



## *July Tips for Business Interruption: Educating the Insured: Coinsurance—Installation Two*



### *Early Notification*

Remember, the threat assessment, which should be conducted by an adjuster with experience in the coinsurance calculation process, is for your benefit and for the benefit of the insurer. The file examiner may have already had dialog with the insured concerning this issue. And if not, he or she will want to be aware of the potential issue that may develop and will be better able to support the information you are providing the insured.

The threat assessment gives us a tool to prepare the insured for the possibility they, by the very nature of the contract, may not be able to collect the full amount of their actual loss. That, in fact, they are a coinsurer of their loss.

Of course, it will be easy to tell an insured they have a 90% to 100% collectible claim at the end of the process. But it will be a hard pill to swallow for an insured who has spent time and money providing documents over several weeks or months, believing their loss to be \$50,000, only to be told they can only recover \$12,500 to cover their payroll and other necessary expenses.

Our job is to provide the insured, and their accounting professional, with the education and help them to understand this coverage condition and formula. Broaching the subject at first contact is the essential element. The key. Upfront and forthright is the only way to go.

Be confident by keeping yourself informed and educated about the coverage. Always consult the specific language in the policy and understand it before conveying the information to the insured. Consult insurance and accounting publications on the subject.

A good way to start is to ask the insured if they are aware of the coinsurance clause in their policy. More often than not, the answer will be “no”. This will open the door. But it is not enough to simply quote the policy. The insured needs to understand if they have not carried the limits required, they will be a coinsurer of the loss. Verbal communication should be followed up with written support. Have your educational arsenal at the ready!

However, it is neither prudent, nor feasible, to foretell a set collectible percentage to the insured without reviewing the financial documentation. You will need to strike the delicate balance between being informative and being a doomsayer.

A disclaimer that you are providing them with a possible scenario only should always accompany all verbal and written information. And keeping the insured informed throughout the process is always the best defense in court.



## *August Tastes: Stuffed Eggplant*

**2 medium eggplants**  
**¼ pound fresh white lump crabmeat**  
**1 medium onion, chopped**  
**½ cup parsley, chopped**  
**1 clove garlic, minced**  
**½ cup bread crumbs**  
**1 stick butter**  
**1 tsp paprika**  
**½ pound fresh, small shrimp, peeled and deveined**  
**2 tsp parmesan cheese**  
**Salt and pepper to taste**

**Preheat oven to 350 degrees.**

**Boil eggplants 10 to 12 minutes. Cut in half, dig out pulp (setting aside in bowl) saving shells.**

**Sauté onion and garlic together until limp. Add pulp and sauté until dry. Add shrimp and cook for another 15 minutes. Pour this mixture into bowl and fold in crabmeat and parsley. Cool.**

**Add enough bread crumbs to give mixture a stuffing consistency and stuff eggplant shells. Sprinkle a few more bread crumbs, paprika and cheese.**

**Dot with butter and bake until brown, approximately 15 minutes. Serves 4**



## *Bonus from Connecticut : Stuffed Zucchini*

**3 Zucchini**  
**1 package frozen chopped spinach (10 ounce)**  
**2 tblsp all-purpose flour**  
**½ cup milk**  
**Salt**  
**Seasoned pepper**  
**1/3 cup (about ½ ounces) shredded Cheddar cheese**  
**4 slices cooked bacon, crumbled**

**Preheat oven to 350 degrees.**

**Cook spinach according to package directions, drain and squeeze all water out. Chop and set aside.**

**Scrub zucchini well and trim off ends. Cook whole in boiling, salted water for 10 to 12 minutes, until slightly tender. Drain and cut in half, lengthwise. Scoop out centers and set aside, leaving a firm shell. Chop the centers and add to spinach.**

**In a small saucepan, blend flour and milk and add the spinach mixture. Cook and stir until thickened.**

**Place zucchini halves in baking dish and sprinkle the cavities with salt. Spoon the spinach mixture into the zucchini shells. Sprinkle tops with seasoned pepper, then shredded cheese and crumbled bacon.**

**Bake for 15 to 20 minutes or until heated through. Serves 4-6**