

Insurance

I. Purpose

- a. Safety of our participants and those in attendance is our number one concern when conducting Extension programs. The first step when planning programs, events or activities is to identify the risks associated with conducting the program and then assess the level of each of the risks identified. After the risks have been identified and assessed then an appropriate risk treatment(s) should be implemented. The following are some risk treatments that could be used for Extension related programs and/or use of facilities.

II. Policy

- **Reduce the risk** by moving the event to a location that does not pose a threat or risks to the participants. You could also reduce the risk by taking extra safety precautions and implementing safety guidelines, such as hiring security, employing a lifeguard, an EMT or nurse, evaluating the surroundings for safety (such as walking the hiking trails to determine if there is a potential for falls, contact with noxious plants, etc.), evaluating the plans for the event to ensure best safety practices are followed.
- **Transfer** the risk by taking out insurance coverage for the participants, volunteers and the event. This can also be accomplished by transferring the risk by entering into a contract with a third party to host the event and assume the liability such as hiring a caterer or a charter bus company.
- **Accept** the risk by evaluating the potential for harm and then determining that the risk is not significant enough to keep the event from happening after safety measures and other loss control measures have been implemented.
- **Avoid** the risk by cancelling the event. This is extreme but if the risk is too great, perhaps this is the best choice.

*Some events require a combination of risk treatments to reduce the risk enough to the participant(s) and the organization to accept having the event take place.

Transferring risk is accomplished through insurance and contracts. When evaluating the risk of an event and determining if a transfer of risk through insurance coverage is needed, there are generally four types of insurance that Extension Agents need to be aware of:

- 1) Accident and Medical Insurance
- 2) Liability Insurance (would include errors and omissions)
- 3) Automobile Coverage
- 4) Property

1. Accident and Medical Insurance

1. Excess medical insurance covers accidents or health related problems that can occur at events, activities, trips, camps and conferences.
2. "Best practices" for University of Kentucky, Extension sponsored activities include the purchase of excess medical insurance for certain activities.
3. The activity must meet the three criteria:
 1. Sponsored by the Cooperative Extension Service
 1. Plan organize, host, and/or fund
 2. Supervised by Cooperative Extension Service personnel and/or volunteer.
 1. Cooperative Extension Service personnel must be aware of the event and activity if the activity is led by volunteers.
 3. Participants are exposed to a **risk of injury** that is not ordinarily present in an academic setting.
 - Summer camp, day camp, specialty camp
 - Note: Summer 4-H Residential Camp is covered through UK Excess Accident Medical Insurance and is a part of the camp fee
 - Out of county activity such as area Extension homemaker meeting, 4-H teen retreat, district 4-H event, agriculture travel tour
 - Out of state activity
 - Overnight event
 - Field day
 - Events such as ski trip, rock climbing, carpentry workshop involving the use of power tools
 - Sources:
 - Many **Extension participants personal coverage** will have existing accident and medical insurance coverage.
 - **District Board** may have Accident and Medical Insurance through KACO or through local insurance company for volunteers.
 - The terms of the coverage will vary based on policy coverage.
- The **Kentucky Cooperative Extension Service volunteer group** can pay for coverage through a local insurance company.
- **University of Kentucky** offers Excess Accident Medical Insurance for events
 - Insurance coverage is on an excess basis only.
 - The participant's personal health insurance policy will be primary and provide coverage for accident and sickness.
 - The excess policy will cover any out-of-pocket expense not paid by the participant's personal insurance up to the limits of the policy coverage.
 - Excess Accident Medical Insurance from UK for events must be requested and is available through UK Risk Management at

859/257-3708 or visit their website

at: <http://www.uky.edu/EVPFA/Controller/risk.htm>.

- A self-insurance letter or certificate of insurance demonstrates evidence of insurance.
 - The University is regularly required to show proof of coverage to satisfy contracts and agreements for using other facilities and a host of other obligations. For example, when a county 4-H group is going to use someone else's facility, the University may be required to show proof of insurance or the event may not go on as planned.
 - A certificate of insurance can be obtained by contacting UK Risk Management at 859/257-3708.
- **American Income Life Insurance**
 - Provides low-cost coverage for youth, volunteer leaders and adults, participating in adult supervised activities sponsored by the Cooperative Extension Service at camps, conferences, fairs, tours and meetings, including travel time.
 - The application must be postmarked at least one day prior to the effective date of the insurance, or by on-line request at: <http://www.americanincomelife.com/who-we-serve/4-h-insurance#fourh>
 - Coverage is available in three options. Check website for current coverage options.
- **Property or Facility Owner**
 - Insurance needs and coverage for Cooperative Extension Service events held on non-Extension property or on a volunteer's property needs to be evaluated.
 - The property/homeowner's insurance coverage for guests on the property needs to be evaluated to determine if Extension clientele are covered or if additional coverage is needed.
 - Make sure details about the insurance coverage are in writing.
 - If additional insurance is needed, determine the insurance source that fits the needs of the event.
- **Volunteer Insurance Program (VIS)**
 - Additional insurance for Extension Volunteers is available through the CIMA Volunteer Insurance Program (VIS) <http://chfs.ky.gov/dfrcvs/kccvs/insurance.htm>. At the website click on the "Traditional VIS Volunteers" link.
 - There are two types of coverage that may be purchased together or separately, accident/personal liability and/or excess auto liability. The accident and personal liability insurance must be purchased together, therefore the cost for this type of coverage is combined. The application can be found at: <http://www.cimaworld.com/nonprofits/volunteer-insurance-application/>.

2. Liability Insurance

- Liability Insurance covers the cost that the policyholder is legally obligated to pay because of bodily injury or property damage caused to another person due to negligence. In other words, *coverage for things that happened but should not have happened OR things that should have happened but didn't.*
- Sources:
 - **University of Kentucky** has Liability Insurance that covers Extension volunteers and employees.
 - o A volunteer is covered only if the individual is functioning within the scope of his/her volunteer role and position description and under the supervision of a University employee.
 - o An employee is covered if functioning within the scope of the his/her job description and within the policy and procedure of the university.
 - o The university's coverage is very broad and if you have any questions concerning what is or is not covered please contact Risk Management at 859-257-3708.
 - A self-insurance letter or certificate of insurance demonstrates evidence of insurance.
 - The University is regularly required to show proof of coverage to satisfy contracts and agreements for using other facilities and a host of other obligations. For example, when a county 4-H group is going to use someone else's facility, the University may be required to show proof of insurance or the event may not go on as planned.
 - A certificate of insurance can be obtained by contacting UK Risk Management at 859/257-3708.
 - **District Board** may have Liability Insurance through KACO or through local insurance company for volunteers.
 - The terms of the coverage will vary based on policy coverage.
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3. Automobile Insurance

- There are basically six different types of coverage. Some may be required by law. Others are optional. They are:
 - Bodily injury- Liability for injuries the policyholder causes to someone else.
 - Medical payments or Personal Injury Protection (PIP)-Treatment of injuries to the driver and passengers of the policyholder's car.
 - Property damage-Liability for damage the policyholder causes to someone else's property.
 - Collision-Damage to the policyholder's car from a collision.
 - Comprehensive-Damage to the policyholder's car not involving a collision with another car (including damage from fire, explosions, earthquakes, floods, and riots), and theft.
 - Uninsured motorist's coverage-For costs resulting from an accident involving a hit-and-run driver or a driver who does not have insurance.
 - Sources:
 - **Individual participant or employee** has some form of Automobile Insurance.
 - **District Board** may have Automobile Insurance Coverage through KACO or through local insurance company for the agent and volunteers.. The terms of the coverage will vary based on policy coverage.
 - **University of Kentucky** has Excess Liability Insurance coverage for the volunteer and the agent who has an accident while traveling on behalf of the University of Kentucky.
 - If operating a UK vehicle, the University's insurance is primary.
 - If operating a personal vehicle, then the University's insurance is excess of the driver's personal auto insurance .
 - This does not cover collision cost of the volunteer's automobile.
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 - There are two types of coverage that may be purchased together or separately, accident/personal liability and/or excess auto liability. The accident and personal liability insurance must be purchased together, therefore the cost for this type of coverage is combined. The application can be found at: <http://www.cimaworld.com/nonprofits/volunteer-insurance-application/>

- Automobile insurance has limits for each occurrence of bodily injury and property damage, which covers the insured applicant only. This is excess insurance protection over the insurance carried by the volunteer on his own car or the state's financial responsibility laws, whichever is greater. Coverage limitations can change. Refer to the provider website for more information.

4. Property and/or Event

- There are several different types of coverage for property, events and programs recommended for Extension District Boards and Extension groups
 - **Property** - Covers damage or loss of policyholders' property and legal liability for damages caused to other people or their property.
 - **Burglary and Theft** - Insurance for the loss of property due to burglary, robbery or larceny.
 - **Liability** - Insurance for what the policyholder is legally obligated to pay because of bodily injury or property damage caused to another person.
 - **Errors and Omissions** - A professional liability policy covering the policyholder for negligent acts and omissions that may harm his or her clients.
 - **Auto or Excess Auto** – coverage to employees and volunteers while driving AND conducting Extension business.
- **Sources**
 - **District Board** should have property and/or program Insurance through KACO or through local insurance company.
 - **University of Kentucky** has Liability Insurance that covers Extension volunteers and employees.
 - o A volunteer is covered only if the individual is functioning within the scope of his/her volunteer role and position description and under the supervision of a University employee.
 - o An employee is covered if functioning within the scope of the his/her job description and within the policy and procedure of the university.
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- A certificate of insurance can be obtained by contacting at UK Risk Management at 859/257-3708.
- The **Kentucky Cooperative Extension Service volunteer group**, if they own property can pay for coverage through a local insurance company.

Note: When having an Extension event on any property, the agent and/or Extension group should ask the property owner about the type of insurance coverage for the facility, have details of the coverage in writing, and assess the need for additional coverage

REQUIREMENTS FOR INSURANCE COVERAGE

For any accident involving a youth or any member of an Extension audience, follow these important steps:

- **Prior to the event and/or activity.**
 - The Extension office must have documentation that the event will occur.
 - Cooperative Extension Service personnel must be aware of the event and activity if the activity is led by volunteers
 - Attendance roster with program agenda/ itinerary must be on file with the Extension office and approved by the appropriate County Extension Agent.
- **When an incident occurs:**
 - Follow the emergency procedure plan for the event.
 - **Document, document, document.**
 - *Write down in complete detail what happened.* Include specifics, as well as names, dates, places, and circumstances by completing the **Incident Report Form**.
 - Use pictures to document incident based on the situation, example property damage.
 - Ask witnesses who observed the incident to document their observation and *sign their document*. Be sure to keep the document on file.
 - Require all volunteers to keep the Extension agents informed of any incidents that occur.

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