COVERAGE INSIGHTS

Provided by ToughComp - a PCF/FFB Company

Occupational Accident Coverage Can Protect Your Company

Trucking is a dangerous industry, with a high occurrence of injury and death due to the long hours and inclement conditions truck drivers must endure. You know that it is important to protect your employee drivers with workers' compensation, but are you offering equivalent protection to your independently contracted drivers?

Protect your independent contractors, their families and your company by offering them occupational accident insurance coverage.

What is Occupational Accident Insurance?

Occupational accident coverage is insurance you can offer through your company to your independently contracted drivers, which they would have the option to purchase. These policies typically cover accidental death and dismemberment, accident medical and accident disability. Policies are triggered by an injury during the course of the insured driver's work, including driving and non-driving duties.

Why should you offer it?

Not providing this type of coverage to your independent contractors creates a big exposure for your company. When an uninsured contracted driver sustains a serious injury, he or she may take legal action against the company, often in an attempt to secure workers' compensation benefits. Offering independent drivers the option to purchase occupational accident coverage will help you avoid these costly, messy lawsuits.

In addition, offering this coverage to your drivers through your company tells them that you value their contributions. Since independently contracted drivers are likely a large part of your business operation, it is important to offer benefits that will allow you to recruit and retain quality drivers.

Occupational accident coverage also helps to substantiate the contractual relationship you have with your independent drivers. Purchasing this coverage helps drivers reaffirm their status as independent contractors, rather than employees. Maintaining this distinction is vital for your company, in order to avoid costly penalties for misclassification and having to offer employee benefits to your contractors. Through this coverage, you are responsible only for the administrative functions while giving independent drivers the option to purchase their own policy.

Considerations When Choosing Coverage

When choosing occupational accident coverage, consider the following. Make sure you are working with a reputable carrier who is experienced in the trucking industry. Adequate policy limits are important; if they are too low, you are still leaving yourself vulnerable for a lawsuit if an injured driver cannot cover his or her bills. Consider choosing limits of at least $50,000 for AD&D coverage with a $200,000 survivor benefit, $1 million for accident medical coverage, and temporary total disability coverage of $500 per week. The policy should also clearly define which job duties are covered—make sure this includes not only driving time, but also loading, unloading and other duties.

The experts at **ToughComp - a PCF/FFB Company** can help you find a policy that is right for you and your company. **Contact us at 212.390.8772 today.**

This Coverage Insights is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel or an insurance professional for appropriate advice. © 2011, 2023 Zywave, Inc. All rights reserved.