



▶ *Hanover Healthcare Facilities Advantage*

Coverage Scenarios

Healthcare businesses like yours differ from other businesses, and therefore face many different and unique kinds of exposures to loss. The Hanover, in partnership with your insurance agent, has developed highly specific coverages aimed at minimizing your losses from areas you may never have considered at risk. These coverages are available through your agent at very competitive rates. Your Hanover Agent can help you review these enhanced coverages in detail.

Risk Review Checklist

GENERAL LIABILITY BROADENING ENDORSEMENTS

The Hanover’s suite of General Liability broadening coverages add or enhance over 20 important coverages. Unique features include:

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION
Additional Insured by Contract, Agreement or Permit	Have you agreed in a written agreement to provide insurance to any organization such as a real estate company?	The Hanover’s suite of General Liability broadening coverages automatically includes additional insured status for individuals and businesses you agree to name as additional insureds by contract, agreement or permit. However, this additional insured status does not extend to professional liability.
Innocent Party Defense for Employees	What would you want to do for one of your employees if they were erroneously charged criminally for activities done during the normal scope of their employment? An example might be a client with dementia claiming the employee stole property.	The Hanover will reimburse you up to \$25,000 for the sums that you voluntarily pay to an employee of yours for the reasonable and necessary defense costs incurred by that employee to defend criminal charges brought against them while working on your behalf as long as the charges were dismissed with prejudice, or your employee is found not guilty.

Additional General Liability Coverages

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION
Additional Insured— Automatic Status for Medical Independent Contractors or Subcontractors	Do you hire or subcontract work to a nurse or other medical professional to provide miscellaneous medical services to a client? Do you hire or subcontract work to non-medical businesses to provide your products and services?	The Hanover has created two different optional endorsements that automatically provide additional insured status to your independent contractors or subcontractors. The additional insured endorsement for medical independent contractors covers many healthcare professionals such as orthotic/prosthetic practitioners, fitters, nurses, physical therapists, home health aides as well as non-medical contractors. This does not cover physicians, surgeons, physician assistants, nurse practitioners, medical interns, medical residents, dentists, psychiatrists, or chiropractors.

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION
Supplemental Payments — Administrative Defense Coverage Endorsement	How would your policy respond if you were investigated by a state licensing board, Medicare or Medicaid, or cited for a HIPAA violation?	The Hanover has created an Administrative Defense endorsement that provides reimbursement for reasonable legal services charged by an attorney and other expenses that may be incurred in the investigation and defense of a defined action brought against your business.
Discrimination Coverage	What would happen if one of your employees or vendors, unbeknownst to you, discriminated against or humiliated one of your clients?	<p>The Hanover has created a Discrimination coverage endorsement that covers discrimination or humiliation that results in injury to a person or their reputation, but only if such discrimination or humiliation is:</p> <ul style="list-style-type: none"> • Not done intentionally by or at the direction of the owner or any officer of the corporation, director, stockholder, partner, or member of the insured organization • Not directly or indirectly related to the employment, prospective employment, termination of employment, or application for employment of any person or persons by an insured • Not directly or indirectly related to the sale, rental, lease or sub-lease; or prospective sale, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured • Not prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling

PRODUCTS LIABILITY

Healthcare Facilities are not always aware of the products liability exposure that they have on a daily basis. Consider the following:

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION
Products Liability	<p>Are covered if one of your medical products used in your facility harmed a patient or caused property damage.</p> <p>Examples :</p> <ul style="list-style-type: none"> • A patient has a severe reaction to an iodine injection, which is later found to be caused by a bad batch of iodine purchased from a supplier • A patient’s testing requires the use of electrodes. When testing begins, the patient is burned at electrode sites • Gel applications, which are required for testing causes the patient to have an allergic reaction or skin lesions due to the ingredients in this gel • A product used during therapy may break or cause an injury to the patient 	The Hanover automatically includes Products Liability coverage on all of its Healthcare Facilities Risks to ensure that there are no gaps in coverage. The Hanover will cover incidents that involve the use of any type of medical product used in your services that may have caused property damage or bodily injury

PROFESSIONAL LIABILITY

Healthcare Facilities have liability exposure that go beyond what a traditional general liability policy would cover. Professional Liability is a growing and important coverage that every business should seriously evaluate. Consider the following:

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION
Professional Liability	<p>How would your policy respond if you failed to provide property professional services or an error occurred while providing a service?</p> <p>Some Allied Healthcare incidents might include:</p> <ul style="list-style-type: none"> Mislabeling patients tests causing false diagnosis Sending wrong test to physician Filling the wrong prescription Consultations with patients/clients Failing to review record prior to administering a drug that the patient is allergic to Administering the wrong test Cross contamination 	<p>The Hanover's optional endorsement provides Professional Liability coverage for providing or failing to provide miscellaneous medical professional services, not limited to, but including the following:</p> <ul style="list-style-type: none"> Diagnostic Testing and medical laboratory services, including mobile diagnostics Sleep study services, excluding test interpretation of results Optometry or optician services Pharmacy services, including the consultation, compounding and administration of flu shots Physical/Occupational/Speech therapy offered on site or in home.

PHYSICAL ABUSE, SEXUAL MISCONDUCT AND SEXUAL MOLESTATION

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION
Physical Abuse, Sexual Misconduct and Sexual Molestation	How would your current insurance policy respond if one of your employees physically or sexually abused a client?	Hanover Physical Abuse, Sexual Misconduct and Sexual Molestation optional coverage amends the general liability policy to cover you for liability arising from a physical abuse, sexual misconduct, or sexual molestation incident against one or more individuals.
Image Restoration	<p>What would happen to your firm's image if an actual or alleged incident of physical or sexual abuse was to happen?</p> <p>How would your policy respond?</p>	<p>At your request, we will reimburse you for:</p> <ul style="list-style-type: none"> The costs, such as recruiter expenses and advertising costs, of replacing an employee as a result of an actual or alleged physical abuse, sexual molestation or sexual misconduct incident, up to a limit of \$5,000 during the policy period The costs, such as image and public relations consulting, of restoring the agency's reputation and consumer confidence after a claim for physical abuse, sexual misconduct, or sexual molestation up to a limit of \$5,000 during the policy period
Innocent Party Defense	What would you do if one of your employees was sued as the result of an allegation of physical or sexual abuse?	<p>This optional endorsement provides limited reimbursement of defense expenses for an innocent party who is alleged to have participated in, knowingly allowed, or directed any physical abuse, sexual misconduct, or sexual molestation incident.</p> <p>Hanover will reimburse the insured for defense expenses he or she incurred only if there is a final adjudication in the suit in favor of the insured in regards to the claim.</p>

BASE PROPERTY BROADENING ENDORSEMENTS

With four different options (Bronze, Silver, Gold, Platinum), you can select the base property broadening endorsement that best meets your needs. Some of the unique features that are applicable for the Healthcare industry include:

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION	BRONZE	SILVER	GOLD	PLATINUM
Employee Theft including ERISA Compliance	<p>How would your current policy respond to theft of money or securities by one of your employees?</p> <p>Did you know that traditional property policies do not automatically include this coverage?</p>	The Hanover's base property broadening endorsements automatically provide coverage for loss or damage to money and securities resulting directly from theft committed by an employee whether identified or not, acting alone or in collusion with other people.	\$10,000	\$50,000	\$100,000	\$150,000

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION	BRONZE	SILVER	GOLD	PLATINUM
E-Commerce & Electronic Vandalism	<p>Are you covered for damage to your computer equipment stemming from computer hacking or computer virus?</p> <p>What would happen to your income if someone hacked into your computer, introduced a virus, or limited access to your website?</p>	<p>The Hanover includes two coverages in the broadening endorsements that provide protection for:</p> <ul style="list-style-type: none"> • Direct physical loss or damage to computer equipment at your facility caused by electronic vandalism • Extending your business interruption insurance to cover loss of income and necessary extra expense from the suspension of operations caused by an interruption in computer operations at your facility due to electronic vandalism 	\$2,500 annual aggregate	\$5,000 annual aggregate	\$10,000 annual aggregate	\$25,000 annual aggregate
Electronic Data Processing Equipment	<p>How would your current policy respond to your computer equipment being destroyed in a fire?</p>	<p>The Hanover's base property broadening endorsements include coverage for direct physical loss or damage to your computer equipment. In addition, we will also cover the necessary extra expenses you incur to avoid or minimize the suspension of business due to this type of loss.</p>	Included in BPP	Included in BPP	Included in BPP	Included in BPP

Additional Property Coverages

RISK EXPOSURE	KEY QUESTIONS	THE HANOVER SOLUTION
Data Breach	<p>Most healthcare facilities have private personal information on their customers such as bank account and social security numbers. What would happen if there was a reasonable cause to suspect that such private personal data of a member has been lost, stolen, accidentally released or accidentally published?</p> <p>Did you know that many states are strengthening the notification requirement laws of businesses if such a breach occurred?</p>	<p>Hanover's Data Breach Coverage Form provides a number of valuable services and expense coverages to meet this growing need. This includes three coverages for:</p> <ol style="list-style-type: none"> 1) Data Breach Services which include consulting, toll free hotline, fraud alert and identify restoration case management. 2) Data Breach Expenses which include cost of notification, forensic analysis and proactive monitoring services 3) Additional Expense which includes legal services, public relations, data breach ransom and rewards.
Diagnostic Equipment Coverage	<p>Many kinds of medical equipment require sophisticated installation and infrastructure support. What would happen if an MRI machine's cooling system for the superconducting magnets lost pressure and the machine had to be taken offline? A repair could take weeks and cost thousands of dollars.</p>	<p>Hanover's Diagnostic Equipment coverage provides a way for our agents to insure a broad range of equipment from small, low-valued items to high-value machinery, such as MRIs, CAT Scans, imaging equipment, etc. It's bottom-line protection is essential for today's technology-intensive medical clinics.</p> <p>Diagnostic Equipment Coverage includes:</p> <ol style="list-style-type: none"> 1) Direct property loss—the cost to repair or replace the damaged equipment. 2) Costs associated with the time and labor to repair or replace that damaged equipment. 3) Other expenses incurred to limit the loss or speed restoration of your operations. 4) The loss value of spoiled products or materials. 5) Business recovery expenses.



The Hanover Insurance Company
440 Lincoln Street, Worcester, MA 01653

hanover.com

All products are underwritten by The Hanover Insurance Company or one of its insurance company subsidiaries or affiliates ("The Hanover"). Coverage may not be available in all jurisdictions and is subject to the company underwriting guidelines and the issued policy. This material is provided for informational purposes only and does not provide any coverage. For more information about The Hanover visit our website at www.hanover.com

©The Hanover Insurance Group. All Rights Reserved.