

GEORGIA DEPARTMENT OF CORRECTIONS



Standard Operating Procedures

Policy Name: Insurance Claims and Reporting

Policy Number: 404.03

Effective Date: 7/1/2020

Page Number: 1 of 14

Authority:
Commissioner

Originating Division:
Administrative & Finance
Division (Risk Management)

Access Listing:
Level I: All Access

- I. Introduction and Summary:** This standard shall apply to all Georgia Department of Corrections (GDC) staff to insure the proper investigation and reporting of insurance claims of damage to property and automobiles (state owned, private citizen, state employee, and offender where applicable) and/or personal injury.
- II. Authority:**
- A. O.C.G.A. § 50-21-33 Liability Insurance or Self-Insurance Programs; State Tort Claims Trust Fund; Premiums and Deductibles; Incentive Programs Authorized; Merger of Preexisting Programs and Funds; Additional Coverages, § 20-2-2011 Bond, Liability Insurance and Claim Office of Administrator, and § 50-16-9 Formulation of Self Insurance Plan for State's Property; Incentive Programs Authorized;
 - B. DOAS Comprehensive Loss Control Program;
 - C. DOAS Georgia Fleet Manual;
 - D. DOAS Policy 10: Rules, Regulations, and Procedures Governing the Use and Assignment of Motor Vehicles, Purchase, Operation, and Disposal of Motor Vehicles and Associated Record-Keeping;
 - E. GDC Board Rule: 125-2-1.11 Reimbursement of Personnel for Loss;
 - F. GDC Standard Operating Procedures (SOPs): 404.01 Risk Management Services, Management of Offender Property or Contraband, 507.04 Inmate Physical Health Services; and
 - G. ACA Standards: 2-CO-1B-11, 1-CTA-1B-09, 5-ACI-1B-17 (ref. 4-4041), 4-ACRS-1B-04, 4-ACRS-7D-28, and 4-ALDF-7D-14.

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III. Definitions:

- A. **Automobile Insurance** - A program that protects state employees while driving on state business and is managed by the Fleet Management Coordinator.
- B. **General Liability Insurance** - A program that is managed by the Risk Management Coordinator.
 - 1. Liability (Employee/Private Citizen) - Protects State government and its employees from claims brought against them while performing official duties.
 - 2. State Tort Insurance (Offenders) - Covers any legally obligated damage, court costs and litigation expenses because of negligence of state officers and employees performing their official duties.
- C. **Offender** - A person who has been convicted of a crime and placed under the supervision of Georgia Department of Corrections.
- D. **Personal Injury (Private Citizen)** - A program that provides coverage for the private citizen who may become injured while on state property and is managed by the Risk Management Coordinator.
- E. **Property Insurance** - A program that covers state owned buildings and personal property (contents) and is managed by the Risk Management Coordinator.
- F. **State Property** - A program that covers all property owned by the State of Georgia.
 - 1. **Contents** - All contents contained in state owned property.
- G. **All Risk Insurance** - This program covers an agency's exposure to loss of money and securities, watercraft used on inland lakes, fine arts, mobile equipment (e.g. backhoes, forklifts, brush hogs, golf carts), personal property temporarily away

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from premises (e.g. audio/visual equipment taken to a conference) or leased equipment (e.g. copying machines, fax machines) through a Special Property All Risk Agreement-State Property Claims and is managed by the Risk Management Coordinator.

H. **Personal Property** - This program is to provide coverage for the private citizen, state employee, offender or detainee in the event personal property is lost or damaged while on state property and is managed by Risk Management Coordinator.

IV. Statement of Policy and Applicable Procedures:

A. TYPES OF CLAIMS:

1. Automobile;
2. General Liability;
 - i. Liability (Employee/Private Citizens); and
 - ii. State Tort (Offenders).
3. Personal Injury (Private Citizens);
4. Property;
 - i. State owned property; and
 - ii. Contents.
5. All Risk Property; and
6. Personal Property;
 - i. Employee/Private Citizen Property; and

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- ii. Offender property.

B. ELIGIBILITY, LIMITS AND EXCLUSIONS:

1. Automobile:

- i. Liability Insurance covers “qualified” state employees (full and part time) while operating a state vehicle for state business.
- ii. GDC provides Automobile Liability Insurance Coverage for vehicles that are purchased prior to 2010 and Automobile Liability and Collision insurance is provided for vehicles after 2010.
- iii. Under the terms of the policy, a vehicle is a total loss if the repair estimate exceeds seventy-five percent (75%) of the Book Value in Automobile Resources International (ARI).

Note: A deductible of five hundred dollars (\$500.00) applies when the employee strikes another vehicle in the rear, hits a fixed object (including a parked vehicle), or fails to report a crime, such as hit and run, vandalism, etc., to the police. The deductible will be paid through the entity’s (facility, department, etc.) budget.

2. General Liability:

- i. Liability (Employee/Private Citizen) - There is no deductible applied to a general liability claim; and
- ii. State Tort (Offenders) - There is a deductible of five hundred dollars (\$500.00) applied to claims by offenders. (The State Tort claim policy excludes the first five hundred dollars (\$500.00) of each property damage claim, involving property of others in the care, custody or control of a state agency or authority.)

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3. Personal Injury (Private Citizen): There is no deductible applied to a personal injury claim.
4. Property:
 - i. All claims for property and contents have a deductible of one thousand dollars (\$1,000.00) that will be charged to the local unit's budget; and
 - ii. The coverage is limited to replacement or restoration cost only, not enhancements or upgrades.
5. All Risk Property:
 - i. All claims have a deductible of five hundred dollars (\$500.00) that will be charged to the local unit's budget.
 - ii. The coverage is limited to replacement or restoration cost only, not enhancements or upgrades.
6. Personal Property Insurance:
 - i. Employee/Citizen - There is no deductible applied to a personal property claim for employee/citizen.
 - ii. Offender - There is a deductible of five hundred dollars (\$500.00) applied to offender claims.

C. CLAIMS REPORTING:

1. Automobile Insurance:
 - i. All accidents shall be reported IMMEDIATELY to the following:
 - a. Supervisor of the individuals involved in the accident and the Division Director of the Region in which the vehicle occupants are assigned;
 - b. GDC Communications Center at 478-992-5111;

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- c. Risk Management Coordinator; and
 - d. DOAS Claims Department at 1-877-656-7475.
- ii. Reporting:
- a. Any accident involving a vehicle, pedestrian or personal property damage must be reported to the local Police, County Sheriff or State Patrol.
 - b. The individual involved in the accident or their immediate Supervisor has the responsibility to obtain a copy the Georgia Uniform Motor Vehicle Accident Report, as well as reporting the accident to DOAS per the instructions listed above.
 - c. The Georgia Uniform Motor Vehicle Accident Report (GUMVAR) must be prepared by the attending Law Enforcement Officer. The GDC driver or their supervisor will have the responsibility of obtaining a copy of the form.
 - d. The GDC Accident Fact Sheet must be completed on the scene or as soon after as physically possible.
 - e. The Appointing Authority is responsible for submitting a copy of the above-mentioned documents to Fleet Management. Submission of the documents in a timely manner is of the utmost importance. (Submission should be summited within seventy-two (72) hours.)
 - f. The driver of the vehicle shall notify their supervisor at a suitable time, same day or next business day at the latest.
 - g. The Motor Vehicle Coordinator must report the accident by telephone promptly as instructed below. Gathering of the following information

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shall occur at the accident scene: driver's identity, year/make/model of vehicles involved, license plate(s), names of witness(s), names of vehicle occupants, Vehicle Identification Number(VIN), telephone numbers and insurance information.

- h. During normal business hours, report vehicle accidents immediately to Risk Management Coordinator.
- i. The Vehicle Coordinator or responsible individual shall immediately contact the state insurance carrier (DOAS) at (1-877-656-7475) for accidents involving a second vehicle, fatalities or damage to personal property occurs.
- j. For accidents that render the state vehicle inoperable contact ARI at (1-800-227-2273) and have the vehicle towed to a safe location. Upon transferring the vehicle to a secure location, contact Fleet Management to arrange for the pickup of the vehicle.
- k. The filing of claims against the above-mentioned liability coverage could occur when a State vehicle has been involved in an accident with a private vehicle or when damage to other privately owned property occurs.
- l. If an employee is injured or has lost time from work, due to a vehicle accident, the Employer's First Report of Injury must be made by immediately calling the DOAS NetClaim number (1-877-656-7475) and GDC's medical care provider. Prompt medical advice and authorized treatment will be available following such accidents/injury to the employee.
- m. When an accident or damage occurs to a state-owned vehicle, the person involved or their supervisor is to call (even when there is no damage to the vehicle) DOAS (the number to DOAS is located on the

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Georgia Liability Insurance Identification Card, which should be maintained in each state vehicle), this will start the claim process.

- 1) Once a claim is called into DOAS, a NetClaim form is emailed to the person who called the accident in and a copy will be forwarded to the Risk Coordinator along with a copy of the police report, pictures and an estimate from the vendor they wish to have the vehicle repaired at.
- 2) The Risk Coordinator will maintain a file containing all documentation pertaining to the accident.
- 3) Once DOAS receives all requested documentation, DOAS will inform the Risk Coordinator that payment has been sent to vendor for repair. The Risk Coordinator will contact the entity to inform them of this information and request confirmation when the repairs have been completed.
- 4) Once repairs have been completed, the file is closed and copies are scanned and maintained on the P Drive.

2. General Liability:

i. Liability (Employee/Citizen):

- a. This claim must be accompanied by an Incident Report fully detailing the events and concluding that an error occurred on the part of the Department of Corrections, a Liability Accident Report Form, pictures and an estimate of damage.

b. Reporting:

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- 1) Once an employee/citizen believes they have a claim, they are to complete and submit the Liability Accident Report (located on Captiva) to their local business office along with pictures (if applicable), an incident report (which must conclude that an error occurred on the part of the department) and estimate of damage. The local business office will forward this information to the Risk Coordinator.
 - 2) The Risk Coordinator will open a claim file, enter the tracking file and issue a claim number.
 - 3) The Risk Coordinator will submit all documentation to DOAS and DOAS will contact the employee/citizen directly.
- ii. State Tort (Offender): This claim must be accompanied by an Incident Report fully detailing the events and concluding that an error occurred on the part of the Department of Corrections, a Liability Accident Report Form, pictures and an estimate of damage.
- NOTE:** State Tort claims for offenders will be reported and processed in the same manner as liability claims described above.
3. Personal Injury (Private Citizen): Private citizens who are injured on GDC property may be eligible for insurance compensation.
- NOTE:** Personal injury claims will be reported and processed in the same manner as liability claims described above.
4. State Property & Contents Insurance:
- i. Claims should be completed and closed within one hundred and twenty (120) days, if an extension is needed: a request is to be sent to the Risk Management Coordinator along with a reason and approximately how

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much time is needed. Repairs should not be started until a claim account is established. See paragraph C.1. for claims involving state vehicles.

Exception: If the damage creates a security risk for the local unit, they may proceed with repairs immediately with approval from the appointing authority or their designee.

ii. Reporting:

- a. When a damage or loss occurs at a local facility, the local unit will inform the Risk Coordinator.
- b. The Risk Coordinator will notify the DOAS Risk Management Section of the potential claim.
- c. The local unit will prepare & fax or email a Notice of Loss to Risk Coordinator within forty-eight (48) hours after the loss is discovered.
- d. Upon receiving the Notice of Loss form, the Risk Coordinator will:
 - 1) Issue a GDC claim number;
 - 2) Open a claim file;
 - 3) Log claim information in claim tracking file; and
 - 4) Email the Notice of Loss to DOAS.
- e. The Risk Coordinator will establish claim account and email the coding information to local unit and the Central Budget Office.

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- f. DOAS Risk Management will open a file and send Risk Coordinator a “PR” claim number. The Risk Coordinator will document number in claim tracking file and claim file.
- g. If local unit experiences damage from lightning, a lightning affidavit must be completed, signed and notarized by an outside vendor on the onset of the claim. The lightning affidavit is required by DOAS to support coverage.
- h. The Risk Coordinator will request an itemized detailed estimate from a vendor, pictures of damage and any additional information that DOAS requests concerning the claim.
- i. Local units should send information to Risk Coordinator as updates occur for example in the following cases:
 - 1) Additional damages located after the original Notice of Loss filed;
 - 2) Unexpected cost arises after the original Notice of Loss filed;
 - 3) Quotes, invoices, etc.;
 - 4) Lightning affidavit (if applicable); and
 - 5) Surplus Property forms on all replaced items/property/equipment.
- j. The local unit will execute the repairs and code purchases to established claim account codes.
- k. Claims are required to be completed and Sworn Proof of Loss packet submitted to DOAS within One Hundred and Twenty (120) days after the loss was discovered. If a claim cannot be finalized within One Hundred and Twenty (120) days, the local unit may request an

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extension in writing and send to Risk Coordinator. The Risk Coordinator will forward to DOAS for consideration. (Extensions should only be filed for major losses or unforeseen circumstances).

- l. Upon completion of the project, the local unit will send a Sworn Proof of Loss Packet to the Risk Coordinator.
- m. Packets will include the Sworn Proof of Loss and proof of payment (invoices). Also, Property Transfer forms are to be included for items/property/equipment replaced regardless of dollar value and a copy of the Affidavit of Destruction Form which is generated through DOAS when staff request affidavit through DOAS Assets Work Program.
- n. All expenditures from the packet will be coded to Insurance deductible and recovery (claim account codes) must equal the claim amount on Sworn Proof of Loss form.
 - 1) If expenditures do not equal to Proof of Loss packet, the Risk Coordinator will work with the local unit to resolve differences.
 - 2) If coding account errors are found, the Risk Coordinator will work with the local unit and Accounting to resolve issues.
- o. Upon receipt of the Sworn Proof of Loss packet, the GDC Risk Coordinator will forward to DOAS. The GDC Coordinator will log receipt in claim tracking file and keep a copy for claim file.

5. All Risk Insurance:

- i. Claims should be completed and closed within one hundred and twenty (120) days, if an extension is needed: a request is to be sent to the Risk Management Coordinator along with a reason and approximately how

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much time is needed. Repairs should not be started until a claim account is established:

Exception: If the damage creates a security risk for the local unit, the Appointing Authority or designee may authorize immediate repairs.

ii. Reporting:

- a. Each entity of GDC will submit yearly a list of equipment that is used outside of a building and/or transient (fleeting, mobile and/or self-propelled) such as: club cars, lawn mowers, self-propelled lawn mowers, etc. to the Risk Coordinator.
- b. These items do not include tagged highway vehicles or trailers, stationary structures or any equipment that does not work or needs to be salvaged.

Note: The process of starting a claim is handled the same way as a State Property & Contents Insurance claim described in paragraph C.4.

7. Personal Property Insurance:

i. Employee/Citizen:

- a. The claim must be accompanied by an Incident Report fully detailing the events and concluding that an error occurred on the part of the Department of Corrections.
 - 1) If a GDC employee claims that personal items were lost/damaged in an altercation with an offender, they may be eligible for reimbursement for either Care and Custody or DOAS Risk Management. The Department may choose to reimburse from Care and Custody as a first priority.

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- 2) It is permissible for an employee/citizen to repair or replace the lost/damaged item in advance, then apply for reimbursement. The employee/citizen should be advised that the claim could be denied and reimbursement is not guaranteed.
 - 3) The State Insurance Program will not pay for damages caused by the criminal acts of employees or offenders. In such cases the GDC Risk Coordinator may refer the claimant to file a claim with the Claims Advisory Board of the Secretary of State's Office.
- b. Reporting: Personal property claims for employee/citizen will be reported and processed in the same manner as liability claims described in paragraph C.2. General Liability. If DOAS determines to pay the claim, checks will be issued directly to the claimant.
- ii. Offender Property: Personal property claims for offenders will be reported and processed in the same manner as liability claims described in paragraph C.2. General Liability.

V. Attachments:

Attachment 1: Insurance Notice of Loss
Attachment 2: Insurance Sworn Proof of Loss
Attachment 3: Insurance Lightning Affidavit
Attachment 4: Property Transfer Form

VI. Record Retention of Forms Relevant to this Policy:

Upon completion, Attachments 1 and 2 shall be retained for five (5) years. Upon completion and after disposition of Property, Attachment 4 shall be retained for five (5) years. Upon completion, Attachment 1, shall become part of the Purchase Order package and retained for five (5) years. All Attachments shall be maintained with other records involving claims and shall be destroyed after five (5) years.