OVERVIEW OF LEGISLATION
(Updated May 2011)

Legislation Reference

Division I:  3.2.4.8
Division II:  3.2.4.9
Division III:  3.2.4.8

Background Information

The NCAA insurance task force wanted to ensure that student-athletes would have adequate insurance to cover medical expenses from injuries sustained during participation in intercollegiate sports activities. The NCAA provides insurance excess of a significant deductible through the NCAA Catastrophic Injury Insurance Program, but previously there was not a consistent method or requirement to verify insurance for expenses within the catastrophic program deductible. This allowed a potential “gap” in insurance that could result in student-athletes incurring significant out-of-pocket expenses. The task force therefore proposed this legislation with the goal of eliminating the potential “gap” and ensuring that individuals covered by the NCAA’s catastrophic policy would not be exposed to potential uninsured expenses within the deductible. The legislation was voted on and overwhelmingly approved at the 2004 Convention by Divisions II and III. The legislation was approved by the Division I Management Council and Board of Directors at their April 2005 meetings.

Intent of Legislation

The legislation requires NCAA member institutions to certify insurance coverage for medical expenses resulting from athletically related injuries sustained while participating in defined covered events. This insurance coverage must be of equal or greater value than the deductible of the NCAA catastrophic injury insurance program and may be provided through parents’ or guardians’ insurance coverage, participant’s personal insurance coverage, or the institution’s insurance program. The legislation is intended to ensure that student-athletes have coverage for medical expenses related to injuries resulting from participation in covered NCAA sports activities.

The NCAA and its membership agree that the legislation will create several important benefits:

• Protects student-athletes/parents from incurring substantial, unexpected, out-of-pocket medical expenses for athletically-related injuries.
• Informs student-athletes/parents of institution's position on providing insurance and/or covering medical expenses for athletically-related injuries and eliminates misconceptions about the institution's responsibility.
• Tracks information about the availability of "other insurance" that can assist member institutions in projecting costs of excess insurance programs.
• Protects member institutions from a liability perspective because student-athletes/parents are less likely to bring a lawsuit against the institution for an athletically-related injury if medical expenses are covered through some form of insurance.
FREQUENTLY ASKED QUESTIONS

1. Does the legislation require that the institution purchase insurance coverage for the student-athletes?

No. There are several methods to certify coverage, and it is up to each member institution to determine the best method.

See the Certification Flowchart and document entitled Filling in the Gaps for more information on this topic.

2. When and how often should an institution certify that coverage is in place?

Ideally, coverage should be certified prior to the start of each playing season. At a minimum, an institution should certify coverage prior to the beginning of each academic year, before the student-athlete begins practice or competition. Because insurance circumstances can change, institutions requiring proof of insurance from student-athletes/parents may consider reminding them of insurance requirements and/or securing updated insurance information from them during the course of the year.

3. Does certification need to occur before the student-athlete begins practice or competition?

Yes. In order to comply with legislation, the member institution should not allow an athlete to begin participation until insurance has been certified.

4. What do we do if a student-athlete does not have insurance for athletically-related injuries?

If the institution does not provide coverage through an accident medical policy, state-funded plan, medical services agreement, or formal self-insurance program AND a student-athlete does not have his or her own coverage, the institution should either:

- purchase coverage and bill the student-athlete;
- purchase coverage and pay for it;
- offer guidance on sources for securing coverage (and then follow standard procedures for getting evidence of insurance); or
- deny participation until proof of insurance is provided. Please note, a violation of this requirement does not affect student-athlete eligibility but is an institutional violation.

5. What is the penalty for non-compliance with the certification requirement?

Since the requirement is an obligation of membership, failure to comply would be considered an institution violation, and the institution may jeopardize its membership in the NCAA.
6. Are institutions required to certify coverage for cheerleading squads and other individuals who are not part of the athletics department?

No. The legislation does not apply to these individual, only to student-athletes. In Divisions I and II, the legislation also applies to prospective student-athletes participating in a covered event (defined in legislation) who have graduated from high school and signed a National Letter of Intent or an institution’s written offer of admission and/or financial aid to participate in an intercollegiate sport at a participating institution.

7. Is self-insurance an acceptable method of certifying coverage?

Yes. If the member institution has a formal self-insurance program to cover expenses up to the NCAA’s catastrophic policy, this would be considered an acceptable form of insurance provided by a member institution. Please note, however, that a formal self-insurance program is a program that includes a written plan document outlining what losses will be paid, a financial means to fund the losses (e.g. pay as current expense, set up formal reserve, establish a captive, purchase stop loss coverage where an insurance company pays losses after a certain threshold is reached), and a planned method to administer claims.

8. Does certification mean making sure every dollar of expense up to the NCAA catastrophic policy deductible is covered by insurance?

No. From a practical standpoint, insurance policies will be subject to deductibles and/or co-insurance requirements. Therefore, certification does not mean verifying that every dollar of expense within the deductible will be covered, but that the majority of expenses will be covered. If the institution provides coverage that includes deductibles or co-pays, but does not pay for the uninsured expenses, the institution should advise parents and students of the deductibles and co-pays.

9. If a student-athlete has coverage through an HMO that’s only valid in the state they live in, does that satisfy the requirement if they are in a school outside that state?

Yes. However, again it should be disclosed to the parent/guardian that they are responsible for any costs not paid by insurance if the university does not cover those costs.

10. Can the institution pay the deductible of a policy provided by the student-athlete without eligibility concerns?

Yes, an institution can pay the deductible of a policy provided by the student-athlete, or the institution’s own policy, for an individual or individuals without providing an extra benefit and thus subjecting the institution or student-athlete to eligibility concerns.