

Business unusual with Coronavirus (COVID-19)

Coronaviruses are a large family of viruses that can make humans and animals sick, through illnesses with common cold or flu-like symptoms to more severe respiratory diseases. The novel Coronavirus (COVID-19) is the most recently discovered of these and symptoms can present a mild cough, fever or pneumonia.

Though many who are infected can recover quickly, some people with underlying health issues might be more seriously affected. Despite government efforts to slow the spread of the virus, there are now more confirmed cases and deaths on record since its initial outbreak in China, in December 2019. The disease has also spread to more countries and is now a global pandemic. In humans, other coronaviruses such as influenza have the potential to cause serious respiratory infections and death. Similarly the Middle East Respiratory Syndrome (MERS) and Severe Acute Respiratory Syndrome (SARS) may be serious in some patients but less so in others.

The coronavirus (COVID-19) is proving to have a significant and ongoing impact globally, on labour markets, supply chains, and travel.

Enacting risk controls increases safety

Enforcing WHS policies and procedures on behalf of workers, contractors, students, and other people under your care should be a priority for all responsible organisations.

News about the coronavirus (COVID-19) is developing daily and keeping informed will help most organisations to mitigate the risk of transmission. Health authorities and the World Health Organisation (WHO) website updates the world on the epidemiology of the virus outbreak, and how it affects communities in countries including Australia.

Understanding legal responsibilities is important.

Risk management measures which organisations should consider include:

- Taking steps to minimise the potential for the virus to be spread at their workplace/s
- Adding infectious disease/epidemic wording or clauses into legal documents where necessary
- Undertaking extra risk audits to determine new risk exposures that suppliers present or that emerge in the workplace
- Staying informed about affected areas through WHO's Disease Outbreak News and <https://www.who.int/> and the Australian Government Department of Health <https://www.health.gov.au/>
- Sharing information and education about the virus risks with people in the workplace
- Undertake risk audits of suppliers and their safety policies for appropriateness and compliance with Department of Health guidelines

How will my CCI coverage assist my risk exposure?

Property

There is an insurance industry standard exclusion for Infectious Diseases, which the CCI's Composite Risks Property Insurance policy also includes. In respect of Infectious Diseases that require quarantine, the policy does not provide cover. If your workplace needs to close as a result of a confirmed case of the COVID-19 virus, cover does not exist under this policy for any damage, loss of business, or increased costs.

Travel

The evolving nature of the COVID-19 pandemic will impact travel insurance policies and insurers will need to consider a range of factors before determining if a policy will respond to the unique circumstances of each policyholder. Your Client Relationship Executive will help you to manage your travel policy queries. Some of the information required to do so will include your client and policy numbers, travel destination, number of travellers, booking dates, total cost of the trip and the amounts for non-refundable deposits already paid. CCI will consult with our partner AIG to provide you with current and accurate information.

The following useful websites regularly update their information;

- Smart Traveller www.smarttraveller.gov.au
- AIG Insurance www.aig.com.au/personal/travel-insurance/travel-alerts
- World Health Organization www.who.int/emergencies/diseases/novel-coronavirus-2019

A Q&A guide for travel insurance will also be available on our website.

Public Liability (including Section 1 of the Malpractice Liability policy)

There are no exclusions for infectious diseases where CCI's Public Liability policy is concerned. If a client becomes legally liable for a person contracting the COVID-19 virus, their policy provides indemnity, subject to its terms and conditions. As an example, a person allowed entry to a client's premises after travelling to an area affected by the coronavirus (COVID-19) may end up infecting others. The client could be held legally liable if they fail to take reasonable precautions to prevent the spread of the virus. Failure to notify parishioners, parents, or teachers about restricted access to premises after travel from a virus-affected region is one example.

There is of course no cover where the insured's actions lead to foreseeable losses, and we remind clients that it is a condition of the policy that reasonable steps are taken to prevent personal injury.

Directors & Officers Liability (D&O)

There is no exclusion in CCI's Directors & Officers Liability (D&O) policy for Infectious Diseases. If these people are legally liable for the impact of a COVID-19 outbreak on their organisation then the D&O policy will respond, in accordance with its terms and conditions.

If directors and officers fail to implement policies to minimise the impact of COVID-19 on their organisation, an outbreak could have a significant impact on the organisation's viability. It's likely that debts will incur which could prove impossible to repay, and debtors will hold the directors and officers personally liable for them.

Should directors and officers be prosecuted for breaching the law, the policy will fund defence costs, but if the defence is unsuccessful those costs must be repaid to CCI.

Employment Practices Liability

Employment Practices Liability policies provide cover for matters such as unfair dismissal, and harassment and discrimination in the workplace. Physical injury, including sickness or diseases such as COVID-19 are not covered.

Statutory Liability

Statutory Liability policies provide indemnity for fines and penalties for unintentional breaches of legislation, unless indemnity is prohibited by law. Infectious diseases are not excluded, so if a fine or penalty is being imposed for the unintentional breach of legislation regarding the COVID-19 virus, the policy could respond, subject to its terms and conditions. In some states, the law does prohibit indemnity for monetary penalties under Workplace Health & Safety legislation.

Personal Accident

Policies providing cover for accidents only, such as CCI's Student Care or Personal Accident Volunteer policies, do not cover illnesses including COVID-19.

Policies covering both accidents and illnesses, such as CCI's Personal Accident and Illness policy, offer cover for death and disablement from employment due to illnesses, including COVID-19.

Workers Compensation

Workers' compensation schemes generally deem that a worker is entitled to compensation if they have suffered an injury or illness that arises out of, or in the course of, employment and that employment was the contributing factor. It will therefore be essential to substantiate that a worker has in fact contracted the coronavirus during the course of employment.

In addition to Workers' Compensation, it is important to note that; State and National Work Health & Safety regulations or guidelines place responsibility on both employers (to protect their employees from harm) and injured workers (to protect themselves). Failure to act may create additional risk or penalties on the employer.

The below links provide additional information to protect employees against the coronavirus threat:

- <https://www.safework.nsw.gov.au/news/safework-public-notice/coronavirus>
- <https://www.safeworkaustralia.gov.au/media-centre/news/businesses-must-have-measures-place-protect-workers-risk-coronavirus>

If you need to discuss your policy or have questions about the terms of your insurance coverage you can contact your Client Relationship Executive on 1800 011 028.

How to contact us

Email	info@ccinsurance.org.au
Website	www.ccinsurance.org.au
Telephone	1800 011 028

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Important Notice: The information in this brochure/on this website is intended to provide general advice only to clients of CCI, and is not intended to replace the policy wording. It does not take into account your individual circumstances and therefore it does not constitute, and should not be relied on as personal advice, for which you should seek professional advice tailored to your own circumstances. Such advice can be provided by your Client Relationship Executive, please contact us on 1800 011 028 to discuss this.