

Insurance for Restaurant Delivery Drivers During COVID-19

The Office of the Commissioner of Insurance (OCI) issued a Bulletin (oci.wi.gov/Pages/Regulation/Bulletin20200323COVID-19Restaurants.aspx) directing the insurance industry to remove any insurance barriers that may prevent a restaurant from beginning delivery service with its employees.

If my employees are using their own vehicles to make deliveries, will they be covered under their personal automobile insurance?

Personal lines automobile policies do not usually provide coverage for vehicles used for commercial purposes, like food delivery. But, due to the COVID-19 public health crisis, OCI has ordered that insurers may not deny a claim under a personal auto policy solely because the insured driver was delivering food for a restaurant.

What other insurance coverage do I need for delivery drivers? How do I obtain auto coverage for liability incurred by my drivers?

It is common for restaurants who employ delivery drivers who use their own car to obtain a rider to a commercial general liability policy. If your commercial general liability policy does not include a hired and non-owned auto coverage rider, contact your insurer to request one. The coverage will be effective on the date it is requested.

How much will this extra insurance coverage cost?

There is no extra cost to policyholders.

When does this change go into effect?

This order applies to all claims on a personal automobile policy for an incident that happened after March 23, 2020.

When does this temporary order end?

This order will remain in effect until the public health emergency order is lifted, in whole or in part, and restaurants are able to resume normal operations.

Are there exclusions to who is covered by this order?

The coverage for delivery drivers under their personal auto policies does not apply to drivers who otherwise have coverage for deliveries through their personal policy or another policy, or drivers working for a transportation network company or similar delivery company.

Must employees contact their private auto carrier and inform them that they are using their vehicle for deliveries?

No, employees do not need to contact their carriers to inform them. For drivers using their personal auto policy, all terms and conditions effectively remain the same; however, insurance carriers are prohibited from using an exclusion in the policy that excludes coverage if the insured/driver engages in commercial activity to deny a claim.

Must I, as the employer, contact my insurance carrier and inform them that I want this coverage?

For the hired and non-owned auto coverage, the employer/insured needs to contact their carrier to request this coverage. The coverage will be added at no charge to your current commercial liability policy, but a request for coverage must be made by the employer/insured.

For more information or to file a complaint, visit our website or contact:

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