RISK MANAGEMENT

Responsibility to keep participants safe

• Identify the risks
• Assess the level of each of the risks
• Select risk treatment(s)
  • Reduce
  • Transfer
  • Accept
  • Avoid
• A combination of treatment
RISK TREATMENTS

- Reduce
  - Move event
  - Safety precautions
- Transfer
  - Insurance
  - Third party contracts with insurance
- Accept
  - Risk is not significant
- Avoid the risk
  - Cancel the event
- Combination of treatments
  - Insurance, safety precautions, etc.
TRANSFERRING RISK

• Contracts with third party

• Types of Insurance
  • Accident and Medical Insurance
  • Liability Insurance (would include errors and omissions)
  • Automobile Coverage
  • Property and/or program
ACCIDENT AND MEDICAL INSURANCE

• Covers accidents or health related problems that can occur at events, activities, trips, camps and conferences.

• “Best practices” for University of Kentucky, Extension sponsored activities include the purchase of excess medical insurance for certain activities.

• Sponsored by the Cooperative Extension Service
  • Plan organize, host, and/or fund

• Supervised by CES personnel and/or volunteer.
  • CES personnel must be aware of the event and activity if the activity is led by volunteers.

• Participants are exposed to a risk of injury that is not ordinarily present in an academic setting.

• The terms (and cost) of coverage will vary based on policy details
ACCIDENT AND MEDICAL INSURANCE SOURCES

- Extension participants personal coverage
- District Board
  - KACO or local insurance company
- The Kentucky Cooperative Extension Service volunteer group
- University of Kentucky
  - Excess Accident Medical
- American Income Life Insurance
- Property or facility owner
- Volunteer Insurance Program (VIS)
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.

- Coverage for things that happened but should not have happened OR things that should have happened but didn’t.
LIABILITY INSURANCE-SOURCES

- University of Kentucky insurance for Extension volunteers and employees.
  - Volunteer
    - Coverage 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.
  - Employee
    - Coverage if functioning within the scope of the his/her job description and within the policy and procedure of the university.
  - Self-insurance letter for proof of coverage from UK Risk Management.
- District Board
  - KACO or local insurance company
  - The Kentucky Cooperative Extension Service volunteer group
    - Coverage through a local insurance company.
AUTOMOBILE INSURANCE

• Six types
  • Bodily injury liability
    • Injuries to someone else
  • Medical payments or Personal Injury Protection
    • Driver and passengers
  • Property damage liability
    • Liability for damage to someone’s property
  • Collision
    • Policy holder’s car
  • Comprehensive
    • Policy holder’s car other than collision (theft, floods)
  • Uninsured motorist’s coverage
    • Hit and run or uninsured motorists
AUTOMOBILE INSURANCE-SOURCES

- Individual participant or employee
- District Board
  - KACO or local insurance company
- University of Kentucky
  - 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
PROPERTY AND/OR EVENT INSURANCE

• Several types of coverage
  • Property
    • Damage or loss of policyholders’ property and legal liability for damages caused to other people or their property.
  • Burglary and Theft
    • Loss of property due to burglary, robbery or larceny.
  • Liability
    • 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.
PROPERTY AND/EVENT-SOURCES

• District Board
  • Should have property and/or event insurance
  • KACO
  • Local insurance company

• Kentucky Cooperative Extension Service volunteer group
  • If group owns property should have coverage
  • Local insurance company

• Reminder: The University of Kentucky covers liability for Extension sponsored events for Extension volunteers and employees.
  • Volunteer
    • Coverage 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.
  • Employee
    • Coverage if functioning within the scope of the his/her job description and within the policy and procedure of the university.
    • Self-insurance letter for proof of coverage from UK Risk Management.
PROPERTY AND/EVENT-SOURCES

• 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 of the facility.

• 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.
ACCIDENT COVERAGE - NEW

• Several Sources of Accident Coverage
  • American Income Life
  • UK Risk Management
  • KACO – NEW

• Three Options
  • Different total coverage levels
  • Stand alone policy
  • Not required to have main office policy through KACO to purchase (handout)
REQUIREMENTS FOR INSURANCE COVERAGE

• Prior to the event and/or activity
  • The Extension office must have documentation that the event will occur.
  • CES agents 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.
REQUIREMENTS FOR COVERAGE

• When an incident occurs:
  • Following the emergency procedure plan for the event.
  • Document, document, document.
    • Write down in complete detail what happened by completing the Incident Report.
  • Ask witnesses who observed the incident to document their observation and sign.
  • Require all volunteers to keep the Extension agents informed of any incidents that occurs.
  • File all documentation.
EVALUATE THE RISK-TREATMENT

- Identify the Risk
- Access the level of risk
- Risk treatment
  - Reduce
  - Transfer
  - Accept
  - Avoid
  - A combination of treatment
- Case studies
  - Farm Field day
  - Woodworking Project Group
  - 4-H Horse Club Trail Ride
  - Area Homemaker Meeting
  - Food Preparation Class for Adults
  - Master Gardner Training at Extension Office
FINAL NOTE ON INSURANCE

• Evaluate the RISK and determine the level of risk
• Determine the RISK TREATMENT
• Contact the insurance vendor for details of policy
• Insurance should fit the situation
• Evaluate the RISK and the COST
• The type and coverage “DEPENDS”-there are no clear and easy answers