

What happens if there's a car accident when my employees are driving for work?

IN THE EVENT A PEDESTRIAN OR ANOTHER DRIVER IS INJURED

Company exposure: The main concern here is vicarious liability for the business itself, which means in the case of a car accident by fault of your employee, your company would be held responsible for the action of the driver.

- If your company has its own car, this type of exposure can be covered by a commercial auto insurance policy.
- If your company doesn't have its own car, hired/non-owned auto liability can be added to a standard commercial Package or Business Owners Policy.

Without either of the above, there is no coverage for vicarious auto liability and any ensuing lawsuit would fall on your company to defend and pay out.

While a commercial auto insurance policy or hired/non-owned auto liability helps the company, it doesn't mean the employee at fault is covered. Your employee still needs their own personal auto insurance to protect them from liability in an auto accident. They shouldn't be driving without it. To help protect the employee and employer, it's helpful to have employees maintain minimum policy limits. It's also a good idea for businesses to periodically run the driving history or motor vehicle report for their employees that drive regularly. Reviewing this annually can help establish primary coverage and avoid leaving employees in the lurch after an accident.

IN THE EVENT YOUR EMPLOYEE THEM SELF IS INJURED

This topic of conversation often surprises our clients. If your employee is injured while driving for work, a common misconception is that their group medical insurance or personal auto policy would cover them. In New York, and many other states, your employee's primary recovery when driving for work is through your Workers Compensation policy, and something you have to consider. All the more reason to review your employees' driving history if they plan to use their cars for work purposes!

CONTACT US TODAY TO LEARN MORE.
WESFAIRAGENCY.COM

WESFAIRAGENCY