

Carbon Group

Risk Hazard Report

Medical Centres



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Important Notice

iProfileRisk is provided by Steadfast Risk Group Pty Ltd ABN 24 104 693 183.

This report includes information from you and other sources we believe to be correct. The advice in our report relies on this information.

If any of the information is wrong or incomplete, this may affect our advice. Please tell us immediately of any errors or omissions in this information either from you or to your knowledge from other sources.

iProfileRisk hazard ratings are linked to specific industries. These ratings are our opinion after collaboration with recognised data organisations in the insurance industry.

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Introduction to Steadfast iProfileRisk

Steadfast Risk Group's Framework

Steadfast offers an end-to-end risk framework for brokers and their clients based on the internationally recognised ISO 31000 standard.

Steadfast Risk Group provides a spectrum of in-house services and solutions ranging from enterprise risk management, risk and natural catastrophe hazard identification, property engineering consultation/services and alternative risk transfer.

Framework diagram



What is iProfileRisk?

iProfileRisk is a data driven and online accessible platform aimed at simplifying risk hazard identification and providing natural catastrophe high level summaries for brokers and their clients.

It empowers proactive risk identification and risk centred conversations between brokers and their clients, through enabling data driven risk decisions and mature financial acumen for insurance risk considerations.

Objective of this report

Utilising iProfileRisk in conjunction with other Steadfast Risk Group offerings enables easy identification of the most prominent risks impacting an industry and SwissRe's natural catastrophe summary for a specific location.

Risk Hazard Summary

Identifying hazards in the workplace involves finding things and situations that could potentially cause harm to the organization. The following chart is a graphical representation of the likelihood and severity of a loss occurring within any of the classes of insurance listed in the chart.

YOUR SEARCH RESULTS

Risk Hazard rating



RISK HAZARD DETAILED DESCRIPTIONS



Professional Liability

High risk: 8/10

Claims of malpractice or misconduct cause significant risk exposure.

Claims of malpractice or misconduct cause significant risk exposure. Professional indemnity consequences may carry substantial reputational and financial costs, with serious implications on professional qualifications. Malpractice may occur from incorrect and misleading professional advice, errors in services, or negligence. These exposures can also cause substantial health, financial and/or reputational damage to a client. Health impacts include physical injuries, distress, or long-term effects from untreated illness. These claims can carry high financial costs to clients and damage their reputation in the process, causing further losses. The insured may also suffer from incorrect advice or incorrect medical treatment. Experienced employees should handle any professional advice to ensure the accuracy of the information given to clients, avoiding exposure. Mistakes and negligence should be strongly avoided. This risk is managed through careful distribution of professional treatment, counselling, diagnosis and advice from qualified employees or refer clients to other services in instances where they are unable to provide adequate care or advice. If an indemnity situation arises, claims can be toward the individual, the business or between third parties as an extension of the industry's output. It is costly to address professional liability, and precautionary measures, adequate staff training and upskilling is important, especially when dealing directly with clientele. As there may be a varying degreeing of medical practitioners and health care professionals, it is important to consider the various codes of conduct and industry standards that may apply, which may also increase risk exposure if not carefully and diligently addressed as a preventative measure.



Directors' and Officers' Liability/Management Liability

High risk: 7/10

There is significant risk exposure.

There is significant risk exposure. Ensuring the integrity and trust of board members and senior management is crucial, with any personal interests declared and considered when appointing and maintaining their positions. The insured may have administrators that directly influence or control business operations and strategy. There may be increased exposure to claims of alleged wrongful acts, especially as services and business operations conducted may be in industries with higher government or regulatory scrutiny. It is important for businesses and management to clearly document and train all employees on expected responsibilities on a continual basis, especially in regards to workplace safety, expected workplace culture and legal business conduct. There may be increased risk exposure depending on size and scale of businesses. Some examples of claims that may arise include discrimination, insider trading or sexual harassment claims. Businesses may also interact regularly with consumers, members of the public and investigations into director, management or employee conduct may result in negative perception and loss of confidence in business integrity and services, leading to reputational damage. Many businesses may also be bound to strict industry, professional body or government regulation standards, whereby tighter and formalised operational management standards may be required.



Cyber Insurance

Medium risk: 6/10

Risk of cyber threats, hacks and compromise of IT related breaches are considerable.

Risk of cyber threats, hacks and compromise of IT related breaches are considerable. Nature of work is overwhelmingly dependent on IT and/or cloud platforms and systems with copious amounts of insured and client sensitive data is stored.

- Data breach: through electronic devices connected to insured networks. Access to confidential information through human error, lost devices etc.
- External cyber attacks through internal system vulnerabilities/negligence or deliberate acts or external attacks
- Electronic data/software loss/ replacement cost following a cyber attack
- Business interruption/increased in cost of working following a cyber-attack;
- Businesses held to ransom before systems are released;
- Cyber-threat from interconnected supply chain business partners/outsourced services providers;
- Internal control and other issues – e.g. non-segregation of sensitive data, inadequate user access control/password protection, outdated POS software applications, absence of up to date antivirus software/firewalls, unencrypted data/information/lack of end-to-end encryption;
- Possible presence of older devices/computer systems with outdated operating systems and unsupported software;
- Inadequate training for employees on data security/privacy/cyber risk. No or inadequate background checks conducted on employees/various service providers/suppliers etc.;
- Compliance and control issues - possible lapses on policies, procedures and protocols on cyber security and related matters (if applicable);
- Cyber threat relating to - Bring your own devices, download and install personal, or unauthorised software, use of USB or other media devices etc;
- Extra expenses following a cyber incident including forensic investigation costs, crisis management expenses, notification and monitoring expenses, remediation/other extra expenses;
- Brand and reputational damage following a cyber-attack/data breach;
- Security lapses in company web-sites – cyber threat to own hardware and software; cyber threat to visitors of the website;
- Lack of security measures including a combination of technology (e.g. IT security) and physical security at the premises;



Crime

Medium risk: 5/10

The main source of loss is cash, medical goods, drugs, prescription records, tools or equipment.

The main source of loss is cash, medical goods, drugs, prescription records, tools or equipment. Businesses may also be affected by confidential documents and client information being stolen, exposing sensitive information and incurring a moderate exposure. This is especially important for medical records that contain sensitive and private patient information. Where payments are made there should be preference of cashless transactions to reduce cash kept on premises. For businesses located on busy thoroughfares, they should consider stricter cash storing, record safe keeping, drug storage and handling practices. Tools and equipment may be expensive, specially made, imported and take time to replace. Open-air equipment may be more easily stolen, so storing essential equipment in a secure facility would be beneficial. Employee fidelity could be an exposure managed through careful staff selection procedures. It is important to consider location, including local government area and surrounds, for example medical centres located around residential areas, that may impact crime exposure.



General Liability: Premises and Operations

Medium risk: 5/10

Depending on the size and location of the operation, in most cases, public liability is moderate.

Depending on the size and location of the operation, in most cases, public liability is moderate. This liability is due to the consistent flow of visitors to the premises in small to medium numbers. Events where larger quantities of visitors may be present include colder/ winter months and time of day or week, where the average number of visitors and frequency of those events may need to be taken into account. Many businesses in this industry will have scheduled appointments and regular clientele, which assists in managing the risk. Risks may include slipping and falling hazards, office, lab, and field risks, which should be assessed according to the industry. This is important as medical centres will cater for more vulnerable groups including elderly and young children or those with injuries seeking medical treatment. Walkways and doorways should be clear from any obstructions, and premises kept disinfected and cleaned on a regular basis. All medical tools or equipment used, including syringes, needles and dressing should be used according to medical standards as regulated by industry and regulatory bodies.



Inland Marine

Medium risk: 5/10

Inland marine cargo exposure is moderate due to transit shipment risks which may be required for the insured.

Inland marine cargo exposure is moderate due to transit shipment risks which may be required for the insured. Main exposures include:

- Theft.
- Rough handling, causing damage to stock or machinery.
- Crushing damage and insufficient packaging of supplies.

Contaminated or damaged products may cause legal and reputational liabilities. Exposures will be lower for companies that engage in subcontracted delivery practices of finished products, categorised under sale terms where the manufacturer is liable for imports and exports. In that case, manufacturers may be responsible for loss or damage to materials, equipment and deliveries. Cover may need to include stock transfer between warehouses or premises. Medical drugs and associated goods may require constant refrigeration or set temperatures to ensure efficacy and safety and shipments may spoil from machinery breakdown or temperature variation. Additional exposures include loss of records and papers that may be of high value and mobile equipment. There may be increased exposure to theft of prescription drugs that may be used to sell on black markets.



Workers' Compensation/ Employers' Liability

Medium risk: 5/10

Depending on the size of the operation, there is reasonably moderate exposure.

Depending on the size of the operation, there is reasonably moderate exposure. The nature of work engaged in by these industries may include exposure of employees to office, technology, and labour intensive hazards. Workers may need to drive company-owned vehicles, carrying exposure in the case of a road accident. These hazards are best managed by appropriate employee training to avoid injuries, guidance in client management when on-premises, and good hygiene practices. Technology and machines associated with the business must be appropriately set up to avoid further exposures. As medical professionals and health care workers and medical centre staff are often standing or sitting down for prolonged periods of time, hence muscular or skeletal issues from excessive strain may arise, incurring rehabilitation costs, particularly if the employee is no longer able to work as a result of injuries. Where there is specialised equipment that is heavy or used with hazardous chemicals or drugs it may be very hazardous to operate, so clear instructions should be given and strong preventative measures employed to avoid serious injury.



Property

Medium risk: 4/10

Physical premises vary in replaceability, subject to appropriate alternative spaces to conduct business operations, therefore exposure is moderate.

Physical premises vary in replaceability, subject to appropriate alternative spaces to conduct business operations, therefore exposure is moderate. For unspecialised industries, alternative premises are easier to locate. For more specialised industries or manufacturing plants, it may be difficult and cause further operational losses. However, some industries may not require immediate relocation when work is mobile. Alternatively, spaces may be large enough that operations can be safely conducted in a different portion of the property. Losses vary according to operations. For example, medical offices will be affected by relocation time and ability to store equipment, medicines and drugs whilst in the process of obtaining new premises. Furthermore, loss of reputation may occur during the relocation and setup process. As medical centres may employ a vast variety of medical or health care professionals, and have varying amounts of equipment or medical devices/tools required for operations. There may be increased exposure if any of the equipment is specialised or imported.



Automobile Liability

Low risk: 3/10

Motor exposure in this category varies depending on the size of the operation and its nature.

Motor exposure in this category varies depending on the size of the operation and its nature. Many larger operations in this category may own a van or fleet of vehicles, carrying exposure. Some vehicles may carry specialised equipment, e.g. medical apparatus, medical kits etc, and the risks associated must be considered. Vehicles generally used for short-distance transport carry lower risks than those used for long-distance transport of passengers, services in case of emergency, or equipment. The use of employee vehicles could create indirect liability exposure, this is specially important for at home care or after hours medical support and services to patients residence.



Business Interruption

Low risk: 3/10

Loss of insured's vehicles, premises, or tools may create a business interruption as they are important to everyday operations.

Loss of insured's vehicles, premises, or tools may create a business interruption as they are important to everyday operations. However, exposure is assessed as low due to the unspecialised nature of equipment and location of premises, and reliance on services from medical professionals. Equipment can be easily replaced, and alternative premises in the case of relocation are likely to be easily sourced. Avoiding loss of records can be managed with solid backup and storage practices, and ensuring administrative practices are outlined well. Industries with high levels of competition need to consider retention of reputation through expert service, following a loss.



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