

Risk Management and Insurance Update

**Local Association Summit
November 5, 2011**



Disclaimer

- This is only an overview of the policy coverage. Coverage is subject to the terms, conditions and exclusions of the policy(ies). Should a discrepancy occur between this synopsis of coverage and the actual terms, conditions and exclusions of the policy(ies), the policy(ies) terms, conditions and exclusion will prevail.



Risk Management

- Key : Think Safety, Safety, Safety
 - Most risk management is just thinking about safety and using common sense
- Planning
- Communication
- Signage
- Adequate number of marshals and training
- Ensure USAC rules of racing are followed
- Get signed waivers including from volunteers
- Transfers risk through insurance



Waivers

- All USAC Sanctioned events required to use USAC waivers. NO EXCEPTIONS.
- **ALL participants and volunteers MUST sign waivers**
- **Volunteers should sign special Volunteer waiver**
- ***New - Adults can electronically sign event waiver through USAC's online-registration system. Other electronic waiver systems not accepted.**



Paper Waivers

- Race directors required to use USAC paper waivers for all minors and for all adults not pre-registered through USAC's Online Registration System.
- Cannot change format and font size
- **Waivers must be hand-signed (no electronic waivers, except using USAC's system)**
- Only parent or court appointed legal guardian can sign waiver for a minor
- Power of Attorney documents are not accepted for signing waivers
- Need to make sure waivers completed properly and are legible



LA Specific Risk Management & Compliance

- Collecting signed W-9's for payment related to all services
- Issuing a 1099 for all individuals LA paid more than \$600
- Filing 990 (990-N, 990-EZ, full 990) IRS annually
- Do you have unrelated business income? If so, file 990-T
- Sales and Use Tax license and filings
- Annual state filing/registration
- Make sure you are in compliance with you own Bylaws
- LA general liability insurance
- LA Directors & Officers Insurance



Insurance Programs

- Competitive Event General Liability (G/L) Insurance
- Non-competitive Event G/L Insurance (Fun Rides/Tours, Training Rides, Camps, Clinics)
- Hired/Non-owned Auto / Moto Liability insurance
- Event Accident Medical Insurance
- Club/LA G/L Insurance
- Club/LA Directors and Officers Insurance
- Coaches Liability Insurance
- Preferred Dealer Bike Shop Insurance



Insurance Programs

- Plan summaries and additional information at:
<http://www.usacycling.org/news/user/story.php?id=630>

or

by clicking “Insurance Information” under Race Directors on navigation bar



Event General Liability (G/L) Insurance

- Policy Exclusions

- Non-cycling related activities including but not limited to fireworks, concerts, vending, concessions, moon walks, festivals, or stunts, big air jump contests, etc. **(USAC Recommends Promoters get additional insurance if they have these activities)**
- This policy does not provide coverage for any automobiles or motorcycles except for hired/non-owned vehicles specifically scheduled and additional fee paid. For more information please see Non-Owned/Hired Insurance Information.



Event General Liability (G/L) Insurance

- Policy Exclusions Continued
 - Employee bodily injury or job-related injury; i.e., this policy **does not provide the race organizer's employees or volunteers with workers' compensation**, nor will it pay related medical expenses.
 - Participant vs. participant claims involving rider vs. rider are excluded.
 - Terrorism
 - Professional liability for medical professionals
 - Liquor Liability



Hired/Non-owned Auto / Moto Liability Insurance

- Hired/Non-owned Auto / Moto liability insurance for competitive events
 - Optional coverage that must be elected and paid for prior to event
 - Liability coverage only, not physical damage
 - Non-owned/hired supplemental liability insurance is excess of primary insurance policy
 - Vehicle must have primary insurance for road use and drivers must be properly licensed



Hired/Non-owned Auto / Moto Liability Insurance

- Coverage is per vehicle/driver, per event (up to 10 consecutive racing days). Each event within a permitted series is considered a separate application.
- Coverage period is the term of the event on the permit and applies only while officiating or marshaling during the race at the specific event.
- The owner of the vehicle will be covered only if he or she has primary liability insurance and is an official or marshal driving the vehicle during the race at the specific event.



Hired/Non-owned Auto / Moto Liability Insurance

- Automobiles may only carry a maximum of the number of seats with safety restraints or 9 people, whichever is less for the coverage to be valid.
- All drivers must be 19 years of age or older, sign Authorization to Conduct a Motor Vehicle Report, and be approved as drivers.
- Applications with Authorization to Conduct a Motor Vehicle Report must be received 10 business days for vans and 7 business days for other vehicles



Event Accident Medical

- \$25K Excess Accident Medical Insurance for USAC licensed Riders at USAC Events
 - Rider call K&K at 1-800-237-2917
 - File claim within 30 days
 - 70% Co-insurance
 - Matching deductible for individuals with primary health insurance (Minimum Deductible \$1K / Maximum Deductible \$5K)



Other Optional Insurance Programs

- Club/LA G/L Insurance
- Club/LA Directors and Officers Insurance
- Coaches Liability Insurance
- Preferred Dealer Bike Shop Insurance



Member Benefit Insurance Program

- Adventure Advocates (Accident Medical)
 - 3 plans
 - <http://www.adventureadvocates.com/usacycling>
- Nicholas/Hill (Medical, Dental, Vision, Life, Disability, LTC, Medicare Supplement)
 - Individual as well as group plans
 - Short term and student policies available
 - <http://www.nicholashillgroup.com/usacycling>
- Liberty Mutual (Homeowner, Renters, Auto, and Umbrella)
 - <http://www.libertymutual.com/lm/usacycling>

