

INSURANCE REQUIREMENTS

I. Insurance.

Contractor shall maintain for the duration of the Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by the Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission. The certificates must name the State of Montana Department of Public Health and Human Services as certificate holder and Contractor shall provide copies of additional insured endorsements required by Contractor's commercial general liability and automobile liability policies.

II. Primary Insurance.

Contractor's insurance coverage shall be primary insurance with respect to the Department, its officers, officials, employees, and volunteers, and shall apply separately to each project or location. Any insurance or self-insurance maintained by the Department, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

III. Insurance Requirements.

Specific Requirements for Compliance With Workers' Compensation Act:

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an [independent contractor's exemption](#), or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire contract term and any renewal. Upon expiration, a renewal document must be submitted.

Specific Requirements for Commercial General Liability:

Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage, of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Contractor's officers, agents, representatives, assigns, or subcontractors.

Additional Insured Status:

The Department, its officers, officials, employees, and volunteers are to be covered as additional insureds; for liability arising out of activities performed by or on behalf of the Contractor, including the State of Montana's general supervision of the Contractor; products and completed operations; and premises owned, leased, occupied, or used.

Specific Requirements for Automobile Liability:

The Contractor shall purchase and maintain occurrence coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage), (OR combined single limits of \$1,000,000 per occurrence)

to cover such claims as may be caused by any act, omission, or negligence of the Contractor's officers, agents, representatives, assigns, or subcontractors.

Additional Insured Status: The Department, its officers, officials, employees, and volunteers are to be covered as additional insureds for automobiles owned, leased, hired, or borrowed by the Contractor.

IV. Deductibles and Self-Insured Retentions.

Any deductible or self-insured retention must be declared to and approved by the Department. At the request of the Department, either: 1) the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the Department, its officers, employees, or volunteers; or 2) at its own expense, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses. Note: The deductible/self-insured provision does not apply to political subdivisions of the state (i.e. counties, cities, towns, and school districts) under §2-9-211, MCA.

V. Certificates of Insurance.

Insurance is to be placed with an insurer with a Best's rating of no less than A-. Note: Best's ratings do not apply to political subdivisions of the state (i.e. counties, cities, towns, and school districts) under §2-9-211, MCA. All certificates and endorsements are to be received by the Department prior to the provision of a service or purchase of a product. Contractor must notify the Department immediately, of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. The Department reserves the right to require complete copies of insurance policies or self-insured memorandums of coverage at all times.