

Buchman, Scanlon in PBN on Insurance Coverage for Hawaii Missile Scare Losses

By Barry I. Buchman, Michael J. Scanlon | February 19, 2018

RELATED PRACTICES Insurance Recovery, Litigation

For Hawaii businesses that suffered a financial loss as a result of January's false ballistic missile alert, all might not be lost, according to Haynes Boone Partner [Barry Buchman](#) and Associate [Michael Scanlon](#), *Pacific Business News* [reported](#).

Buchman and Scanlon, who work in Haynes Boone's Washington, D.C., office, told *Pacific Business News* that Hawaii businesses that suffered losses during and after the scare may be covered within their first party property damage policies. Buchman said most commercial property insurance policies have civil authority coverage for business interruptions triggered by evacuations, airport or mass transit closures, curfews or other restrictions on access to an owner's facility by customers or employees. . . .

"Far fewer businesses have event cancellation," Buchman added, which can cover losses arising from the cancellation, interruption or postponement of an event. "Businesses should take a look at their portfolio. Do you have event cancellation insurance? Could your civil authority be covered to be better than it is? And do you have the right wait times?" . . .

This is an opportune time to assess whether you have adequate coverage," said Scanlon, who is familiar with the state's tsunami warnings. "[Tsunami warnings] are something that happens enough in Hawaii that businesses should look closely at their coverage for the events going forward if they haven't already."

Buchman said some of the biggest pitfalls for businesses looking to recoup losses are procedural ones. "A lot of times these policies have very specific requirements for communication with the insurer, certain documentation that has to be submitted to the insurer, what form that documentation has to take and when it has to be submitted by," he said. "What you don't want to have happen is have one of those deadlines lapse and then you've given the carrier a technical argument."

Scanlon said businesses should document damages and submit claims as early as possible, as well as engage legal counsel early in the process. . . . "To sit on this for the next three months would be a mistake."

Excerpted from *Pacific Business News*. To read the full article, click [here](#). (Subscription required)