



Insurance Program Overview

I. Purpose

To establish consistent and standard funding and use of the insurance pool for the OSU community for all lines of coverage and deductibles.

II. History

a. Property

The university has commercial insurance coverage for its property. This coverage is provided on a blanket basis, and covers all university property from equipment to buildings. This program generally has a \$1,000,000.00 per occurrence deductible with the general fund financing most of this, charging each department or college an internal deductible per occurrence of \$25,000.00 for a bona-fide loss. Therefore, the university general fund insurance pool pays for losses between \$25,000.00 and \$1,000,000.00.

b. Casualty

The university has commercial insurance for its casualty losses. This commercial product covers all current and past university personnel and has a \$5,000,000.00 per occurrence deductible. An internal deductible of \$100,000.00 is chargeable to the involved department or college. For units that are unable to afford the full amount of the deductible, the university has a "Financial Hardship" process that may assist in payments. The program insures for losses that result from the following covered acts:

- Bodily injury or property damage;
- Personal and advertising injury;
- School leaders errors and omissions; or
- Professional services errors and omissions.
- Automobile liability

c. Additional Coverage

The university has other policies of insurance that cover activities associated with the operations of an institution of higher learning. These policies involve various provisions specific to the line of coverage and have individually set deductibles per policy. The following insurance programs are specialized and must be reviewed on a case by case basis when attempting to file a claim:

- Stadium (coverage for a specified single act)
- Camps (excess accident, dismemberment, and death policy)
- Special Accident (coverage for a specified act or event)



- Airport General Liability
- Aviation General Liability
- Aircraft Hull and Liability
- Fine Arts (includes art, collections and rare books/manuscripts)
- Student malpractice and general liability
- Construction (site and project specific)
- Automobile

III. Standardization Guidelines

- a. If a source, other than the university's insurance, of reimbursement is available for the claim, that source must be accessed prior to submitting a claim for insurance from the university. No reimbursement shall be paid if another source paid for the loss. (FEMA, Third Party Insurance)
- b. Property
 - The university has commercial insurance coverage for its property. This coverage is provided on a blanket basis, and covers all university property, (owned, leased, or borrowed), from equipment to buildings. This program generally has a \$1,000,000.00 per occurrence deductible with the general fund financing most of this, charging each department or college an internal deductible per occurrence of \$25,000.00 for a bona-fide loss. Therefore, the university general fund insurance pool pays for losses between \$25,000.00 and \$1,000,000.00. The difference between the \$25,000.00 internal deductible and the amount covered by the carrier will be covered by the university and will not be passed on to the college or department unless it is determined that the college or department had an officer(s) or employee(s) act manifestly outside the scope of employment or official responsibilities, or act with malicious purpose, in bad faith, or in a wanton or reckless manner.

The property program is dependent upon compliance with fire code regulations and fire safety practices. Failure to comply with these regulations and practices will be deemed a risk and in the event of incident attributed to lack of compliance, the university reduced deductible will not apply.

Property losses are adjusted as follows:

- Payment to a university college or department will be made only after evidence of the loss has been reviewed and approved by Risk Management. This may include one or all of these methods:
 - An adjuster sent by OSU Insurance is available to collect information and assess for damage;
 - Police Reports;
 - Pictures or videos of the scene; or
 - Other similar evidence that an insurable loss has occurred.



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- Report of an incident must occur within 24 hours of the qualifying event. The report should include an estimate of the monetary loss. A Report can be made by calling Emergency Management at 614-292-2121. A Report may also be made by emailing OSU Insurance at Insurance@osu.edu.
- Losses estimated to be \$100,000.00 or more will be subject to review by the internal or external adjuster. Damaged property or equipment may not be removed prior to assessment by an adjuster, unless there is approval from the Director for Insurance and Risk Management. Failure to assist with independent verification of the type, extent and cause of damage may result in denial of claim. Mitigation efforts must be performed to prevent further damage of the area or equipment.
- Damaged Property and/or any Property to be claimed for reimbursement must be held until released by Risk Management. The property may be removed from the immediate site to assist with mitigation of damage and to aid in the rapid recovery of the site. However, the property must be available for assessment for viability and evaluation for salvage.
- Submission of the claim must be through the university Property Claim Form. Back up data to evidence purchase, damage, and replacement must accompany the claim form. All claim forms must have the signature of the College Dean or the VP for the department approving the requested reimbursement amount. The initial Property Claim Form must be filed within 90 days of the loss.
- Property must be repaired or replaced before reimbursement will be made.
- Real property is adjusted on a replacement cost basis, subject to the applicable deductible. The replacement cost is determined to be the costs to perform necessary repairs, or to replace with a comparable building. Any improvements in size or quality are costs to be borne by the college or departmental unit.
- University computers and equipment in individuals' homes and vehicles are to be covered by the individuals' insurance coverage. To the extent the individuals' coverage is insufficient to cover the loss; the university's coverage will apply, subject to the college or departmental unit's deductible.
- Wear and tear, and damage due to lack of maintenance or proper care is not an insurable occurrence. Fortuitous events may not be reimbursed.
- Property belonging to an individual brought into the workplace is the responsibility of that individual and is not eligible for university insurance reimbursement. A college or department may make a business decision to pay individuals for loss of personal property. The business decision to reimburse is separate and distinct from insurance and shall not be included in the claim for reimbursement.
- Business loss or business interruption claims will not be accepted unless the claim is more than one million dollars and qualifies for reimbursement by the carrier.

c. Casualty

The university carries commercial insurance for liability exposures. This program provides coverage for liability associated with the following:



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- Bodily Injury and Property Damage
 - Personal and Advertising Injury
 - School Leaders E&O including:
 - Wrongful Educator Services
 - Wrongful Employee Benefit Administration
 - Wrongful Employment Practices
 - Professional Services E&O (excluding medical malpractice)
 - Automobile use
 - Named Peril/Time Element Pollution
 - Crisis Management
 - Endorsements on the Casualty Insurance Policies and the excess policies.
 - Provides for crisis response costs and crisis management loss in the event of a defined crisis.
 - Additional endorsement adds accident insurance to the policy in the event of a defined crisis involving dismemberment and/or death.
 - The university's deductible is \$5,000,000.00. There is an internal deductible of \$100,000.00 for colleges or departments that experience a casualty loss. The difference between the \$100,000.00 internal deductible and the amount covered by the carrier will be covered by the university and will not be passed on to the college or department unless it is determined that the college or department had an officer(s) or employee(s) act manifestly outside the scope of employment or official responsibilities, or act with malicious purpose, in bad faith, or in a wanton or reckless manner.
 - The university has also established a \$1,000,000.00 fund to cover the legal costs and settlements for instances when the University will absorb those costs centrally, as opposed to a university college or department. The university will only make this fund available in situations where there is a verified financial need and it is determined that university policy was followed unless it is determined that the college or department had an officer(s) or employee(s) act manifestly outside the scope of employment or official responsibilities, or act with malicious purpose, in bad faith, or in a wanton or reckless manner.
 - The financial need fund will not be used for settlements without the approval of the Insurance Committee, Legal Affairs and/ Senior Management Council. If granted, part or all the costs will be picked up centrally. If this is not the case, the unit may be required to share in these costs, depending on the circumstances of the case.
 - Claims associated with the Casualty program are handled through the Office of Legal Affairs. For information on access or use, contact the Office of Legal Affairs at 292-0611.
- d. Student General Liability and Professional Insurance



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- The university has insurance for the students who have studying requirements as part of their curriculum with the university. Each student has access to both the malpractice and general liability coverage. This insurance applies to “students of The Ohio State University while working offsite in a curriculum required or Ohio State approved internship, practicum or work study, and continuing field work done in relation to course work.” Medical Students are excluded from this coverage.
- To be eligible for coverage, a class must register with the university. Registration requires:
 - A course title and number;
 - A copy of the syllabus and/or an electronic link to where a syllabus may be found;
 - A contact for the course with a supplied email and phone number; and
 - An estimate of the number of students per registered course.
- Evidence of coverage is shown on the most current Memorandum of Insurance Coverage is for at least \$5 million per occurrence/\$5 million per aggregate. Access to the proof of insurance can be found through the web link: <http://u.osu.edu/treasurer/risk/insurance/>
- For those who need more than \$5 million dollars of coverage for a particular affiliation agreement, please contact OSU Insurance at Insurance@osu.edu to have a more specific certificate created.

e. Additional Coverage

Additional lines of insurance coverage are available for specific activities and events associated with the operations of the university. Management of claims under these coverage lines is specific to the specific type of insurance and Coverage.

i. Fine Arts

The University has insurance that provides coverage in the event there is a significant qualifying peril that causes damage. This coverage applies to the following:

- Fine Art
- Rare Books
- Special Collections
- Special Manuscripts

This coverage has a \$50,000.00 deductible per occurrence. The college or department that is the custodian of the item is responsible for an internal deductible of \$10,000.00 with the general fund financing the remainder of the claim up to the \$50,000.00. Losses are adjusted as follows.

- All Art with a value exceeding \$100,000.00 must be reported to University Insurance and placed on the schedule. Failure to report the item may result in loss of coverage for that item.



- Any Item that needs to be added to the schedule with an estimated value exceeding \$500,000.00 must be accompanied by an appraisal from an independent appraiser.
- Loaned, traveling or temporary exhibit insurance coverage must be funded by the sponsoring university unit when the estimated value of the exhibit exceeds \$25,000,000.00. If an exhibit is anticipated to exceed an estimated value of \$25,000,000.00, the sponsoring unit should contact Enterprise Risk Management for assistance in determining premiums for high value exhibits. This additional cost will not be assessed for permanent collections owned by the university. Beginning July 1, 2011, the sponsoring unit will be responsible for exhibits with an estimated value exceeding \$50,000,000.00.
- Units that wish to sponsor an exhibit should contact the Exhibition Registrar at the Wexner Center for assistance in drafting the appropriate agreements. The Registrar will supply the appropriate link to show proof of insurance.
- The university reserves the right to require an appraisal prior to adding fine art, rare books, special collections and special manuscripts to the schedule for the insurance policy.

ii. Automobile

The university will provide insurance coverage for “Covered Vehicles” and pay for all sums for which OSU is legally responsible as damages because of bodily injury or property damage caused by an accident resulting from the ownership, maintenance, or use of a covered vehicle. Further, OSU will pay the minimum amounts and types of other coverage, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered vehicle is being used. Property losses are adjusted as follows:

- A covered vehicle under the OSU policy is considered a land motor vehicle, trailer or semi-trailer owned, leased or borrowed by the University, licensed for travel on public roads. It does not include mobile equipment such as bulldozers, farm machinery, forklifts, golf carts or vehicles on crawler treads.
- The following are insured while in a covered vehicle under the OSU policy:
 - The Ohio State University and its Board of Trustees;
 - Employees and volunteers of The Ohio State University while driving a covered vehicle within the scope of employment or activity of the university;
 - Anyone traveling with our permission in a covered vehicle;
 - Any person or organization for whom we are obligated to provide auto liability protection as a result of a written contract or agreement, but only with respect to liability arising out of our operations.
- Coverage does not extend to automobiles owned or leased by University employees.



- In the event of an injury or accident, the University assumes primary liability for personal injury or property damage incurred in a University owned or leased vehicle subject to the department's \$10,000.00 deductible per accident. The OSU owned vehicles collision damage is the financial responsibility of the department to repair. Injuries to employees of the University would be covered by Worker's Compensation. Injuries to other parties would fall under the University's policy subject to the casualty deductible.
- In the event of an injury or accident in a private vehicle (OSU non-owned) the driver's insurance company assumes primary liability for personal injury or property damage incurred in the accident. Injuries to employees may be covered by Worker's Compensation. Injuries to other parties would fall under the driver's insurance policy or other insurance such as health insurance of the individual injured. Of course, any insurance used would have its own deductibles.
- In Ohio, a commercial driver's license is required if an individual uses a vehicle that transports 15 or more people including the driver or if the vehicle weighs more than 26,000 pounds gross. Additionally, the driver needs to report the increased liability risks to the driver's insurance company. Increased coverage and premiums would be involved. Accidents involved in a vehicle that transport 15 or more people or 26,000 or more pounds gross would apply the same as above depending on the owner of the vehicle.
- The City of Columbus requires a livery or taxi license for those individuals who charge a fee for transport. As with the commercial driver's license, the driver needs to report the increased liability risks to the driver's insurance company. Increased coverage and premiums would be involved. The driver must also comply with the standards set by the city regarding drivers for hire. There are specific rules involving hospitals and transporting patients to and from the hospital from their homes. Contact the office of Legal Affairs for additional consultation if you plan on performing this specific transport function.
- The use of volunteers is discouraged. Departments must realize that minimal controls and consequences can be held against a volunteer. However, if a department uses a volunteer to transport or use a vehicle to accomplish a function, the liability of the University is the same depending upon the vehicle used. The University will be liable for University owned vehicles and not liable for University non-owned vehicles. The department would be responsible for the applicable \$10,000.00 deductible.
- If an individual is assigned the use of a university owned, leased or controlled vehicle and uses the vehicle for personal use, the individual is obligated to obtain liability insurance for the time of use not associated with the business of the university.

IV. Financial Hardship

The university will assist a college or department in meeting its obligation for the payment of a deductible if the college or department is experiencing a financial hardship. Financial hardship depends on a number of circumstances, but as a general rule, the following may serve as a guideline:



- Deans and Vice Presidents are responsible for addressing financial hardships facing their departments or other constituent units.
- Deans and Vice Presidents are responsible for maintaining a level of reserves (between 5% and 10% of annual revenues of their college or VP area) to address most financial risks faced by units that report to them.
- Deans and Vice Presidents may request support from the insurance fund for the condition appropriate to the fund if an unexpected qualifying event occurs that creates a financial hardship for the college or VP area. For purposes of this provision, a financial hardship is defined as a single event or combination of unexpected events equal to 1% or more of the college or VP area's annual revenues.

V. Certificates of Insurance

The Ohio State University proof of insurance is the Certificate of Insurance. Paper certificates are no longer issued by the University since October of 2007. Third parties who contract with the university may access proof of insurance by reviewing the information at the following URL:

<http://u.osu.edu/treasurer/risk/insurance/>

- The certificate of insurance is a document that shows proof of insurance to a third party. It is a document issued by an insurance company that certifies that an insurance policy has been bought and shows an abstract of the most important provisions of the insurance contract. It is not a substitute for the actual insurance policy and is a non-negotiable document.
- A COI will not be issued for OSU unless all of the following three conditions exist:
 - There is a written agreement or contract between OSU and a third party; which guides insurance coverage.
 - The contract requests a certificate; and
 - The contract is signed by the official signatory of OSU.
- A third party may be named as an Additional Insured on the policy if by agreement OSU is obligated to do so. The University does not supply insurance for student organizations or clubs. Therefore no certificates can be issued for student organization or club activities.
- If language is needed for a response to a request for a certificate of insurance, use the following: Thank you for requesting a certificate of insurance from The Ohio State University. To expedite service, our process has changed to an electronic format. You may access our insurance information using the internet and selecting the web link: <http://u.osu.edu/treasurer/risk/insurance/> . If you have any issues regarding our insurance information please contact, Insurance@osu.edu.