needed.
- Do not load dryers beyond the manufacturer's specified capacity. All laundry must be

able to tumble freely when the dryer is operating.

- All cleaning supplies and chemicals should be stored in accordance with their MSDS designation.
- The laundry chute should be emptied daily in order to prevent the fast spreading of a laundry room fire.
- The electrical system of the laundry room should be inspected regularly. Washing machines and dryers should never be plugged in via an extension cord.
- Use a maintenance checklist to implement routine dryer maintenance in accordance with manufacturer's guidelines.
- Exit doors should be clear of any obstacles or debris.
- Trash should be emptied from the laundry room daily.
- Do not store materials in a manner that impedes smoke detectors or sprinkler heads.

QUARTERLY INSURANCE MARKETPLACE UPDATE

With the exception of personal automobile and workers' compensation coverages, insurance premium rates continue to increase and there have been insurance carrier reductions in coverage capacity (in the form of reductions in coverage limits and sub limits, higher deductibles, etc.). There are a number of factors driving the premium increases in property, general liability, automobile and umbrella coverages. As relates property coverage, there were over 400 natural catastrophes in 2019, at an estimated cost of over 225 billion dollars. Further, the decade from 2010-2019 was the most expensive on record at nearly 3 trillion dollars in weather and natural disaster event costs. In 2020, 20%-30% premium increases continue to be the market norm with increases of 50%-60% and higher in CAT (wind, hail, flood and earthquake) exposed areas. Hotels with adverse loss experience are seeing even higher increases or non-renewals from their carriers. On the liability side (general liability, automobile, umbrella) poor underwriting results for the insurance industry, driven by inadequate premiums to cover claims (which continue to increase due to larger liability awards and pro-plaintiff court decisions), are resulting in higher premiums, deductibles and more difficulty in procuring necessary umbrella limits.

In any market cycle, especially in a hardening market, aggressive risk management at your property is the best defense against rising premiums and diminished coverages. Proactively managing the property and liability exposures at your property will significantly reduce claims activity and set you apart from the average hotel across the country. 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:

WWW.HOSPITALITYCOVERPLUS.COM

