

# VMIA Insurance Responses to COVID-19: Government & Agency



We recognise the impact of COVID-19 in Victoria, nationally and globally, and are working with our clients to help them understand their coverage.

This fact sheet provides general guidance on how VMIA insurance policies may respond for first and third-party exposures arising from COVID-19.

[This advice is current at 20 April 2022](#)

All claims will be assessed on their merits, on a case-by-case basis as per the terms and conditions of each policy.

If you have specific questioners regarding your policy, contact VMIA for assistance.

For the latest COVID-19 information, go to the [Department of Health website](#).

For information on your obligations as an employer, contact [WorkSafe Victoria](#). For up-to-date travel information visit [smartraveller.gov.au](#).

## VMIA Summary of policy responses to first and third-party exposures arising from COVID-19

Policy	Covered?	Summary*
Business Travel	✓	<p>Covers travel and emergency assistance costs incurred if the traveller is diagnosed with COVID-19 (or needs to be tested for COVID-19 during their period of travel) including the cost of evacuation back to Australia if that is deemed medically necessary.</p> <p>Covers additional expenses and/or forfeited expenses (e.g., travel and accommodation) a traveller diagnosed with COVID-19 incurs if unable to return to Australia as planned (i.e. due to travel ban or from mandatory quarantine requirements).</p> <p>Covers loss of deposits and/or cancellation charges incurred a result of cancellation or postponement of travel (subject to any refunds available from travel providers) where a traveller is diagnosed with COVID-19.</p> <p>Covers cancellation due to 'circumstances outside your control' e.g., where travel is for the purpose of attending a conference and the conference is cancelled by the organizer.</p> <p>Covers weekly salary benefits which have resulted from COVID-19 diagnosis and suffered by the traveller whilst on a journey.</p> <p>Covers loss of deposits and/or cancellation charges incurred by the traveller if before a journey commences a relative is diagnosed by a doctor as having a life-threatening prognosis because of contracting COVID-19.</p> <p>Covers additional and/or forfeited expenses incurred by the traveller if during a journey a relative is diagnosed by a doctor as having a life-threatening prognosis because of contracting COVID-19 (e.g. expenses to return home).</p>

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Policy	Covered?	Summary*
		<p><b>Does not cover</b> losses resulting from border closures or travel bans due to COVID-19.</p> <p><b>Does not cover</b> cancellation of travel simply due to “disinclination” to travel if the country has no travel restrictions.</p> <p><b>Does not cover</b> cost of evacuation simply by reason of an outbreak of COVID-19 in the country of travel (i.e., traveller has not directly contracted COVID-19).</p> <p><b>Does not cover</b> additional or forfeited expenses where an individual is self-isolating or being placed in non-mandatory quarantine.</p> <p><b>Does not cover</b> for lost salary that has resulted from an individual self-isolating or being placed in non-mandatory quarantine.</p> <p><b>Does not cover</b> alternative employee expenses incurred or associated with any claim caused by or resulting from COVID-19.</p> <p><b>Does not cover</b> losses where there is a requirement for a traveller to mandatorily quarantine before or after crossing an international border.</p> <p><b>Does not cover</b> losses resulting where a traveller fails to comply with government directions or entry permit requirements of a country or region.</p>
Expatriate Medical Expenses	✓	<p>Covers medical expenses incurred as a result of testing for or treating COVID-19 for employees or their insured family members stationed in the country of assignment.</p> <p>Covers costs of repatriation to Australia, or another nearby suitable country, in the event this is deemed medically necessary for treatment.</p> <p><b>Does not cover</b> cost of evacuation simply by reason of an outbreak of COVID-19 in the country of assignment (i.e. traveller has not directly contracted COVID-19).</p>
Property	✓	<p>Covers Business Interruption losses arising under the Infectious &amp; Contagious Diseases clause that result from interference with or interruption to your business directly arising from an occurrence or outbreak at your premises of a notifiable disease, which includes COVID-19, and where <b>as a result of that outbreak or occurrence</b> your premises is closed or evacuated (in whole or part) by order of any government, local government or other statutory authority.</p> <p>Covers damage to your real or personal property or property for which you have assumed responsibility. This would include property owned by you which is used to employees or contractors for business purposes in their own home. Cover is Australia-wide.</p> <p>Where the policy conditions are met and cover is confirmed, it should be noted that a \$10 million sub limit applies to business interruption losses arising under the Infectious and Contagious Diseases clause including for any claim arising from COVID-19.</p> <p><b>Does not cover</b> loss of income due to a downturn in patronage simply because of a reduction in numbers of patrons or if the insured made the decision to cancel an event simply because of general concerns about COVID-19.</p>

Group Personal Accident	✗	<p><b>Does not cover</b> COVID-19 as this does not constitute an injury that would trigger cover under the policy.</p> <p>GPA covers injuries suffered by volunteers during their volunteering activities. An injury is described as a bodily injury resulting from an accident which is an external event that occurs fortuitously.</p> <p>If you would like a COVID-19 weekly sickness benefits endorsement, please contact VMIA to discuss.</p>
Event Cancellation	✗	<p>VMIA provides event cancellation insurance for specific events, however, this <b>does not cover</b> cancellation due to any communicable disease which leads to the imposition of quarantine or restriction in movement of people by any national or international body or agency.</p>
Medical Indemnity	✓	<p>Covers our state-funded health services against claims which arise out of a health care incident which is defined as an act, omission or circumstance occurring during, or in connection with, the provision of health care services.</p> <p>Cover may include:</p> <ul style="list-style-type: none"> <li>• Claims for compensation from patients alleging the hospital was negligent in their diagnosis/treatment of COVID-19 resulting in personal injury.</li> <li>• In the event of a patient's death the policy will provide for the reasonable costs associated with any Coronial inquest if VMIA believes the incident is likely to give rise to a claim for compensation under this policy, subject to any relevant policy sub-limits.</li> <li>• Claims for compensation from other patients who become infected in the event a COVID-19 patient is not properly diagnosed and/or quarantined and resulted in personal Injury</li> </ul> <p><b>Does not cover</b> the transmission of a contagious disease or virus carried by the insured person, who at the time knew or ought reasonably to have known that they carried the disease or virus.</p>
Combined Liability	✓	<p>Covers your legal and professional liabilities arising from negligence and/or contractual breaches of professional duties which result in personal injury, damage or economic loss to third parties.</p> <p>Covers your legal liability from third party claims, should a third party (such as a member of the public, including volunteers) contract COVID-19 as a result of an insured's failure to take reasonable care in preventing exposure to and/or the spread of the virus within its premises and/or business operations.</p> <p><b>Does not cover</b> employee sickness or death claims made against an employer. Refer to <a href="#">WorkSafe Victoria</a>.</p>

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## Directors and Officers Liability ✓

Covers your organisation's directors and officers for third party claims from their actions and decision in implementing mandatory vaccination directions.

Covers your organisation's directors and officers for third party including vaccination response claims arising from their actions and decisions while acting in an official capacity, e.g. any claims arising out of the management of COVID-19 pandemic responses by your organisation.

Covers your organisation in relation to employment practices liabilities as defined in the policy, including claims which may arise from a change in employment conditions as a result of COVID-19 impacts.

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Further variations or limitations to coverage may apply, depending on client's specific circumstances.

For detailed understanding, and assistance with any questions not covered by these FAQs, contact your relevant Department, your VMIA Risk Adviser or our Client Advisory Team on 03 9270 6990.

### Mandatory Vaccination Policy Resources

To assist with your internal response to the mandatory vaccination directions, VMIA suggest you use the following State Government resources:

- Victorian Chief Health Officer Directions: <https://www.dhhs.vic.gov.au/victorias-restriction-levels-covid-19>
- OVIC Guidance: <https://ovic.vic.gov.au/privacy/covid-19-and-privacy-considerations/>

We also recommend that you contact your relevant Department for policy making support on mandatory vaccinations and related workplace risks.

### Legal Support

If legal advice is required on the risk of mandatory vaccinations in the workplace, VMIA recommends you to seek support following your normal business practices for legal advice.

If legal advice is required on mandatory vaccination related workplace risk, then eligible employers (Victorian Public Hospitals only) are encouraged to use the Adviceline service, a joint VMIA/Victorian Government Solicitor's Office (VGSO) initiative offering a fully funded confidential legal service on employment issues for managers at Victorian Public Hospitals.

Information about the Adviceline service including FAQs and VGSO contact details are on the VMIA website at: <https://www.vmia.vic.gov.au/tools-and-insights/patient-safety/adviceline>

Non-public hospital clients may contact the Adviceline service at their own cost.