




SUBJECT: Insurance Coverage for Employees	PAGE <u> 1 </u> OF <u> 3 </u>
	NUMBER: 37-EAP-04
RULE/CODE REFERENCE: 5120.01; 9.83, 9.86, 9.87;109.361 2743.02; 4121, 4123, 4125	SUPERSEDES: 37-EAP-04 dated 01/21/11
RELATED ACA STANDARDS: 4-4041; 2-CO-1B-11; 4-APPFS-1C-08 4-APPFS-3D-26	EFFECTIVE DATE: May 12, 2017
	APPROVED: 

I. AUTHORITY

This policy is issued in compliance with Ohio Revised Code 5120.01 which delegates to the Director of the Department of Rehabilitation and Correction the authority to manage and direct the total operations of the Department and to establish such rules and regulations as the Director prescribes.

II. PURPOSE

The purpose of this policy is to establish a written procedure that provides selected insurance coverage to Ohio Department of Rehabilitation and Correction (DRC) employees, volunteers and independent contractors.

III. APPLICABILITY

This policy generally applies to all persons employed by or under contract with the Ohio Department of Rehabilitation and Correction (DRC). It specifically applies to all employees of the Division of Business Administration and Business Offices throughout the DRC.

IV. DEFINITIONS

Civil Liability – Debt or legal obligations paid to an aggrieved party due to the violation of private wrongs or a non-criminal breach of contract.

Liability - The legal responsibility for one’s acts or omissions.

Workers' Compensation - A “no-fault” system that compensates employees for work-related injuries or illnesses. Benefits are limited to wage loss, medical and rehabilitation expenses and are payable as long as the disability lasts or medical treatment is reasonably necessary.

V. POLICY

It is the policy of the Ohio Department of Rehabilitation and Correction (DRC) that the agency provides selected insurance coverage to DRC employees, volunteers, and independent contractors. Coverage can be provided by private companies, self-insurance, or state insurance programs.

VI. PROCEDURES

- A.** Worker's Compensation benefits for employees of the DRC will be provided and processed as outlined by the Department of Administrative Services, Office of Benefits Administration, Chapters 4123 of the Ohio Revised Code and Ohio Administrative Code and any applicable collective bargaining agreements.
- B.** Civil liability for staff is governed by the Ohio Revised Code, sections 9.86; 9.87; 109.36; and 2743.02. When a contractor or outside agency provides staff for the department, the contractor or outside agency will be responsible for providing appropriate insurances for those individuals.
- C.** Travel by state-owned automobile is authorized only for DRC employees or authorized other parties (e.g., approved contractors) who are properly designated by DRC and endorsed onto insurance coverage through the Department of Administrative Services (DAS), Office of Risk Management, Self-Insured Vehicle Liability Program (Program). Such coverage does not apply to employees without a valid operating license, when not on official state business, or while permitting a private citizen who is not a state employee to operate a state vehicle. Drivers of state vehicles may carry their own liability insurance as deemed necessary even though the Program provides limited liability coverage.

Employees driving personal automobiles or motorcycles in the course of state employment are not covered by the Program and shall be insured under a policy of liability insurance complying with the requirements of RC 4509.51. Such insurance shall be paid for by the employee for personal protection against suits and claims for personal injury and property damage in the event of an accident. An employee shall not be reimbursed for expenses on a mileage basis unless that person carries such insurance.

For complete details, reference the DRC Fleet Procedures Manual which is included in DRC policy 22-BUS-18, Employee and Contractor Use of State-Owned Vehicles. Also, to detail the specifics of the Program, refer to DAS, State of Ohio Administrative Policy No. Motor Vehicle Fleet VF-02. Basically, the Program will pay liability claims and judgments properly made and rendered against the state, state employees, state officers and authorized operators resulting from the operation of a motor vehicle, providing the operation was in the course of legitimate state business, as authorized by DRC. For a listing of authorized and unauthorized use of state-owned vehicles refer to Ohio Administrative Policy VF-01, Employee's Use of Employer Provided Vehicles.

- D.** For all DRC employees, DAS, Office of Risk Management (ORM) purchases from a surety Employee Dishonesty (crime insurance) coverage which is the same as a dishonesty bond for large losses. Employee dishonesty means a loss of state money or property directly caused by an employee's fraudulent or dishonest act. For example, an employee might: steal or convert state funds; falsify records to misrepresent that he or a friend or relative paid a state bill or qualify for a state benefit; and take state equipment, furnishings, or supplies for personal use.

DRC employees must report every suspected employee dishonesty loss, or potential loss, upon discovery to ORM in order to preserve insurance coverage by providing as much information as possible regarding the potential loss. Loss information, if available, should include date, time,

location and amount or estimated amount of the loss. Also, notify the State Highway Patrol and request an investigation, and notify DRC legal counsel and audit section. Suspected losses must be investigated to verify and document or disprove them.