NATIONAL HEADQUARTERS CIVIL AIR PATROL

CAP REGULATION 900-5

2 FEBRUARY 2012

Miscellaneous

THE CAP INSURANCE/BENEFITS PROGRAM

This regulation explains what insurance coverages are provided for Civil Air Patrol (CAP) members and benefits available in the case of death or injury during CAP activities.

SUMMARY OF CHANGES.
Includes administrative changes throughout regarding web addresses; CAP Form references; and details on Federal Employees Compensation Act benefits. Member benefit changes to include payment of the other policy coverage not paid for any reason up to $8,000 per occurrence and no $50 CAP deductible will be imposed on cadet medical benefits claims. **Note: Shaded areas identify new or revised material.**

Table of Contents **Page**

SECTION A—GENERAL INFORMATION 2
1. The Civil Air Patrol Risk Management Program 2
2. CAP's Insurance Agent 2
3. Copies of CAP's Insurance Policies, Policy Limits 2
4. Proof of CAP Insurance Coverage-Certificates of CAP Liability Insurance 2
5. Importance of Online Safety Mishap Management 3
6. Notice of Claim or Suit Against CAP 3
7. Air Shows 3

SECTION B—CAP'S NATIONAL INSURANCE PROGRAM—LIABILITY 4
8. The National Headquarters Liability Insurance Program 4
9. CAP's General Liability Insurance 4
10. CAP's Vehicle Liability Insurance. 4
11. CAP's Aviation Liability Insurance 5

SECTION C— AIR FORCE-ASSIGNED MISSIONS—FTCA (FEDERAL TORT CLAIMS ACT) COVERAGE FOR CAP MEMBERS 5
12. FTCA Coverage for CAP Members 5

SECTION D—AIR FORCE-ASSIGNED MISSIONS—FECA (FEDERAL EMPLOYEES COMPENSATION ACT) COVERAGE FOR CAP MEMBERS 6
13. FECA Coverage for CAP Members 6
14. FECA Benefits 7
15. Excluded Conduct 8
16. Exclusive Remedy 8
17. Filing FECA Claims 8

Supersedes: CAPR 900-5, 1 September 2003. OPR: GC
Distribution: National CAP website. Approved by: CAP/CC

Notice: CAP publications and forms are available digitally on the CAP National website at: http://www.capmembers.com/forms_publications__regulations/

SECTION E—SENIOR MEMBER AND CADET ACCIDENT, LIFE AND MEDICAL BENEFITS—AUTOMATIC COVERAGE 8
18. General 8
19. Senior and Cadet Benefits 8
20. Medical Expense Benefit Excess to Existing Coverage 9
21. Death Benefits Not Excess to Existing Coverage 9
22. Excludable Claims 9
23. Claims Procedures 9

SECTION A—GENERAL INFORMATION

1. The Civil Air Patrol Risk Management Program:

a. General. CAP, along with the Air Force provides liability coverage for CAP the organization and CAP members who volunteer their services to CAP and country. CAP coverage will apply when CAP is engaged in corporate activities or missions. The Air Force coverage applies when CAP is engaged in missions approved by CAP-USAF or the Air Component Commander as Air Force-assigned. This regulation explains CAP's risk management program and does not, by itself, create a contractual relationship between CAP and its members.

b. The Air Force/CAP Relationship. The Air Force/CAP Cooperative Agreement and Statement of Work (SOW) outline the basic relationship between CAP and the Air Force. The SOW lists Air Force missions CAP may perform under which CAP and its members receive protection under the Federal Torts Claims Act (FTCA) and the Federal Employees Compensation Act (FECA). Those missions are further defined and explained in CAPR 60-1, *CAP Flight Management;* and CAPR 60-3, *CAP Emergency Services Training and Operational Missions*.

2. CAP's Insurance Agent. CAP's insurance policies are issued through CAP's authorized agents. See *Insurance and Other Contacts* on the National CAP website [General Counsel].

3. Copies of CAP's Insurance Policies, Policy Limits. CAP's insurance policies are maintained at National Headquarters and are not released to anyone absent unusual circumstances. Policy limits are also not publicly released but are ample for normal CAP activities.

4. Proof of CAP Insurance Coverage-Certificates of CAP Liability Insurance. CAP units may be asked to "prove" that CAP has certain liability insurance before being permitted to use facilities or lease buildings. CAPR 174-1, Chapter 6, Acquiring and Accounting for Real Property and Facilities for Civil Air Patrol, provides guidance on insurance and hold harmless clauses used in CAP leases of real estate. In general, "hold harmless" clauses should not be included in any CAP lease without the approval of the General Counsel at National Headquarters. CAP members negotiating leases should attempt to use CAP's insurance liability coverage in lieu of "hold harmless" clauses. Also CAP officials negotiating leases for CAP should recognize that CAP's liability insurance does not cover the damage or loss to the building or property being occupied. That coverage is called "fire and extended coverage" and must be obtained by the local unit if required to occupy a building. CAP units may obtain a certificate of

any of insurance coverage that constitutes proof of CAP's liability coverage. Those certificates may be obtained by contacting CAP's insurance agents directly. See Insurance and Other Contacts on the National CAP website [General Counsel].

5. Importance of Online Safety Mishap Management. It is vitally important that the online *Mishap Notification* be submitted promptly in all cases involving reportable CAP mishaps, and that the online *Mishap Review* be submitted as soon as possible. See CAPR 62-2, *Mishap Reporting and Review*. The contents of the online mishap reports involving death or serious injury cases should be coordinated in advance with CAP National Headquarters General Counsel's Office.

6. Notice of Claim or Suit Against CAP. If a claim is made or suit filed against CAP or any person arising out of CAP activities, the person served or notified must immediately contact General Counsel (see *Insurance and Other Contacts* on the National CAP website [General Counsel]) and forward copies of the served documents to that office by the most expeditious means. See CAPR 112-9, *Claims, Demands, and Legal Actions For or Against the Civil Air Patrol, the United States Air Force, and the United States*. Failure to do so may result in a default judgment being entered against CAP and the members being sued.

7. Air Shows.

a. Prohibited Activities. No unit or member of CAP is authorized to sponsor or cosponsor any air show. CAP members may not:

(1) Accept rides in an air show as a part of any official CAP activity.

(2) Be used as security guards, or damage control.

(3) Taxi non-CAP aircraft before, during, or after an air show.

(4) Direct parking of aircraft unless having received training on aircraft marshalling and having a flight line authorization on CAPF 101 or CAPF 101T.

b. Permitted Activities. CAP units and members may assist with an air show sponsored and conducted wholly by agencies and organizations other than CAP. Prior permission to assist or participate in any air show must be obtained from the General Counsel at National Headquarters. No such advance permission is required if the CAP assistance or participation in an air show is limited to the following:

(1) CAP members may be used as guides or to provide directions or information.

(2) CAP units may setup a recruiting booth and/or a concession stand selling food and drinks on the premises of an air show, providing that CAP is not in any way acting as a sponsor.

(3) CAP members may be used around parked or static display aircraft for guidance, information, or direction.

c. Air Force Assigned Mission (AFAM) status. CAP members attending or supporting an event on a military base, are not automatically provided AFAM status and associated coverage. Military commanders who desire CAP support must make the request in writing to the CAP National Operations Center (NOC). The CAP NOC will evaluate requests and coordinate Air Force approval if appropriate. If Air Force approval is received in

accordance with AFI 10-2701, *Organization and Function of the Civil Air Patrol*, AFAM status is conferred with its associated coverage as outlined in Sections C and D of this regulation.

SECTION B—CAP's NATIONAL INSURANCE PROGRAM—LIABILITY

8. The National Headquarters Liability Insurance Program.

a. General Information. National Headquarters maintains liability insurance policies, which provide liability coverage for CAP organizations. Those policies are: (1) general liability insurance; (2) vehicle liability insurance; and (3) aviation liability insurance. These policies provide liability protection for CAP members while engaged in CAP duties other than Air Force-assigned missions. (Liability protection for CAP and CAP members arising out of Air Force-assigned missions is provided by the United States as CAP is deemed to be an instrumentality under title 10 United States Code section 9442(b)(2). Typically, such claims are handled under the Federal Tort Claims Act (FTCA)). The descriptions of these policies are for use as a general reference and actual coverage may vary slightly from year-to-year. Specific written inquiries about insurance coverage may be directed to General Counsel.

b. Liability Insurance Excludes Property Coverage. Liability insurance protects against claims for negligence, but will not pay for the repair or replacement of member's property damaged or destroyed on CAP activities. CAP and the Air Force both disclaim responsibility for member owned or furnished equipment on CAP activities or Air Force-assigned missions. Members are encouraged to provide their own property insurance in the form of hull insurance for aircraft, and collision and comprehensive coverage for vehicles and other personal property.

9. CAP's General Liability Insurance. This policy provides liability protection for CAP and CAP members while performing official CAP activities, including the ground activities on "Corporate Missions" as defined in the various CAP directives, but specifically excludes aviation and vehicle activities and activities covered by the Federal Tort Claims Act.

a. CAP's general liability policy provides coverage for unit meetings, encampments, and general CAP activities. It also provides liability protection for CAP's use of meeting places, buildings, or airport facilities. A certificate of insurance can be obtained from CAP's insurance agent to satisfy lease obligations or the requests of owners while using their facilities.

b. CAP's general liability policy does not cover physical damage to the building which the CAP unit occupies whether under a lease or otherwise. Coverage for the building itself must be obtained locally by the CAP unit occupying the building.

c. CAP's general liability policy also provides coverage to CAP officials for claims of libel and slander alleged to have occurred while performing their official duties.

10. CAP's Vehicle Liability Insurance.

a. CAP Owned Vehicles. CAP's vehicle liability policy provides protection for CAP and CAP members driving CAP owned vehicles on official CAP business other than Air Force-assigned missions. The policy protects against claims by anyone in or outside the vehicle who is

injured as a result of the alleged negligence of CAP or an authorized CAP driver. See CAPR 77-1, *Operation and Maintenance of Civil Air Patrol Vehicles*, on the use of CAP vehicles.

b. Member Owned Vehicles. The general rule is that travel to and from CAP meetings, conferences, encampments, and other CAP activities in CAP member owned/furnished vehicles is not considered a part of CAP official travel and, therefore, is performed at the risk of the member—not CAP. CAP assumes absolutely no liability for such travel, which is known as the "home-to-work rule." CAP unit commanders may, on a case-by-case basis, specifically authorize the use of a member's vehicle, which will make that use the responsibility of CAP and be covered by CAP's vehicle liability policy, but that prerogative should be exercised only in unusual situations. See CAPR 77-1.

c. Damage to Member Owned Vehicles. CAP assumes no responsibility for loss or damage to member owned or furnished vehicles used on CAP activities. Members are responsible for protecting their own vehicles by carrying collision insurance.

11. CAP's Aviation Liability Insurance.

a. CAP "Corporate Aircraft." CAP's aviation liability policy provides liability protection for CAP and CAP members arising out of CAP aviation "corporate missions" as defined in CAPR 60-1, authorized by proper CAP authority, and licensed and certificated as required by Federal Aviation Regulations. Gliders and hot air balloons are covered for liability under this policy.

b. Member Owned/Furnished Aircraft. CAP members flying their own or furnished aircraft are also covered by CAP's aviation liability policy while being operated on "corporate missions" as defined in CAPR 60-1. Liability protection for CAP and CAP members arising out of Air Force-assigned missions is provided under the Federal Tort Claims Act.

c. Damage to Member Owned/Furnished Aircraft. CAP assumes no responsibility for loss or damage to member owned or member furnished aircraft.

d. Those Protected by CAP's Aviation Liability Insurance. All CAP members involved in CAP aviation "corporate missions" and acting under the scope of CAP regulations are protected under this policy. That includes CAP aircrew members, pilots, check pilots, instructor pilots, CAP maintenance personnel and CAP flight release officials.

e. Flight Instructors/ Instruction. CAP's liability insurance covers damage to third party property, injuries and death during flight instruction and claims against authorized flight instructors while operating CAP owned aircraft on properly authorized corporate missions when performed in accordance with CAPR 60-1 and the Federal Aviation Regulations.

SECTION C— AIR FORCE-ASSIGNED MISSIONS—FTCA (FEDERAL TORT CLAIMS ACT) COVERAGE FOR CAP MEMBERS

12. FTCA Coverage for CAP Members. The federal government (U.S. Air Force) may be held liable for the negligent or wrongful acts or omissions of CAP or its members when performing Air Force-assigned missions causing personal injury, death, or property damage. This liability protection applies to CAP and its members while performing "Air Force-assigned

missions" within the United States, its territories and possessions as defined and outlined in the Air Force/CAP SOW and various CAP directives including CAPR 60-1. The FTCA does not apply to claims that arise in foreign countries (including Canada and Mexico) nor does it apply to claims for which a remedy is provided under federal admiralty statutes.

a. Proper Claims. Proper claims include those for property damage, personal injury, or death proximately caused by a CAP member that arises from an AFAM performed by CAP or a mission for which the USAF otherwise grants FTCA coverage. .

b. Improper Claims.

(1) Claims arising out of CAP corporate activities.

(2) Claims for personal injury or death of CAP members, 18 years of age or older, subject to FECA.

(3) Claims for use of privately owned property CAP or its members use on Air Force-assigned missions.

(4) Claims for expenses CAP or its members incur while engaged in Air Force-assigned missions.

c. CAP Aircraft Liability. The FTCA provides protection to CAP or the CAP member arising out of CAP aircraft operations providing such use is on an Air Force-assigned mission under CAPR 60-1.

d. CAP Vehicle Liability. The FTCA will provide liability protection to CAP and CAP members for proper and payable claims arising out of the use of CAP owned and authorized POV vehicles. Proper and payable claims that arise from travel to and from Air Force assigned missions are also covered by both FTCA and FECA . See CAPRs 60-3, paragraph 1-24 and CAPR 77-1, paragraph 4-1 for further guidance.

e. Damage to CAP Owned or Member Owned/Furnished Aircraft or Vehicles. The Air Force assumes no responsibility for damage or loss to CAP owned or member owned/furnished aircraft or vehicles used on Air Force-assigned missions. Members are encouraged to furnish their own hull coverage or collision insurance for protection.

f. Filing FTCA Claim. The party injured by a CAP Member performing an AFAM (that is one who suffered a physical injury, the survivor of one who suffered death, or one who suffered property loss/damage) submits a FTCA claim with the Air Force for personal injury, death, or property damage. CAP-USAF/JA will assist the local Air Force Base and HQ USAF/JACC, located in Andrews Air Force Base, Maryland, with the collection of needed documents (the most important one being evidence of AFAM Status).

SECTION D—AIR FORCE-ASSIGNED MISSIONS—FECA (FEDERAL EMPLOYEES COMPENSATION ACT) COVERAGE FOR CAP MEMBERS

13. FECA Coverage for CAP Members. FECA is the Workmen's Compensation Program for federal workers. By special law (5 USC 8141), FECA is made applicable to CAP seniors and cadets 18 and older while serving on Air Force-assigned missions, including travel to and from.

14. FECA Benefits. FECA benefits for paid federal employees are computed on a percentage of actual salary. There is a special provision in the FECA law that makes CAP volunteers "federal employees" and "presumes" that the CAP member is paid at a GS 9, Step 1 level. (See the US Office of Personnel Management website at http://www.opm.gov/oca/) Actual FECA benefits are determined by the Department of Labor (DoL) claims examiners, in accordance with applicable FECA requirements and DoL guidelines, which include the establishment of a Casual Relationship between the condition claimed and the injury sustained. Approximate benefits for CAP members are as follows:

a. Medical Benefits. Full medical benefits for member's covered injury/condition are allowed, as are rehabilitation services and attendant allowance consistent with applicable DoL guidelines.

b. Death Benefits.

(1) Percentage of GS-9, Step 1 amount for CAP volunteers who are not fully or currently insured under the Social Security Act:

BENEFICIARY	PERCENTAGE
Widow/Widower	50%
Widow/Widower and Children	45% plus 15% for each child, up to a total of 75% maximum
Child	40%
More than 1 child	40% plus 15% for each additional child, up to a total maximum of 75%
One wholly dependant parent, other not dependent	25%
Both parents wholly dependent	16% to each
One or both parents partly dependent	Proportionate amount

(2) Percentage of GS-9, Step 1 amount for CAP volunteers who are fully or currently insured under the Social Security Act:

BENEFICIARY	PERCENTAGE
Widow/Widower	50%
Widow/Widower and Children	45% - No additional payments for children while widow/widower is eligible
Child	20%
More than 1 child	20% plus 10% for each additional child, 75% maximum
Parents	Same as above

c. Burial Benefits. The death benefit is $800 per member, plus transportation expenses of the body if the death occurs away from home.

d. Termination of Benefits. Surviving spouses benefits cease on death or remarriage before age 55, although a lump-sum settlement may be made with the US Department of Labor (DOL) if remarriage takes place before reaching 55. Full benefits are paid if remarriage occurs on reaching 55 or beyond.

e. Disability Benefits. Members who are totally disabled may be eligible for tax-free disability payments equal to 66 2/3% of the GS-9, Step 1 amount. For partial disability, this amount is reduced by the member's wage-earning capacity after the beginning of the partial disability.

15. Excluded Conduct. If death or injury is caused by any of the following, no FECA benefits will be payable:

a. Caused by willful misconduct of the employee.

b. Caused by the employee's intention to bring about the injury or death of himself/herself or of another.

c. Proximately caused by the intoxication of the injured employee.

16. Exclusive Remedy. By virtue of being covered by FECA, CAP members and their next of kin may not sue the United States, CAP, or its members for injury or death incurred on Air Force-assigned missions. This legal bar to suing exists even if the CAP member or next of kin do not receive benefits. Mere coverage creates the bar. CAP members or next of kin who receive FECA benefits must reimburse the United States for those benefits if they sue a third party and recover damages.

17. Filing FECA Claims. FECA is administered by the DoL who retains final decision authority on FECA claims. FECA claims are processed through CAP-USAF/JA. Members will forward all FECA claims and DoL forms relating to FECA claims to CAP-USAF/JA for review and submission to DoL. NHQ/GC assists CAP-USAF/JA to ensure all claims and supporting documentation are accurate, timely, and filed in accordance with DoL rules and procedures. CAP members and CAP-USAF employees may be asked to assist with the claims effort, as circumstances warrant.

SECTION E—SENIOR MEMBER AND CADET ACCIDENT, LIFE AND MEDICAL BENEFITS—AUTOMATIC COVERAGE

18. General. As a benefit of membership, CAP provides a self-insured accident coverage for both senior members and cadets, which provides benefits in the event of reportable injury or death that occur during CAP authorized activities. This is a self-insured program paid out of CAP's general fund and not a commercial insurance policy.

19. Senior and Cadet Benefits.

a. Accidental Death - $10,000

b. Medical Expenses - $8,000 less a $50 deductible per claim for senior members.

20. Medical Expense Benefit Excess to Existing Coverage. The CAP medical expense benefit is excess to any existing medical coverage available to senior or cadet members including family or employer type "Blue Cross" or HMO coverages. These other coverages must be exhausted before CAP provided self-insured medical expense benefits apply. The CAP medical expense benefits will pay: (a) if there is no other applicable insurance, or (b) for senior members with coverage, that portion of the other coverage not paid such as coinsurance deductible (not including standard deductibles), etc., up to $8,000 per occurrence (c) for cadets with coverage, that portion of the other policy coverage not paid for any reason up to $8,000 per occurrence. All medical expense benefits payments to senior members are subject to the $50 per claim deductible.

21. Death Benefits Not Excess to Existing Coverage. The accidental death benefit of $10,000 is payable regardless of the availability of other insurance.

22. Excludable Claims. No CAP accidental death or medical benefit is payable if:

a. Injuries or death are self inflicted or caused by intoxication, drug use or gross misconduct.

b. There is coverage by FECA, state or any other type of Workmen's Compensation.

Provisions (a) and (b) may be waived by the Executive Director.

23. Claims Procedures. All claims for CAP medical or death benefits must be submitted on a CAPF 80, *Civil Air Patrol Death Benefit/Medical Expense Claim Form*, and such other documents that pertain to the incident. The claim documents must be submitted to National Headquarters:

NHQ/GC
Building 714, 105 South Hansell Street
Maxwell AFB AL 36112-6332
or electronically transmitted to gc@capnhq.gov