

Why Do You Need Equipment Breakdown Insurance?

You Rely On Equipment

Medical clinics depend upon sophisticated equipment to keep operations running smoothly. That includes boilers, electrical systems, air conditioning and refrigeration units, phones, computers, and medical equipment. Frequently this equipment relies on technologies that are sensitive and subject to sudden and accidental breakdown. A breakdown can not only be expensive to repair, but can also cause business interruption when patients seek care elsewhere.

Rely On Our Coverage

Equipment breakdown can significantly impact your ability to operate. Yet, most standard property policies exclude the coverage.

Equipment Breakdown insurance pays for physical damage to equipment caused by mechanical and electrical breakdown. It can also cover business income or spoilage losses due to an equipment breakdown and your extra expenses to limit the equipment loss or speed repairs.

Protect Against Loss

The coverage protects against covered losses caused by:

- Short circuit • Electrical arcing • Power surges
- Mechanical breakdown • Motor burnout
- Boiler damage • Operator error

Common Causes

Heat and Hot Water

Boilers, which provide heat and hot water, are common within hospitals. Boilers are susceptible to breakdown due to pump or low-water cut-off mechanism failure.

Air Conditioning

Air conditioning systems are also vulnerable to breakdown resulting in costly repairs. And, because of the ban on CFCs, replacing the system's refrigerant can cost thousands of dollars.

Electrical Distribution System

Lost power often means lost income and disrupted patients and services. A short circuit in one part of an electrical distribution system can quickly spread to other parts—affecting your entire facility—because panels, circuit breakers and cables are interconnected. The cause can be as simple as a loose connection, dust, or high humidity.

Refrigeration Equipment

Refrigeration equipment is critical to medical clinics to keep many medications and blood supplies cool. If it breaks down, you'll face enormous costs from spoilage, and repair and replacement. Big compressors can cost \$10,000 to \$20,000 or more.

Coverage, Plus More

Many states and local governments require boilers and pressure vessels to be inspected periodically by commissioned inspectors. Our program includes these inspection services so you avoid local fees in many jurisdictions and only pay the certificate fee.

The Risks Are Real

A temperature control on a clinic's refrigerator containing medication failed. The controller malfunction caused the refrigerator to dive into single-digit temperatures. The drugs, which were discarded, are normally stored in temperatures between 36 and 43 degrees.

Total Loss: **\$ 21,953**

An MRI machine's cooling system for the superconducting magnets lost pressure resulting in the machine having to be taken off-line for repair. A mobile MRI trailer was rented during the five-week repair. A temporary electrical hook-up was installed for the mobile unit. The radiology clinic was unable to perform MRIs during the three days it took to wire in the temporary unit.

Total Loss: **\$ 41,230**

This summary gives a general description. For all coverages, conditions and exclusions, refer to the policy.