



RISK NOTE

SUBJECT: Insurance Coverage for Vehicles Owned by or Licensed in the name of the Health Care Agency (HCA)

Vehicles which are owned or licensed in the name of the HCA are insured as follows:

1. Liability Coverage:

- a) The initial compulsory level of liability coverage, for vehicles owned or licensed in the name of the HCA, must be purchased from ICBC. This level of coverage will vary from \$200,000 for most vehicles to \$1,000,000 for larger, commercial vehicles. Coverage is presently available under the Province's fleet plan [as administered by PHH Vehicle Management Services (PHH)].
- b) The Health Care Protection Program (HCPP) provides **excess automobile liability coverage**, above the initial compulsory level referred to in 1 (a) above. This is an automatic part of the HCA's coverage under HCPP. This coverage applies to all amounts which HCA shall become obligated to pay by reason of liability imposed by law for use or operation of a vehicle owned or licensed in the name of the HCA.

This coverage is known as "excess insurance" and it applies only after the initial ICBC coverage limit, referred to in 1 (a) above, or other purchased insurance is exhausted. The initial ICBC limit will apply first and then HCPP excess coverage will apply to a maximum limit of \$50 million per occurrence. This excess coverage follows the conditions and form of the ICBC coverage. If the conditions of the ICBC coverage are not met, the excess coverage provided by HCPP will not respond either.

2. Property Coverage:

It is not necessary to separately purchase collision and/or comprehensive coverage for vehicles owned or licensed in the name of HCA. This is an automatic part of the property coverage provided under the HCPP Property Agreement. HCPP will pay for the cost of repairing, replacing or reinstating (whichever is the least) vehicles owned or licensed in the name of HCA, subject to a \$10,000 deductible.

3. How is coverage arranged?

The Province's fleet program with ICBC can be accessed through any local insurance broker. The excess liability and physical damage portion of coverage are provided automatically by HCPP.

4. What to do in the event of a claim/potential claim involving a vehicle owned by or licensed in the name of a the HCA:

Please refer to the HCPP Vehicle Claims Management Guidelines attached hereto as Schedule A.

For further information or clarification of these coverages please do not hesitate to contact HCPP at (250) 356-1794

SCHEDULE A

VEHICLE CLAIM PROCEDURES UNDER THE HEALTH CARE PROTECTION PROGRAM (HCPP)

1. REPORT CLAIM TO APPROPRIATE AUTHORITY

- A) Using the Vehicle Accident Reporting Form report all claims to the Health Care Protection Program (HCPP) claims department via fax to (250) 356-0661. The Vehicle Accident Reporting Form is available on the HCPP website or contact the Risk Manager or Chief Risk Officer of your organization for a copy.
- B) Report to ICBC in cases of injury or death, vehicle or property damage to others, hit and run over \$350, or if the circumstances appear to be such that another involved vehicle may be at fault.

If you are uncertain as to whether or not a particular situation should be reported to ICBC, please contact HCPP.

- C) Note that the police must be notified immediately in cases of injury or death, total damages exceeding \$1,000 (\$600 if motorcycle involved), or hit and run over \$150.
- D) Other reporting mechanisms may need to be in place in instances where other appropriate authorities need to be notified (for example Worksafe BC).

2. VEHICLE REPAIRS

If your claim is to be paid by ICBC, the ICBC adjuster involved will indicate the appropriate actions to be taken.

If the claim is to be paid, in whole or in part, by HCPP:

- You should obtain two written estimates for repair and submit these to HCPP along with your Vehicle Accident Report Form. HCPP claims staff will review these estimates. Repair authorization will be at their direction, and will be conveyed directly to you.

- In the event that the vehicle is deemed to be a write-off (i.e. repair estimates are more than 80% of the vehicle's actual cash value, as determined by HCPP claims staff) an adjuster will be assigned to dispose of the salvage. You will be asked to sign a "bill of sale" by the adjuster, after salvage bids have been finalized.
- You should pay directly any towing and/or storage charges involved. Upon completion of the claim, these invoices should be promptly submitted to HCPP, along with any others for consideration.
- You will receive an Automobile Statement of Damage form which will indicate the actual amounts claimed and which you will be asked to sign and return.
- Please note payment of any property claims under HCPP will be subject to a deductible of \$10,000. per loss.

In the event you have any questions or inquiries concerning any of the above procedures, please contact HCPP at: Phone (250) 356-1794 or Fax: (250) 356-6222

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It should be clearly understood that this document and the information contained within is not legal advice and is provided for guidance from a risk management perspective only. It is not intended as a comprehensive or exhaustive review of the law and readers are advised to seek independent legal advice where appropriate. If you have any questions about the content of this Risk Note please contact your organization's risk manager or chief risk officer to discuss.