

## **PCOM Minimum Insurance Requirements**

### **I. REQUIRED MINIMUM INSURANCE COVERAGES**

- a. PCOM requires all contractors/vendors to maintain the insurance coverages set forth below. All policies must be on a primary basis issued by a carrier rated at least “A-VII” by A.M. Best. The required coverages and minimum insurance limits in no way limit the liability of the contractor/vendor.

### **II. COMMERCIAL GENERAL LIABILITY: COVERAGE OF \$1 MILLION PER INCIDENT/\$3 MILLION ANNUAL AGGREGATE**

- a. Commercial General Liability is a broad based insurance that covers the liability assumed in the performance of general, non-professional activities. In most cases, general liability insurance will be the primary policy responding to negligent acts (e.g. a person injured from a tool dropped by the employee of a contractor/vendor).
- b. PCOM must be named as an additional insured on the insurance policy and include a waiver of subrogation in favor of PCOM. If coverage is written on a claims made basis, coverage must be maintained during the term of the contract and for at least three (3) years following completion/termination.
- c. Liquor liability coverage is required for all establishments for all events where alcoholic beverages will be served, including restaurants, breweries and sports/concert facilities.
- d. The minimum amount of insurance is based on the level of risk involved with the type of service provided or activity taking place and the scope and nature of the project to be completed. Higher limits will be required when risks or potential losses are judged to be unusual (e.g. removal of hazardous substances, professional athletes on campus, etc.).

### **III. WORKERS’ COMPENSATION: STATUTORY REQUIREMENTS AND EMPLOYER’S LIABILITY: COVERAGE OF \$1 MILLION**

- a. Where a contractor/vendor will be engaged in operations/services on PCOM–owned property, the contractor/vendor is required to carry Workers’ Compensation and Employer’s Liability insurance. The policy must be endorsed to include a waiver of subrogation in favor of PCOM.

**IV. BUSINESS AUTOMOBILE LIABILITY: COVERAGE OF \$1 MILLION**

- a. Business Automobile Liability insurance covers the liabilities assumed by a business when vehicles are used in the course of business activities. In situations where the contractor/vendor will be utilizing motor vehicles (owned, hired or borrowed) to perform operations or provide services on PCOM property, the contracting party is required to carry Business Automobile Liability insurance.
- b. If the contractor/vendor will be transporting hazardous substances or passengers for hire, it must meet all state and federal licensing requirements. Depending on the type and amount of hazardous materials transported, the contractor/vendor may be subject to the Motor Carrier Act of 1980. In these cases, the contractor will be required to provide proof of required financial responsibility in the form of a Motor Carrier Act endorsement (MCS-90) to their liability insurance policy, a Motor Carrier surety bond, or self-insurance authorization from the Federal Motor Carrier Safety Administration. The limits of liability required will be in accordance with 49 CFR 387.7.

**V. POLLUTION LIABILITY INSURANCE: COVERAGE OF \$10 MILLION**

- a. If the contractor/vendor engages in a business working with, producing or utilizing a product or waste considered to be a “hazardous material or waste” under local, state or federal law (which includes but is not limited to flammable explosives, radioactive materials, known carcinogenic materials, volatile chemicals and biological contaminants) it is required to carry Pollution Liability insurance coverage. The policy must include sudden and gradual coverage for third-party liability, including defense costs and completed operations. The coverage must be maintained during the term of the contract/lease and for at least three (3) years following completion/termination.

**VI. PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS INSURANCE: COVERAGE OF \$1 MILLION PER INCIDENT/ \$3 MILLION ANNUAL AGGREGATE**

- a. Contractors/vendors performing professional services (law firms, architects, medical professionals, environmental consultants, engineers, security companies, accountants, investment managers and insurance brokers) are required to carry

Professional Liability/Errors and Omissions insurance, sometimes commonly referred to as “malpractice” insurance. The coverage must be maintained during the term of the contract and for at least three (3) years following its completion/termination.

**VII. CRIME INSURANCE: MINIMUM COVERAGE OF \$5 MILLION**

- a. When a contractor/vendor’s services include handling or having access to PCOM money, securities and other negotiable instruments, the contractor/vendor is required to have a Commercial Crime (Fidelity) policy, or if a financial institution, a Financial Institution Bond.

**VIII. PRIVACY LIABILITY (CYBER) INSURANCE: COVERAGE OF \$5 MILLION**

- a. Privacy Liability or “Cyber” insurance covers an organization in the event of an alleged or actual failure in its responsibility to protect sensitive information of others. Such information can include personally-identifiable information (Social Security numbers, driver’s license numbers, etc.), financial information (bank account numbers, credit card numbers, insurance information, etc.) or confidential personal or health information (medical records, academic records, etc.).

**IX. CERTIFICATES OF INSURANCE AND POLICY ENDORSEMENTS**

- a. A Certificate of Insurance (COI) is a standardized way of documenting proof of insurance coverages. PCOM will accept properly completed ACORD 25 (liability) and ACORD 28 (commercial property) Certificate of Insurance forms as sufficient proof of insurance. The contractor/vendor must supply a copy of their “Additional Insured-Owners, Lessees or Contractors’ Endorsement (ISO Form CG 20 37 07 04 and ISO CG 20 10 07 04 or equivalent) naming “The Philadelphia College of Osteopathic Medicine Foundation and its affiliates, subsidiaries, trustees, officers, agents and employees are Additional Insureds as their interests may appear.” The COI should specify coverages with policy numbers, policy dates, and limits. With the exception of Workers’ Compensation and Professional Liability coverage, the COI must state in the COI section entitled DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/ SPECIAL ITEMS): “The Philadelphia College of Osteopathic Medicine, its trustees, officers, agents and employees are Additional Insureds as their interests may appear.” A minimum of thirty (30) days

written notice of cancellation, non-renewal or material restriction of coverage terms or limits must be provided to PCOM.