

COI Compliance Red Flags: What to Watch For Before It Costs You

Certificates of Insurance (COIs) are meant to give peace of mind—but if you don't know what to look for, they can create a false sense of security. These are the warning signs every compliance manager should know.

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The Big Five Red Flags

- 1 Missing or Expired Policies:** Coverage dates don't extend through the contract period.
Why it matters: Leaves you unprotected mid-project.
- 2 Mismatched Coverage Limits:** COI lists limits lower than your contract requires.
Why it matters: You may not recover full damages in a claim.
- 3 Missing Additional Insured Endorsement:** No confirmation you're covered under the vendor's policy.
Why it matters: You could be excluded from protection.
- 4 Waiver of Subrogation Omission:** Absent or incorrectly worded waiver.
Why it matters: Increases your exposure to claims from the vendor's insurer.
- 5 Unrated or Poorly Rated Carriers:** Issued by insurers with low or no AM Best rating.
Why it matters: Higher risk the carrier can't pay claims.

How to Catch Them Every Time

- Manual review checklists
- Scheduling regular compliance reviews
- **Using Ebix RCS for automated OCR scanning, rules-based validation, and real-time alerts**

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