



Searching for Insurance Coverage for Auto Accidents? Check the Employer's Auto Policy

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By: *Ryan T. Leagre, Plews Shadley Racher & Braun LLP*

The first step in recovering insurance proceeds is finding the relevant insurance policies. This can be an easy task at times: when a storm damages your home you look to your homeowner's policy; when you are involved in a car accident you look to your auto policy and the other driver's auto policy.

Other times, however, the task is not so simple. The relevant policies may have been destroyed. The individuals knowledgeable about historic policies have passed away. The policies may be in the possession of an unknown third party. Pursuing insurance coverage in these circumstances requires investigation and creativity, as coverage can be found in unexpected places.

A good example of this is *Erie Indemnity Company v. Estate of Harris*, 2017 Ind. App. LEXIS 316 (Ind. Ct. App. July 31, 2017), where the estate of a deceased employee—who was tragically killed by a truck while mowing his lawn—recovered \$1,000,000 in uninsured motorists benefits under the employer's commercial auto policy.

In *Estate of Harris*, Brian Harris was cutting his grass on a riding lawnmower in Goshen, Indiana, on August 6, 2010, when he was struck and killed by the driver of a 1974 Chevy truck. The driver had borrowed the truck with the permission of its owners, but he was driving on a suspended license and under the influence of illegal drugs. Because the driver was unlicensed, the insurance policy issued to the owners of the truck did not apply and the driver was deemed to be an uninsured motorist. At the time of the appeal, the driver was incarcerated. Mr. Harris' family suffered millions of dollars in damages, yet those at fault for the accident were not viable sources of recovery.

The Estate instead pursued coverage under a commercial auto policy issued to Mr. Harris's employer. Mr. Harris worked for a plastic design and manufacturing company since 1993, and during his employment he drove a company-owned vehicle as his primary transportation for both business and personal uses. His employer first submitted an application for a commercial auto policy in 1993, and that application identified Mr. Harris as one of three drivers of the eleven covered vehicles. The policy listed the company as the sole "Named Insured" and designated the autos that were covered, but did not mention individual drivers. That policy was renewed each year and was still in effect at the time of the accident at issue. The policy included an Uninsured Motorist Coverage Endorsement, which supplied limits of \$1,000,000 per accident, and listed Mr. Harris's company-owned vehicle as a designated auto. Mr. Harris paid no premiums and was not a named insured under the policy.

The Estate submitted a claim to the employer's insurer and filed suit after the claim was denied. On appeal, the Court of Appeals held that the uninsured motorist coverage endorsement in the employer's commercial auto policy applied to Mr. Harris's accident and that the Estate was entitled to recover the full limits of the policy. The court concluded that Mr. Harris was covered by the policy because the phrase "others we protect" was ambiguous and the insurer agreed that, at least in some circumstances, this endorsement would provide uninsured motorist benefits to Mr. Harris. The court also concluded



that the uninsured motorist coverage endorsement applied to Mr. Harris even when he was outside of a designated auto because an exclusion in the endorsement expressly excluded coverage for those protected by the policy while struck as pedestrians by an uninsured motor vehicle *owned by Mr. Harris' employer*. Thus, because the uninsured vehicle was not owned by the employer, the endorsement provided coverage to Mr. Harris as a pedestrian in these circumstances.

This is a good example of finding coverage in an unexpected place. Most people would not expect to recover insurance proceeds under their employer's commercial auto policy when injured by an uninsured motorist while at home, mowing their lawn, and not while using the auto designated in their employer's insurance policy. That is why investigating every potential source of recovery is critical when you have suffered damages or are facing allegations of liability. That investigation could lead to the discovery of potentially relevant insurance policies worth hundreds of thousands of dollars.

Of course, finding the relevant insurance policies is only the first step. You then need to show that you are entitled to coverage under those policies, which can be an equally challenging task.

About the Author

Ryan Leagre concentrates his practice in the areas of insurance recovery and coverage litigation, business litigation, other complex commercial litigation, and personal injury. Ryan has experience in investigating and locating historic insurance policies, which can be valuable assets for policyholders and a source of funds for environmental property damage claims.