AUTOMOBILE RISKS OF THE HEALTH CARE INDUSTRY

DRIVE DOWN RISKS

Every company in the health care industry requires some form of automobile insurance – even if they do not own or lease any vehicles. From a health care worker’s compact coupe to a commercial company’s ambulances, vehicles are central to the delivery of health care, and the use of vehicles results in some of the most frequent claims made against health care companies. These claims can be damaging to budgets and reputations. The risks will vary for each operation. But several exposures must be addressed by virtually every health care company.

- Employees using their own cars while on business (particularly problematic for home health care and hospice companies)
- Facility vehicles used to transport patients or residents
- Damage to the vehicles, especially ambulances and their equipment, caused by accidents, theft, fire, etc.
- Individuals traveling on business who rent vehicles
- Damage to the short-term rental vehicles

Automobile policies can provide an array of coverages that address these exposures. The Willis Health Care Practice is expert in assessing the risks and finding the right coverages for your organization.

Willis’ Health Care Practice has designed insurance programs for some of the largest national home health care companies, with thousands of employees driving their own vehicles. In addition, our clients include some of the largest ambulance fleets in the country as well as numerous hospitals and national chains of long-term care facilities.
EMPLOYERS’ NON-OWNERSHIP LIABILITY

Any time an employee gets behind the wheel on company time, questions arise: Do they have a history of accidents? Do they routinely speed? Talk on their cell phones while driving? Are they substance abusers? Do they have insufficient liability coverage on their own insurance policy? If the answer to any of these questions is yes, their employers could be named in a suit alleging negligent employment and supervision of the employee. Employers’ Non-ownership Liability is applicable to any company whose employees or volunteers use their own vehicles on business and is particularly important when employees travel from client to client. Although the first line of coverage is the employee’s own automobile policy, that coverage will not provide protection for the employer if they are named in a suit. Employers’ Non-ownership coverage can also be extended to provide additional coverage for the employee or volunteer in excess of their own auto policies.

LOSS PREVENTION

Managing auto risks requires more than insurance. Willis’ loss prevention specialists assist our health care industry clients in developing programs to monitor their employees’ driving records and insurance coverage to prevent the facility from being named in a suit for vicarious liability. In addition, our extensive experience with health care clients, as well as those in other industries involving transportation, allows us to design state-of-the-art training programs for employees. Willis has specialists to assist in the design and monitoring of fleet safety programs that will allow each vehicle to be properly maintained so it operates at its best. We also have expertise in the more unusual auto exposures.

PATIENT/RESIDENT TRANSPORT

Any vehicles that transport patients or facility residents face a double exposure: they can be sued by the passengers in the vehicles and by third parties with whom they may collide. Liability coverage must be sufficient to cover both possibilities.

DAMAGE TO HIGH-VALUE VEHICLES

Because of their value, ambulances and resident transfer vehicles present a significant exposure. Ambulance equipment, special chair lifts, etc. must be insured sufficiently to allow for their replacement in case of damage.

When vehicles are stored together, the fleet is exposed to damage from catastrophe perils, such as windstorm, flooding, fire, etc. Although many health care facilities may elect to self-insure the damage to a single vehicle, the damage to an entire fleet may require a special insurance program.

RELATED AUTO EXPOSURES

Many urban hospitals lack sufficient parking for patients and visitors. To alleviate the problem, vehicles may be parked by valets or in commercial lots operated by the facility. In such cases, a bailment is created and the facility is responsible for damage to vehicles while in the care, custody and control of the facility. Special Garage Keepers insurance coverage should be considered to transfer this risk.
PROVEN EXPERTISE

Willis’ brokers provide expertise in program design along the entire spectrum of auto insurance options, from guaranteed insurance cost with low or no deductibles through the use of captive insurance companies. In addition to providing insurance and self-insurance expertise, our loss prevention and claim advocates help eliminate those losses that can be prevented and mitigate the cost of losses that occur.

This three-pronged approach – prevention, loss mitigation and risk transfer to an insurer – can help reduce the total cost of auto exposures for your health care organization.

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