

Insurance Requirements: Understanding the Terminology





Insurance Requirements: Understanding the Terminology

Speakers

- **Robert Hall, Casualty Ins Analyst 2**
Bureau of Risk and Insurance Management
- **Walter Peretti, Assoc WC Examiner**
NYS Workers Compensation Board
- **Paul Hennessey, Area Senior VP**
Arthur J Gallagher

What is the Bureau of Risk & Insurance Management (BRIM)?

- **Insurance Procurement** - BRIM contracts with brokers to place insurance coverage when required by legislation or contracts.
- **Insurance Expertise** - Shift risk away from the State (and a contract's authorized user) and onto the contractor based upon the scope of work.
 - Write insurance requirements for contracts for agencies
 - Review insurance documents for agencies

What is the Workers' Compensation Board?

Mission: The New York State Workers' Compensation Board protects the rights of employees and employers by ensuring the proper delivery of benefits to those who are injured or ill, and by promoting compliance with the law.

- Before enactment of the Workers' Compensation Law, when a worker was injured, the only remedy was to sue in the courts. The employer could always raise an objection that the worker had assumed the risk of employment, or the injury was caused by the worker's negligence or that of another worker.
- Today, the workers' compensation system guarantees both medical care and weekly cash benefits to people who are injured on the job. Weekly cash benefits and medical care are paid by the employer's insurance carrier, as directed by the Workers' Compensation Board.

Who is Arthur J Gallagher?

Founded by Arthur J. Gallagher in Chicago in 1927, Gallagher has grown to be one of the leading insurance brokerage, risk management, and HR & benefits consulting companies in the world. With significant reach internationally, our organization employs over 52,000 people and our global network provides services in more than 150 countries.

- Since 1927, we've been working together with our clients to find effective solutions to their challenges, and our expert advisors are an integral part of your local business community.
- Our values are core to our culture. Passionate service, strategic innovation, and ethical behavior form the basis of how we do business – The Gallagher Way. All with one purpose: To help you face your future with confidence.



Importance of Insurance Requirements in Contracts

Self-Retained

New York State is “self-retained” – we do not purchase insurance unless required by contract.

Examples:

- State owns close to 19,000 buildings; those buildings are not insured
- If you work for a State agency, the computers in your office are not insured

Responsibility of Risk

Contract specifications make prime contractors responsible for the risks associated with the scope of work that they perform under the contract and the work of any subcontractor.

- Why? Because there is risk in the field in which your contractor chooses to do business.
- Vendors must be fully compliant with insurance requirements listed in a solicitation before receiving a contract

General Insurance Concepts

Certificate of Insurance (COI) – An Acord form or equivalent, acts as proof of insurance

- COI provides limited information related to the policies, and can be viewed as a “snapshot” of all listed coverages as of the date the certificate was produced

What information can be found on the COI?

- Insurer names
- Policy numbers
- Policy terms
- Policy limits
- Basis on which the policy is written
- Additional insured status
- Waiver of subrogation status
- Self insured retentions/deductibles

Certificate of Insurance



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/03/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Fictional Insurance Agency 987 Main Street Anytown, NY 10001	CONTACT NAME: Ms. I. Agent	
	PHONE (A/C, No, Ext): 555-555-0101	FAX (A/C, No): 555-555-0102
	E-MAIL ADDRESS: agent@producername.com	
INSURED <div style="border: 2px solid red; padding: 5px; display: inline-block;"> A Fictional Company 123 Unreal Drive Anytown, NY 10001 </div>	INSURER(S) AFFORDING COVERAGE	
	INSURER A : Carrier A	NAIC # 12345
	INSURER B : Carrier B	12345
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

Certificate of Insurance

COVERAGES


CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY						EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person)	\$
	SIR/DEDUCTIBLE	Y	Y	CG123456789	01/01/2022	01/01/2023	PERSONAL & ADV INJURY	\$ 1,000,000
	GENL AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$ 2,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG	\$ 2,000,000
B	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS	Y	Y	CA123456789	01/01/2022	01/01/2023	BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS							\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB						EACH OCCURRENCE	\$ 2,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB	Y	Y	UM123456789	01/01/2022	01/01/2023	AGGREGATE	\$ 2,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$							\$

Certificate of Insurance

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS Solicitaion 22772 The People of the State of New York , New York State Office of General Services, their officers, agents and employees are included as an additional insured on endorsement CG 20 10 04 13(Covering on-going operations) CG 20 37 04 13(Covering completed operations), and General Liability coverage is provided onthe current edition of Commercial General Liability Coverage Form CG 00 01. Additional Insured protection afforded is on a primary non-contributory basis. A waiver of subrogation is granted in favor of the additional insured	
CERTIFICATE HOLDER The New York State Office of General Services New York State Procurement 38th Floor, Coming Tower ESP Albany, NY 12242	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>5</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 
ACORD 25 (2001/08)	© ACORD CORPORATION 1988

Types of Insurance Policies

Common Coverages Required in Contracts

- **Commercial General Liability**
- **Automobile Liability**
- Professional Liability and Errors and Omissions (E&O)
- Data Breach/Cyber Liability
- Technology E&O
- Environmental Liability
- Crime Insurance
- Garage Liability
- Garage Keepers
- Umbrella/Excess
- **Workers Compensation**
- **Disability**

*Policies in **bold** are requirements in all OGS Contracts

Commercial General Liability (CGL)

“Protects against liability claims for bodily injury (BI) and property damage (PD) arising out of premises, operations, products, completed operations; and advertising and personal injury (PI) liability.”

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Occurrence vs. Claims-Made Coverage

- Occurrence policies covers damages that “occur” during the policy period, regardless of when the claim is filed. In effect, an occurrence policy offers permanent coverage for incidents that occur during the policy period
- Claims-Made Policy — a policy providing coverage that is triggered when a claim is made against the insured during the policy period, regardless of when the wrongful act that gave rise to the claim took place. (The one exception is when a retroactive date is applicable to a claims-made policy. In such instances, the wrongful act that gave rise to the claim must have taken place on or after the retroactive date.) Most professional, errors and omissions (E&O), directors and officers (D&O), and employment practices liability insurance (EPLI) is written as claims-made policies.

Self-Insured Retention (SIR) / Deductible

- SIR - the dollar amount that must be paid by the insured before the insurance policy will pay on a loss above the SIR
- Deductible - the insurer would pay the defense and indemnity costs on the insured's behalf and then seek reimbursement of the deductible payment from the insured
- With SIR, you must make sure a Contractor has the day one dollars necessary for any defense and indemnity that falls within the SIR limit

BRIM completes a financial review when vendor evidences a SIR/deductible over \$100,000

Additional Insured (AI)

- An additional insured (AI) is a third party who is protected by an insurance policy, even though they are not the policyholder. As an AI, OGS and authorized users enjoys the benefits of being insured under a policy carried by another party (i.e., the vendor the State agency is working with).
- On OGS centralized contracts you will see, the AI endorsements must name “The People of the State of New York, The New York State Office of General Services, any entity authorized by law or regulation to use any contract resulting from this solicitation and their officers, agents and employees”

AI Endorsement – CGL – On-Going Work

POLICY NUMBER: CG123456789

COMMERCIAL GENERAL LIABILITY
CG 20 10 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
The People of the State of New York, the New York State Office of General Services, any entity authorized by law or regulation to use the Contract and their officers, agents, and employees	As per the Authorized User Agreement between the Authorized User and the Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

AI Endorsement – CGL – On-Going Work

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

AI Endorsement – CGL – Completed Operations

POLICY NUMBER: **CG123456789**

COMMERCIAL GENERAL LIABILITY
CG 20 37 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
The People of the State of New York, the New York State Office of General Services, any entity authorized by law or regulation to use the Contract and their officers, agents and employees	As per the Authorized User Agreement between the Authorized User and the Insured

AI Endorsement – CGL – Completed Operations

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

Automobile Insurance

Policy provides both liability and physical damage coverage. Liability coverage responds to third party claims arising out of the ownership, maintenance, or use of automobiles, personal injury protection, and uninsured/underinsured motorists.

Physical damage is first party coverage that insures against two primary types of loss:

- **Collision:** Covers loss to a covered auto and its equipment resulting from collision or overturn
- **Comprehensive:** Covers loss to a covered auto and its equipment resulting from any cause other than collision or overturn, except those losses that are specifically excluded

AI Endorsement - Auto

POLICY NUMBER: CA 123456789

COMMERCIAL AUTO
CA 20 48 10 13 tangi

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Contractor Name

Endorsement Effective Date: 1/1/2022

SCHEDULE

Name Of Person(s) Or Organization(s):
The People of the State of New York, the New York State Office of General Services, their officers, agents, and employees.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

AI Endorsement - Auto

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

Umbrella / Excess Liability

Required insurance coverage limits may be provided through a combination of primary and excess/umbrella liability policies.

Umbrella liability is “designed to provide protection against catastrophic losses. It is generally written over various primary liability policies, most commonly the business auto policy and commercial general liability policy. An Umbrella / Excess policy can also be written over other types of liability policies, including watercraft and aircraft liability policies...”

www.irmi.com

Umbrella/Excess Coverage

- BRIM requires the Umbrella Schedule or Excess Schedule, or underlying coverage to confirm minimum limits are met
- Policies should “Follow Form” – can note on COI or send endorsement
- Must request the umbrella/excess policies have AI coverage on a primary and non-contributory basis
- Must waive subrogation
- For the Umbrella / Excess policy to provide additional insured protection on a primary and non-contributory basis it needs to be endorsed. It does not “follow form”.

Umbrella Schedule of Underlying Coverage

SCHEDULE A

SCHEDULE OF UNDERLYING POLICIES

ATTACHED TO POLICY NO. UM123456789

<u>Coverage</u>	<u>Policy Term and Number</u>	<u>Company</u>	<u>Limits</u>
Automobile Liability	January 1, 2022- January 1, <u>2023</u> CA 123456789	Carrier A	\$2,000,000 Combined Single Limit
General Liability	January 1, 2022-	Carrier B	\$2,000,000 General Aggregate \$2,000,000 Products Completed Operations Agg \$1,000,000 Personal and Advertising Limit \$1,000,000 Each Occurrence Limit

WCB Requirements

1. Develop the Solicitation

PROVIDE PROOF

NYS Disability Benefits
Insurance (Section 220)
and Paid Family Leave

NYS Workers'
Compensation
(Section 57)

APPLICABLE LAW

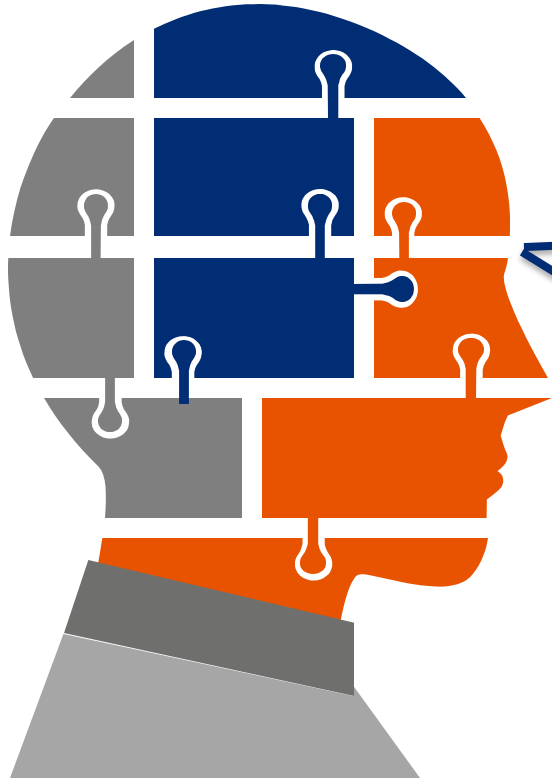
NYS Disability Benefits
Insurance and Paid
Family Leave

NYS Workers'
Compensation

EXEMPTION PROOF

File Certificate of
Attestation for
Exemption; Form
CE-200

2. Inform Bidders of the Insurance Requirements



You are responsible for:

1

Providing language denoting the insurance requirements

2

Linking bidders to wcb.ny.gov

3. Bid Opening & Evaluation (WCB Requirements)

WCB Insurance Proof



Certificate of NYS Workers' Compensation Insurance (Form C-105.2)

Issued by private insurance carriers



Certificate of Insurance (Form U26.3)

Issued by the NYS Insurance Fund (NYSIF)



Certificate of Self-Insurance (Form SI-12)

Issued by the NYS Workers' Compensation Board, Self-Insurance Office

Note: A simple “ACORD” form is not sufficient!

4. Bid Opening & Evaluation (DB/PFL Requirements)

Disability Benefits and Paid Family Leave Proof



Certificate of NYS DB and PFL Insurance (Form DB-120.1)

Issued by private insurance carriers & NYS Insurance Fund




Certificate of Self-Insurance (Form DB-155)

Issued by NYS Workers' Compensation Board, Self-Insurance Office

Note: A simple “ACORD” form is not sufficient!

5. Certificate of Attestation for Exemption (Form CE-200)

 Certificate of Attestation of Exemption from New York State Workers' Compensation and/or Disability and Paid Family Leave Benefits Insurance Coverage	
<p>**This form cannot be used to waive the workers' compensation rights or obligations of any party.**</p> <p>The applicant may use this Certificate of Attestation of Exemption <u>ONLY</u> to show a government entity that New York State specific workers' compensation and/or disability and paid family leave benefits insurance is not required. The applicant may <u>NOT</u> use this form to show another business or that business's insurance carrier that such insurance is not required. Please provide this form to the government entity from which you are requesting a permit, license or contract. This Certificate will not be accepted by government officials one year after the date printed on the form.</p>	
In the Application of (Legal Entity Name and Address): 345 Inc. DBA: One Plus Two 1 Place Champlain, NY 12919-5211 PHONE: 518-486-9588 TELN: XXXXX351	Business Applying For: Business License From: NYC Consumer Affairs
Workers' Compensation Exemption Statement: The above named business is certifying that it is NOT REQUIRED TO OBTAIN NEW YORK STATE SPECIFIC WORKERS' COMPENSATION INSURANCE COVERAGE , for the following reason: The business is a two person owned corporation, with those individuals owning all of the stock and holding all offices of the corporation (each individual must hold an office and own at least one share of stock). Other than the two corporate officers/owners, there are no employees, day labor, leased employees, borrowed employees, part-time employees, other stockholders, unpaid volunteers (including family members) or subcontractors. Corporate Officers: Test P Test President, Test L Test Treasurer	
Disability and Paid Family Leave Benefits Exemption Statement: The above named business is certifying that it is NOT REQUIRED TO OBTAIN NEW YORK STATE STATUTORY DISABILITY AND PAID FAMILY LEAVE BENEFITS INSURANCE COVERAGE for the following reason: The business MUST be either: 1) owned by one individual; OR 2) is a partnership (including LLC, LLP, PLLP, RLLP, or LP) under the laws of New York State and is not a corporation; OR 3) is a one or two person owned corporation, with those individuals owning all of the stock and holding all offices of the corporation (in a two person owned corporation each individual must be an officer and own at least one share of stock); OR 4) is a business with no NYS location. In addition, the business does not require disability and paid family leave benefits coverage at this time since it has not employed one or more individuals on at least 30 days in any calendar year in New York State. (Independent contractors are not considered to be employees under the Disability and Paid Family Leave Benefits Law.)	
<p>I, Test P. Test, am the President with the above-named legal entity. I affirm that due to my position with the above-named business I have the knowledge, information and authority to make this Certificate of Attestation of Exemption. I hereby affirm that the statements made herein are true, that I have not made any materially false statements and I make this Certificate of Attestation of Exemption under the penalties of perjury. I further affirm that I understand that any false statement, representation or concealment will subject me to felony criminal prosecution, including jail and civil liability in accordance with the Workers' Compensation Law and all other New York State laws. By submitting this Certificate of Attestation of Exemption to the government entity listed above I also hereby affirm that if circumstances change so that workers' compensation insurance and/or disability and paid family leave benefits coverage is required, the above-named legal entity will immediately acquire appropriate New York State specific workers' compensation insurance and/or disability and paid family leave benefits coverage and also immediately furnish proof of that coverage on forms approved by the Chair of the Workers' Compensation Board to the government entity listed above.</p>	
SIGN HERE Signature:	Date:
Exemption Certificate Number 2018-003695	Received April 27, 2018 NYS Workers' Compensation Board

CE-200 01/2018



Proof the business is exempt from needing workers' compensation, disability benefits, and/or paid family leave insurances

Must be provided for each permit, license or contract

Available at
[BusinessExpress.ny.gov](https://www.businessexpress.ny.gov)

Additional Basic Insurance Terms

- **Certificate of Insurance (COI)** – An Acord form or equivalent, acts as proof of insurance.
 - COI provides limited information related to the policies, and can be viewed as a “snapshot” of all listed coverages as of the date the certificate was produced.
- **Schedule of Underlying Insurance** – A form that lists the policies that will respond to loss before the umbrella/excess policy is called on to pay any portion of a loss.
- **Blanket endorsement** – An endorsement that includes general language (“As per written contract”) rather than naming a specific party.

- **Waiver of Subrogation** – Prevents the vendor's insurer from attempting to seek reimbursement from a third party (the State/authorized users) who caused any kind of loss to the insured.
- **Primary and non-contributory** – Establishes the order or priority of coverage. It essentially means all the vendor's limits of coverage must be exhausted before the State / authorized user is looked to for contribution to resolving a claim / suit.
- **Loss Payee** (in first party policies such as property and crime insurance) – In addition to the named insured a loss payee is also a party to whom claim proceeds are paid.

Additional Risks

Professional Errors and Omissions (E&O)

Protects professional advice and service - providing individuals and companies against liability/claims for inadequate work or negligent actions.

- Coverage for loss or damage arising from poor or misleading advice, or an act of negligence that leads to a client's financial loss
- Commonly held by attorneys, architects, real estate brokers, **INSURANCE BROKERS**, engineers, accountants, Media/Tech/eBusiness companies...

Data Breach/Cyber Coverage

Protects a firm when personally identifiable information (PII) in its possession (such as social security number, credit card information, health insurance information, etc) is exposed or stolen in a breach.

Data Breach/Cyber Coverage

Coverage may apply to:

- Customer expert services/forensic investigator costs
- Breach notification costs
- Credit or identity protection costs
- Public relations & crisis management expenses
- Call center services
- Third party claims
- Lost income – resulting from the breach
- Regulatory fines & penalties

Contractors Pollution Liability

Protects your contractor against bodily injury, property damage, defense, and cleanup as a result of an occurrence (sudden/accidental and gradual) arising from contracting operations performed by or on behalf of the contractor

www.irmi.com

- Project Policies
- Blanket Programs

Crime Insurance

Protects a company when the following occur:

- Employee dishonesty – should include “third party” coverage to protect an organization other than the guilty party’s employer. An example is an employee of a janitorial firm who steals from a customer’s premises.
- Forgery or alteration
- Computer fraud – sometimes in your data breach/cyber liability
- Funds transfer fraud
- Kidnap, ransom, or extortion
- Money and securities
- Money orders and counterfeit money

Garage Liability

- Covers legal liability of franchised & non-franchised automobile, truck, truck-tractor, motorcycle, recreational vehicle, and trailer dealers for claims of bodily injury (BI) and property damage (PD) arising out of business operations
- Essentially combines the coverage that is provided by automobile liability and general liability policies onto a single policy

Garagekeepers

Coverage is for liability exposures with respect to damage to a customer's auto or auto equipment.

- Left in the dealer's care for service or repair
- Applies to parking lot operators
- Two ways this coverage is provided:
 - ✓ Legal Liability - provides coverage when the insured is legally responsible for the loss
 - ✓ Direct Primary - provides coverage without regard to the insured's legal fault

Builders Risk


Covers property in the course of construction

- Usually written on an inland marine form on an all-risk basis
- Typically applies to property on site, at off-site storage locations, and while in transit
- Can be written on a completed value or a reporting form basis
- Often referred to as “Installation Floaters” coverage
- Insures all parties with an insurable interest in the property being built/installed
- There is **NEVER** a need for more than one builder’s risk policy for a given project

Sexual Abuse and Molestation

- Sexual Abuse and Molestation coverage includes the actual, alleged, or threatened abuse, molestation or exploitation by anyone of any person while in the care, custody or control of any insured. The term "bodily injury" includes mental anguish or emotional distress. The carrier pays for damages because of abuse, molestation, or exploitation arising from negligent employment, training, investigation, reporting to proper authorities, or failure to so report, or retention and supervision of a person for whom the insured is or ever was legally responsible.

Questions?



Helpful Links & Resources

Guidelines for Insurance Requirements in Contracts

https://ogs.ny.gov/system/files/documents/2021/10/cca_procurementcouncil_insurance_requirements_in_contracts.pdf

- Note – CCA Guidelines were last updated in 2021

Workers' Compensation Board website to check Employer Coverage

https://www.wcb.ny.gov/content/ebiz/icempcovsearch/icempcovsearch_overview.jsp

International Risk Management Institute – Risk management and insurance education and information

<https://www.irmi.com>

Contacts

Bureau of Risk and Insurance Management

Robert Hall, Presenter, Casualty Ins Analyst 2 518-473-0310

Leeann Nopper, Assistant Director 518-473-7346

Workers' Compensation Board

Walter Peretti, Presenter, Assoc WC Examiner

Office of the Advocate for Business 518-486-3331

advocatebusiness@wcb.ny.gov

Arthur J Gallagher

Paul Hennessey, Presenter, Area Senior Vice President

Send communication through Leeann Nopper

leeann.nopper@ogs.ny.gov