



**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY
(CSURMA)**

MASTER COVERAGE DOCUMENTS

**WORKERS COMPENSATION and
EMPLOYER'S LIABILITY**



WORKERS' COMPENSATION and EMPLOYERS' LIABILITY COVERAGE TERMS

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CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY COVERAGE TERMS

Throughout this document, words and phrases that appear in **bold** have special meanings. They are defined in SECTION I - **DEFINITIONS**.

SECTION I - DEFINITIONS

- A. **Accident** means each accident or occurrence or series of accidents or occurrences arising out of any one event.

An accident is deemed to end 72 hours after the event commences. Each subsequent 72 hours is deemed to be a separate accident period.

Disease is an accident only if it results directly from bodily injury by accident.

- B. **Claim Expenses** of the **Member** mean its litigation costs, interest as required by law on awards or judgments, and its claim investigation legal expenses which can be directly allocated to a specific claim. Claim expenses exclude salaries and travel expenses of employees of the **Member**, annual retainers, overhead and any fees it paid for claim administration.

- C. **Employers' Liability** means coverage for the Member against the claims for damages, which arise out of the injuries to employees in the course of their work. Employers' Liability provides protection in cases not covered by the **Workers' Compensation Law**.

- D. **Member** means the Member named in the Declarations.

- E. **Qualified Self-Insurer** means the **Member** represents that it is a member of a duly qualified self-insurer under the **Workers' Compensation Law** of California and will continue to maintain such qualifications during the term this **Coverage** is in effect. If the qualification of the **Member** as a member of a self-insurer is cancelled or revoked while this **Coverage** is in force, the amounts payable under this **Coverage** will not exceed the amounts which would have been payable if such qualifications had been maintained in full force and effect.

- F. **Workers' Compensation Law** means the Workers' Compensation Law and Occupational Disease Law of the State of California. It includes any amendments to that law which are in effect during the term of this **Memorandum of Coverage**. It does not include provisions of any law that provides non-occupational disability benefits.

SECTION II - COVERAGES

A. WORKERS' COMPENSATION COVERAGE

The CSURMA agrees to provide the following Workers' Compensation coverage:

1. To indemnify the **Member** for loss as a qualified self-insurer under the **Workers' Compensation Law** but not for more than the limit of indemnity stated in the Declarations.
 - (a) Workers' Compensation Law includes the Jones Act (46 USC Section 688) and any amendment to that act that is in effect during the coverage period.
 - (b) **Workers' Compensation Law** includes the United States Longshoremen and Harbor Workers' Act (33 USC Section 901-950) and amendment to that act that is in effect during the coverage period.
2. Loss means amounts actually paid by the **Member** as a self-insurer under the **Workers' Compensation Law** for bodily injury by accident or bodily injury by disease including resulting death, provided:
 - (a) the bodily injury accident occurs during the period this Coverage is in force; or
 - (b) the bodily injury by disease is caused or aggravated by the conditions of employment by the **Member**. The employee's last day of last exposure to those conditions of that employment causing or aggravating such bodily injury by disease must occur during the period this Coverage is in force.
3. Loss includes **claims expenses** as defined in Section I - **DEFINITIONS**

B. EMPLOYERS' LIABILITY COVERAGE

The CSURMA agrees to provide the following Employers' Liability Coverage:

1. The CSURMA shall indemnify the **Member** as a qualified member of a self-insurer of employers liability for loss but not for more than the limits of indemnity stated in the Declarations.
2. Indemnity by the CSURMA shall be made only if the original suit and any related legal actions for damages for bodily injury by accident or disease was brought in the United States of America, its territories or possessions, or Canada.

3. Loss means amounts which the **Member** is legally obligated to pay or has paid in cash as damages, because of bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death. Loss also includes **claims expenses** as defined in Section I - **DEFINITIONS**
4. This coverage applies to losses paid by the **Member** for employers liability for bodily injury which arises out of and in the course of the injured employee's employment by the **Member**, provided:
 - (a) the bodily injury by accident occurs during the period this coverage is in force; or
 - (b) the bodily injury by disease is caused or aggravated by the conditions of employment by the **Member**.
 - (c) the employment is necessary or incidental to work conducted by the **Member**.
5. **DAMAGES INCLUDE:**
 - (a) damages for which the **Member** is liable to a third party by reason of a claim, suit or proceeding against the **Member** to recover damages suffered by the third party;
 - (b) damages for care and loss of services of an injured employee of the **Member**; and
 - (c) damages for consequential bodily injury to a spouse, child, parent, brother, or sister of the injured employee of the **Member**; provided such damages in 1, 2 and 3 above are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by the **Member** arising out of and in the course of the injured employee's employment by the **Member**; and
 - (d) damages because of bodily injury to an employee of the **Member** arising out of and in the course of employment, claimed against the **Member** in a capacity other than as employer.

C. **WORKERS' COMPENSATION - OTHER STATES COVERAGES**

1. This **Coverage** applies to states other than California if an employee of the **Member** is injured in such a state and if the work of such injured employee of the **Member** was within the scope of such employee's employment, at the direction of the **Member**, and was temporary and transitory in such other state provided the **Member** is not insured or self-insured in such other state, and
 - (a) such injured employee was regularly employed in California;
 - (b) the work in the other state was incidental to work in California; and



- (c) the work of such injured employee was not a permanent or fixed location of the **Member** subject to the **Workers' Compensation Law** in such other state.

SECTION III The CSURMA's LIMIT OF INDEMNITY

A. Limit of Indemnity by The CSURMA:

The CSURMA shall indemnify the **Member** for loss subject to the limit of indemnity stated in the Declarations. The limit of indemnity for Employers' Liability coverage shall not exceed the limit stated in the Declarations. The total indemnity for Workers' Compensation and Employers' Liability coverage combined shall not exceed in any event the maximum limit stated in the Declarations for California Workers' Compensation.

B. How the Limit of Indemnity Applies:

The CSURMA's Limit of Indemnity stated in the Declarations apply to losses paid by the **Member** as a member of a **qualified self-insurer** of Workers' Compensation and Employers' Liability as follows:

1. To one or more employees because of bodily injury or death in any one accident.
2. To any one employee for bodily injury or death by disease.

The inclusion of more than one legal entity as **Member** in the Declarations shall not increase the CSURMA's limit of liability.

SECTION III - EXCLUSIONS

A. WORKERS' COMPENSATION

The CSURMA shall not indemnify the **Member** for any payments made by the **Member** *in excess of benefits* regularly required by the **Workers' Compensation Law** if such excess payments are required because:

1. of serious and willful misconduct of the **Member**;
2. the **Member** or an Executive official thereof knowingly employed an employee in violation of law;
3. the **Member** knowingly failed to comply with a health or safety law or regulation;
4. in violation of the **Workers' Compensation Law**, the **Member** discharged, coerced, or knowingly otherwise discriminated against any employee; or
5. the **Member** violated or failed to comply with an **Workers' Compensation Law**.

B. EMPLOYERS' LIABILITY COVERAGE

The CSURMA shall not indemnify the **Member** for any payments made by the **Member** in connection with any claim made against a **Member** as follows:

1. Liability assumed under a contract;
2. punitive or exemplary damages;
3. bodily injury to an employee while knowingly employed in violation of law;
4. bodily injury intentionally caused or aggravated by or at the direction of the **Member**;
5. bodily injury occurring outside the United States of America, its territories or possessions, or Canada. This exclusion does not apply to bodily injury to a citizen or resident of the United States of America or Canada who is temporarily working outside these countries for the **Member**;
6. damages arising out of the **Member's** violation of law in the discharge of, coercion of, or discrimination against any employee;
7. any obligation imposed by a Workers' Compensation, occupational disease, unemployment compensation or disability benefits law, or any similar law; or
8. damages arising out of operations for which the **Member**:
 - a) has violated or failed to comply with any Workers' Compensation Law,
or
 - b) has rejected any Workers' Compensation Law.