

PUBLIC OFFICIALS GUIDE TO PUBLIC OFFICIALS AND EMPLOYEES LIABILITY INSURANCE

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Public officials and employees legal liability insurance is the most important coverage of which elected and appointed officials and employees need to have a working knowledge.

Your first official act should be to protect yourself and your family from the risk of loss from performing your job.

To do so, you must be informed as to the basic coverages required. Kindly ask your coverage contact, whether you are a member of a group self insurance pool, or insured via a local insurance representative, to review the coverage forms currently in place and confirm the basic coverages you need are in place.

We are pleased to offer you this “Check List.”

Who is an Insured?

Does the form cover the current and former elected public officials and employees, volunteers and independent contractors?

Is the policy written on a claims made basis, with full prior acts?

This means the form will cover any claim made against the insured provided the insured did not have knowledge of the claim PRIOR to the effective date of the policy. You need to make certain any current EEOC matters are known to the current insurance company.

Is the coverage written on a duty to Defend basis?

This means the insurance company will assume the defense of claims made, and pay the legal fees as incurred, subject to the policy deductible.

Does the policy pay legal fees in addition to the limit of liability?

This means the form calls for the carrier to pay expenses in addition to the limit of liability, rather than the policy limit being eroded by the payment of legal fees.

Does the policy provide separate limits of liability for errors and omissions claims and employment practices liability claims?

This means the form has additional limits of liability based on the nature of the claim.

Does the carrier offer an endorsement to provide coverage for a pending claim, as long as prejudice has not attached to the carrier?

This is an important coverage enhancement, as the carrier would agree not to deny coverage based on prior knowledge, as long as the carrier had not been prejudiced by the legal actions taken to date to protect the insured.

Does the policy cover employment practices claims?

This means the insurance company does not have an exclusion for employment practices claim, and does not exclude **wages (front or back)**, as a measure of damages. Also, is there coverage for **emotional distress damages** attached to an employment practices claim?

Does the policy offer defense coverage for Non Monetary claims?

This refers to claims which are made against an insured but which do not seek money damages. Does the policy have an exclusion for non monetary claims, and if so, does that exclusion provide for a stated sub limit for defense costs, only, for such a claim?

Does the policy cover claims for the breach of a commercial contract?

The municipality may be involved in commercial litigation, and coverage for defense costs on a sub limited basis is available from most carriers.

Does the policy provide “crisis management coverage?”

Municipality violent acts represent the risk of loss to a municipality, and coverage is available on a sub limited basis for claims of this nature.

Does the policy cover claims for inverse condemnation, adverse possession, and eminent domain?

Claims arising from property issues can be covered, on a sublimited basis, for defense costs.

Please refer any further questions you might have to you local insurance representative and encourage them to contact us on your behalf.

Use this check list to assess your current policy

	YES	NO
Is the current policy written by an admitted carrier?		
Is the policy written on a claims made basis, with full prior acts?		
Is the coverage written on a duty to Defend basis?		
Does the policy pay legal fees in addition to the limit of liability?		
Does the policy provide separate limits of liability for errors and omissions claims and employment practices liability claims?		
Does the carrier offer an endorsement to provide coverage for a pending claim, as long as prejudice has not attached to the carrier?		
Does the policy cover employment practices claims?		
Does the policy offer defense coverage for Non monetary claims?		
Does the policy cover claims for the breach of a commercial contract?		
Does the policy provide "crisis management coverage?"		
Does the policy cover claims for inverse condemnation, adverse possession, and eminent domain?		