



# COVID-19 CORONAVIRUS

## WHAT YOU NEED TO KNOW

The coronavirus outbreak that began in Wuhan, China has been a major source of national and international news for nearly two months. Many individuals and employers are concerned about the state of the epidemic and are looking for information on how to best protect themselves and their employees during the outbreak. The IMA Global Risk and Benefits team has researched this topic at length and will discuss the impacts of the epidemic on individuals and employers, including overviews of insurance coverage available and recommendations for protecting yourself and your employees.

## GENERAL OVERVIEW

The World Health Organization (WHO) declared the novel coronavirus, now referred to as COVID-19, a public health emergency on January 30, 2020. The number of confirmed cases globally has surpassed 79,000 with over 2,600 confirmed deaths across 35 countries.

Coronaviruses, a family of viruses in both humans and animals, have been known to cause illnesses ranging from the common cold, to more severe epidemics such as Severe Acute Respiratory Syndrome (SARS) and Middle East Respiratory Syndrome (MERS). The spread of coronaviruses, and of COVID-19, is through respiratory droplets resulting from the cough or sneeze of an infected person landing in the mouth or nose of a person nearby or possibly inhaled into

the lungs. COVID-19 has been found to be easily transmitted from person-to-person, but not through contact with domestic pets or objects.

Symptoms of coronavirus closely mimic those of the common cold or influenza, including fever, cough, and shortness of breath. As of now, it is believed that symptoms of COVID-19 may appear in as few as 2 days or as long as 14 days, making detection of the disease difficult. Currently, there is no vaccine to prevent COVID-19 infection, and the best recommendation for prevention is to **avoid exposure**. Similarly, there is no antiviral treatment for infected patients, however those infected should receive care for the relief of the associated symptoms.

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## GUIDANCE FOR INDIVIDUALS IN CHINA

As the situation in mainland China continues to develop, employers are taking necessary actions to protect their employees and their businesses from the impacts of COVID-19. Many employers have implemented policies allowing employees to work from home when possible, and are encouraging the use of email, phone, and chat services in lieu of in-person meetings to minimize the amount of contact with other individuals who may have come in contact with COVID-19.

As of mid-February, the Chinese government has announced that they will be covering the full cost of treatment for any citizens who become infected with the virus, **including any portion paid by individuals that social insurance or critical illness insurance does not cover.** As a result, all patients must be treated at public hospitals and, in many cases, private insurance will not be applicable for local nationals.

## INFECTED EMPLOYEES

*may have the following coverage available to them:*

- **Medical:** The group medical insurance and hospitalization insurance provided by the employer as employee benefits is a key measurement in supporting the country and people to fight the spread of coronavirus. But all compensation with respect to medical treatment should be on reimbursement basis, meaning, **if an individual had obtained full medical reimbursement from social insurance or the government, they cannot receive additional compensation from the group commercial insurance provided by the employer.**
- **Term Life:** Most life insurance policies in China do not exclude infectious diseases. As a result, if a covered employee dies as a result of contracting COVID-19, his or her beneficiary should receive the applicable sum insured. We would encourage all employers with term life policies in China to confirm that they have an updated beneficiary on file and to review their policies to confirm any exclusions.
- **Critical Illness:** COVID-19 or coronavirus is not an included critical illness under these types of policies. However, if a covered employee who is infected with COVID-19 were to develop one of the covered critical illnesses, he or she should be eligible for the coverage. Again, we recommend reviewing any applicable policies to confirm the coverage provisions.
- **Travel Insurance:** On January 26, 2020 the Chinese government announced that all travel within mainland China (for business or pleasure) should be suspended immediately. Resulting from this mandate, most travel insurance providers will exclude any coverage due to coronavirus for policies issued after January 26 or any travels after the government announcement. Employers should check their business travel insurance to confirm any exclusions for infectious diseases, particularly for flight cancellations/delays, medical reimbursement, medical evacuation, repatriation, etc. *(Please see below for additional information specific to Business Travel coverage)*
- **Employer's Liability:** Most local Chinese employer's liability insurance policies would not cover incidents related to coronavirus, as infectious disease is a standard exclusion and therefore the employer may not claim for additional compensation under these policies. Some policies have been successfully extended to broaden coverage under EL if an infected employee can be certified as covered under workers' compensation by the local authority.



## IMPACTS TO EXPATS AND BUSINESS TRAVELERS

Business travel and employee relocations increase risk to employers and employees at any time, but especially during situations involving disease epidemics. On February 2, 2020 the United States Department of State issued a Level 4 – Do Not Travel advisory for China due to the coronavirus outbreak, and the Centers for Disease Control and Prevention (CDC) has issued a warning for all of China. To date, travel advisories have not been issued for other locations in relation to the epidemic, however, it is recommended that all travelers exercise caution when traveling domestically or internationally. *(See below for additional tips to keep travelers safe)*

### **Coverage Available under Business Travel Policies**

We highly recommend that all companies with employees traveling both internationally and domestically review their business travel accident and/or business travel medical policies for coverage provisions relating to infectious diseases. Here are some key items to note regarding coverage under these types of policies:

### **Medical Evacuation Coverage**

- It is important to know that it is not possible to evacuate patients who are currently under quarantine due to government regulations. Once a patient has been admitted to a quarantine, they must remain there until released by the local authorities.
- In general, individuals wishing to be voluntarily evacuated from an impacted area due to uneasiness about contracting COVID-19 will not have coverage under a business travel or evacuation policies, due to the lack of a “covered event”.
- If there were an employee on an approved business trip needing to be evacuated due to medical reasons because of the coronavirus or any other condition (assuming the patient is not under quarantine), this would be covered under the Medical Evacuation provision. Medical transport for patients not under quarantine will be done in consultation and agreement with all national authorities. Commercial transport should not under any circumstances be considered.
- Transport of patients needing evacuation for non-related medical, security, or natural disaster reasons may be made more difficult due to general travel limitations. However, all providers will make every effort to evacuate anyone in need as quickly and efficiently as possible.



## Security and Political Evacuation

- Some carriers include exclusions for infectious disease and global epidemics under this provision. The reason being it is impractical to execute an evacuation under these circumstances – quarantines prevent carriers and providers from being able to effectively go into an affected area, extract an employee, and return them to a place of safety. Additionally, governments are very restrictive in repatriating individuals who have been in affected areas.
- Specific exclusions for the actual COVID-19 virus are only appearing on the security and evacuation provisions under policies, due to the policy intent. We are not seeing specific exclusions to COVID-19 under other policy provisions under business travel policies at this time.

## Medical Treatment Coverage

- Treatment for COVID-19 is covered under most medical treatment provisions of business travel policies as any other condition would be. International medical plans (both Business Travel Medical and Expatriate Medical plans) cover medically necessary claims for infectious diseases and medical conditions per the terms of the plan. We recommend reviewing the terms of your plan for coverage details.
- Testing of asymptomatic individuals is not currently indicated and is against the advices of the U.S. CDC and the World Health Organization (WHO). Most travel medical plans will cover medically necessary testing when medically indicated. Again, refer to the terms in your plan for coverage details.
  - Testing for coronavirus is not medically indicated unless symptoms are present (fever, cough, and shortness of breath). In the absence of these symptoms, business travel policies will not cover testing, even for employees who have visited an area of possible exposure.
- If an employee traveling in China develops cold or flu symptoms, they should seek care from a health care provider. IMA Global Risk and Benefits can provide a list of Fever Clinics that are accepting patients with symptoms of COVID-19 if needed. Hospitals and clinics outside of this list are generally not able to admit patients presenting with COVID-19 symptoms, and patients who attempt to go to an incorrect facility will most likely be redirected.



## PROTECTING YOURSELF AND YOUR EMPLOYEES

There are several steps that individuals can take, regardless of location, to help protect themselves from COVID-19:

- Wash your hands often with soap and warm water for at least 20 seconds. If soap and water are not available, use an alcohol based hand sanitizer.
- Avoid touching your eyes, nose, and mouth especially before washing your hands.
- Avoid close contact with sick people, and avoid close contact with individuals who have traveled from China recently, especially if any symptoms develop.
- Avoid visiting crowded places.
- Consider using a well-fitted medical face mask.
- If you need to travel (domestic or international), make sure to follow the WHO and CDC guidelines to avoid illness.
- Do not travel to China, and consider stopping travel to other impacted countries. Individuals in the U.S. should refer to recommendations made by the U.S. Department of State for travel to China and other affected areas. Other individuals should check their local government's official website for the most current travel advisories and recommendations.

*If you or your employees are believed to have contracted the virus:*

- Cover your mouth with a tissue when coughing or sneezing, or consider using a face mask.
- Remain at home to avoid unnecessarily spreading the illness to others.
- If you show any symptoms, especially after having traveled to an affected area, **please seek medical care immediately** and mention your recent travels.
  - *Consider using telemedicine or nurse-line prior to visiting a hospital, clinic, or healthcare provider especially if you have not recently traveled. Symptoms of COVID-19 closely resemble those of a cold or the flu – you may prevent the further spread of disease by remaining at home and using these services.*

**Employers wishing to review their travel policies or other applicable insurances should contact a member of their IMA service team or the IMA Global Risk and Benefits team at [IMAGlobal@imacorp.com](mailto:IMAGlobal@imacorp.com)**

Thank you to our partners from *Pacific Prime* and *WISE & CCIB Companies* for their input and recommendations. Other sources include: *U.S. Centers for Disease Control and Prevention, Cigna Global Benefits, UHC Global*