

CERTIFICATE OF INSURANCE

A Certificate of Insurance provides evidence that an insurance policy has been issued to the named Insured, and includes a statement of coverages under the policy in general terms. Certificates are snapshots of basic coverages and limits at the time of issuance of the certificate. Certificates do not add or modify coverages, nor change the terms of the insurance policy itself.

HOPA Subscribers are asked to provide a Certificate of Insurance to demonstrate to another agency or entity that the HOPA Subscriber has insurance coverage in place.

Many such requests are routine, and can be dealt with quickly, for example, when your employees who are regulated health professionals require proof of liability insurance to submit to their governing body. Other requests may be more complex. When a request for a Certificate is made in these circumstances, a review by HOPA provides a valuable risk management opportunity.

A review of requests for Certificates of Insurance by HOPA provides a valuable risk management opportunity.

A request for a Certificate of Insurance is often made in the context of a commercial arrangement with another entity, such as a lease of premises or a contract for one to provide services to the other. It is important to note that a Certificate of Insurance in response to these requests is not confirmation that the Subscriber is insured against the risks arising from that particular arrangement; it confirms only that the Subscriber has a policy of insurance which contains particular coverages, such as Bodily Injury, Property Damage, Tenants' Legal Liability, and Professional Liability; and what the limits of those coverages are. Coverage is subject to all policy conditions, exclusions and endorsements.

A request for a Certificate presents the opportunity to review the arrangement into which you are entering, and consider whether your insurance coverage would provide liability protection in the event of a claim. It is vital to review the specifics of the project.

On occasion, a careful review has led to the determination that the event or project does not fall within the coverage of the Subscriber's policy with HOPA, whether because of a specific exclusion or other policy conditions. In some instances, we have been able to work with our Subscriber to make changes to the proposed project to bring it within the policy coverage, or to suggest alternative insurance arrangements. In circumstances when the project could not be brought within the insurance coverage, our Subscriber has been able to make an informed decision about whether to go ahead with a project that would not have insurance coverage.

Additional Insured

In other circumstances, an HOPA Subscriber may be asked to provide a Certificate of Insurance which names another party as an Additional Insured under the Subscriber's policy. This can only be done under specific conditions.

The HOPA policy provides coverage for Additional Insureds, but only with respect to liability arising from the operations of the named insured. The policy wording states:

Insured

The unqualified word **Insured** includes the **Named Insured** and also includes the following additional **Insureds** but only in respect of liability arising from the operations of the **Named Insured**:

- (vi) each person, firm, corporation or government body that the **Named Insured** is obligated by contract or agreement to afford insurance as herein, but only with respect to the **Insured's** operations and only to the extent required by such contract or agreement;

When a request to add an Additional Insured is made, it is critical to carefully review the contractual arrangement between the HOPA Subscriber and the other party in order to determine whether that is possible.

In order for this other entity to be made an Additional Insured, the Subscriber's contract with them must require, rather than request or suggest, that they be added to the Subscriber's policy. If there is no such requirement in the contract, they cannot be made an Additional Insured.

That other party's coverage as an Additional Insured is limited to the extent required by the contract, and only with respect to the operations of the HOPA Subscriber. This does not relieve the other party of the obligation to have their own insurance coverage for their operations and you should request the other party provide a Certificate of Insurance from their own insurer.

A Certificate of Insurance issued in response to such a request is not confirmation that the Subscriber or the Additional Insured are insured against all risks arising from the particular project. A thorough review of your contractual arrangement with the other party will help to identify any potential gaps in your insurance coverage, allowing you to make an informed decision about how to proceed.

Requesting a Certificate of Insurance

All requests for a Certificate of Insurance should be directed to Barbara McGuire, Marsh Canada at (902) 490-2106.

If you have questions, or would like additional information please contact:

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