

# H.A. THOMSON

♦ RISK MANAGEMENT SERVICES ♦

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[www.hathomson.com](http://www.hathomson.com)

## Workers' Compensation and Volunteer Fire Companies

In order to be eligible for workers' compensation coverage, an individual must be a member of a fire company within your municipality. The Workers' Compensation Act does not state what "type" of member of a volunteer fire company is covered. Any active, social, lifetime, or any other type of classification of membership that is designated in the volunteer fire company's by-laws will suffice. Members of the ladies' auxiliary are not covered by Workers' Compensation unless they are members of the volunteer fire company.

For a member to be eligible for Workers' Compensation benefits, they must also be engaged in a covered activity. Covered fire-fighting activities are defined in the Workers' Compensation Act as follows:

- (1) Actively engaged as a firefighter.
- (2) Going to or from a fire that their company attended including travel time from and the direct return to a firefighter's home, place of business, or other place where he/she shall have been when he/she received the call or alarm.
- (3) Participating in a fire drill with his/her company.
- (4) Repairing or doing work on or about the fire apparatus or buildings and grounds if authorized by the Chief or who-ever is in charge.
- (5) While answering any emergency call for any purpose.
- (6) Riding on the fire apparatus which is owned or used by the fire company.

Covered Non-Firefighting Activities: The Act further states... Members are eligible for Workers' Compensation benefits while performing any other duty of the volunteer fire company as authorized by the municipality.

Therefore, members of the volunteer fire company are not covered by Workers' Compensation unless these non-firefighting activities are authorized by the elected officials of the municipality. This authorization must be done at an official meeting of the governing board and must be documented in writing.

It is important that the elected officials are aware of any activities that may pose a high risk of injury. We recommend that each year a list of activities be submitted to the Board for approval and that blanket authorization only be given to those activities that do not pose a high degree of risk. Examples of these activities include: parades, bingo, and door-to-door fund raisers.

## Treasurer Bonds

We have noticed a number of new treasurers unable to secure a bond due to problems with their credit history. Many carriers now review credit scores while making their underwriting decisions. Often they accept reasonable explanations for credit problems, however, we are experiencing more rejections.

Municipalities should make the ability to secure a bond a condition of employment. You should notify your applicants in writing that they will need to secure a bond and that their credit may be reviewed by the Bond Carrier. The prospective treasurer can complete an application that can be sent to H.A. Thomson and we usually receive a decision from one of our carriers within 1 to 3 business days. The alternative is that you hire and begin to train someone and then find out that they are unable to secure a bond and they have to be terminated. As you can imagine, this scenario has created a great deal of difficulty in some municipalities.

As part of our consumer privacy policy, we do not access, store, or review credit reports. This is done by the underwriting company. They make the decision to decline to offer a bond based on their underwriting guidelines. **Contact Betty Stone at 1-800-362-1011 Ext. 146**, for more information.

*We value your business*

## Flood Coverage



A surprising amount of flood damage occurs in areas outside of traditional flood zones. According to the National Flood Insurance Program one in four claims come from low to moderate risk areas. Standard property policies do not cover flood damage. Coverage is available in these areas from some insurance carriers and the National Flood Insurance Program. If your building is in a flood zone, coverage may be available in the National Flood Insurance Program.

Please contact us if you are interested in receiving a quote.

**Account Managers:** Phone: 1-800-362-1011 Fax: 610-321-1001

Pat Trevisan	Ext. 143	Janice Fiandra	Ext. 133
Georgette Gilman	Ext. 140	Mary Ann Knowlan	Ext. 141

## Our First Newsletter

As Pennsylvania's leading municipal insurance agency, H.A. Thomson Company has a great deal of information to share with our clients. We've decided to introduce a periodic newsletter to keep you informed about items that relate to your risk management needs.

H.A. Thomson provides insurance to over 700 public entities throughout Pennsylvania. For the last 70 years, we've been making municipal insurance not only easy and convenient but also available at the lowest possible cost to you, our customers.

Future newsletters will touch on a host of important items like employee safety issues, liability concerns and trends, property coverage updates, Pennsylvania trivia, and more. However ...

We also want to hear from YOU! Please contact us with ideas, questions and comments about your risk management or insurance needs. If it's on your mind, it's probably on the mind of others.

Contact Andrew DiProspero at 1-800-362-1011, Ext. 114.

E-mail: [adiprospero@hathomson.com](mailto:adiprospero@hathomson.com)

Thank You!