

**DIVISION OF RISK MANAGEMENT  
CLAIMS REPORTING PROCEDURE MANUAL**

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## I. INTRODUCTION

The Division of Risk Management effectively manages the State's property and liability exposures through a comprehensive self-insurance program.

Through the self-insurance program, Risk Management expends less public funds than would be paid to private insurance companies. This allows streamlined claims adjustment services utilizing independent professional adjusting firms located in Alaska to investigate and handle the majority of our routine claims.

This manual will answer most of your questions regarding claims reporting. If you have additional questions about completing forms or about the substance of a claim, contact Risk Management at (907) 465-2180.

The basic rules to remember when an accident or injury occurs are:

- Call Risk Management immediately to report any event involving death, serious injury requiring hospitalization, or extensive property damage to State Owned Buildings listed on the agency Risk Management insured property listing;
  - OSHA reporting is also required, instructions are provided later in this document.
- A Report of Occupational Injury or Illness (07-6101) form should be immediately completed any time an Employer or Supervisor has witnessed or has factual knowledge of an occupational injury or illness. Timely reporting of the known facts is vital and necessary to assist Risk Management in promptly handling claims and complying with the regulations of the Alaska Workers' Compensation Board.
- A Liability Accident Notice should be completed by the agency for:
  - all automobile accidents that involve a State owned or leased vehicle resulting in injury to any third parties and/or damage to a non-SOA owned vehicle;
  - allegations of wrong doing or potential negligent acts involving a State employee or official, or;
  - bodily injury accidents that occur on state properties. File claims information as soon as possible. Timely recording of the known facts is vital and necessary to assist Risk Management in promptly investigating and resolving claims.
- Contact Risk Management and/or your agency Assistant Attorney General regarding any contact from a plaintiff attorney that may be an inquiry for information which might be used against the State in any potential civil suit.
- All referenced forms are located at: <http://doa.alaska.gov/drm/forms.html>

## II. WORKERS' COMPENSATION CLAIMS

If an Employee has an injury while on the job, or when the Employee believes they have an injury or illness caused by the work conditions, they should tell their supervisor right away.

If a supervisor witnesses or is factually made aware of an occupational injury/illness, the supervisor is required to report the injury/illness on the Employer Report of Occupational Injury or Illness (ROI) (wc6101) form immediately. Do not wait for the employee to fill out their Employee Report of Occupational Injury or Illness (wc6100) form. Even if an employee refuses to complete and/or sign the ROI, the incident should be recorded on the Employer Report of Occupational Injury or Illness (wc6101) form and submitted to Risk Management for recordkeeping purposes.

Under the Alaska Workers' Compensation Act, the Employee must give written notice to the Employer and the Workers' Compensation Board within 30 days after the accident date or when they become aware that they have an illness or injury caused by their work. This is accomplished by having the Employee fill out the Employee Report of Occupational Injury or Illness (wc6100) form. The Employer must also fill out an Employer Report of Occupational Injury or Illness (ROI) (wc6101) form within 10 days after they have knowledge that the employee has had or is claiming an injury or illness due to work. These forms may be downloaded from the Department of Labor and Workforce Development web site at: [http://www.labor.state.ak.us/wc/pdf\\_list.htm](http://www.labor.state.ak.us/wc/pdf_list.htm) and selecting: "[Employee Report of Occupational Injury or Illness to Employer, Effective 07/22/2013](#) (Form 07-6100)" and "[Employer Report of Occupational Injury or Illness to Division of Workers' Compensation](#) (Form 07-6101) [updated 08/2015]".

A copy of the completed forms should be made for the supervisory file, the injured employee, **the Department of Administration - Division of Risk Management, the Third Party Administrator for Risk Management (currently Penser North America), and the Division of Personnel and Labor Relations Recruitment Services section by doing the following:**

***The Preferred Method:*** The supervisor should scan the signed ROI form(s) as a PDF attachment and then email the scanned document to [doa.dop.roi@alaska.gov](mailto:doa.dop.roi@alaska.gov).

***Alternate Method:*** If submission by email is not viable, the ROI can be faxed to the Division of Risk Management at 907-465-3690. A faxed submission **must** include a cover sheet indicating that the submission by email is not viable and must contain the submitting person's name, agency, and phone number.

***Note:*** For all injuries to employees of the Alaska Marine Highway System (AMHS) the ROI PDF attachment must be submitted to [doa.dop.roi.amhs@alaska.gov](mailto:doa.dop.roi.amhs@alaska.gov). If email submission is not viable, then the ROI form may be sent via fax to 907-465-2576 and 907-465-3690. The contact number for questions and assistance AMHS submissions is 907-465-5052.

If the ROI is scanned per the options listed above then it is not necessary that the supervisor submit the original document via mail to the Department of Administration, Division of Personnel and Labor Relations, Statewide HR Operations at Mail Stop 0201. However, if using the fax option, the agency must still notify HR Operations.

Recruitment Services maintains the “Employer” copy of the form(s).

It is important to stress that proper reporting via the email address of [doa.dop.roi@alaska.gov](mailto:doa.dop.roi@alaska.gov) will make the processing of the employee’s claim much more efficient. The [doa.dop.roi@alaska.gov](mailto:doa.dop.roi@alaska.gov) email address is a secure internal LDAP address, and has been created by the Department of Administration’s Enterprise Technology Services Division specifically to meet the security requirements for communicating PII (Personal Identifying Information) information within the SOA email system. This is the approved LDAP address for reporting all ROI’s and Supervisory Reports.

### **Important tips on completing Reports of Occupational Injury or Illness**

- All Employee injury report forms are to be forwarded as noted above as soon as possible after the injury. **Failure to immediately complete and send the form may result in a delayed payment to the injured worker and a 25 percent penalty for late payment being assessed against the employee’s agency.** Time is of the essence and the importance of timely submission of the ROI to [doa.dop.roi@alaska.gov](mailto:doa.dop.roi@alaska.gov) cannot be stressed enough. **Any penalties or fees incurred because of a delay in proper submission of the ROI by the agency will result in those charges being directly billed to the agency. Risk Management will not be responsible for payment of agency penalties or fees incurred because of delays due to improper reporting.**
- The Employee Report of Occupational Injury or Illness (wc6100) form is self-explanatory and must have all items completed. Block 5 must contain the **Employee’s Social Security Number**, not the Employee Identification Number. Risk Management is required to report to the Federal Center for Medicare and Medicaid Services (CMS) all injury claims involving a medical payment. CMS requires SSN, DOB, full name, address, and gender information. The potential penalty for improper information submitted to CMS is \$1000 per claim per day. So, the ROI must be properly and thoroughly completed.
- Make certain that the Employee signs the form. If this is not possible due to distance or absence, have the supervisor indicate on the form that the “employee is unavailable for signature”.
- The Division of Personnel, Employee Call Center can provide information such as the date hired, rate of pay, etc. The Call Center may be reached by phone at 465-3009 or via email at [employeecallcenter@admin.state.ak.us](mailto:employeecallcenter@admin.state.ak.us).
- When the Employee turns in the form, check for completeness, accuracy, signature and date.

- See sample of the Employer Report of Occupational Injury or Illness to Division of Workers Compensation [https://intranet.soa.alaska.gov/admin/drm/pdf/ER\\_ROI\\_Sample.pdf](https://intranet.soa.alaska.gov/admin/drm/pdf/ER_ROI_Sample.pdf)
- Penser North America, Inc., P.O. Box 241148, Anchorage, Alaska 99524-1148, telephone 907-313-7651 is the Third Party Administrator for Workers' Compensation Claims processing.
- Provide a copy of the "Workers' Compensation Notice to Employees" to the employee. The form can be downloaded and printed off at <http://doa.alaska.gov/dop/resources/hrforms>
- The signature on the bottom of the Employer ROI does not have to be the Employee's Supervisor. Any management representative of the Department, that is, any Supervisor who can verify the individual was a State of Alaska Employee on the day of an injury/illness can sign the form. **Do not wait for the Employee's Supervisor to come back from vacation, etc.**
- If there are additional documents such as Supervisor's Accident Investigation Reports; Accident/Illness Reports; Doctor's statements regarding time loss, light duty, release to duty, or follow-up exam dates, etc., these should also be scanned or faxed to the appropriate email address or number listed above.
- Any additional medical documentation received after the submission of the ROI forms should be sent to: [doa.drm.penser@alaska.gov](mailto:doa.drm.penser@alaska.gov). This is a secured e-mail address that will filter mail directly to the third party administrator, Penser North America, and allow the claims adjusters to timely receive important medical documentation needed for claims handling.

### **Supervisor's Accident Investigation Report, form 02-932**

This form is optional. The following are examples of when to complete a supervisor's report:

- If you have doubts about the validity of the claim or you question whether the injury is work related;
- If the claim is for stress-related conditions;
- If the claim is for a repetitive motion type of injury;
- If there are factual observations you wish to include as a supervisor that may shed light on the validity of the claim;
- When there is a significant lapse in time between the date of the injury and the date the Employer first became aware of the injury or claim. The supervisor should provide an explanation for the delay.

## **Important OSHA reporting requirements**

OSHA reporting laws, updated January 1, 2015, require that an Employer must report any "employment accident" that results in a fatality within eight (8) hours and all in-patient hospitalizations, amputations, and losses of an eye within 24 hours of finding out about an incident.

Immediately report accidents to:

- 1-800-770-4940 or (907) 269-4940 (8 am to 5 pm M-F; AK time)
- 1-800-321-6742 (After 5 pm or on weekends and holiday)

## **BASIC INFORMATION ABOUT THE WORKERS' COMPENSATION PROCESS**

- No compensation can be paid to an injured Employee until the adjuster receives a Report of Injury and completes their investigation, including the receipt and review of a physician's report authorizing time loss for the Employee. If an Employee complains about a delayed compensation check, the Employee should first contact the adjuster to make sure that all required paperwork has been submitted.
- The first 3 days of disability are considered the "waiting period" and are not paid unless the disability exceeds 28 or more days. If the disability continues for more than 28 days, retroactive payment will then be made for the 3-day waiting period.
- Disability compensation for eligible Employees is based upon a formula provided by the Alaska Workers' Compensation Board under the authority of the Alaska Workers' Compensation Act. Information about how the rates are calculated is available at: <http://www.labor.state.ak.us/wc/benefitcalculator.htm>.
- Direct medical costs incurred for reasonable medical treatment of a covered injury will be paid upon receipt of the doctor's report and the itemized bill. Payment will be made directly to the medical provider in the manner established by the provisions of the Alaska Workers' Compensation Act and may be limited by the Fee Schedule established by the Alaska Workers' Compensation Board. If a fee billing is reduced by the Fee Schedule, the physician may not bill the Employee for the remainder.
- Under the Alaska Workers' Compensation Act, the Employee may select a physician of his choice to provide medical treatment. The Employee may make one change of physician without prior approval from the adjuster. A second change of physician requires written approval from the adjuster. If the Employee's treating physician refers an Employee to another specialist, this is not considered a change in physician.
- Mileage reimbursement can be requested for travel between the Employee's home and the physician's office or other authorized medical provider, such as a physical therapist.
- Transportation for medical treatment is paid to the nearest point of adequate medical treatment. Example: if a physician refers a patient to a physician in Seattle for treatment

but the treatment is available in Alaska and the Employee chooses to go to Seattle, only the equivalent transportation costs to the nearest point in Alaska where the treatment is available will be paid.

- Information about the minimum and maximum rates of compensation as well as the current allowances for mileage reimbursement is available at:  
<http://labor.alaska.gov/wc/bulletins.htm>.
- If an injured Employee has a dispute with the insurance adjuster that cannot be resolved, the injured Employee has the right to contact the nearest office of the Alaska Workers' Compensation Board to request information or a prehearing to help resolve the dispute. The Alaska Workers' Compensation Board may set prehearings and hearings to resolve disputes in accord with the statutes and regulations of the Alaska Workers' Compensation Act. Contact information for the Board is available on their website at:  
<http://labor.alaska.gov/wc/home.htm>.
- An injured Employee who has a dispute with the insurance adjuster has the right to seek legal assistance from an attorney. The attorney may not charge a fee for his services and is not paid until the claim is resolved. If the Employee wins some or all his/her claim, it is likely the Board will order the Employer to pay the Employee's attorney fees. If the Employee does not win any of his/her claims, the Employee's attorney can ask the Board for an order making the Employee responsible for his attorney fees.
- In a dispute with an employee that requires litigation or legal assistance, the State will be represented by the Attorney General's office.

### **Common questions and answers about workers' compensation claims**

The following are common questions asked by Employees about the workers' compensation process. Each case is decided on its own merit. Therefore, use these as general guides only.

- Q.** What qualifies as a workers' compensation injury?
- A.** A work related "injury" is defined in the statutes as accidental death or injury arising out of and in the course of employment, and an occupational disease or infection which arises naturally out of the employment or which naturally or unavoidably results from an accidental injury. "Injury" does not include mental injury caused by mental stress unless it is established that (A) the work stress was extraordinary and unusual in comparison to pressures and tensions experienced by individuals in a comparable work environment; and, (B) the work stress was the predominant cause of the mental injury. The amount of work stress shall be measured by actual events. A mental injury is not considered to arise out of and in the course of employment if it results from a disciplinary action, work evaluation, job transfer, layoff, demotion, termination, or similar action, taken in good faith by the employer.

- Q.** I got sick at work and had to take sick leave. Is the illness covered by workers' compensation?
- A.** An illness such as cold, flu, or upset stomach is considered a personal health condition and not covered under the workers' compensation act.

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- Q.** If I leave for lunch or go on a break and then trip over a curb and hurt myself, am I covered by workers' compensation?
- A.** Not if the injury happened *off* the Employer's property. There are always exceptions and all injuries that happen off the Employer's premises are looked at closely to determine what the Employee was doing at the time.

- Q.** How much do I get paid while I am off work because of an injury covered by workers' compensation?
- A.** You will get 80% of your spendable income, or your gross pay less FICA and taxes. Depending on whether you are a full time regular Employee, seasonal or temporary Employee, or a new Employee who has worked less than 13 weeks, the amount is set by Rate Tables established by the Alaska Workers' Compensation Act. If an Employee disputes the rate being paid, he/she can request information on the correct calculation from the nearest office of the Alaska Workers' Compensation Board.

- Q.** How does my group health insurance fit into all this?
- A.** Your group health insurance is for non-work related illnesses or injuries and will not cover work injuries or illness. If you have bills to be paid that are related to a work injury, submit them to Penser North America, Inc., **not to your group health carrier.**

- Q.** What if my work injury keeps me from going back to my job?
- A.** If your treating physician states that the disability from the work injury is permanent and will keep you from going back to your job, you have the right to ask the adjuster to retrain you for another occupation. Or, you can send a letter to the Alaska Workers' Compensation Board requesting an eligibility evaluation for vocational rehabilitation benefits. An injured Employee who cannot return to the job he/she had at the time of injury can also apply to the Department of Administration, Division of Personnel and Labor Relations, Recruitment Services for rehire rights under AS 39.25.158. The contact number for questions and assistance is 907-465-2498.

### **III. GENERAL LIABILITY CLAIMS**

An accident or incident that creates a possible liability against the State must be reported promptly. If the occurrence involves death or serious injuries, notify Risk Management by telephone immediately.

Complete the Liability Accident Notice, as soon as possible, filling in **all blocks** of information. Include extra pages if necessary to give all facts and witness names and address information. (A word or PDF version of the form can be found here: <http://doa.alaska.gov/drm/forms.html>)

The form should then be signed by the supervisor and distributed to Risk Management, preferably by scanning the document and emailing to [britney.hunter@alaska.gov](mailto:britney.hunter@alaska.gov) or via fax to (907) 465-3690.

### **Liability Accident Notice**

A Liability Accident Notice form should be completed if any damages are incurred involving a State owned or leased vehicle, State property, or allegations of wrong doing by a State employee or official. If the occurrence involves death or serious injury, notify Risk Management immediately.

The following are examples of when to complete the Liability Accident Notice:

- An automobile accident between a State-owned or leased vehicle and a non-State owned vehicle.
- Accidents involving rental cars used by State employees while on travel status and while conducting State business.
- Any incident involving injury or death to a member of the public while on State property.
- Any incident involving damage to property of others due to the actions of the State. For example, a State road sweeper sprays gravel onto parked cars, chipping their paint finish. Or, a State sanding truck throws a large rock and strikes a pedestrian in the head.

### **Important tips on completing the Liability Accident Notice**

- If there is an accident of any type that involves serious injury to a member of the public, immediately contact the Division of Risk Management by phone 907-465-2183 or 907-465-5724.
- Take detailed notes immediately after an accident or incident. Record as much relevant information as possible and retain all notes.
- Remind all your personnel that the USE OF SEATBELTS IS MANDATORY by both drivers and passengers at all times while operating any vehicle on State business.
- Statewide Fleet Services (DOT) has a link to general policies and procedures for State Owned Vehicles and Equipment and the various forms that are needed if you are in an accident. The State is self-insured and the “insurer” section can be completed by using “State of Alaska, Division of Risk Management”. The link to the form can be accessed at <http://www.dot.state.ak.us/sef/index.shtml>
- The Supervisor's Accident Investigation Report is optional. <http://doa.alaska.gov/drm/forms.html>

- If an automobile accident involves injury to anyone, or if the property damage exceeds \$2,000, then AS 28.35.080(a) requires that the accident be reported to the local police department or to the Alaska State Troopers. If an official police report is not made, then AS 28.35.080(b) requires that the driver of the vehicle make a report to the Division of Motor Vehicles within 10 days.
- The driver must also complete the Certification of Insurance, Form 12-466 if the actual or estimated damages involved in the crash exceeds \$501. The "DRIVER" section is to be completed by the State operator. The "OWNER" block is for naming the State of Alaska as the owner. This form is available from the DMV web link at <https://www.dot.state.ak.us/12209/ak12209main.jsp>

### **Common questions and answers about general liability and automobile claims**

- Q.** If I am driving a state vehicle and am hit by another vehicle, do I have to fill out the liability accident notice?
- A.** Yes, even if the police respond to the accident and cite the other driver, the matter may end up in court. Risk Management must have as much information as possible about the accident to preserve the State's right to recover damages.
- Q.** Who pays for the State vehicle repairs in the accident described above?
- A.** If the State owns the vehicle (not rented or leased), the Department of Transportation and Public Facilities (DOT&PF) is responsible for the repairs and will pass the cost to the user agency. If the vehicle is rented or leased, the terms of the rental or lease agreement will apply. In the event the other driver is found liable for the accident, the driver/owner's insurance company may ultimately pay for the damage. In any case, check DOT&PF Policy and Procedure Reference document <http://www.dot.state.ak.us/sef/index.shtml> regarding damages to State-owned vehicles.
- Q.** If I am driving a State vehicle and I hit another vehicle and I think that it is my fault, should I tell the other person that it is all my fault and the State will pay for everything?
- A. No, never admit liability.** Notify the local police or Troopers immediately, exchange basic information as to name, address, driver's license number, and immediately notify your supervisor. Provide the other driver with Risk Management's contact information to initiate and/or discuss the claim process.
- Q.** A member of the public falls while entering my office. What do I do for them? Is there a form to fill out?
- A.** First, determine where medical assistance is needed and call 911 if necessary. After seeing that necessary medical help is called, get the information needed to fill out the Liability Accident Notice form and notify your supervisor immediately. Provide the person with Risk Management's contact information to initiate and/or discuss the claim process.

- Q.** A person claiming to be a process server just handed me some papers called a Summons and Complaint. What do I do with them?
- A.** Tell your supervisor *immediately* about the papers. Make a note as to when, where, from whom and how the papers were delivered to you and identify who you are. Attach the note to the Summons & Complaint. Then *call* the Assistant Attorney General assigned to your division or department and inform them that you were served with papers. Follow their instructions. A Summons & Complaint must be answered in court within a specified number of days so follow the AG's instructions immediately.
- Q.** A person claiming to be a lawyer called and started to ask all kinds of questions. I turned them over to my boss. Was that the right thing to do?
- A.** Yes, while there is no restriction on your right to talk about what you may have seen, heard, or done; what you say might be taken out of context, misinterpreted, or used against you or the State in a legal proceeding. You may also have information of a confidential nature that should not be given out. It is best to discuss the information request first with your boss or with the Attorney General's Office.

#### **IV. DAMAGE TO STATE-OWNED VEHICLES**

- There is a difference between automobile liability coverage and automobile physical damage (collision) coverage.
- The State of Alaska does not provide automobile physical damage (collision) coverage for *State-owned vehicles*. This means that Risk Management does not pay for the repairs of a damaged *State-owned vehicle* resulting from any cause, including an accident. The repairs of *State-owned vehicles* are the responsibility of the agency assigned to the vehicle and are handled by the Department of Transportation & Public Facilities Statewide Fleet Services section according to their established procedures. See their webpage at <http://www.dot.state.ak.us/sef/index.shtml>
- The State of Alaska does provide automobile liability coverage. The procedures outlined in Section III - General Liability Claims should be followed, regardless of fault.
- If an automobile accident involves bodily injury to anyone, or if the damage exceeds \$2,000, then AS 28.35.080(a) requires that the accident be reported to the local police department or to the Alaska State Troopers. If an official police report is not made, then AS 28.35.080(b) requires that the driver of the vehicle make a report to the Division of Motor Vehicles within 10 days.
- Use Form 12-209, State of Alaska Motor Vehicle Accident Report. The form can be downloaded from <http://www.dot.state.ak.us/sef/forms/CarCrash12-209.pdf>. The State is self-insured and is to be entered as "the insurer" on the accident report.
- The driver must complete the Certification of Insurance, Form 12-466. The "DRIVER" section is to be completed by the State operator. The "OWNER" block is for naming the

State of Alaska as the owner of the vehicle. Download and attach the Insurance Certificate letter from the Statewide Fleet Services web page and attach it to the Form 12-466.

### **Common questions and answers about damages to State-owned vehicles**

- Q.** Our agency's vehicle was parked last night in its usual spot and the windshield was smashed. What do I do and who pays?
- A.** Report the incident to the DOT&PF Statewide Fleet Services and follow their instructions on repair. The cost to repair the damage will be charged to your agency. You should also report the incident to the local police department. If the perpetrators are found, there may be the possibility of recovery of the cost of repairs.
- Q.** Our agency vehicle was hit and damaged, by a privately-owned car. It was a clear case of fault on the part of the driver of the other car. What do we do?
- A.** Report it to the local police and to your agency. Complete the Liability Accident Notice and distribute to all required parties per the instructions in the previous section on reporting liability claims. DOT&PF Statewide Fleet Services will investigate and settle liability claims with the other party.
- Q.** Same question but our driver is clearly at fault?
- A.** Report it to the local police and your agency. Complete the forms in the same manner as described above. Risk Management will do the investigation and will settle the liability claims with the other party.
- Q.** Does the State ever pay for damages to State-owned vehicles?
- A.** Only in the rare instance when the vehicle is damaged while contained inside of a *closed* building while being repaired, serviced or stored. Coverage is only for the peril of fire. The vehicle itself is not afforded coverage as an automobile but is provide coverage as a *contents item* under the fire/property policy of the building which houses the vehicle. If there is no fire/property coverage on the building, then the contents (including the vehicle) are not covered.

### **V. DAMAGE TO LONG TERM RENTALS & LEASED VEHICLES**

- The State of Alaska does not provide "automobile physical damage (collision) coverage" for *long term rentals* or *State-leased vehicles*. This means that Risk Management does not pay for the repairs of a damaged *long-term rental* or *State-leased vehicle* resulting from any cause, including an accident. The repairs of *long term rentals* or *State-leased vehicles* are the responsibility of the agency assigned to the vehicle. Any rental over 14 days is considered *long term*.
- If a *long-term rental* or *State-leased* passenger automobile is involved in an accident, the Liability Accident Notice should be completed then approved and signed by the department head or designated employee. It should be distributed according to the instructions starting on page 9.

- Notify the leasing company for any further instructions and to make arrangements for inspection of the damaged vehicle. It is also advisable to consult your agency leasing section and review the leasing contract provisions regarding damage to the vehicle.

## VI. SHORT-TERM RENTAL VEHICLES

A "short term rental" is defined as a passenger auto rental of 14 days or less. This most often consists of a standard "in travel status" auto rental, usually from a national auto-rental company such as Hertz, Avis, Budget, or National. For insurance purposes, there are three distinct classifications of vehicle rental situations.

- *Contract Vendor:* The State has a vendor contract (currently with Budget Rental) for rental cars rented in the cities of *Anchorage, Fairbanks, and Juneau*. It is only effective in these three cities. The contract specifies that the vendor will be responsible for **both** the physical damage and liability coverage (subject to their policy limits) for the rented vehicles. Therefore, the State Employee renting the vehicle should not purchase the vendor insurance (physical damage waiver or liability coverage) as this is already dealt with under the terms of the vendor contract.
- *All Other Passenger Auto rentals:*(standard passenger vehicles, SUV type vehicles and standard pick-up trucks only) either in-state or out-of-state that are *not rented from the SOA Contract Vendor*; as in the above, the State Employee should not buy insurance (physical damage waiver or liability coverage) from the rental agency. Unlike the above situation, however, any damage to the rental vehicle is covered under the State self-insurance plan. The same also applies to the liability coverage.
- All Large Vehicles & Equipment rentals/leases; (including 12 passenger vans, RVs, camper or trailer vehicles, trucks with dual rear wheels, and similar non-standard passenger vehicles) rented either in-state or out-of-state are not covered by Risk Management for physical damage. The agency should purchase the physical damage coverages from the rental/leasing vendor.

### **To report an accident involving any rental vehicle**

- Report the accident to the vendor and complete any accident reports required by them.
- Report the accident to Risk Management using the Liability Accident Notice. Attach copies of any other reports involving the same accident. Follow the general guidelines for reporting a liability accident as outlined in Section III.
- In case of a *known injury* or the *probability of an injury to any occupant* involved in the accident, send copies of the above reports to the Division of Risk Management. Indicate whether the rented vehicle is under the State vendor contract or not.
- Report to the Department of Public Safety as outlined in Section III.

## VII. INCIDENTAL USE OF PRIVATE VEHICLE ON STATE BUSINESS

- Employees are expected to comply with the State's mandatory automobile liability insurance requirements (AS 28.22.011) if they use their private vehicle while conducting State business.
- In accordance with the Alaska Administrative Manual, Section AAM 60.140 - [http://fin.admin.state.ak.us/dof/ak\\_admin\\_manual/resource/60t.pdf](http://fin.admin.state.ak.us/dof/ak_admin_manual/resource/60t.pdf) - employees using their personal vehicle while conducting State business are entitled to receive reimbursement at the standard IRS flat rate per mile. Therefore, a physical damage claim to a privately-owned vehicle (regardless of fault) while used on State business should be covered under the employee/owner's collision and/or comprehensive coverage. Risk Management does NOT provide any PHYSICAL DAMAGE coverage for an employee's private vehicle while used for State business, regardless of whether the employee has chosen not to obtain personal auto collision/comprehensive insurance on their vehicle.
- The employee's personal vehicle insurance is the primary insurer. Risk Management provides liability coverage in *excess* of the vehicle's primary coverage. The employee must be on a bona fide errand on behalf of the State and it must be established that the employee's negligence was the proximate cause of the accident. For example; if the employee's auto liability insurance policy has bodily injury limits of \$50,000 per person and \$100,000 per accident (the minimum required by current law – AS 28.22.101 - <http://doa.alaska.gov/dmv/faq/manins.htm> -) and is liable for damages to a third party for damages of \$300,000; the primary policy on the vehicle (the employee's insurance policy) will pay the limits of \$100,000 and Risk Management will cover the excess damages above that (\$200,000).
- Risk Management does NOT provide “Uninsured/Underinsured Motorists Insurance” coverage of any kind, regardless of whether the employee is using their private vehicle or a state-owned fleet vehicle to conduct state business. Risk Management recommends that any SOA employee who may wish to be protected by this type of coverage consult with their personal insurance agent regarding the purchase of UM/UIM insurance that would extend to any vehicle driven by the employee.

## VIII. PROPERTY CLAIMS – STATE OWNED BUILDINGS & CONTENTS

- The State of Alaska provides property insurance on State-owned buildings and contents. The Division of Risk Management maintains a property listing of all SOA owned and leased buildings for which the agency has requested coverage under the Risk Management coverage plan. A copy of each agency's RM property listing is sent out each fiscal year with the Risk Management Cost of Risk Assessment (CORA) report. Only those properties listed are afforded coverage by Risk Management.

- The State of Alaska provides property insurance for contents of State leased buildings. The term "contents" includes property owned or leased by the State, while contained within a State-owned or leased building.
- State-owned buildings are covered for most perils on a first dollar basis. The "contents" are subject to a \$1,000 deductible for most perils, including theft, vandalism and mysterious disappearance (the latter with limited coverage).
- Employee personal property is **not** covered while located at their workstation or any other State facility. Employees are encouraged to purchase their own protection through a homeowners', condo-owners', or renters' policy that includes coverage for their personal items while outside of their residence.
- Employees who are *required* to furnish their own tools for use in their occupation; i.e., mechanic's tools kept at a State repair facility, are an exception. These claims are handled on an individual basis.

### **Procedures for reporting State property claims**

**Major property losses** - In event of a major building property loss, call Risk Management immediately at 907-465-5724. This first notice will allow Risk Management to assess the need to assign a contract adjuster to assist in the administration of the claim. Follow-up with a written notice of the facts surrounding the occurrence date, time, place, cause if known, etc.

- **Minor property losses** - If the loss is minor in nature, no telephone call is necessary but written notice must be sent to Risk Management, preferably by email to [britney.hunter@alaska.gov](mailto:britney.hunter@alaska.gov).
- **Contents losses of State property** – Contents losses in excess of \$15,000 must be reported by phone immediately to Risk Management and followed-up with a written notice and is to include an itemized listing of the lost or damaged property and its value.

- **Theft & Vandalism losses** – losses caused by vandalism or malicious mischief should be reported to the police immediately. Contact Risk Management regarding the loss. There is a \$1,000 deductible applicable to all theft or mysterious disappearance losses.
- Risk Management will handle all property claims or an independent adjusting firm may be hired to assist in the handling of any claim.

### **Some common questions relating to property coverage**

- Q.** Someone threw a rock through our office window and it damaged a PC. Will the State pay for all the damage?
- A.** The window will be paid on a 100% basis, as it is part of an insured building. The personal computer will be covered less the \$1,000 deductible. After notifying the police, report the loss to Risk Management. Have the window fixed and the PC replaced according to standard procurement procedures. After your initial report, send a copy of the replacement invoices along with proof of payment to Risk Management for reimbursement. Follow up with the police to see if their investigation turns up any suspects and provide Risk Management with any information that could be used to recover from the perpetrators.
- Q.** Does the deductible always apply to content losses?
- A.** In general, the deductible does not apply to contents contained in a State insured building which is damaged by one of the following perils: fire, lightning, hail, windstorms, or flood (not including water damage due to broken pipes or sprinkler system malfunction).

### **IX. MARINE HULL CLAIMS – (Damage to Vessels)**

- Damages to any State-owned, leased, or operated vessel shall be reported directly to Risk Management as soon after the occurrence as possible. Make immediate telephone contact with Risk Management if the damages are severe or require immediate repair. Risk Management maintains a listing of vessels, both large and small, which are afforded coverage. It is up to each agency to notify Risk Management of any changes, additions or deletions to their vessel listing. If the vessel is not listed, there is no coverage.
- Damage or possible damage to propulsion systems from floating debris, deadheads, or nets should be reported to Risk Management to document time and cause.
- Damage to skiffs and their propulsion systems when operating in shallow waters shall be considered maintenance and wear & tear problems if they come in contact with rocks or from grounding.

## **Some common questions relating to Marine Hull damage claims**

- Q.** Our 32-foot vessel was patrolling a commercial fishing opening and apparently picked up a piece of line in the prop that caused a rubber seal to burn up. We now have a leak and the engine seized up. Is this loss covered?
- A.** Yes, report it to Risk Management. Have the equipment repaired and send the invoices and proof of payment to Risk Management for reimbursement.
- Q.** We ran our 16-foot skiff onto a gravel bar to check sport-fishing licenses. Our outboard ate some rocks and popped the crankshaft. Is this covered?
- A.** No. This type of damage is considered wear and tear from normal usage and not unexpected or unanticipated damage.

## **X. MARINE LIABILITIES & CREW INJURIES:**

Marine Liability Claims (also known as *Protection & Indemnity*) can be divided into two main types:

- Claims by passengers brought against a State-owned vessel.
- Claims involving the collision of a State-owned vessel with another vessel or collision with a shore facility such as a dock or pier. These types of claims are to be reported immediately to Risk Management by telephone and further instructions will be provided on a case basis.

### **Passenger Claims**

- Passenger bodily injury claims should be reported directly to Risk Management and the AMHS Safety Officer by completing the AMHS Passenger Injury/Illness Report, form (rev 4/4/2000)(located at <http://doa.alaska.gov/drm/forms.html>). If the injury is serious in nature, phone a report to Risk Management as soon as practicable.
- It is very important that crewmembers not make any admission of responsibility for damages. Questions by passengers should be directed to Risk Management. If a crewmember believes there is a potential for liability on the part of the State or a crewmember, that information should be given to Risk Management in the initial report with a clear explanation.

### **Passenger Vehicle Claims**

- The most common type of property damage claim is the passenger vehicle claim. These often include undercarriage damage on oversized vehicles loading and unloading off steep ramps or damages caused by drivers misunderstanding the directional signals given by deck crews. It may also involve vehicles being damaged during the pitching of the vessel during rough seas or collision with another object.

- Avoid any statements regarding liability or responsibility for damages. Questions by passengers or vehicle owners should be directed to Risk Management.
- The AMHS Vehicle Accident/Property Damage Report form (located at <http://doa.alaska.gov/drm/forms.html> ) should be completed by the AMHS employee. Instructions for completing this form are located on the back. The passenger is required only to sign and date this form. Forward the report to Risk Management via fax or email and provide the passenger with Risk Management's contact information.
- A diagram indicating the position of the vehicle(s) should be completed by the crew representative and submitted with the accident report. Indicate specifically whether a crewmember was directing the passenger vehicle operator, and if a crewmember was directing the drivers of the other vehicle involved. Describe the instructions given and how they were given and if they were correctly followed.

### **Reporting ALL Maritime Claims:**

Report all passenger bodily injury and property or vehicle damage claims, to the Marine Safety Officer and the Division of Risk Management at the following email addresses (this is the preferred method):

[edsel.clayton@alaska.gov](mailto:edsel.clayton@alaska.gov) and [britney.hunter@alaska.gov](mailto:britney.hunter@alaska.gov)

### **Injury & Illness to Crew Members – Maritime Workers' Compensation Claims**

**Crewmembers injured on or after July 1, 2003** are covered under the **Alaska Workers' Compensation Act** and their sole remedy is through the workers' compensation benefit system.

### **Reporting Forms & Procedures**

- If a crewmember or officer suffers an injury or occupational illness, while in the course of their duties onboard a vessel and requires medical attention or authorization to leave the vessel, they must complete a Report of Occupational Injury or Illness, form 07-6101. This form is available on the Division of Risk Management's Intranet site.
- If the injury or illness renders the employee unable to complete or sign the form, then the employee's supervisor should do so.
- Provide the treating physician with the name and address of Penser North America, Inc. and request that they provide timely physician's reports.
- Please clearly state if the injury/illness occurred on shore or on the vessel.

As outlined in the reporting instructions of section II WORKERS' COMPENSATION CLAIMS, distribute the signed form to: [doa.dop.roi.amhs@alaska.gov](mailto:doa.dop.roi.amhs@alaska.gov).

If it is not possible to report the claim electronically per above, then the Original and Copies should be distributed as follows:

**ORIGINAL**

Division of Risk Management  
P.O. Box 110218  
Juneau, AK 99811-0218  
(907) 465-2184  
(907) 465-3690 fax

**COPY TO**

Penser North America, Inc.  
PO Box 241148  
Anchorage, AK 99524-1148  
(907) 302-3803 fax

Marine Safety Officer  
Alaska Marine Highway System  
7559 N. Tongass Hwy  
Ketchikan, AK 99901  
(907) 228-7277  
(907) 225-1513 fax

Agency Personnel Office  
Master's Records  
Vessel's Records

**Bill Payment for Illness**

- If an employee becomes ill while on ship duty but the illness is not specifically caused by a *work-related condition*, then the medical bills should be submitted directly to the employee's group medical insurance provider (such as Wells Fargo Insurance Services). The appropriate reporting forms should be completed and submitted.

**Bill Payment for Injury**

- If an employee has an injury while on ship duty, then the bills should be submitted directly to Penser North America, Inc. Any questions regarding unpaid bills or maintenance should be directed Penser North America, Inc.
- Disability benefits will be paid in accordance with the Alaska Workers' Compensation Act. See Section II Workers' Compensation Claims, "BASIC INFORMATION ABOUT THE WORKERS' COMPENSATION PROCESS" for information about benefits and payments.

## **XI. AVIATION / AIRPORT LIABILITY & OWNED AIRCRAFT HULL CLAIMS**

### **Airport Liability**

- Any injury or property damage sustained by the general public while on a State-owned and/or operated aviation facility should be reported to Risk Management.
- An incident at a State-owned or operated aviation facility involving a commercial or private aircraft that is not State-owned or leased while in operation should be reported to Risk Management.

### **Aircraft Hull**

- Physical damage to State-owned, leased, or operated aircraft will be reported directly to Risk Management.

### **Aircraft Liability**

- Bodily injury, fatalities or property damage sustained by the general public involving a State-owned, leased or operated aircraft must be reported immediately to Risk Management.

## **XII. DIVISION CONTACT**

Division of Risk Management  
P.O. Box 110218  
Juneau, AK 99811-0218  
Main Phone: (907) 465-2180  
Fax: (907) 465-3690