



Bed Bug Infestation — A Concern for Hospitality Industry Is Insurance Available?

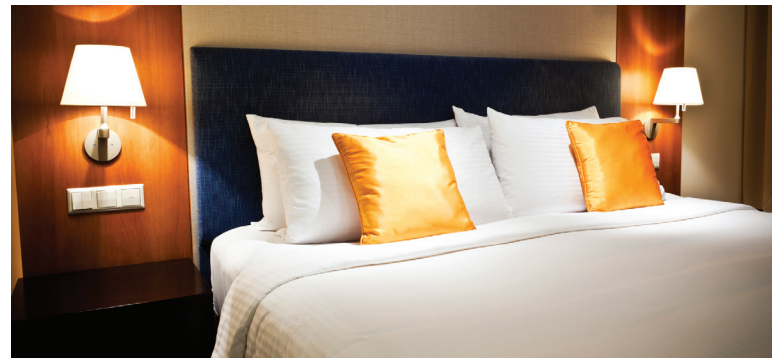
For the second consecutive year, Chicago has been named the worst city in the country for bed bug infestations, according to pest control company Orkin¹. Bed bugs are being found in hotels, department stores, movie theaters, hospitals and colleges, as well as private homes.

The problem appears widespread, and the culprit may be increased travel and the reduced use of pesticides such as DDT, which was banned in the 1970s. Bed bugs, which are brown or red in color and the size of an apple pit, can travel in luggage and clothing, and once they get into an area, they are difficult to exterminate.

Are Bed Bug Infestations Covered by Insurance?

Standard commercial *property* insurance does not provide coverage for insect infestation. However, today several insurance companies² are offering the coverage for commercial enterprises such as the hospitality industry. These insurance programs typically include an insurance as well as a bed bug management/prevention component. Insurance coverage for lost revenue due to business interruption is also available. Targeted industries include:

- Hotels, motels, and restaurants
- Retail establishments
- Hospitals
- Movie theaters
- Schools



What Can Hotels Do to Minimize the Problem?

Proper risk management practices are crucial in preventing or minimizing the effects of an infestation. The New York City Department of Health and Mental Hygiene recommends several steps (which can apply to any location, not just New York) that should be taken to prevent or minimize the infestation.

- Develop an inspection plan so staff can identify a bed bug infestation before guests do.
- Train your employees to inspect rooms upon vacancy and whenever a guest complains about bed bugs. Staff should look for living or dead bed bugs, small bloodstains from crushed insects, or dark spots from droppings. Check linens, the mattress and its seams, bed springs, behind the headboard, or in the seams of upholstered furniture.

¹In 2013, Chicago was followed by Los Angeles, Columbus, OH, Detroit, Cincinnati, Cleveland/Akron/Canton, Washington D.C., Denver, and Indianapolis. Several southern cities saw an increase in infestations, among them, Nashville and Charlotte.

²Two large insurance organizations, AON Risk Solutions and Willis NA, offer comprehensive insurance programs for bed bug infestation risks, among others.



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- Hire a qualified, licensed pest control professional to inspect regularly, and quickly address infestations when they occur. Work with the vendor to ensure that the following steps are taken:
 - o Thoroughly inspect, with permission, the guest's luggage and clothing, as well as the infested room and the new room to which the guest is moved. If a room is infested, all machine-washable bedding, curtains, rugs, towels, etc. should be cleaned separately in the hottest water and dried on the hottest recommended cycle.
 - o Scrub mattress seams with a stiff brush to dislodge bed bugs and their eggs.
 - o Use a heavy duty HEPA vacuum on the mattress, bed frame, furniture, floor and carpet. Discard the used vacuum bag in a sealed plastic bag before using the vacuum in another room.
 - o Place infested mattresses or box springs in zippered plastic covers and store them for at least one year before using them again.
 - o Seal cracks in plaster and around the baseboards of the room completely with caulking material.
 - o Treat the room with special cleaning products and/or pesticides, if necessary. (Be aware of any laws that may confine the use of pesticides to licensed professionals.)
 - o Reinspect the room periodically to ensure that bed bugs are gone.



Although insurance is important, the key to minimizing or preventing such infestations and maintaining a positive reputation for the hotel is a comprehensive risk management program as outlined above.