

MEMORANDUM

TO: All Lancaster County Employees

FROM: Lancaster County Risk Management

RE: Personal Auto Use for County Business

DATE: October 23, 2008

This memo is intended to clarify the County's responsibility relating to insurance coverage for employees who use their personal automobiles to conduct business for Lancaster County.

If there are any specific questions regarding information in this memo, please contact Sue Eckley, Lancaster County Risk Management Office (441-6510) with your questions.

- Any employee who uses their personal automobile for business use for Lancaster County shall carry their own auto insurance for their personal vehicle. It is highly recommended that each employee carry a minimum limit of Per Person Liability coverage of \$300,000 and a Per Accident Liability coverage of \$600,000 (\$300,000/\$600,000)
- If an employee is using their personal vehicle for Lancaster County business, the employee should contact their insurance agent to discuss the fact that they are using their automobile during the course of their work day. The agent can best advise the employee whether they are insured properly for the exposure of business use of their personal auto. If an employee failed to inform their agent that they are using their personal vehicle for business use, the insurance company may, in the event of an accident, deny payment of expenses incurred as a result of the accident.
- The insurance coverage for the personal automobile owned by a Lancaster County employee will be considered as "primary" coverage. In other words, an employee involved in an automobile accident, would need to contact their personal insurance agent as this insurance policy would pay first in the event of a loss. Lancaster County will not be responsible for any deductibles for Physical Damage or future increases in insurance cost to the employee.
- It should be communicated and understood by each employee who uses

their personal automobile for County business that under no circumstances would the County's automobile policy pay for any physical damage to the employee's auto. Only the employees' personal insurance policy would pay for damages. If an employee does not carry collision coverage and their vehicle is damaged in an accident which is their fault, then no coverage would be available to repair their automobile. Lancaster County does not carry coverage to pay for physical damage to personal autos.

- Any employee injured while in the course of their employment would be eligible to receive the appropriate workers' compensation benefits as afforded by law for medical expenses incurred. The County does have a subrogation right against any negligent third party for expenses incurred and paid as workers' compensation.

This memo is intended to communicate this general information to all employees who use their automobiles for Lancaster County business. We want to inform all employees prior to any accident occurring so there is no misunderstanding of coverage afforded to them.

We urge anyone who uses their personal vehicle for Lancaster County business to call their personal insurance agent and review their policy with the agent so they understand what coverage they do have in the event of an accident while in the course of business.

If you have questions, please contact:

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