

Introducing AlertAssist™ Equipment Alert

Coverage promotes better risk management and cost control through the use of technology

The new HSB AlertAssist™ Equipment Alert enhances traditional Equipment Breakdown coverage by helping insureds prevent equipment failures — and avoid the accompanying business interruptions and financial losses.

In short, this coverage supports a more proactive approach to risk management. It can be especially valuable for commercial and industrial equipment that's critical to business output.

How AlertAssist works

With typical equipment breakdown protection, an accident or electronic circuitry impairment needs to occur to trigger the coverage. With AlertAssist, the coverage can begin when an alert about a pending equipment failure is generated from an electronic machine health monitoring system. The goal is to prompt the insured to take preventative action before a potential costly or even devastating breakdown happens.



The system must have at least one sensor that collects data on critical aspects of the equipment's operating condition, such as temperature, pressure, or vibration.



The data must be collected either continuously or at least every hour. Additionally, the system must analyze the information using logic, algorithms, or machine learning to determine when to trigger an alert.



The system must either be installed by the OEM or have been actively monitoring the covered equipment for at least 45 days prior to an alert.



The alert must be associated with an urgent issue — such as an alarm, fault code, machine score, or other type of signal that warns the insured of a sudden, unexpected risk of a mechanical or electrical failure to the equipment. Routine maintenance alerts aren't included.

What costs are covered?

AlertAssist pays for the following types of expenses that may occur after an alert is sent.



Troubleshooting: The cost for a technician to inspect the equipment and recommend a course of action. Troubleshooting costs must be incurred within 30 days after the initial alert.



Preemptive repair: The cost to fix the equipment so it's able to operate without creating an alert. If it's less expensive to simply replace the equipment, AlertAssist covers the price for a new piece of similar equipment. Additionally, the coverage pays for normal maintenance related to the issue that caused the alert, as long as the incident happens within six months of the regular maintenance schedule.

The insured must provide documentation to HSB both about the alert and the alert response costs within 180 days after the initial alert. Also, any data related to the costs — such as electronic or physical evidence — must be shared with HSB.

The endorsement doesn't pay for the cost of the monitoring system. Again, a manufacturer may include a monitoring system with the equipment, or a system can be installed later. Either way, the monitoring system must meet the criteria listed above to qualify for coverage.

What are the coverage limits?

AlertAssist pays for 50% of the alert response costs with the following limits:

\$0 Deductible	\$500 Minimum claim account
\$10,000 Per-occurrence limit	\$25,000 Annual aggregate limit

