



REQUIRED INSURANCE

Frequently Asked Questions

Q: What types of insurance does the State of Montana require for contracts?

A: The five types of insurance typically required include Commercial General Liability; Commercial Automobile Liability; Professional Liability; Property; and Workers' Compensation.

Q: How does the State determine the insurance limits required in their contracts?

A: The State generally requires limits of \$1,000,000 per occurrence and \$2,000,000 aggregate. However, there are times when these limits may be excessive or inadequate. The State generally measures the risk associated with the product or service under contract and sets the limits based on that risk.

Q: Why does the State require the certificate of insurance and policy endorsement?

A: The certificate of insurance provides evidence of contractor insurance and should indicate the type of coverage, limits of liability, and term of insurance. A certificate should be signed by an authorized agent of the insurer or an officer of the insurance company.

A certificate of insurance is not a contract--only evidence of coverage at the time the certificate is issued. Having a certificate is no guarantee that the policy is currently in force or that coverage is as requested and is why we require copies of the appropriate endorsements or policy language prior to the provision of the service or procurement of the product.

Q: Where do I send my insurance certificates and policy endorsements?

A: Contractors should send this information to the Contracts Officer managing the contract. All copies must be sent electronically to minimize waste.

Q: What are the insurance requirements if my company has more than one contract with the State?

A: Contractors must verify they have met the insurance requirements for **each contract** (limits, named the State as an additional insured, include the endorsement, and have the contract name and number referenced on the certificate). It is important to verify these requirements as not all contracts have the same insurance requirements or limits.