

MYTHBUSTERS

USA Water Ski Insurance

As part of sanctioning, USA Water Ski provides General Liability and Participant Accident coverage for the protection and benefit of its clubs, associations, sport disciplines, divisions and individual members in connection with sanctioned events.

In 2015, AWSA created an Insurance Task Force designed to examine the USA Water Ski sanctioned event insurance programs and offer recommendations to USA Water Ski in an effort to reduce the expense and ensure that proper coverage was in place. The Task Force included experts in the insurance business who are involved with AWSA and other USA Water Ski sport disciplines. After reviewing the actual policies and asking questions, it was determined that there is a considerable amount of misinformation stated as fact about USA Water Ski's insurance programs. As a result, the Task Force created the following list of "Mythbusters" in an effort to provide factual information.

MYTH #1: USA Water Ski Insurance is Secondary Insurance only. This is partially TRUE and partially FALSE.

For towboat owners, the General Liability insurance provided by USA Water Ski as part of sanctioning is secondary to the primary watercraft liability coverage required to be maintained by the boat owner (as outlined in the USA Water Ski boat insurance requirements). For most other General Liability claims related to USA Water Ski sanctioned events, the coverage afforded to member participants, officials, member clubs, etc. is **primary** (with legal defense and coverage being provided from dollar one).

The Participant Accident coverage for active and guest members participating in USA Water Ski sanctioned events is secondary/excess to any other available medical coverage. This is consistent with how most Participant Accident policies are written for National Governing Bodies such as USA Water Ski.

MYTH #2: USA Water Ski elite and pro athletes use USA Water Ski insurance in lieu of carrying personal medical insurance resulting in many claims. This is FALSE.

A review of the USA Water Ski Participant Accident policy 10-year claims history showed three known elite skier claims as a result of injury. Only two of those claims resulted in a payout for medical expenses, and both were minor. There is no record of abuse of this nature by elite and pro skiers.

MYTH #3: Safety Directors are individually liable for acting as first responders to injury at USA Water Ski sanctioned events. This is FALSE.

USA Water Ski's General Liability insurance provides primary coverage for all tournament officials and volunteers, including USA Water Ski trained safety personnel, while serving at USA Water Ski sanctioned events.

MYTH #4: NSSA fatality claims are the cause of the increased USA Water Ski cost of insurance. This is only partially TRUE.

The two most recent fatality claims against the General Liability policy occurred at NSSA sanctioned events. However, since 2000, USA Water Ski's General Liability insurance carriers have paid in excess of \$2.3 million in defense costs and claim settlements, which is more than has been collected in premiums over that same time span. AWSA claim settlements account for a little over one-half of that \$2.3 million.

On the Participant Accident front, claims activity associated with AWSA and NSSA have been similarly dispersed during that same time period.

MYTH #5: USA Water Ski insurance only covers tournaments. This is FALSE.

USA Water Ski insurance covers any and all sanctioned events. These include tournaments, clinics, exhibitions and club practices that meet USA Water Ski requirements for sanctioned events. AWSA's LOCs and clubs should study the way that NSSA clubs utilize the USA Water Ski insurance program. NSSA sanctions all on- and off-water practices in addition to their tournaments so that USA Water Ski coverage is in place for all NSSA activities. AWSA has the same opportunity to take advantage of sanctioning through USA Water Ski

MYTH #6: A spectator or non-participant injured at a sanctioned event has no USA Water Ski insurance coverage. This is FALSE.

The USA Water Ski General Liability policy provides coverage for claims brought by spectators who are injured at USA Water Ski sanctioned events.

MYTH #7: USA Water Ski has cheap insurance that doesn't cover anything. This is FALSE.

USA Water Ski's insurance programs have been custom designed to provide broad coverage with respect to claims arising out of USA Water Ski sanctioned events. The USA Water Ski insurance programs are comparable to programs maintained by other National Governing Bodies. AWSA members who sustain injuries in unsanctioned practices and file an unsuccessful claim might believe this myth to be true. Read myth #5 above.

For more details regarding the insurance provided by USA Water Ski as part of sanctioning, please refer to the following documents posted on the USA Water Ski website:

Insurance Program Highlights

www.usawaterski.org/graphics/downloads/InsuranceResources/SanctionedEvents/InsuranceProgramHighlights.pdf

Insurance Fact Summary

www.usawaterski.org/graphics/downloads/InsuranceResources/SanctionedEvents/InsuranceFactSummary.pdf

In summary, the Insurance Task Force concluded that USA Water Ski provides a comprehensive level of insurance liability coverage for sanctioned events, while not over-insuring. USA Water Ski's insurance for sanctioned events meets the minimum requirements set by the United States Olympic Committee for National Governing Bodies. The policies align well with each other. No duplication of coverage was found. ESIX (USA Water Ski's insurance broker) and the insurance companies have been responsive to our needs to resolve issues.