

Professional Liability Insurance Premium Reimbursements for Certain Employees in the National Park Service

Professional Liability Insurance is insurance that provides coverage for (a) legal liability for damages due to injuries to other persons, damage to their property, or the damage or loss to such other persons (including the expenses of litigation and settlement) resulting from or arising out of any tortious act, error, or omission of the covered individual (whether common law, statutory, or constitutional) while in the performance of such individual's official duties as a qualified employee; and (b) the cost of legal representation for the covered individual in connection with any administrative or judicial proceeding (including any investigation or disciplinary proceeding) relating to any act, error, or omission of the covered individual while in the performance of such individual's official duties as a qualified employee, and other legal costs and fees relating to any such administrative or judicial proceeding.

Background: Public Law 104-208, Sec. 636, authorized the use of agency funds to reimburse law enforcement officials, supervisors and management officials up to 50% of the annual premium for professional liability insurance. Consistent with provisions in this law, the Department delegated authority to the bureau heads to decide whether to pay employees for up to 50% (not to exceed \$150) of professional liability insurance premiums annually for "qualified" employees who purchased the insurance. A decision was made by the National Park Service National Leadership Council (NLC) in September 1999 to offer this reimbursement to qualified employees who purchased liability insurance. Before implementation procedures could be effected however, the Treasury-Postal Service-General Government Appropriations Bill was passed (Public Law 106-58). This law amended Public Law 104-208, Section 636 by requiring agencies to pay 50% of liability insurance premiums for qualified employees.

Policy: Beginning in Fiscal Year 2000, it is the policy of the National Park Service to reimburse all qualified law enforcement officers, supervisors, and management officials, who choose to purchase professional liability insurance, 50% of the annual premium (not to exceed \$150.). Payment will be made from each employee's individual park or office budget.

Qualified employees: Law enforcement officers, supervisors, and management officials who occupy a position (as documented in an official position description) which meets the following definitions are eligible for this reimbursement.

Law enforcement officer means an employee, the duties of whose position are primarily the investigation, apprehension, prosecution, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including any law enforcement officer under section 8331(20) or 8401 (17) of Title 5, or under section 4823 of Title 22, United States Code.

Supervisor means an individual employed by an agency having authority in the interest of the agency to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature, but requires the consistent exercise of independent judgement. 5 USC 7103(a)(10)

Management official means an individual employed by an agency in a position the duties and responsibilities of which require or authorize the individual to formulate, determine, or influence the policies of the agency. 5 USC 7103(a)(11)

Procedures for Reimbursement to Qualified Employees who Purchase Professional Liability Insurance

Individual employees are responsible for purchasing their own professional liability insurance. Beginning in Fiscal Year 2000, the National Park Service will reimburse all qualified employees who choose to purchase professional liability insurance for a portion of the annual premium. The amount reimbursed will be 50 percent of the yearly premium, but not to exceed \$150. Reimbursements for liability insurance premiums will be made after the individual employee has purchased the insurance. Reimbursements will be paid from a designated account at the employee's park or office. Once the employee's claim is processed, employees will be reimbursed through electronic funds transfer, third party draft, or imprest fund payment.

Employee Responsibility

1. Purchase professional liability insurance, if desired.
2. Complete a Standard Form 1164 (SF-1164), Claim for Reimbursement for Expenditures or Official Business. A sample form is attached. Forms are posted on the internet at: <http://www.gsa.gov/forms/one.htm>
3. Attach a copy of the invoice or statement from the insurance carrier to verify the purchase of a policy and the cost of the premium.
4. Submit these documents to immediate supervisor.

Supervisor's Responsibility

1. The immediate supervisor will review the claim for reimbursement. He or she will verify that the employee is a qualified employee (that the employee occupies a position, which meets the definition of a law enforcement officer, supervisor, or management official as defined above). The supervisor will also assure that the reimbursement claim includes all required documents and that the amount claimed by the employee is 50% of the annual premium (not to exceed \$150).
2. If the employee is a qualified employee (law enforcement officer, supervisor, or management official) and the claim is complete and accurate; the supervisor should sign as the "Approving Official" (Block 8) on the SF-1164. If the supervisor determines the employee is not a qualified employee, the supervisor should inform the employee in writing that they do not meet the eligibility criteria for reimbursement and the SF-1164 should be returned unsigned to the employee. Ineligible employees are free to purchase insurance on their own but may not be reimbursed for any portion of the premium from government funds.
3. Completed claims for qualified employees should then be forwarded, in accordance with established routing procedures, to the appropriate office at the park/office where reimbursement claims are normally processed.

Processing Office Responsibility

1. Assure that claim package is accurate and complete including immediate supervisor's signature verifying that the employee is a qualified employee. Claim forms without a supervisory signature, as the "approving official" should be returned to the employee requesting reimbursement.
2. Establish a local document numbering system for professional liability insurance reimbursement claims at the park/office by using the prefix "PL" (for example: PL-organizational code-FY-sequential number). This will help parks/offices identify these costs on management reports. Assign a document number to each claim using this numbering system.
3. Payment for this reimbursement can be made with a third party draft, through the imprest fund or forwarded to the Accounting Operations Center for payment by electronic funds transfer. Process the reimbursement claim in accordance with established processing procedures for SF-1164s at the park/office.

Reconsideration of Eligibility Determinations

Employee Responsibility

Employees who disagree with a supervisor's determination that they are ineligible (not a qualified employee) for the professional liability insurance reimbursement, may request a review of this determination by their second level supervisor. Such a request should be made by the employee in writing and forwarded through their immediate supervisor to the second-level supervisor.

Second-Level Supervisor Responsibility

Upon written request from an employee, whose immediate supervisor has determined is not a qualified employee for professional liability insurance reimbursement, the second-level supervisor shall review the employee's official position description and eligibility criteria and provide a final written eligibility decision to the employee.

Appendix A

Regulatory excerpts from 5 USC and 22 USC are attached here. These include citations, which contain the definitions of law enforcement officer, supervisor, and management official.

The definition for “law enforcement officer” is contained in 5 USC 8331(20), 5 USC 8401 (17), or 22 USC 4823.

The definition for “supervisor” is contained in 5USC 7103(a)(10).

The definition for “management official” is contained in 5USC 7103(a)(11).