



# Commercial Crime Policy Application For Healthcare Facilities

Application is hereby made by \_\_\_\_\_

(Please attach a list of all Insureds, including Employee Benefit Plans)

Principal Address \_\_\_\_\_ City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Policy Effective Period \_\_\_\_\_ to \_\_\_\_\_

Website Address \_\_\_\_\_

## 1. Insuring Agreement

Limit of Insurance

Deductible

	Limit of Insurance	Deductible
1. Employee Dishonesty	\$	\$
2. Forgery or Alteration	\$	\$
3. Inside the Premises	\$	\$
4. Outside the Premises	\$	\$
5. Computer Fraud	\$	\$
6. Money Orders and Counterfeit Paper Currency	\$	\$
7. Loss of Clients' Property	\$	\$
8. Funds Transfer Fraud	\$	\$

Is Kidnap, Ransom, and Extortion Coverage Desired?  Yes  No

What other Coverage Amendments (Endorsements) are Desired? \_\_\_\_\_

## 2. Description of your organization

a. Legal Entity

Proprietorship  Partnership  Corporation  Other \_\_\_\_\_

Date of Establishment \_\_\_\_\_

b. Classify your predominant activity

Nursing Home  Hospital  Assisted Living Facility

Surgery Center  Other \_\_\_\_\_

c. Please describe the products or services of your predominant business or activity \_\_\_\_\_

d. Has there been any change in ownership or management within the past three years?  Yes  No

If yes, please explain. \_\_\_\_\_

## 3. Audit Procedures

Yes

No

a. Are your annual financial statements audited by an independent CA firm?  Yes  No

b. Is the independent CA's opinion unqualified?  Yes  No

c. Does it include all interests and locations on an annual basis?  Yes  No

d. Have all recommendations made by the independent CA been adopted?  Yes  No

**3. Audit Procedures (continued)**

	Yes	No
e. Are all reports sent directly to the Owner, Partners or Directors?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Internal Audit Procedures</b>		
a. Is there a full time professional staff auditor?	<input type="checkbox"/>	<input type="checkbox"/>
b. Does the staff auditor conduct an audit <input type="checkbox"/> annually or <input type="checkbox"/> on a surprise basis		
c. Is there a formal audit program?	<input type="checkbox"/>	<input type="checkbox"/>
d. Does the auditor have the authority to check anyone and any record at any time?	<input type="checkbox"/>	<input type="checkbox"/>
e. Does the auditor originate entries?	<input type="checkbox"/>	<input type="checkbox"/>
f. If weaknesses are discovered, does the auditor report in writing to the First Named Insured?	<input type="checkbox"/>	<input type="checkbox"/>
g. Do you audit your Wire Transfer procedures?	<input type="checkbox"/>	<input type="checkbox"/>

**4. Internal Controls**

	Yes	No
<b>Bank Accounts</b>		
a. Are bank accounts reconciled monthly?	<input type="checkbox"/>	<input type="checkbox"/>
b. Are bank accounts reconciled by someone not authorized to deposit, withdraw, or write cheques?	<input type="checkbox"/>	<input type="checkbox"/>
c. Do employees have access to resident bank accounts?	<input type="checkbox"/>	<input type="checkbox"/>
d. Are funds established with residents' petty cash for incidental items? If yes, describe. _____	<input type="checkbox"/>	<input type="checkbox"/>
e. Is an itemized inventory of resident property maintained and witnessed by at least two persons?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Cheques</b>		
f. Is countersignature of all cheques required? Above what amount? \$ _____	<input type="checkbox"/>	<input type="checkbox"/>
g. Do all vouchers or other supporting records accompany all cheques to be signed?	<input type="checkbox"/>	<input type="checkbox"/>
h. Are vouchers/supporting records stamped "PAID" when cheques are signed?	<input type="checkbox"/>	<input type="checkbox"/>
i. Are your systems designed so that no single employee can control a transaction from beginning to end (e.g. approve a voucher, request and sign a cheque)?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Securities</b>		
j. Do you store negotiable securities on premises?	<input type="checkbox"/>	<input type="checkbox"/>
k. Are securities subject to the joint control of two or more employees?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Billing</b>		
l. Is there a system in place to detect fictitious medicare/medicaid billing?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Payroll</b>		
m. Do you screen your employees for prior acts of dishonesty?	<input type="checkbox"/>	<input type="checkbox"/>
n. Are credit reports checked when screening new employees?	<input type="checkbox"/>	<input type="checkbox"/>
o. Is drug testing done for new employees, with random follow ups?	<input type="checkbox"/>	<input type="checkbox"/>
p. Is the payroll made up by persons other than those who distribute it to employees?	<input type="checkbox"/>	<input type="checkbox"/>
q. Are all persons authorized to hire and/or fire employees prohibited from distributing the payroll?	<input type="checkbox"/>	<input type="checkbox"/>

**4. Internal Controls (continued)**

	Yes	No
r. Is positive identification required of each person receiving pay?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Pharmaceuticals</b>		
s. Is a physical inventory taken of pharmaceuticals and other controlled substances at the beginning and end of each shift?	<input type="checkbox"/>	<input type="checkbox"/>
t. Is distribution of pharmaceuticals and other controlled substances subject to participation of at least two qualified staff members?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Shipping and Receiving</b>		
u. Are all persons engaged in purchase or sales activities prohibited from taking part in shipping and receiving activities?	<input type="checkbox"/>	<input type="checkbox"/>
v. Are all shipping and receiving activities reconciled to all applicable sale or purchase orders?	<input type="checkbox"/>	<input type="checkbox"/>
w. Does any employee have access to the purchasing system and also the accounts payable system?	<input type="checkbox"/>	<input type="checkbox"/>
x. Is all purchasing centralized out of your main office?	<input type="checkbox"/>	<input type="checkbox"/>
y. Do you have a system to detect payment to fictitious suppliers?	<input type="checkbox"/>	<input type="checkbox"/>
z. Are cash or credits on return purchases supervised by at least two persons?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Supervision by Owner</b>		
aa. Is there personal supervision of business activities on a daily basis by an Owner, Partner or Director?	<input type="checkbox"/>	<input type="checkbox"/>
bb. Does that person:		
1. Deposit all cash receipts?	<input type="checkbox"/>	<input type="checkbox"/>
2. Sign or countersign all cheques?	<input type="checkbox"/>	<input type="checkbox"/>
3. Check petty cash periodically?	<input type="checkbox"/>	<input type="checkbox"/>
4. Verify periodically, accounts receivable?	<input type="checkbox"/>	<input type="checkbox"/>
5. Reconcile all bank accounts?	<input type="checkbox"/>	<input type="checkbox"/>
6. Verify shipping and receiving activities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Review journal entries?	<input type="checkbox"/>	<input type="checkbox"/>

**5. Vendor Information**

	Yes	No
a. Are background checks performed on vendors in order to determine ownership and financial capability prior to doing business with them?	<input type="checkbox"/>	<input type="checkbox"/>
b. Is an authorized vendor list utilized and updated for all annual purchases, with competitive bidding required over stated amounts?	<input type="checkbox"/>	<input type="checkbox"/>
c. Are requisitions and purchase orders issued only after the approval of specified personnel within specified limits?	<input type="checkbox"/>	<input type="checkbox"/>
d. Is each cash disbursement based on a recognized liability, accurately prepared, and appropriately authorized, including comparisons to authorized vendor lists and receiving reports?	<input type="checkbox"/>	<input type="checkbox"/>
e. Are perpetual inventories maintained of materials and supplies and periodically verified by physical count?	<input type="checkbox"/>	<input type="checkbox"/>

**5. Vendor Information (continued)**

Yes No

f. Are vendors provided with a statement of your conflict of interest and gift policy (prohibiting gifts of any significant value)?	<input type="checkbox"/>	<input type="checkbox"/>
g. Are vendors asked to disclose any gifts or favors offered or requested or other questionable behavior by employees?	<input type="checkbox"/>	<input type="checkbox"/>
h. Do the same controls apply to locations outside of Canada?	<input type="checkbox"/>	<input type="checkbox"/>

**6. Prior Insurance**

Yes No

a. Has any similar insurance been declined or canceled during the past three years?  
If yes, please explain \_\_\_\_\_

b. Prior insurance to be superseded  Check here if none

Form of Insurance	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Company

**7. Loss History**

Enter all claims or occurrences that may give rise to claims for the prior 5 years  Check here if none

Date of Occurrence	Type/Description of Occurrence or Claim	Date of Claim	Amount Paid	Claim Status (Open or Closed)

Comments/Corrective Action Taken \_\_\_\_\_

**8. Classification of Employees and Locations**

Classification of Employees (Including Full Time and Part Time)

a. Number of RNs \_\_\_\_\_ LPNs \_\_\_\_\_ CNAs \_\_\_\_\_ Other \_\_\_\_\_

b. Number of All Other Employees \_\_\_\_\_ *Please attach total employee Census.*

c. Number of additional locations other than the head office \_\_\_\_\_

d. Number of beds in each facility \_\_\_\_\_

**9. Money - Securities**

Please enter the exposure for each category. Amounts entered should be the maximum exposure.

Type	Money	Securities (Other Than Payroll Cheques)	Cheques (Excluding Retail Cheques)	Payroll Cheques	Money Overnight	Securities (In Bank/Safe Deposit)
Inside						
Messenger #1						
Messenger #2						

### 10. Property

Please provide a description of property, merchandise, stock, etc. to be covered. Please also state the maximum value.

\_\_\_\_\_

\_\_\_\_\_

### 11. General Information

Business Hours	Average # of Employees On Duty	Frequency of Deposits	Night Depository Used	Annual Gross Sales or Receipts For Last Fiscal Year	Other Information

### 12. Premises/Safe Protection

a. What type of alarm(s) do you have at each of your premises?

1. Hold-up Alarm                       2. Premises Alarm                       3. Safe Alarm  
 4. Local Gong                               5. Central Station Alarm                       6. Police Connected Alarm

If alarms vary from location to location, please explain \_\_\_\_\_

b. What is/are the certificate number(s) on your alarms(s) and what is/are the expiration date(s)? \_\_\_\_\_

c. Is safe/vault protection    partial    complete

d. Who installs and services your alarms? \_\_\_\_\_

e. Please specify the number of guards and/or watchpersons on duty each shift \_\_\_\_\_

f. Please describe any additional protection (e.g. fences, floodlights, etc.) \_\_\_\_\_

### 13. Internet Security

	Yes	No
a. Do you buy or sell goods via the internet?	<input type="checkbox"/>	<input type="checkbox"/>
b. Do you have a firewall?	<input type="checkbox"/>	<input type="checkbox"/>
c. Do you have an intrusion detection system that identifies unauthorized access?	<input type="checkbox"/>	<input type="checkbox"/>
d. Do you have documented internet guidelines for employees?	<input type="checkbox"/>	<input type="checkbox"/>
e. Do you have documented emergency procedures?	<input type="checkbox"/>	<input type="checkbox"/>
f. Has your computer system ever been invaded by a hacker or virus? If yes, when and what controls have been implemented to prevent further incidences?	<input type="checkbox"/>	<input type="checkbox"/>
_____		
_____		

#### NOTICE TO APPLICANTS:

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

This document was issued or made by the Company in the course of its insurance business in Canada.

Applicant Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Producer Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_