

COVID-19: FREQUENTLY ASKED QUESTIONS

1. What is Business Interruption Coverage?

Business Interruption insurance is generally intended to cover losses from interruptions to a company's operations. Coverage is triggered if there is direct physical loss or damage to the insured premises that is caused by an insured peril (e.g. Fire). The scope of this coverage is common in the insurance industry.

In addition to the requirement for direct physical loss or damage, the insurer has advised that, at present, "virus" or "disease" is not a named peril. Consequently coverage may not respond in relation to COVID-19. The Extra Expense Coverage under the policy also excludes loss of income under any circumstance.

The policy is also extended to cover loss of business income during the period of time, not exceeding 30 days, while access to the insured premises is prohibited by order of civil authority, but only when such order is given as a direct result of direct physical loss of or damage to neighbouring premises by an insured peril.

Typically, business Interruption insurance only covers quantifiable physical losses. For example, replacing inventory or repairing property. Absent these particular circumstances, it is not likely coverage would be triggered in the COVID-19 scenario we now face.

Insurance coverage limitations relating to virus or disease have been in place for some time in the business interruption context. Some additional restrictions were incorporated in business interruption policies after the 2002-2004 Severe Acute Respiratory Syndrome ("SARS") outbreak.

2. If I infect a patient without knowing I have COVID-19 while rendering clinical care and am sued, will my liability insurance protect me?

Professional Liability insurance (PLI) protects you against liability or allegations of liability for injury or damages that have resulted from a negligent act, error, omission, or

malpractice that has arisen out of your professional capacity as an occupational therapist or if a complaint is made against you to your College. PLI protects occupational therapists by ensuring that your legal defence is coordinated and paid for if a claim is made against you. Your PLI also covers the cost of patient compensation, or damages.

A Claim means any demand upon the Insured for damages or services alleging liability of the Insured as the result of any "injury", act, error or omission. "Injury" includes bodily injury, sickness, or disease.

Upon review of the CAOT PLI Wording, there are no exclusions relating to transmission of a virus or disease from the insured during delivery of their professional services, except for circumstances involving alleged or actual abuse. However negligence on behalf of the Insured must be proven for a claim to be successful. There is also standard exclusions relating to claims arising out of, or attributable to any dishonest, fraudulent or criminal act by an insured.

3. Does my professional liability insurance policy follow me if I provide care by other means such as telehealth?

The CAOT PLI policy has no additional restrictions for occupational therapists delivering their professional services via telehealth, as long as the insured is acting within their scope of practice, delivering services from Canada, and acting within the appropriate licenced jurisdiction(s). Standard policy conditions apply.

There are additional considerations for professionals utilizing technology. Please refer to the Virtual Health Care Services – Ensuring Continuity of Care article linked [here](#).

If you are transitioning your practice to telehealth it's recommended that you consider Cyber Security & Privacy Liability coverage.

4. What Cyber Security & Privacy Liability coverage is available through the CAOT Insurance Program, and what does it protect against?

CAOT members have access to a \$1M Cyber Security & Privacy Liability policy. This provides first and third party coverage, including but not limited to:

- Costs involved with a regulatory proceeding relating to the violation of a Privacy Law, including penalties (where insurable)
- Coverage for Business Interruption
- Coverage for “Cyber Extortion” incidents
- Third party liability for privacy breaches
- First Party data protection
- Website media content liability

Please visit www.caot.bmsgroup.com for more information or contact BMS to speak to a broker.

5. Does my Clinic Professional Liability Insurance extend to cover claims related to telehealth services?

It’s recommended that Clinic Owners secure Clinic Professional Liability Insurance, which protects the business and its assets if the business is named in a professional liability claim.

This includes while employees of the business/clinic are delivering services via telehealth. If your Clinic is named in a professional liability claim based on the telehealth services provided by your employees, you would report the claim and coverage would respond similar to if the services were delivered in person.

6. If my earnings are negatively impacted by this and I am required to stop working, do I have insurance to cover this loss of income under my Professional Liability policy?

Professional Liability Insurance (PLI) is designed to protect you against actual or alleged negligence while delivering your professional services as an occupational therapist, as well as to protect against complaints made against you to the College.

Under the PLI policy there is a Loss of Earnings endorsement. This is to provide you with up to \$750 per day to cover the expenses associated with taking time away from work to assist the Insurer in the investigation or defence of a claim. For example, you have to attend court to defend yourself in a civil suit that’s been brought against

you. In the scenario that you could potentially claim under the Loss of Earnings section of the policy.

7. I’ve decided to close my clinic indefinitely. Does my Business Package policy have any requirements in relation to how often our clinic will need someone to enter and inspect the premises?

Yes. Under the CAOT Business/Clinic Package policy there is an exclusion for property at locations which, to the knowledge of the Insured, are vacant, unoccupied or shut down for more than 30 consecutive days.

Some insurers are suggesting that if the properties are not being occupied / operated out of, and if there has been no health/government authority advices to the contrary regarding being out in public, then it would be prudent to check on the property every 72 hours.

If the vacancy is planned to be longer than 30 days, which in this circumstance may be the case – it’s required that you contact BMS so that we can notify the Insurer of the extended vacancy.

8. How do I report a claim under the CAOT Insurance Program?

Please contact BMS Group directly at 1-855-318-6024 or newclaims@bmsgroup.com.

9. What financial measures are in place to support individuals and small businesses during the COVID-19 pandemic?

The Federal Government has announced a range of measures to support Canadians and small businesses, including the Canada Emergence Response Benefit (CERB) and a 75% wage subsidy for qualifying businesses for up to 3 months, among others. [More information can be found here.](#)

More information

This is a summary and for general information purposes only. Full terms and conditions of the policy, including all exclusions and limitations are described in the policy wordings, a copy of which can be obtained from BMS Canada Risk Services Ltd. (BMS).