

BRIEF SUMMARY of INSURANCE THOUGHT FORCE REPORT

Data from about 100 groups/responses:

- 35-40 groups (of the 100) did need to purchase insurance
- Two AIS offices (Ventura County & Orange County) pay \$600 per year for their office policy. Groups in their geographic areas can pay \$60 per year for a rider to cover the individual meeting.
- 11 Al-Anon meetings pay AA, which provides the insurance for the location (at \$100 per meeting, per year)
- Some groups are paying \$460 annually for a policy with no deductible.
- Some groups are paying \$200 annually, but that policy has a \$1,000 deductible.
- The total the ThF calculated that members are currently paying for insurance is +/- \$4,868 based on the responses received
- In California North, the Area changed its Bylaws so that they could purchase a policy that would cover their 900 meetings. They pay \$2,600 a year for the policy.
- All geographic regions in the Area are being affected.
- All denominations of churches are asking for insurance. The requests are not “universal” but they’re not limited to only one denomination. The number of requests appear to be increasing.

Insurance for Alateen Meetings in Schools -- Memorandum of Understanding (MOU)

These are being required from school districts. This is a document that requests information of what we do as an organization, and how we will accomplish it. The MOU also asks for insurance that covers misconduct (such as sexual abuse). To date, we have been in schools and have not provided the insurance. Bear, our Area Alateen Sponsor Coordinator, has provided a statement (not a formal MOU) to two schools in Ventura County that have been adequate, as there are two Alateen meetings in those schools.

What are the kinds of insurance that churches are requesting?

Most meeting places/churches require liability insurance with the facility named as an “additional insured.” Most policies cover \$1 million liability per incident and \$2-\$3 million aggregate. (The annual aggregate limit is the total amount an insurer will pay in a given single year for all occurrences.)

- **Liability**—legal responsibility to a third party or parties (another person or organization) for one’s acts or omissions. Failure of a person or entity to meet that responsibility leaves one open to a lawsuit for damages from any resulting injury or loss the third party or parties suffer.
- **Liability damages**—generally a sum of money to compensate the injured party. A liability insurance policy is a contract or agreement between the insurance company and a policyholder whereby the insurance company agrees to compensate an injured party or parties that suffer a loss or injury due to the acts or omissions of the policyholder.

Liability insurance provides protection against claims from third parties (e.g., hotels, convention centers, churches, attendees, or innocent bystanders) for bodily injury, personal injury, or property loss or damage (i.e., accidents). Liability insurance also covers the cost to defend an

asserted claim from a third party against the policyholder whether or not the policyholder is later found not to have done anything wrong. When an incident occurs that is covered by the policy, the insurance company will interact with the individual(s) who may have been harmed in an effort to resolve any related costs, within the limits provided in the policy.

- **Insured parties**—the policyholder covered by the policy. Liability insurance basically covers the negligence of the policyholder and others covered as “insured parties.”
- **Negligence**--the failure to exercise the care toward others for a foreseeable and unreasonable risk of harm that a reasonable or prudent person would have taken in the same or similar circumstances, or taking an action that a reasonable person would not.
- **Commercial General Liability (CGL) Insurance:** The primary liability insurance policy for organizations holding meetings and events. The types of coverage included in liability insurance policies vary, and numerous exclusions to coverage apply to policies.

CGL insurance policies can vary slightly from state to state, but the typical policy covers the following things:

- bodily injury or death, and property damage to third parties,
- personal injury (including libel, slander, and false arrest),
- advertising liability,
- fire legal liability, and
- medical payments for injury to third parties.

Property damage to premises (e.g., hotels, convention centers, churches, etc.) in the care, custody, and control of the policyholder is also covered as long as the property is used for seven (7) or fewer days.

A partial list of typical **exclusions** found in a CGL policy includes:

- coverage for damage, loss, or injury from intentional acts or omissions (i.e., violence or a malicious act)
- damage or loss to person’s or property from arson, losses or damage from the use of an automobile,
- material published with knowledge of falsity, and
- discrimination against certain parties.

Because policies vary in what they cover, it is very important to fully understand any insurance policy coverage before purchasing it.

Solutions

Initially, the Chair of the ThF was told by some brokers that the entity purchasing the insurance for a group of meetings had to be tax-exempt. Subsequently, she found out that insurance might be available for groups that join together to purchase a policy, but are not tax-exempt.

1. Orange and Ventura Counties currently provide insurance for groups. The annual charge to the AIS offices is \$600; the policy is provided by the Nonprofits Insurance Alliance of California (NIAC), which is the company which provides the Area's insurance. Each meeting that obtains an insurance certificate is added to the policy for an annual fee of \$60 per meeting (paid by the meeting). Most meeting places require that the location be "additionally insured" (which is included in that \$60 fee). The \$600 annual fee covers the AIS office and one special event.
2. Several groups are paying \$460 annually from a company that has no deductible for an occurrence. There is also a company that many groups use that is a much less expensive (approximately \$200 a month), but that policy has a \$1,000 deductible.
3. The Chair of the ThF recently learned that someone in another Twelve Step program found insurance for 30 meetings, and the cost was only \$400 for all 30. None of the groups were tax-exempt.
4. Districts could potentially purchase insurance for the groups within their district's boundaries. The first report reflected the information that they would have to be a 501(c)(3) in order to do that. Subsequently, they've found that there may be another alternative (#3 above) that doesn't involve the tax-exempt process.

MOUs

Insurance costs for adding schools to existing policies would not be exorbitant. The Ventura County AIS office could cover all school districts in their geographic area for \$150+/- annually.

The Chair of the ThF received a quote of about \$800 for the entire Southern California area for schools to be additionally covered if the Area were to purchase an area-wide insurance policy.

Additional Research

1. Our current Bylaws precludes the Area from adding individual group meetings onto the Area's policy.
 "Relationship to Al-Anon Family Groups and Alateen Groups:
 SCWS is not directly connected to, assumes no responsibility for, and exercises no control over any other element of Al-Anon including individual Al-Anon Family Groups, Alateen Groups, Districts, Al-Anon Information Services (AIS/Intergroup), and Al-Anon Family Group Headquarters, Inc. SCWS serves all Al-Anon/Alateen Family Groups, AISs and Districts, which participate in its functions. SCWS provides a link for all groups to participate in the service structure through which Al-Anon's group conscience speaks." (Article II, Section 2.C)
2. Tradition 7: Every group ought to be fully self-supporting, declining outside contributions.
3. *Al-Anon/Alateen Service Manual 2018-2021:*
Insurance: Many meeting places require liability insurance and/or "hold harmless" waivers from Al-Anon and Alateen groups. The US and Canadian laws do not allow for the WSO to provide blanket insurance coverage for groups and service arms. Groups requiring this coverage are encouraged to first contact their District, Al-Anon Information Service (AIS) or Area as there are some that can provide liability coverage for groups. Where this is not the case, several groups that meet at one place might be able to combine their resources and obtain one policy.

Laws differ from place to place and it is suggested that groups contact someone in their locale regarding liability insurance. Paying for insurance should not jeopardize the group's ability to fulfill the spirit of the Traditions and support the Al-Anon and Alateen service arms. If a group is not able to take care of its immediate needs, it may need to reconsider its choice of meeting locations. (p. 58)

Where do we go from here regarding this issue?

Does the issue need to be researched further (more information from the Thought Force)?

Do you want to create a future Task Force to explore this further?

Do we stop at this point and identify members in the Area who would provide information to meetings when they need it for the future (without affiliating with or recommending any one particular solution)?

Where do we go from here regarding the process in the Area?

Committee asks the Thought Force to continue to meet to answer questions that they want answered.

Take the ThF report to the Assembly to see what they want to do:

1. Create a Task Force
2. Ask Thought Force members to provide information to group members who need to purchase insurance in the future (without making any recommendations or implying affiliation).