

SUBJECT: INSURANCE CLAIMS

Purpose To clarify policy and procedures for filing insurance claims in the event of a loss in the areas of property damage, boiler and machinery or comprehensive general liability.

General Policy

1. See Exhibit B attached.

Procedures

A Facility Services department may experience a loss in

- a. property damage (section 1)
- b. boiler and machinery (section 2)
- c. comprehensive general liability (section 3)

1. If the loss or claim is serious in nature, the department will immediately notify the Department of Public Safety by telephone, 578-3297.
2. The attached instructions are to be followed.
3. All claims are to be submitted in writing to:
Mr. Gary Durham, Executive Director
Department of Public Safety
124 Public Safety Building
And submitted to the insurance contact person in Facility Services Accounting
4. If the damaged item or price of equipment is essential to the operation of the University, a repair/replacement may be immediately executed concurrent with notification of the Public Safety Office. A work order must be established to collect all costs associated with the repair. The damaged item(s) must be saved for examination by the insurance carrier inspector.
5. A copy of all claims filed must be sent to Facility Services Accounting Department.

EXHIBIT B

MANAGEMENT SAFETY POLICY

A major goal of public agencies and units is to provide safe and efficient services to residents of the State of Louisiana. Each employee must help to accomplish this purpose through safe and efficient work practices. Employee safety is vital to our success. We accept the moral and legal responsibility of providing safe and healthy work conditions. Our objective is to implement a comprehensive safety plan that meets all federal, state and local safety codes, and establishes and maintains safe and healthy conditions in our office, facilities and grounds.

This objective can be reached if all employees accept personal responsibility for their own safety and well being. Safe work habits are an essential element of satisfactory job performance. Each employee is responsible for immediately reporting potentially unsafe conditions and work practices, and taking effective temporary actions to minimize the risk to himself and others.

Each individual is responsible for helping us reach our loss prevention goal of preventing personal injury and loss of property because of accidents.

Each supervisor will be held accountable for the actions of his employees. He is responsible for ensuring that both he and his employees follow all safety rules, policies and procedures.

It is our intention to provide good supervision, effective training and safe equipment on the job. The success of our safety and loss prevention program depends upon the efforts of all employees to minimize and eliminate all potential hazards.

REPORTING OF CLAIMS

The information contained herein provides procedures for reporting claims or notice of loss. Procedures vary slightly depending on the type of coverage. If you are not sure what type of insurance would cover the type of loss your agency has sustained, contact the Office of Public Safety Claims Unit and you will be directed to the proper section.

1. Reporting of Property Damage Claims

- 1.1 The State of Louisiana provides insurance coverage for damage to state-owned property which includes damage to buildings and improvements, contents, inventories (including mobile equipment and excluding licensed vehicles,) heating and air conditioning systems, and marine hulls 26 feet and under.
- 1.2 All claims for damage to property owned by the State are to be reported to the Office of Public Safety Claim Unit in writing. If a loss or claim is serious in nature it is to be reported by telephone to the Office of Public Safety Claim Unit.
- 1.3 Claims are to be submitted in writing to the insurance contact person in Facility Services Accounting.
- 1.4 Information required to be submitted when a claim is reported includes the following:
 - A. Name of insured, location of property or unit, and FACS number;
 - B. Date of loss;
 - C. Description of loss;
 - D. Location of item;
 - E. Size, model and serial number of item, if applicable;
 - F. Name of person reporting claim, listing job title and telephone number; and
 - G. Proof of ownership.
- 1.5 After a loss has occurred, all property which has been damaged is to be protected against further damage and is to be made available for inspection by a claims adjuster assigned by the Office of Public Safety.
- 1.6 Deductibles for property claims are as follows:
 - Movable Building Structures \$1000
 - All other building structures \$1000 per occurrence when loss is result of vandalism and/or malicious mischief
 - LSU Property, \$1000 per occurrence

All claims for theft or damage to state-owned property must be accompanied by a **copy of the inventory listing or a copy of the original purchase order**. Estimates for repairs must be submitted prior to authorizing repairs for damaged items. If a police report has been filed, please provide a detailed memorandum as to what

happened. This is to include any witness statements. The following information is also required:

- The type of goods/equipment damaged/stolen
- The number of each item damaged/stolen
- Model number
- Serial number

For items \$1000 and over, in addition to the above, also include the following:

- State property ID tag

After a loss has occurred, all property which has been damaged must be protected against further damage and must be available for inspection by a claims adjuster assigned by the Office of Public Safety.

Office of Risk Management will arrive at a settlement based on repair/replacement cost, less deductible and depreciation. State law requires that claimant provide documented evidence that the damage/stolen property has been repaired or replaced. Therefore, the settlement amount will be set aside until proof of repair or replacement is received.

2. Reporting of Boiler and Machinery Claims

- 2.1 The State of Louisiana provides insurance coverage for bodily injury and third party property damage claims where such losses result from state-owned boiler and machinery equipment, and for property damage to state-owned boiler and machinery equipment
- 2.2 All claims for damage to boiler and machinery equipment are to be reported to the insurance contact person in Facility Services Accounting in writing. Any claim involving bodily injury is to be reported by telephone to the insurance contact person in Facility Services Accounting.
- 2.3 Claims are to be submitted in writing to the insurance contact person in Facility Services Accounting.
- 2.4 Information required to be submitted when a claim is reported to the Office of Public Safety includes the following:
 - A. Name of insured, location of property or unit, and FACS number;
 - B. Date of loss;
 - C. Description of item, to include size, model, serial number, and tonnage or capacity;
 - D. Name, job title and telephone number of person reporting claim;
 - E. Name and phone number of person to be contacted by adjuster assigned.
- 2.5 After a loss has occurred, the property which has been damaged is to be protected against further damage and is to be made available for inspection by a claims adjuster.

- 2.6 All lawsuits, demands, notices, summons, or other legal documents pertaining to a claim against a state agency are to be forwarded immediately to the Office of Public Safety for further handling.
- 2.7 Any objects and/or products which may have caused, contributed to, or which are suspected of causing an accident are to be retained and preserved as evidence.

3. **Reporting of Comprehensive General Liability Claims**

- 3.1 The State of Louisiana provides Comprehensive General Liability coverage for bodily injury and property damage claims resulting from operations for which the Agency could be held legally liable.
- 3.2 All general liability claims are to be submitted in writing to the Office of Public Safety on an Accord CGL form. Accord CGL forms can be obtained from the Office of Public Safety.
- 3.3 Claims are to be submitted in writing to the insurance contact person in Facility Services Accounting.
- 3.4 If a loss is serious in nature, it is to be reported by telephone to the insurance contact person in Facility Services Accounting for review to determine if coverage is applicable.
- 3.5 Claims which are made against a state agency by a third party are to be submitted to the insurance contact person in Facility Services Accounting for review to determine if coverage is applicable.
- 3.6 All lawsuits, demands, notices, summons or other legal documents pertaining to a claim against a state agency are to be forwarded immediately to the Office of Public Safety and will be forwarded to the State Office of Risk Management for further handling.
- 3.7 Any objects and/or products which may have caused, contributed to, or which are suspected of causing an accident are to be retained and preserved as evidence.
- 3.8 **The Comprehensive General Liability policy does not provide coverage for the students themselves if they are personally injured. Students are not covered by the State's Workman's Compensation Policy since they are they employees or volunteers performing a service for the state.** If a student's injury is due to the university, college, or school's negligence, coverage will be provided by the Comprehensive General Liability self-insurance policy.

4. **Reporting of Glass Repair-Replacement**

- 4.1 The policy provided by the Louisiana Self-Insured Program has a \$1000 deductible for comprehensive coverage.
- 4.2 When a glass (windshield, door glass, etc) on a State vehicle needs to be replaced, the department is responsible for the first \$1000.
- 4.3 If a department desires to file an insurance claim, they should complete the Vehicle Glass Repair/ Replacement Loss Notice form (DA 2073) and submit it to the insurance contact person in Facility Services Accounting and it will be forwarded to Risk Management
- 4.4 Risk Management will then notify the glass vendor that the necessary information has been provided and to proceed with the glass replacement.
- 4.5 The invoice will be forwarded to the department upon receipt and the \$1000 deductible will need to be paid.
- 4.6 The department should provide a copy of the stamped paid invoice to the insurance contact person in Facility Services Accounting and nit will be forwarded to the LSU Office of Risk Management in order for the claim to be processed.
- 4.7 The insurance contact will contact LSU Office of Risk Management for the current Automobile Glass Vendor. The vendor makes on-site repairs to state owned vehicles.
- 4.8 As a preventive measure to glass replacement, the Louisiana Self-Insured Program has a contract with a vendor to repair nicks and/or cracks to glass (windshield, door glass, etc) The insurance contact person from accounting must contact the LSU Office of Risk Management to set up the repairs. The vendor makes on-site repairs to state owned vehicles.

5 Reporting of Automobile Claims

- 5.1 All claims for liability or physical damage to state-owned, lease or rental vehicles are to be reported to the insurance contact person from Facility Services Accounting. If a loss involves property estimated at \$5,000 or more, involves bodily injury, the loss should be reported immediately by telephone. A State of Louisiana Drive Safety Program Accident Form (DA 2041) must be submitted within 48 hours of an auto accident. The deductible for auto collision is \$1000 and \$1000 for comprehensive.
- 5.2 Reimbursement of collision deductible on employees' personally-owned vehicles used on state business states:

If an employee is involved in an accident in their personal vehicle while on State business, our policy will pay the amount of any collision deductible required by their commercial insurance company, subject to a maximum of \$1000 deductible per loss. **In the event that the cost to repair the damage to the vehicle is less than \$1000, our policy is to pay up to the cost of repair.**

5.3 The automobile is only covered when the personally-owned vehicle collides with another object or overturns. It does not provide reimbursement for:

- Glass breakage
- Loss caused by hitting a bird or animal
- Loss caused by falling objects or missiles

5.4 It also does not provide reimbursement for losses caused by:

- Fire, lightning, or explosion
- Theft
- Windstorm, hail, or earthquake
- Flood
- Mischief or vandalism
- The sinking, burning, collision, or derailment of any conveyance transporting the auto

5.5 If the State employee is not at fault in the collision and the negligent party's insurance pays for the loss of the employee's vehicle, **then no reimbursement is allowed.** It is not the insurance carrier's intent for the employee to collect the deductible reimbursement when the other party's insurer has paid the loss in full.

5.6 If someone with a non-LSU vehicle is involved in an auto accident with a state vehicle and wants to file a claim with our insurance carrier, we will need the following information:

1. Was a police report filed? (City, state, sheriff, LSUPD)
2. Name, address, phone number
3. Make, model, year of vehicle, and VIN number
4. A copy of the vehicle registration
5. A copy of the insurance verification
6. 2 estimates of damages

5.7 Office of Risk Management carries the liability and physical damage (collision and comprehensive) insurance on rental vehicles. The procedures are as follows:

1. The State employee should inspect the vehicle for any prior damage

such as scratches, dents, windshield cracks or pecks, torn upholstery, etc (both inside and outside of the vehicle.)

2. Any damages should be noted on rental agreement
 3. This same process should be completed once the vehicle is returned
 4. The same deductibles apply: \$1000 collision, \$1000 comprehensive
- 5.8 Office of Risk Management does not provide automobile liability and physical damage coverage when the rental vehicle is used on official state business. The same deductibles apply: \$1000 collision, \$1000 comprehensive.
- 5.9 Per State Travel Regulations, (P.P.M. 49), a State employee cannot be reimbursed expenses for “any personal mileage or rental days on a vehicle rented for official State business...” The State Office of Risk Management will NOT pay for liability or physical damage claims when the vehicle is not used on official State business. When the rental vehicle is for personal use, Office of Risk Management suggests that the driver purchases the liability and physical damage coverage from the rental company.