

Pacific Northwest Annual Conference The United Methodist Church

January 1, 2009

Considering ministry outreach within the USA or abroad?

If your church is considering outreach services within the USA or abroad, here are a few things to consider and know as respects insurance and risk management.

(Additional information can be added regarding traveling information to the country/states, packing, applications, what to expect etc).

First and foremost, have each participant sign a waiver for their involvement in this activity.

Property

Any valuable items owned by the church member or volunteer would be their own responsibility for loss or damage. Their homeowners insurance may respond to claims for loss or damage to property. The conference policy offers limited coverage in this regard. The insurer will pay for direct physical "loss" to personal effects of your directors, officers, (partners) and employees, while they are traveling anywhere in the world in the conduct of church business, caused by or resulting from any of the Covered Causes of Loss (such as fire). The most recoverable for such "loss" in any one occurrence is \$1,000. No deductible applies to this extension

Liability

Bodily injury and property damage to third parties where you are legally liable arising out of your premises or operations, contractual obligations and personal or advertising injury. . This commercial liability coverage applies to the church, its trustees, and clergy, and all other employees or volunteers while engaged in their capacity or scope of duties at any location within coverage territory. The coverage territory only includes:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on church business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement the insurer agrees to.

Guests accompanying members or volunteers are included to the extent they are conducting church business.

Auto rentals

Any auto rental in another country should be purchased through the rental company of that country. If your church is renting within the USA, the conference auto policy provides liability

(third party bodily injury or property damage) insurance while renting on church business. (If you rent a van with a driver, that's excluded from coverage). It also includes physical damage however subject to exclusions such as diminution of value. For example, if a church rents an auto and damages the auto (they're at fault) the insurer will pay the cost to repair the damage however the rental company may declare it to be a total loss vs to repair it. In such instances of disparity, the insurer may invoke this exclusion and only pay the cost to repair. The Church and/or rentee may be held responsible for the difference (we've seen claims such as this).

To eliminate the potential, it would be suggested to purchase the physical damage (loss collision waiver) offered by the rental company, or decline it and take the chance but knowing your insurer would pay the cost to repair only.

Trip Travel Accident coverage including repatriation

Medical treatment abroad isn't always comparable to that at home. You may spend hundreds of dollars—upfront—to be admitted to a hospital. Hospital staff may not speak your language, and the doctors may not have the skill, tools, or medication that your condition requires for treatment. These factors can turn even a simple asthma attack into a life-threatening situation.

To make matters worse, many domestic health insurance policies don't cover medical expenses incurred in a foreign country. If they do, they reimburse travelers at a lower rate than in the United States. Air evacuations, which average \$35,000, are seldom covered.

For travel outside the USA, please consider purchasing trip travel insurance including repatriation for any accidents or injuries while abroad. The conference program currently does not offer such coverage.

If you are traveling within the USA, personal or medical injuries that occur, please ensure each participant has personal medical insurance available to them. If church employees are traveling or if the church provides coverage for volunteers through the Washington state L&I system, it is possible the L&I coverage may respond.

Personal deviations – tourist activities

Personal deviations are not considered church business as such any liability incurred on third parties may be excluded from coverage. Please check to see if participants carry personal liability insurance.

As a reminder, please obtain Consent and release forms signed for all travelers.

Should you have any questions regarding the above or as you prepare for your next outreach program, please do not hesitate to call the conference office for assistance.