

Vero Equipment Breakdown



What's at Risk? (Aged Care Facility)



Aged Care Facility Equipment Examples

- ▼ Air conditioning equipment
- ▼ Boilers and hot water tanks
- ▼ Back-up generators
- ▼ Electrical switchboard & cabling
- ▼ Medication fridges
- ▼ Internet connections
- ▼ Security and surveillance equipment
- ▼ Building Management systems
- ▼ Kitchen equipment
- ▼ Audio Visual entertainment equipment
- ▼ Computer & Office equipment
- ▼ Lifts
- ▼ Intercom and Nurse Call systems
- ▼ Laundry equipment
- ▼ Telephone systems

What's at Risk?

Why You Need Equipment Breakdown Insurance

Equipment Breakdown Insurance – More Than Just Repairs

Equipment Breakdown insurance helps protect you against the costs of unforeseen breakdowns, as well as Income Protection, for:

- ▼ **Physical Damage:** the cost to repair or replace damaged equipment, including labour costs.
- ▼ **Expediting Expenses** incurred to speed up temporary or permanent repairs or replacement plus temporary hire costs to keep residents comfortable and safe.
- ▼ **Loss of Gross Profits, Payroll and Increased Costs** if that breakdown leads to your losing residents, residents withholding payments or requiring relocation.
- ▼ **Service interruption:** extends business interruption cover due to loss of electricity and other services caused by a breakdown of the utility or landlord's equipment.
- ▼ **Contribution to Green Upgrades.** If a piece of equipment is upgraded following a breakdown, an additional contribution is provided towards the cost if such upgrade is for the benefit of the environment, safety, or energy efficiency.

Our claims and engineering specialists who work only on equipment breakdown losses can help you expedite repairs so you can return to business with minimal disruption to residents or loss of income.

For Many Types of Equipment:

Electrical Distribution Systems

Power interruption can shut down a complex and cause major disruption for residents. Electrical panels, circuit breakers and cables are interconnected – a short circuit in one part of the system can affect the whole complex.

This can be as simple as a loose connection, dust, vermin, or network power fluctuations and can cause significant costs in time and money.

Air Conditioning

Air conditioning systems contain many parts that can break down and result in costly repairs. A chiller unit can cost hundreds of thousands, refrigerant can be many thousands in addition to this, even in small systems.

Electronic Building/Management Systems

Electronic components are present in almost all equipment in an aged care facility. This includes modern phone networks, security systems, intercom and monitoring systems, and facilities management systems that can control boilers & air conditioning. These electronics are vulnerable to damage from power surges. Circuitry is expensive to repair and replace, especially when incompatibility issues arise when a single component needs replacing.

Loss Examples

The following are actual losses:



A fault in the Emergency Warning/Intercom system meant the building's smoke detectors would be offline and would not trigger either the local alarm or the remote dialler. Security guards had to be hired while the system was being repaired.

Total Cost: \$32,220.00



When the power went out at this 126 resident building, the in-house standby generator did not automatically kick in as expected. It was eventually determined that the problem was a failed spring in the switch that isolates the main incoming circuit breaker and activates the generator's outgoing circuit breaker. The switch was original to the 35 year old building, and the currently available switches were of a different size, so a new switchboard panel had to be built to match the new switches. The standby generator consumed approximately 1,000 litres during each of the 12 days it was used while the repairs were completed.

Total Cost: \$41,300.00



A power surge damaged the controller unit which ran fifteen air conditioning units at this 60 resident facility. The manufacturer of the seven year old controller was no longer trading, so a new controller had to be manufactured and fitted by another supplier. There were three different models of air conditioning units throughout the building, so wiring changes and electrical relays were required for each unit to accommodate the new controller.

Total Cost: \$28,715.00



Damage to electrical utility power lines caused a sudden Interruption in the power supply to an entire aged care community which contained 154 lifestyle apartments and 153 aged care suites. When the power came back on, it was discovered that 34 air conditioning units and 11 kitchen appliances (such as microwaves, etc.) had been damaged and required repair.

Total Cost: \$19,510.00