

Insurance Requirements



For provider agencies, organizations, group practices and hospitals

- A. CONTRACTOR shall purchase and maintain insurance as listed below from a company which is licensed and authorized to do business in the State of North Carolina by the North Carolina Department of Insurance.
- i. Professional Liability: The CONTRACTOR shall purchase and maintain Professional Liability Insurance protecting the CONTRACTOR and any employee performing work under the Contract for an amount of not less than \$1,000,000.00 per occurrence/\$3,000,000.00 annual aggregate.
 - ii. Comprehensive General Liability: The CONTRACTOR shall purchase and maintain Bodily Injury and Property Damage Liability Insurance protecting the CONTRACTOR and any employee performing work under the Contract from claims of Bodily Injury or Property Damage arising from operations under the Contract for an amount of not less than \$1,000,000.00 per occurrence/\$3,000,000.00 annual aggregate.
 - iii. Automobile Liability: If CONTRACTOR transports recipients, the CONTRACTOR shall purchase and maintain Automobile Bodily Injury and Property Damage Liability Insurance covering all owned, non-owned, and hired automobiles for an amount not less than \$500,000.00 each person and \$500,000.00 each occurrence. Policies written on a combined single limit basis shall have a minimum limit of \$1,000,000.00.
 - iv. Workers' Compensation and Occupational Disease Insurance, Employer's Liability Insurance: The CONTRACTOR shall purchase and maintain Workers' Compensation and Occupational Disease Insurance as required by the statutes of the State of North Carolina. The CONTRACTOR shall purchase and maintain Employer's Liability Insurance for an amount not less than Bodily Injury by Accident \$100,000.00 each Accident/ Bodily Injury by Disease \$100,000.00 each Employee/Bodily Injury by Disease \$500,000.00 Policy Limit.
 - v. Tail Coverage: Liability insurance may be on either an occurrence basis or on a claims-made basis. If the policy is on a claims-made basis, an extended reporting endorsement (tail coverage) for a period of not less than three (3) years after the end of the contract term, or an agreement to continue liability coverage with a retroactive date on or before the beginning of the contract term, shall also be provided.
- B. Any CONTRACTOR utilizing any model for self-directing Innovations services and/or Agency With Choice services for Innovations enrollees shall carry Workers Compensation Insurance in accordance with the requirements of the DMA and LME/MCO Contract and Innovations Waiver §1915(c) rules.
- C. CONTRACTOR shall:
- i. **Provide to the LME/MCO with Certificate(s) of Insurance (COI) or Change Endorsement(s) with the LME/MCO named as an Additional Insured prior to the LME/MCO's execution of the Contract;**
 - ii. Submit new COIs no later than ten (10) calendar days after the expiration of any listed policy to ensure documentation of continual coverage;
 - iii. Notify the LME/MCO in writing within forty-eight (48) calendar hours of any cancellation or material change in coverage;
 - iv. Provide evidence to the LME/MCO of continual coverage at the levels stated above within forty-eight (48) calendar hours if CONTRACTOR changes insurance carriers during the performance period of the Contract including tail coverage as required for continual coverage; and
 - v. Notify the LME/MCO in writing within forty-eight (48) calendar hours of knowledge or notice of a claim, suit, criminal or administrative proceeding against CONTRACTOR and/or Practitioner relating to the quality of services provided under this Contract.
- D. CONTRACTOR shall have the right to self-insure provided that CONTRACTOR's self-Insurance program is licensed by the Department of Insurance of the State of North Carolina and has been actuarially determined sufficient currently to pay the insurance limits required in the Contract.
- E. CONTRACTOR acknowledges that:
- i. Any loss of insurance shall justify the termination of this Contract in the LME/MCO's sole discretion;
 - ii. Upon CONTRACTOR's notification of knowledge or notice of a claim, suit, criminal or administrative proceeding against CONTRACTOR and/or Practitioner relating to the quality of services provided under this Contract, LME/MCO in its sole discretion shall determine within ten (10) days of receipt of notification whether termination of the Contract or other sanction is required; and
 - iii. All insurance requirements of this Contract shall be fully met unless specifically waived in writing by both the LME/MCO and CONTRACTOR.

For licensed independent practitioners (LIP)

- A. CONTRACTOR shall purchase and maintain insurance as listed below from a company which is licensed and authorized to do business in the State of North Carolina by the North Carolina Department of Insurance.
- i. Professional Liability: The CONTRACTOR shall purchase and maintain Professional Liability Insurance protecting the CONTRACTOR and any employee performing work under the Contract for an amount of not less than \$1,000,000.00 per occurrence/\$3,000,000.00 annual aggregate.
 - ii. Comprehensive General Liability: The CONTRACTOR shall purchase and maintain Bodily Injury and Property Damage Liability Insurance protecting the CONTRACTOR and any employee performing work under the Contract from claims of Bodily Injury or Property Damage arising from operations under the Contract for an amount of not less than \$1,000,000.00 per occurrence/\$3,000,000.00 annual aggregate.
 - iii. Automobile Liability: If CONTRACTOR transports recipients, the CONTRACTOR shall purchase and maintain Automobile Bodily Injury and Property Damage Liability Insurance covering all owned, non-owned, and hired automobiles for an amount not less than \$500,000.00 each person and \$500,000.00 each occurrence. Policies written on a combined single limit basis shall have a minimum limit of \$1,000,000.00.
 - iv. Workers' Compensation and Occupational Disease Insurance, Employer's Liability Insurance: The CONTRACTOR shall purchase and maintain Workers' Compensation and Occupational Disease Insurance as required by the statutes of the State of North Carolina. The CONTRACTOR shall purchase and maintain Employer's Liability Insurance for an amount not less than Bodily Injury by Accident \$100,000.00 each Accident/ Bodily Injury by Disease \$100,000.00 each Employee/Bodily Injury by Disease \$500,000.00 Policy Limit.
 - v. Tail Coverage: Liability insurance may be on either an occurrence basis or on a claims-made basis. If the policy is on a claims-made basis, an extended reporting endorsement (tail coverage) for a period of not less than three (3) years after the end of the contract term, or an agreement to continue liability coverage with a retroactive date on or before the beginning of the contract term, shall also be provided.
- B. Any CONTRACTOR utilizing any model for self-directing Innovations services and/or Agency With Choice services for Innovations enrollees shall carry Workers Compensation Insurance in accordance with the requirements of the DMA and LME/MCO Contract and Innovations Waiver §1915(c) rules.
- C. CONTRACTOR shall:
- i. **Provide to the LME/MCO with Certificate(s) of Insurance (COI) or Change Endorsement(s) with the LME/MCO named as an Additional Insured prior to the LME/MCO's execution of the Contract, except that Licensed Independent Professionals are not required to comply with this requirement;**
 - ii. Submit new COIs no later than ten (10) calendar days after the expiration of any listed policy to ensure documentation of continual coverage;
 - iii. Notify the LME/MCO in writing within forty-eight (48) calendar hours of any cancellation or material change in coverage;
 - iv. Provide evidence to the LME/MCO of continual coverage at the levels stated above within forty-eight (48) calendar hours if CONTRACTOR changes insurance carriers during the performance period of the Contract including tail coverage as required for continual coverage; and
 - v. Notify the LME/MCO in writing within forty-eight (48) calendar hours of knowledge or notice of a claim, suit, criminal or administrative proceeding against CONTRACTOR and/or Practitioner relating to the quality of services provided under this Contract.
- D. CONTRACTOR shall have the right to self-insure provided that CONTRACTOR's self-Insurance program is licensed by the Department of Insurance of the State of North Carolina and has been actuarially determined sufficient currently to pay the insurance limits required in the Contract.
- E. CONTRACTOR acknowledges that:
- i. Any loss of insurance shall justify the termination of this Contract in the LME/MCO's sole discretion;
 - ii. Upon CONTRACTOR's notification of knowledge or notice of a claim, suit, criminal or administrative proceeding against CONTRACTOR and/or Practitioner relating to the quality of services provided under this Contract, LME/MCO in its sole discretion shall determine within ten (10) days of receipt of notification whether termination of the Contract or other sanction is required; and
 - iii. All insurance requirements of this Contract shall be fully met unless specifically waived in writing by both the LME/MCO and CONTRACTOR.

Vaya Health
200 Ridgefield Court, Suite 206
Asheville, NC 28806
Attn: Credentialing Specialist

Date: _____
RE: Letter of Attestation: Liability Insurance Requirements
Company Name: _____ (CONTRACTOR)
Tax ID: _____

To Whom It May Concern:

This letter is to serve as a testament that the CONTRACTOR indicated above:
(Please check each applicable attestation statement.)

Does not currently provide services that require the transportation of clients, nor does the CONTRACTOR transport clients under any circumstances. CONTRACTOR fully understand and agree that in the event that CONTRACTOR were to begin to provide transportation to clients, the required limits of liability insurance indicated in the agreement between CONTRACTOR and the LME/MCO must be obtained, submitted to, and approved by the LME/MCO prior to transporting any clients.

Is not required to maintain Workers Compensation Insurance per NC Statute Worker's Compensation Act §97-13, Exceptions from provisions of Article, found at website: <http://www.ic.nc.gov/>. CONTRACTOR fully understands and agrees that in the even that CONTRACTOR was to employ three (3) or more employees, CONTRACTOR must obtain the required limits of liability insurance as stated in the agreement between CONTRACTOR and the LME/MCO. The required limits of liability must be obtained, submitted to, and approved by the LME/MCO prior to hire.

Sincerely,

Signature: _____ Date: _____

Print Name/Title: _____