



Non-Owned & Hired Auto Controls for Home Health Care Agencies

Many Home Health Care agencies require their employees to operate their own vehicles while working. Generally, Home Health Care providers are required to drive to and from clients' homes throughout their work day, take clients to the doctor or pharmacy and run other errands. While some larger Home Health Care Agencies may provide company owned vehicles for business use, many agencies cannot afford to maintain a fleet of company autos.

In order to help protect your Home Health Care clients, consider recommending that they implement a written Risk Management policy addressing the Non-Owned and Hired Auto Liability exposure, outlining what the minimum expectations are for each employee while operating a vehicle for company business. Some examples are included below:

- **Driver Qualifications**

Guidelines need to be set to establish what the agency considers a "qualified" driver. The driver will need a valid driver's license in their State. A Motor Vehicle Report (MVR) should be obtained upon hire and pulled and reviewed on an annual basis. The MVR should be compared to the company's policy to see if the driver meets the qualifications for driver eligibility (such as driving under the influence ("DUI") and/or careless and negligent operation of a motor vehicle ("C&N"), for example). Any employees that do not meet your established driving

standards should not be allowed to drive during the course of company business.

- **Insurance**

For employees that need to drive their own vehicles during the course of business, require that they carry Auto Liability coverage that meets or exceeds the State required minimum limits. Because these employees are using their vehicles during the course of business, request that their Auto Insurance carrier attach a "Business Use" endorsement to their Auto policy. If the employee is driving during the course of business, and is involved in an accident for which they are at fault, this may offer the protection of insurance to help pay for damages they caused to other people or property.

- **Maintenance**

Each Home Health Care agency should require that their employees maintain their vehicle in accordance with recommended guidelines. Ensure that staff are driving vehicles that are safe and roadworthy. In some areas of the country it may be necessary to require that the staff use snow tires during winter months.

- **Driving Policies**

Are employees allowed to provide Client Transportation services? If so, how far can they drive patients? What types of patients can they transport? Is their vehicle handicap equipped? Ensure that your client has considered all of these risks. If a patient is injured while being transported by an employee, the financial damages to your client can be significant. Drivers must be properly trained and insured.

- Accidents

Establish a reporting policy for accidents. Details of any accidents should be reported to your client immediately. A standardized accident report should be created and provided to all drivers.

Keep in mind that many personal automobile insurance companies will exclude Liability coverage if a personally owned vehicle is involved in an accident while in the course of business. This is why it's very important that your clients have Non-Owned & Hired Auto Liability coverage in place. This coverage protects your client for liability claims brought against them in the event that an employee injures another party while driving during the course of business.

APU's Home Health Care program has prepared this article for informational purposes only. It is not intended to provide legal advice. Readers should not rely on this document or act upon any of the information it contains without first consulting competent legal counsel.

Marie Gaudette

Vice President, Amwins Program Underwriters

121 Connor Way, Suite 250, Williston, VT 05495

Phone: (802) 391-2195

Website: www.amwins.com/apu