

International Travel and Insurance

From time to time some UAH employees travel outside the United States on University business. There are, of course, a variety of reasons an employee may travel internationally, such as attending a conference, conducting field research, accompanying a student group on an educational tour, etc. Whatever the reason, questions about the existence and extent of insurance coverage often arise.

The University of Alabama System (UAS) has for a number of years maintained an international insurance “package” policy that offers protection to University employees against a variety of risks that may be encountered in locations beyond the borders of this country. Of course, this coverage only applies when the employee is engaged in University-related activities. If an employee decided, for example, to engage in sightseeing in Europe for two weeks after completing his/her University assignment, the coverage would not continue for that two week period.

The first major component of coverage involves liability insurance. One type of liability coverage is **Commercial General Liability (CGL) Insurance**, which protects the employee and the University if the employee is legally responsible for causing “bodily injury” to another person or that person’s property. For example, if an employee’s carelessness caused a person to fall and sustain injuries, the policy would provide a defense against and would pay any claims arising out of such an incident. This coverage also applies to “personal injury,” such as that caused by slander, invasion of privacy, infringement of copyright, etc. As a general rule, however, if the employee intends to bring about the injury, there is no coverage. Policy limits for this CGL insurance are set at \$2,000,000 for bodily injury and property damages in any single occurrence and \$2,000,000 for all personal injury damages caused by all UAS institution employees during the annual policy period.

Another kind of liability coverage is **Contingent Automobile Liability Insurance**. A UAH employee has the benefit of this insurance when he/she is operating an automobile that the University owns, leases, rents, or borrows or is operating any other automobile in connection with University business. This insurance is called “contingent,” however, because it applies only when the employee has no primary insurance or when the limits of such primary insurance are exhausted. As an illustration, if an employee’s personal automobile insurance policy did not extend coverage to locations outside the United States and his/her negligence in operating a loaned vehicle in Mexico caused an accident, the resulting claim would be within the policy.

A second major component of coverage is what is called **Employers Responsibility Insurance**. Included within this insurance are **Executive Assistance Services**, which are available both to employees assigned to work outside of the United States and employees engaged in temporary travel outside this country. Executive Assistance Services encompasses a bundle of miscellaneous but helpful benefits for such employees. The medical assistance bundle includes hospital admission deposit and assistance, medically supervised evacuation and repatriation, emergency prescription service, medical emergency cash advances, and consultation with English-speaking physicians. This benefit does not, however, actually pay the cost of

physician's or hospital charges. These expenses would need to be submitted to the employee's health insurance carrier, to the University if they relate to an "on-the-job injury," or possibly to the carrier under Accidental Death and Dismemberment and Medical coverage discussed below. Moreover, there is a policy limit per term of \$500,000 for medical assistance services for all UAS employees. Security assistance includes information and assessments about airports, modes of travel, countries, etc. Legal assistance benefits provide help in identifying local attorneys, obtaining bail bonds, etc., though the attorney's fee and the bail bond charges must be paid for by the employee. Embassy and consular contacts, help in replacing lost passports or credit cards, emergency travel arrangements, etc. are provided under the heading of travel and personal assistance.

Another significant benefit package is provided under the **Accidental Death and Dismemberment and Medical** coverages. Unlike the benefits discussed above, not only are University employees traveling outside the United States on UAH business insured under this policy, but students and other participants on a tour, trip, study group, or similar activity sponsored by the University outside the United States are covered as well. The AD&D coverage (Coverage A) is \$100,000 per covered person for death (paid to a beneficiary designated by the policy) and a designated fraction of that principal amount for loss of speech, hearing, bodily members, etc. If the employee or student is injured or suffers from certain illnesses, the Medical coverage (Coverage B) pays the cost of obtaining medical treatment from physicians and hospitals, subject to a \$50 per occurrence deductible. There is an annual limit of all amounts paid under this coverage of \$1,500,000 for UAS institution employees and \$2,000,000 for students and other participants.

Finally, there is a **Property** component that protects personal (non-real estate) property of the University in transit.

This discussion is, of course, merely a summary of some of the more important policy provisions. As is true with almost all insurance, there are a host of conditions, limitations, exclusions, definitions, etc. that may affect coverage. One of the most important of these is the requirement that the carrier be given timely notice any time an incident occurs that may result in a possible claim. The actual policy itself governs with respect to questions about coverage, and pertinent policy provisions should be reviewed when specific questions arise. For more information, campus personnel are invited to contact the Office of Counsel for further guidance.