

**MED** **THREE**  
INSURANCE GROUP

**Regulated  
Health Professionals and  
Non-Regulated  
Healthcare Practitioners  
Coverage Highlights**

S E P T E M B E R 2 0 1 8

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Health Care  
Doctor  
Hospital  
Pharmacist  
Nurse  
Dentist  
First Aid  
Surgeon  
Emergency

# Contents

- Property / Business Interruption..... 3
  - Coverage Description ..... 3
  - Key Coverage Extensions..... 3 - 4
  
- Machinery Breakdown ..... 5
  - Coverage Description ..... 5
  - Key Coverage Extensions..... 5
  
- Crime..... 6
  - Coverage Description ..... 6
  
- Professional and General Liability ..... 7
  - Coverage Description ..... 7 - 8
  
- Legal Expense ..... 9
  - Coverage Description ..... 9 - 10
  - Coverage Features..... 9 - 10
  
- Cyber..... 11
  - Coverage Features..... 11 - 12

PROPERTY / BUSINESS INTERRUPTION

**COVERAGE DESCRIPTION**

Property Insurance covers against “All Risks” direct physical loss or damage to buildings and other contents for which the Insured is responsible, on a replacement cost basis, without any co-insurance penalty. In addition, coverage includes related extra expenses incurred to continue the operations following the loss or damage to the property, and loss of business income due to interruption caused by an insured peril.

**KEY COVERAGE EXTENSIONS**

<b>Business Interruption (Actual Loss Sustained)</b>	Insures loss of income sustained as a direct result of damage to the property from an insured peril. Coverage for 18 months or 24 months period of indemnity available.
<b>Temporary Locations:</b>	Insures property away from the premises such as items temporarily removed, in storage, etc. with a limit up to \$250,000 in any one occurrence.
<b>Extra Expense:</b>	Provides the Insured with the additional expenses incurred in order to maintain normal operations after an insured loss, such as the rental of a building or rental of heating equipment. Limit is up to \$500,000 in any one occurrence. This coverage applies as additional amount of insurance.
<b>Valuable Papers and Records:</b>	Expenses incurred to reproduce records and valuable papers such as blueprints, architect’s drawings, title documents, etc. are recoverable, with a limit up to \$500,000 in any one occurrence. This coverage applies as additional amount of insurance.
<b>Accounts Receivables:</b>	Outstanding accounts receivables (e.g. rent or fees owed to the Insured) which cannot be collected due to destruction of accounting records, will be recoverable. Limit is up to \$500,000. This coverage applies as additional amount of insurance.
<b>Fire Fighting Expenses:</b>	Reimbursement for any firefighting expenses incurred to save or protect insured property as a result of the loss, such as a bill from the local Fire Department. Limit up to \$500,000 per occurrence. This coverage applies as additional amount of insurance.
<b>Electronic Data Processing Equipment and Media Including Breakdown Coverage</b>	Covers damage to electronic data processing and word processing equipment, including their component parts and electronic media, at the premises caused by an insured peril.

<b>Personal Effects:</b>	Covers loss or damage to the personal effects of employees, and officers while on your premises, subject to a limit of \$2,500 per person and \$25,000 total per occurrence, provided the Insured is responsible and there is no other more specific insurance available to the persons suffering the loss, e.g. tenant's policy.
<b>Professional Fees:</b>	Covers the additional costs incurred through the use of professionals, such as accountants, architects or engineers, required to prove and/or quantify the loss with a limit of up to \$500,000 any one occurrence. This coverage applies as additional amount of insurance.
<b>Signs</b>	Insures damage to exterior signs located on the premises caused by an insured peril. Limit is up to \$100,000 in any one occurrence.
<b>By-Laws:</b>	Coverage is provided for the demolition of any undamaged portion of the building; increased cost of repairs or replacement to the damaged portion of the property due to enforcement of any By-Law, Regulation, Ordinance or Law.
<b>Restricted Access ( 4 weeks)</b>	Covers actual loss of business income while premises is restricted by damage to property located within 1 kilometer of the premises that is directly caused by an insured peril or by order of civil authority resulting from an outbreak of a contagious disease; food or drink poisoning; defective sanitation or drains or murder or suicide.
<b>Replacement Cost:</b>	Cost to repair or replace the property, without deduction for depreciation or penalty for co-insurance. (Same or adjacent site clause deleted).
<b>Stated Amount</b>	
<b>Flood and Earthquake; Sewer Back up</b>	
<b>Land and Water Pollution Clean Up Expense:</b>	Covers expenses incurred to clean up pollutants that suddenly and accidentally discharged, spilled, emitted, seeped, leaked, released, migrated or escaped from land or water at the premises with an aggregate limit of up to \$ 100,000 at any one location. This coverage applies as additional amount of insurance.
<b>Stock Spoilage:</b>	Covers physical damage to stock on premises caused by dampness or dryness of atmosphere or change of temperature, with a limit up to \$100,000 in any one occurrence

## MACHINERY BREAKDOWN

### COVERAGE DESCRIPTION

Machinery Breakdown Insurance is provided to cover the sudden and accidental breakdown of nearly any type of equipment including electrical systems, air conditioning and refrigeration, mechanical equipment, modern office equipment and boilers. Coverage applies to the cost to repair and replace the equipment and any other property damaged by the equipment breakdown.

Loss Settlement: Replacement Cost

### KEY COVERAGE EXTENSIONS:

<b>Business Interruption (Actual Loss Sustained):</b>	Provides coverage for loss of income or expenses resulting from the necessary interruption of the insured's business at the premises following an insured loss.
<b>Extra Expense:</b>	Pays for the additional expenses incurred by the Insured in order to maintain normal operations after accident to an insured Object with a sublimit up to \$100,000.
<b>Expediting Expenses:</b>	Pays for the extra costs necessarily incurred to expedite repair or replacement of the property, such as rapid or other express means of transportation, and cost of overtime with a sublimit up to \$100,000.
<b>Water Damage:</b>	Property damaged by water due to an accident to any insured Object is covered, including salvage expenses with a sublimit up to \$100,000.
<b>Ammonia Contamination:</b>	The refrigeration system utilizes ammonia as the refrigerant. Any contamination resulting therefrom is covered, with a sublimit up to \$100,000.
<b>Hazardous Contamination:</b>	Increased costs resulting from an Accident to an Insured Object due to the Object containing a hazardous substance are covered with a sublimit up to \$100,000.
<b>Consequential Damage:</b>	Provides coverage for spoilage of goods under refrigeration, medical drugs, blood and similar medical cultures under refrigeration, except any insured product which is past its expiry date or best before date, are insured against losses due to temperature change caused by an Accident, with a sublimit of \$100,000.
<b>Professional Fees:</b>	Professional Fees of consultants (for example, auditors, accountants, lawyers, engineers) incurred in order to quantify a loss is recoverable with a sublimit up to \$100,000.

CRIME

**COVERAGE DESCRIPTION**

Crime Insurance protects the Insured as a result of employee infidelity within the organization and also covers the business assets against embezzlement, forgery, robbery and theft.

**KEY COVERAGE EXTENSIONS**

<b>Employee Dishonesty:</b>	Insures the loss of money, securities or other property sustained through the fraudulent or dishonest acts of any of the Insured’s employees or volunteers.
<b>Money Orders and Counterfeit Paper Currency:</b>	Covers loss due to acceptance of money order issued or purported to have been issued by any post office or express company and loss due to the acceptance of counterfeit Canadian or United States paper currency.
<b>Loss Inside and Outside the Premises:</b>	Insures loss of monies and securities sustained by the organization due to the actual destruction, disappearance or wrongful abstraction thereof.
<b>Depositors Forgery:</b>	Covers against forged or altered financial instruments made in the Insured’s name or using a forged signature.
<b>Credit Card Forgery:</b>	Covers against forgery or alteration of any written instrument required in connection with any credit card issued to an Insured or to any employee or partner or officer.
<b>Third Party Computer and Funds Transfer Fraud:</b>	Covers theft of the organization's money, securities or other property by Computer Fraud, or theft of funds from the Insured’s transfer account at a financial institution through fraudulent transfer of funds;
	Covers damage to electronic data processing and word processing equipment, including their component parts and electronic media, at the premises caused by an insured peril.

PROFESSIONAL AND GENERAL LIABILITY

**COVERAGE DESCRIPTION**

- General Liability insurance protects the Insured against third party liability claims for bodily injury, personal injury and property damage arising from the Insured’s premises, operations, products and completed operations.
- Professional Liability (Medical Malpractice) insurance provides coverage for claims arising out of the rendering or failure to render healthcare professional services.

**Policy Features:**

- Claims Made or Occurrence policies available.
- Limits up to \$10,000,000. Higher limits available upon request.
- Worldwide territory
- Defence costs in addition to the policy limit is available
- Broad Definition of Bodily Injury including mental suffering, mental injury, mental anguish, shock.
- Personal Injury definition includes humiliation, discrimination, and harassment.
- Employee Benefits Plans Errors and Omissions: Covers alleged negligence arising out of the administration of employee benefits programs, subject to a claim being reported during the policy period (Claims-made).
- Blanket Tenants’ Legal Liability: Provides coverage for injury to or destruction of property which is leased to or used by the Insured.
- Non-Owned Automobile Liability: Coverage is provided for the Insured’s legal liability for loss or damage arising from the use or operation of any automobile not owned in whole or in part by or licensed in the name of the Insured, including Bodily Injury to or Death of any Person, or Damage to Property of Others not in the care, custody or control of the Insured.
- Contingent Employers’ Liability: Provides coverage for damages because of bodily injury caused by an accident sustained by any person and arising out of and in the course of his/her employment with the Insured (this policy does not cover damages arising from such activities if they are covered by Worker’s Compensation).

- Voluntary Compensation: Voluntary benefits are paid to or on behalf of an employee or volunteer due to account of bodily injury accidentally suffered arising out of and in the course of the person's employment or duties for the Insured.
- Blanket Contractual
- Broad Definition of "Insured"
- Sudden and Accidental Pollution (hostile fire)
- Products and Completed Operations
- Abuse limited liability (Claims Made) available
- Directors & Officers Liability (Non-Profit / For Profit) available
- Extended Reporting Period (Professional Liability – Medical Malpractice)
- Automatic Extended Reporting period for 30 days
- Optional Extended Reporting Period up to 24 months
- Legal Expense coverage for representation at tribunals, inquests and hearings, subject to each proceeding and aggregate sub-limit.
- 90 days notice of cancellation - to insured from insurer.
- Punitive Damages included, where permitted by law, subject to a per claim and aggregate sub-limit.
- Good Samaritan coverage included
- Advertising Injury
- Broad Form Property Damage
- Cross Liability clause.
- Severability of Interest.
- Employer's Liability available upon request.



## LEGAL EXPENSE

### COVERAGE DESCRIPTION

Legal Expense Insurance provides protection for specific issues that are not ordinarily covered by the commercial liability policy. The coverage relates to matters that can affect all healthcare organizations where having the ability to seek legal advice may prevent a matter becoming an expensive and time consuming issue. This cover provides the Insured with peace of mind knowing that a lawyer is readily accessible to provide advice, and if necessary, to represent the Insured.

### COVERAGE FEATURES

#### Toll-Free Telephone Legal Advisory Service

The TLA service provides unlimited access to a lawyer for immediate general advice on any commercial matter and is available between the hours of 9.00 am and 5.00 pm all provinces. After business hours, weekends and statutory holidays, there is an after hours service which will arrange for a call back from a lawyer on the next business day.

In any of the following emergency situations there is immediate access to a lawyer: the Insured is in custody, under arrest, detained or required to provide a statement immediately to the police; there is an immediate need to discipline and/or dismiss an employee; a care regulator is at your facility in order to close it down with immediate effect.

#### Contract Protection

Pursuit or defence of contractual disputes relating to the sale, purchase, lease or rental of goods (Contract for Goods) or the provision of services (Contract for Services) e.g. disputes with customers/ suppliers or a Resident's licence or contract for care services (including recovery of care service charges)

N.B. Legal fees and expenses are limited to 75% of the amount in dispute. The sum in dispute must exceed \$5000.

If this is the first legal expense policy the Insured has held, the contract must be entered into during the policy period.

#### Employment Defence Protection

e.g. defence against wrongful dismissal charges, discrimination

The Insured is required to contact the TLA service for all employment issues and must follow the recommendations given.

N.B. If this is the first legal expense policy the Insured has held, there is a ninety day waiting period from inception of the policy before this section of coverage takes effect.

### **Criminal Prosecution Protection -**

e.g. Defence of criminal or statutory proceedings (e.g. Criminal Code (Canada), Occupational Health and Safety Act)

Cover can be extended to an employee if joined in the same criminal proceedings at the Insured's request.

Property Protection - e.g. Pursuit or defence of disputes relating to freehold/leasehold property (e.g. landlord and tenant disputes, nuisance and trespass). This includes pursuit of claims relating to damage to Property but the legal fees and expenses are limited to 75% of the amount in dispute. The sum in dispute must exceed \$1000.

### **Tax Protection**

- Tax Audit and Tax Reassessment arising out of any tax return submitted to the Canadian Revenue Agency or other similar Canadian provincial agency.

N.B. a claim must be notified within 30 days of receipt of any Tax Reassessment. Preparation of tax return is excluded. An accountant will provide assistance.

### **Registration Protection**

Representation where a notice to cancel or suspend a care licence or registration is issued.

The Insured is required to contact STERLON immediately upon receipt of any communication from a regulatory body. The Insured will receive telephone legal advice with respect to the issue and must follow the recommendations given.

### **Driver Protection**

Defence of the Insured, and any employee at the Insured's request who was acting within the scope of their employment, in matters relating to a suspension or revocation of a driver's licence or Commercial Vehicle Operators certificate, or a prosecution under the Highway Traffic Act and Criminal Code of Canada.

### **Privacy Legislation Protection**

Defence against breaches of privacy legislation

## CYBER

Cyber Insurance protects the Insured from financial impact and loss from a data security or privacy event

### COVERAGE FEATURES

#### Liability Coverages

- Liability arising from accidental release, unauthorized disclosure, theft or loss of protected personal information
- Liability arising from denial of service attacks or the inability to access websites or computer systems
- Liability for failure to timely disclose an incident or to comply with your privacy policy
- Regulatory action defense, fines and penalties coverage including payments to consumer redress funds
- Crisis management and related expenses can be reimbursed or paid on your behalf
- Punitive damages (where allowed by law)
- Favorable consent to settle clause giving the policyholder more control over settlement

#### First Party Coverages

- Crisis management expense coverage for enterprise security events written on an occurrence basis with discovery trigger
- Voluntary notification coverage, as well as call center services
- Public relations expense, including web content development, spokesperson training and media talking points
- Fraud prevention services, including credit monitoring and ID theft insurance services for affected persons
- Computer system extortion expense and loss coverage

### Other Policy Features

- Aggregate retentions for 1st party and liability coverages
- Blanket additional insured coverage
- Automatic subsidiary coverage including newly created or acquired entities
- Panel of pre-approved service providers
- Late notice permitted if legally prohibited from disclosure
- Breach Coach Hot Line

### Optional Coverage

- Coverage for PCI Fines and Recertification
- Media coverage for website content and content published on social media
- Business Interruption Loss Coverage
- Data Restoration Coverage
- Ransomware

### Data Breach Event Resources

Comprehensive risk management and loss control resources are available if the Insured has an actual or suspected data breach.

Policy holders receive one free hour of consultation with an approved breach coach should an actual or suspected breach occur.