

# Businesses Against Zika: A Risk Managed Approach


**BOARD DISCUSSION**
**Spotlight on Zika virus**

- How has Zika impacted Australia?
- What does this mean for businesses?
- Zika vs. SARS: How SARS paved the way for a risk managed approach
- Does my travel policy cover me?
- Looking ahead

The Zika virus and its link to microcephaly and other neurological disorders were declared as an international public health emergency by the World Health Organisation (WHO) on February 1, 2016. This called for a coordinated global response to minimise the threat in affected countries and reduce the risk of further international spread.<sup>1</sup>

In light of the imminent 2016 Summer Olympics in Rio de Janeiro, both WHO and the Australian Government Department of Foreign Affairs and Trade (DFAT) have issued general travel guidelines which largely focus on taking precautionary measures to avoid being bitten by mosquitos, and recuperating and preventing the spread in the event someone does become infected. Further, pregnant women are advised to restrict or postpone travel to areas with ongoing Zika virus transmission.<sup>2</sup> Zika is also sexually transmittable. Partners of pregnant women (or those planning pregnancy) are also advised to take proactive and precautionary measures during and after travelling to affected areas.<sup>3</sup>

With the Olympics steaming ahead and international travel to and from Brazil expected to spike, there are concerns surrounding the increased risk of Zika spreading around the world.


**HOW HAS ZIKA IMPACTED AUSTRALIA?**

The *Aedes aegypti* mosquito capable of carrying the virus is only found in some parts of Queensland<sup>4</sup>, and despite the relatively low number of confirmed infection cases in Australia, the public health response has been dramatic and rapid.

Dr Doug Quarry, an Australian Medical Director at travel security and medical assistance provider International SOS, has been closely following the Zika outbreak and its ongoing development. He has observed Australian health authorities taking a multi-pronged approach to prevent the spread of Zika.

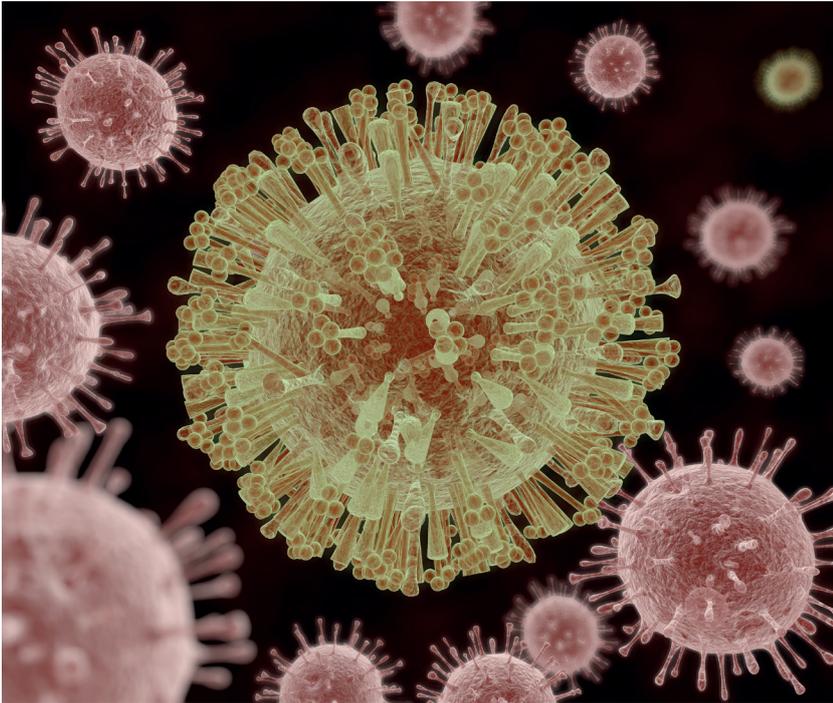
“Authorities are monitoring international ports to prevent the mosquitoes that can spread Zika from entering, they are ensuring that blood supplies do not become contaminated and, when a traveler with Zika returns to an area with Zika-spreading

<sup>1</sup> WHO Director-General summarizes the outcome of the Emergency Committee regarding clusters of microcephaly and Guillain-Barré syndrome, 1 February 2016, via [www.who.int/mediacentre/news/statements/2016/emergency-committee-zika-microcephaly/en/](http://www.who.int/mediacentre/news/statements/2016/emergency-committee-zika-microcephaly/en/)

<sup>2</sup> WHO public health advice regarding the Olympics and Zika virus, 28 May 2016, via [www.who.int/mediacentre/news/releases/2016/zika-health-advice-olympics/en/](http://www.who.int/mediacentre/news/releases/2016/zika-health-advice-olympics/en/), Zika virus travel advice official bulletin, DFAT, 26 April 2016, via [smartraveller.gov.au/bulletins/Pages/zika\\_virus.aspx](http://smartraveller.gov.au/bulletins/Pages/zika_virus.aspx)

<sup>3</sup> Zika Virus information portal, Prevention page, Centers for Disease Control & Prevention, last updated 21 June 2016, via [www.cdc.gov/zika/prevention/index.htm](http://www.cdc.gov/zika/prevention/index.htm)

<sup>4</sup> Zika Virus Factsheet - The Basics, Australian Government Department of Health, last updated 6 July 2016, via [www.health.gov.au/internet/main/publishing.nsf/Content/ohp-zika-factsheet-basics.htm](http://www.health.gov.au/internet/main/publishing.nsf/Content/ohp-zika-factsheet-basics.htm)



mosquitoes, they advise on quarantine, preventing mosquito bites and controlling mosquitoes around the person's home," says Dr Quarry.

"While we have seen a lot of activity in the USA with at least 1,000 cases of Zika being imported, there have only been about 40 cases imported into Australia in 2016."

He also explains that it is the areas where Zika has been introduced for the first time, and that have the *Aedes aegypti* or *albopictus* mosquitos, that are susceptible to the spread. As the general population has little or no "herd" immunity, the virus can rapidly spread from one person to the other. Herd immunity may occur in areas where the virus has previously existed, such as in Africa and Asia, and likely dampens the spread of Zika in those areas.

"The population in the USA and Australia both have low levels of immunity to the Zika virus," says Dr Quarry. "Fortunately for us, Australia does not have the volume of travellers passing through the infected areas. This, combined with the fact that the mosquitoes that can spread Zika are only located in some areas of Queensland, mean that there is a low chance of uncontrolled spread here."

Despite the relatively low number of confirmed infection cases in Australia, the public health response has been dramatic and rapid.

## WHAT DOES THIS MEAN FOR BUSINESSES?

With Zika now being a foreseeable risk," businesses cannot ignore it and organisations are showing increasing interest in developing risk management plans including Zika.

The impact of Zika could potentially have significant and complex implications for employers and insurers alike. Eg. A female employee who has a baby with microcephaly could potentially hold her employer liable for sending her on business travel to a Zika exposed area.

There is also the issue of privacy and disclosure. Is a female employee obligated to disclose to her employer that she is pregnant or planning pregnancy? What are the liability implications if the employee does not disclose this information to her employer? Further, what if the employee is pregnant at the time of travel but was unaware?

"Whilst it certainly is not common or best practice yet, we have seen some companies in America develop policies that allow any employee, whether male or female, to have the option to not travel, no questions asked, in light of the Zika outbreak," says Dr Quarry.

As the Zika risk has many human and emotional elements, organisations may be met with complicated situations where despite having internal Zika travel protocols, not all employees comply. Eg. A female staff member may not want to miss out on the opportunity to attend an important business trip that could be beneficial to her career. Despite being made aware of the perceived risk through a sound risk management plan, the individual may still choose

## Pandemic contingency plans and staff considerations are key to managing any business response to Zika.

to take that risk. In this case, the organisation may not be aware of the risk.

“More research is required. It now seems likely that Zika can cause a spectrum of neurological illnesses in affected babies, with microcephaly possibly being the most serious and obvious,” observes Dr Quarry.

This means that a baby from a mother who was infected with Zika that does not have microcephaly could potentially still have Zika related neurological illness, the effects of which may take longer to present. This makes diagnosis and prognosis less immediate and obvious. In this scenario, it will be more difficult for the mother, as an employee, to claim liability against her employer. Accordingly, the employer will need to consider its exposure to such “long-tail” liabilities.

### ZIKA VS. SARS: HOW SARS PAVED THE WAY FOR A RISK MANAGED APPROACH

Any illness in the workplace has the potential to affect business. While the causes of illnesses vary, the impacts on business are often similar, manifesting themselves as some form of absenteeism leading to productivity losses. The triggers for absenteeism will also vary from those who are ill to those who fear they will contract the illness from those who are ill at work.

Costa Zakis, Asia Pacific Head of Client Advisory Services at Marsh, drew an interesting comparison between the Zika virus and the Severe Acute Respiratory Syndrome (SARS) that caught the attention of businesses in 2003. The two illnesses are very different but businesses can learn from the SARS experience.

According to WHO, a total of 8,098 people worldwide became sick with SARS during the 2003 outbreak. Of these, 774 died<sup>5</sup>. In comparison, Zika has no directly attributed deaths across the 65 countries and territories that have reported evidence of the virus<sup>6</sup>, although there is scientific consensus that Zika virus is a cause of microcephaly and Guillain-Barré syndrome which can be a fatal condition<sup>7</sup>.

The two illnesses spread differently. SARS was predominantly spread through close contact much in the same way colds are spread, whereas Zika is spread mainly by infected mosquitos and occasionally by sexual transmission. People affected by SARS had acute flu like symptoms which were readily observable whereas most people who become infected with Zika do not show symptoms. Only 20% will feel sick for a few days, illness is not usually severe and does not require hospitalisation<sup>8</sup>. It can go largely undetected and the only treatment is rest<sup>9</sup>.

“The consequence of SARS was that for the first time, many businesses started to genuinely consider what they needed to do to protect their staff who travelled to locations known to have the SARS virus, how to manage staff who returned from these locations, and those who became ill, and finally, plan for how to protect staff and continue business operations in the event of high absenteeism,” reflects Zakis.

“These pandemic contingency plans and staff considerations are also the key to managing any business response to Zika.”

As with all risks, the management of this particular risk involves undertaking preventative activity so that the avenues for the risk materialising are reduced, and finally developing actions to respond should the risk materialise.



Employers will need to consider their exposure to potential “long-tail” liabilities.

<sup>5</sup> Summary of probable SARS cases with onset of illness from 1 November 2002 to 31 July 2003, WHO, 2003, via [www.who.int/csr/sars/country/table2004\\_04\\_21/en/](http://www.who.int/csr/sars/country/table2004_04_21/en/)

<sup>6</sup> WHO Situation Report: Zika Virus Microcephaly, Guillain-Barre Syndrome, 21 July 2016, via [apps.who.int/iris/bitstream/10665/246241/1/zikasitrep21jul16-eng.pdf?ua=1](http://apps.who.int/iris/bitstream/10665/246241/1/zikasitrep21jul16-eng.pdf?ua=1)

<sup>7</sup> Dispelling rumours around Zika and complications, WHO, 29 April 2016, via [www.portal.pmnch.org/emergencies/zika-virus/articles/rumours/en/](http://www.portal.pmnch.org/emergencies/zika-virus/articles/rumours/en/)

<sup>8</sup> Ibid. 4.

<sup>9</sup> Zika virus - information for clinicians and public health practitioners, Australian Government Department of Health, last updated 6 July 2016, via <http://www.health.gov.au/internet/main/publishing.nsf/Content/ohp-zika-health-practitioners.htm>



In general, most travel policies will not provide coverage for simple changes of plans, whether Zika or non-Zika related.

Zakis recommends a twofold risk management approach in handling the impact of the Zika risk.

**Stage 1**

Ensure that the business is taking all possible precautions for staff travelling to locations where Zika is known to exist, in accordance with DFAT and WHO guidelines. The actions are similar to those that would apply for any other mosquito based diseases. This education and risk prevention activity is essential.

Alternatives should also be identified for undertaking business where staff elect not to travel to locations identified by WHO or DFAT as potentially having the virus.

**Stage 2**

Ensure that suitable consideration has been made within the business to cater for increased absenteeism that may arise from staff who fall ill while travelling or staff who fear contracting the illness. (Due to the potential for birth defects, Zika does carry with it a significant emotional element that could influence some increased absenteeism, but this would not be significant.)

A distinction from SARS is that Zika should not lead to absentee projections of the same scale as SARS. Notwithstanding this, organisations should have:

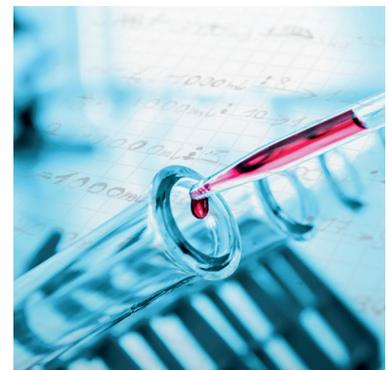
- A good understanding of critical business processes and roles with key people dependencies.
- Ongoing review and maintenance of business continuity plans catering for increased levels of absenteeism.
- A good understanding among staff of how to implement these plans.

It is important to recognise that not every policy is the same. In line with DFAT’s guidelines, Marsh recommends that businesses and individuals take the time to review and understand their travel insurance policies to ensure critical coverage components such as overseas medical costs (including medical evacuation) are included, and any exclusions are made aware of.

**LOOKING AHEAD**

Dr Quarry expects the “wildfire” spread of Zika through the Americas to continue for several years, until herd immunity kicks in. “We will eventually reach a point when a significant proportion of the population have had Zika and are immune. At that point, there will be a limited number of people who remain susceptible and the spread of the virus will slow.”

As the world eagerly awaits an effective and tested vaccination from the medical industry (still some time away), careful monitoring and management of the risk should continue through the next few years, with education of employees being a top priority for businesses.



**DOES MY TRAVEL POLICY COVER ME?**

Currently, most business travel policies will provide cover for medical and additional expenses should a traveller become infected with the Zika virus whilst travelling. Insurers however will not cover travel cancellation claims related to Zika for trips booked after the outbreak became publicised (around February 1-3, 2016).

In general, most travel policies will not provide coverage for simple changes of plans, whether Zika or non-Zika related. Some insurers will make exceptions for pregnant women, while some will assess all Zika related claims on a case by case basis.

One insurer confirmed that a “fear” or “suspicion” of being pregnant will not typically trigger cover, as policies will generally only respond to actual or defined events.

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