



Number
BUS-81

Insurance Programs

<http://www.ucop.edu/ucophome/policies/bfb/bus81.pdf>

Refer specific Program questions to the Program Manager at the Office of Risk Services. Contact information is available at:

<http://www.ucop.edu/riskmgt/staff.html>

Or contact the local Workers' Compensation or Campus/Medical Center Risk Management Office. Contact information is listed below.

Business and Finance Bulletins Home Page: <http://www.ucop.edu/ucophome/policies/bfb/>

I. POLICY SUMMARY

This Bulletin provides an overview of the insurance programs managed by the Office Risk Services that extend coverage for University operations and activities and related exposures.

THIS IS NOT INTENDED TO BE A COMPREHENSIVE LIST NOR A COMPLETE DESCRIPTION OF COVERAGE.

For specific questions regarding coverage, contact resources are available at:

Office of Risk Services

<http://www.ucop.edu/riskmgt/>

Campus Risk Managers

<http://www.ucop.edu/riskmgt/crmdir.html>

Medical Center Risk Managers

<http://www.ucop.edu/riskmgt/hrmdir.html>

Workers' Compensation Risk Managers

<http://www.ucop.edu/riskmgt/wcmgr.html>

II. POLICY DEFINITIONS

None

III. POLICY TEXT

A. INTRODUCTION

The Office of Risk Services manages the funding and administration of the following insurance programs pursuant to the [University Risk Financing Policy](#). With the exception of the Workers' Compensation program, these programs do not apply to claims arising out of the University's contract with the U.S. Department of Energy to operate the Lawrence Berkeley National Laboratory.

The University purchases a variety of insurance policies, with various retentions (deductibles). The terms and coverage change frequently due to external market conditions, therefore, it is not feasible to provide a complete summary.

The University may be named as defendants in legal actions filed by third parties. If the subject matter of the legal action is within the scope of an insurance program, the applicable program may respond on behalf of the University to fund defense costs and any covered amounts paid in settlement or in satisfaction of a judgment. If a current or former employee is named as a defendant, the University may have an obligation to defend and indemnify the employee pursuant to the [Policy on Defense and Indemnification of Employees and Former Employees](#). If the subject matter of the legal action is within the scope of an insurance program, the applicable program may respond to fulfill the University's obligation under this Policy.

B. MAJOR PROGRAMS

1. Workers' Compensation Coverage

This program was implemented on April 1, 1980 under Certificate of Consent to Self-Insure No. P-1344 granted by the State Director of Industrial Relations. The program is designed to provide coverage to employees for benefits prescribed by State due to a job related injury resulting from an accident or occupational disease.

2. General Liability Coverage

General liability is specific to (1) bodily injury or property damage caused by an occurrence or accident; (2) personal injury, or advertising injury caused by specified offenses; (3) liability imposed in the administration of the University's employee benefits program; and (4) liability in rendering or failing to render consultancy or advisory service, or any other service of a professional nature.

3. Foreign Liability Coverage

Foreign Liability is specific to liability arising from University operations outside the U.S., such as research projects, University sites and facilities in foreign countries, and employees working abroad.

4. Employment Practices Liability Coverage

Employment Practices Liability is specific to liability arising from employment practices wrongful acts such as wrongful termination, discrimination, harassment, retaliation, or workplace tort.

5. Professional Medical and Hospital Liability Coverage

Professional Medical and Hospital Liability is specific to healthcare employees for liability arising in the course and scope of employment, including claims against healthcare employees related to patient care.

6. Automobile Coverage

The Automobile Program consists of two components: (1) Liability and (2) Physical Damage.

Automobile Liability is specific to bodily injury or property damage caused by an occurrence or accident while operating a motor vehicle in the course and scope of employment.

Automobile Physical Damage provides coverage for physical loss or damage to University- owned, -leased and -rented vehicles.

This program also provides coverage to those vehicles which the University has agreed to insure under written contract prior to a loss, or for which the University is legally liable.

7. Property, Fine Arts, Library Materials, and Boiler and Machinery Coverage

This program was designed to provide coverage for risks of physical loss or damage to real and personal property owned by the University; in which the University has an insurable interest; in the care, custody or control of the University; for which the University has received instructions or agreed to insure under written contract prior to a loss; or for which the University is legally liable.

8. Marine and Aviation Coverage

These two programs are specific to operation of marine and aviation vehicles owned by the University, in which the University has an insurable interest, in the care, custody or control of the University; for which the University has agreed to

insure under written contract prior to a loss; or for which the University is legally liable. These programs are designed to provide coverage for (1) risks of physical loss or damage to University marine or aviation vehicles; (2) liabilities arising from the University's marine and aviation operations that result in bodily injury and/or property damage to third party(ies); and (3) foreign shipments of University property.

C. COVERAGE AND COVERED PARTIES/PROPERTY

Coverage and covered parties/property follows form with any purchased primary or excess insurance for The Regents of the University of California (University). Covered parties/property is further defined by the specific Program Manager in the Office of Risk Services. Each insurance program covers the applicable retention under such primary or excess insurance.

The insurance programs will pay up to the retention for those amounts for which the University is legally obligated to pay by reason of liability imposed by law or liability assumed by contract.

Excess insurance and any primary insurance are renewed annually and the retentions, terms and conditions, and exclusions are subject to change.

IV. RESPONSIBILITIES

A. Chief Risk Officer (CRO), Office of the President (or designee – Program Manager)

1. Manage and administer the insurance programs.
2. Review programs on a continuing basis and determine the most effective and efficient manner in which to manage the program risks.
3. Assure any rules, regulations, laws, statues, or other requirements governing the insurance programs are followed.
4. Secure and manage the services of the claims administrator and review performance.
5. Assist campus and medical center locations in the application of the programs and its coverage to specific situations.
6. Maintain and administer any applicable trust fund or other funding mechanism.

7. Act as the University's representative to the insurance industry.
 8. Ensure resolution of all matters pursuant to the [Policy on Settlement of Litigation, Claims and Separation Agreements](#).
 9. Review and approve loss control and loss prevention initiatives for funding through the "[Be Smart About Safety](#)" program and other loss control and loss prevention programs.
 10. Work in conjunction with Office of the General Counsel to identify and select outside defense counsel to be associated with any insurance program.
- B. Chancellor (or designee - Medical Center/Campus Risk Management or Workers' Compensation Office)
1. Ensure all employees/departments are informed of coverage available under the insurance programs.
 2. Specific to Workers' Compensation, ensure all eligible employees receive all required notices and benefits to which they are entitled and that all employees who have suffered an injury or illness in the course and scope of employment are treated fairly and equitably, and returned to work as soon as they are medically able, consistent with vocational rehabilitation requirements and cost center capabilities.
 3. Ensure all claims (including Summons and Complaints and other legal actions) are reported in a timely manner and all appropriate parties are notified.
 4. Promote cooperation and coordination with and between employees, University departments, administrative management, claims administrator and outside counsel. Maintain communication and advise of any developments that may impact the outcome of pending investigation, claim, or legal action.
 5. Assist and work in conjunction with other University departments to develop and maintain effective loss prevention and loss control initiatives through the "Be Smart About Safety" program and other loss control and loss prevention programs.
 6. Provide all required and requested information needed to effectively administer and manage the programs and enable final resolution of claims. Coordinate efforts to determine cause, prevent recurrence, and mitigate loss.
 7. Establish local procedures for identification and reduction of risk exposures.

8. Coordinate local funding of insurance program costs allocation. Develop and implement allocation programs specific to location to promote risk reduction.
9. Issue or secure certificates of insurance evidencing coverage under the programs.
10. Obtain necessary information to comply with insurance carrier reporting requirements.

C. Local Department

Ensure all appropriate medical center/campus departments or other governing entities that need to be notified are promptly notified in accordance with University procedures, State law, or other regulatory requirements.

1. Provide Medical Center/Campus Risk Management or Workers' Compensation office with timely information and assistance as needed to meet legal and University requirements for claims management. Keep all parties advised of developments.
2. Maintain communications with employees and other University departments in regard to reporting claims and cooperate with all efforts to bring claims to final resolution.
3. Assist and coordinate with other University departments in the development and implementation of measures to mitigate loss, make accommodations, and enable resolution of claim.
4. Provide necessary information to Medical Center/Campus Risk Management or Workers' Compensation office to comply with insurance carrier reporting requirements.

VI. REVISION HISTORY

As a result of the issuance of this policy, the following documents are rescinded:

BUS-1 Fine Arts
BUS-9 Professional Liability
BUS-28 Property
BUS-69 Auto Physical Damage
BUS-75 General/Auto/EPL/Foreign Liability
BUS-73 Workers' Compensation