

EY Claims and Disputes: considerations for governments dealing with COVID-19 business interruption claims

Considerations for governments facing COVID-19 related claims

Many businesses will be facing closure as either a direct or indirect consequence of measures implemented by governments to control the spread of COVID-19. This is likely to result in a significant number of bailout requests to governments from businesses (to the extent that these are not insured events). Governments that have announced their intentions to offer packages of financial support to assist businesses that have been disrupted as a result of the outbreak are likely to receive a large number of claims for this financial support.

Where a government response involves requests being made to businesses to alter their normal trade (e.g., to boost the manufacture of items deemed critical in the fight against the COVID-19 outbreak or to repurpose accommodation for temporary hospitals), appropriate compensation is also likely to be needed. Finally, it is unfortunate but predictable that the risk arises of individuals and businesses making fraudulent claims for government funds.

As the threat of the COVID-19 outbreak continues, governments around the world are implementing unprecedented measures to try and control the spread of the disease. These measures have the potential to have significant consequences for both individual businesses and the economy as a whole, and we are seeing more and more governments starting to pledge packages of financial support to assist businesses that have been disrupted as a result of the outbreak. We have set out some considerations for governments dealing with COVID-19 related business interruption claims and how EY teams can help manage these.

The EY logo consists of the letters 'EY' in a bold, white, sans-serif font. A yellow diagonal line is positioned behind the 'Y', extending from the top right towards the bottom left.

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How EY Claims and Disputes can help

EY Claims and Disputes team is experienced in helping governments and organizations in the support of claims related to this type of scenario. We can:

- ▶ Offer project management of significant value/volume of claims
- ▶ Help develop policies and procedures to track, triage and deal with claims from the business community
- ▶ Implement technology platforms to support efficient claims handling
- ▶ Provide independent assessment, advice and opinions on the merits of the underlying claims
- ▶ Help identify fraud risks and interrogate claims data to identify trends, and indicators suggestive of fraud
- ▶ Quantify the financial impact of any repurposing of a business's usual trade
- ▶ Provide support in discussions and negotiations with claimants

For further information, please contact the Forensic & Integrity Services team members listed below:



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