

ANOTHER MEMBER SERVICE OF



A Union of Professionals

AFT Healthcare 



Revised
2007



A Union of Professionals

AFT Healthcare 

AFT OCCUPATIONAL LIABILITY PLAN and LEGAL ACTION TRUST

Provides Liability Protection and
Defense for Occupational Risks

The AFT Occupational Liability Policy
is underwritten by
Lexington Insurance Company,
a member company of the AIG Group.



Administered by:
Thomas T. North Inc.
2000 South Batavia Ave., Suite 250
Geneva, Illinois 60134
Toll-Free Call: 866/238-2388
Toll-Free Fax: 866/238-2385
E-mail: AFT@northcoinc.com



This brochure provides a brief description of the coverages which are subject to the terms, conditions, limitations and exclusions of the Master Policy issued by Lexington Insurance Co. and the Legal Action Trust Agreement.

12/07

**NURSES AND
HEALTHCARE PROFESSIONALS**

Questions

ided in two parts:

PART 2:

The \$1,000,000

**AFT Legal
Action Trust**

Questions about the Trust . . .

Q. Am I covered if I'm named in an occupational liability claim?

A. Yes. The insured member is protected under the Legal Action Trust for any inadvertent act or omission.

Q. Are criminal cases covered?

A. The AFT Occupational Liability Insurance Policy does not cover criminal liability. **However, the Legal Action Trust reimburses defense costs for covered claims in two ways:**

1. **Up to \$35,000** when the member is completely exonerated.
2. **Up to \$5,000** when the member is unable to gain complete exoneration of charges.

Complete exoneration **does not** include plea bargaining, lessening of charges or any other admission of guilt to affect a dismissal of charges.

Q. What if an insured member is assaulted on the job?

A. If an insured member is assaulted, the AFT Legal Action Trust will provide up to \$250 for damages to the member's personal property (other than vehicles). This applies only if the member has no other insurance. There is also a \$10,000 assault death benefit payable through the Trust if the member dies within 90 days after the assault.

Questions pertaining to both . . .

Q. What if a final civil judgment is entered against an insured member?

A. The Policy will pay the judgement for up to \$1 million per member for covered claims. For civil claims covered by the Trust, individual judgments will be paid up to \$1 million. All costs for legal defense are included in the payment.

Q. Does the Plan provide legal expenses for grievances or similar job-related hearings, etc.?

A. No. However, AFT Healthcare members may be eligible for coverage under the AFT defense fund, depending on the terms and conditions that have been established by your local.

Q. What are the exclusions or limitations to the Plan?

A. The Plan does not provide protection for punitive damages in excess of \$5,000 (provided by the Legal Action Trust). The Plan does not provide protection for personal business pursuits, automobiles, boats, aircraft exposures and other standard exclusions related to occupational liability.

All benefits (except death benefits) apply when the AFT Healthcare member has no other insurance available to him or her. If other insurance is available (through a healthcare facility, state statute, etc.), then the AFT Plan provides benefits in excess of the amount covered by other insurance.

Q. Is there coverage for charges brought by the board of nursing or other professional bodies?

A. Yes. Members are protected for up to \$5,000 for defense related to board or credentialing hearings resulting from employment activities.

Answers to Your Important

Q. What is the AFT Occupational Liability Plan?

A. The AFT Occupational Liability Plan is comprised of two separate parts:

PART 1: The Occupational Liability Policy provides coverage up to \$1 million per member for bodily injury and property damage and up to \$1 million per member for personal injury with a \$3 million annual aggregate. The Policy provides coverage for most healthcare employment activities claims.

PART 2: The AFT has established a special Legal Action Trust which may provide reimbursement protection for other exposures. The Trust has a \$1 million per occurrence limit and an annual aggregate limit of \$1 million.

By combining the Policy with the Trust, members receive broad protection.

All individual AFT Healthcare members whose locals have purchased this coverage on their behalf, are covered under the AFT Occupational Liability Plan for their healthcare employment activities. This Plan covers all members other than medical doctors, nurse anesthetists, nurse practitioners, nurse midwives and physician assistants.

All members of *participating* locals are insured under this Plan.

If an insured member is threatened with an occupational liability suit through an attorney's letter, lien notice or summons or is otherwise involved in such a case, the member should notify his or her local union *at once*, forwarding all documents. Any delay may prove serious. The local should then send a written verification of the individual's membership at the time of the occurrence, along with all documents, to the AFT Program Administrator: Thomas T. North Inc., 2000 S. Batavia Ave., Suite 250, Geneva, Illinois 60134.

Comprehensive coverage provided

PART 1:

The \$1,000,000

AFT Occupational Liability Insurance Policy

Questions about the Policy . . .

Q. Does this Policy protect me for my nursing or health profession malpractice needs?

A. Yes. The Policy protects against claims alleging bodily injury or property damage arising out of an occurrence relating to the member's healthcare employment activities.

In addition, claims arising out of the rendering or failure to render professional services are covered. This is the broad definition for healthcare professional liability.

Q. Are members covered when performing occupational duties away from their place of employment?

A. Yes. Coverage applies wherever the member is providing healthcare services on behalf of their employer.

Q. What benefits are in the Policy for a member who is seriously injured or killed while performing the duties of his or her job?

A. If a member is seriously injured (resulting in the loss of limbs or digits, hearing, sight or mobility) or is killed while performing the duties of their job, the member or his or her beneficiary may receive up to \$50,000. Please contact Thomas T. North Inc. for more specific information on this coverage or to file a claim.

Important Protection Provided in Two Parts:

THE AFT OCCUPATIONAL LIABILITY INSURANCE POLICY

plus THE AFT LEGAL ACTION TRUST

Together, these two parts provide protection for claims arising out of the professional activities of an insured AFT Healthcare member. The coverage includes protection for legal defense costs and court judgments.

The AFT Occupational Liability Insurance Policy provides:

- ✓ Up to \$1 million of protection for each member per occurrence for damages arising out of:
 - Bodily injury, including death; and
 - Property damage or destruction of the property of others.
- ✓ Up to \$1 million of protection for each member for damages arising out of personal injury, for libel, slander, defamation and violation of the right to privacy.

Subject to the exclusions and limitations contained in the policy.

If an insured AFT member dies or suffers a dismemberment as a result of a covered activity, a benefit of up to \$50,000 is available to the member or the member's beneficiary.

The AFT Legal Action Trust provides:

- ✓ Up to \$1 million per member per year for inadvertent acts, errors or omissions.
- ✓ Defense costs up to \$250,000 per member per year for suits involving the denial of constitutional rights arising out of the member's employment activities.
- ✓ Defense costs reimbursement up to \$35,000 per member per year for criminal charges arising out of healthcare activities where there is complete exoneration, and up to \$5,000 where the member is unable to gain complete exoneration.
- ✓ Up to \$5,000 per member for defense of covered claims in licensure board or credential hearings resulting from employment activities.

If an insured member is assaulted while engaged in his or her normal professional duties, the plan will provide up to \$250 for damages to the member's personal property (other than vehicles). This applies only if the member has no other insurance. There is also a \$10,000 assault death benefit payable through the Trust if the member dies within 90 days after the assault.

All benefits (except death benefits) apply when the AFT Healthcare member has no other insurance available to respond to claims. If other insurance is available (through a healthcare facility, state statute, etc.), then these two AFT plans provide benefits in excess of the amount available from other insurance.