



TEXAS

Health and Human Services

Cecile Young, Executive Commissioner

**Request for Application (RFA) Grant for
Supplemental Nutrition Assistance Program (SNAP) Education
RFA No. HHS0015831**

Exhibit L, Insurance Requirements

A. GENERAL INSURANCE REQUIREMENTS

1. Grantee shall carry insurance in the types and amounts indicated in this exhibit for the duration of the Grant Agreement. The insurance shall be evidenced by delivery to HHSC of certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. Upon request, HHSC, and/or its agents, shall be entitled to receive without expense, copies of the policies and all endorsements.
2. Grantee shall update all expired policies prior to submission for monthly payment. Failure to update policies shall be reason for withholding of payment until renewal is provided to HHSC.
3. Grantee shall provide and maintain all insurance coverage with the minimum amounts described throughout the life of the Grant Agreement.
4. Failure to maintain insurance coverage, as required, may be grounds for suspension of work for cause.
5. Grantee shall deliver to HHSC true and complete copies of certificates and corresponding policy endorsements upon award.
6. Failure of HHSC to demand such certificates or other evidence of Grantee's full compliance with these insurance requirements or failure of HHSC to identify a deficiency in compliance from the evidence provided shall not be construed as a waiver of Grantee's obligation to maintain such insurance.
7. The insurance and insurance limits required herein shall not be deemed as a limitation on Grantee's liability under the indemnities granted to HHSC in the Grant Agreement.
8. The insurance coverage and limits established below shall not be interpreted as any representation or warranty that the insurance coverage and limits necessarily will be adequate to protect Grantee.
9. Coverage shall be written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and rated A or better by A.M. Best Company or similar rating company or otherwise acceptable to HHSC.

B. REQUIRED POLICY CLAUSES

Policies must include the following clauses, as applicable:

1. This insurance shall not be canceled, materially changed, or non-renewed except after thirty (30) days written notice has been given to HHSC.
2. It is agreed that Grantee's insurance shall be deemed primary with respect to any insurance or self-insurance carried by HHSC for liability arising out of operations

under the Grant Agreement with HHSC. The Texas Health and Human Services Commission, its officials, directors, employees, representatives, and volunteers are added as additional insureds as respects operations and activities of, or on behalf of the named insured performed under Grant Agreement with HHSC. The additional insured status must cover completed operations as well. This is not applicable to workers' compensation policies.

3. A waiver of subrogation in favor of the Texas Health and Human Services Commission shall be provided in all policies.
4. Without limiting any of the other obligations or liabilities of Grantee, Grantee shall require each Subrecipient performing work under the Grant Agreement, at Subrecipient's own expense, to maintain during the term of the Grant Agreement, the same stipulated minimum insurance including the required provisions and additional policy conditions as shown above.
5. As an alternative, Grantee may include its Subrecipients as additional insureds on its own coverage as prescribed under these requirements. Grantee's certificate of insurance shall note in such event that Subrecipients is included as additional insureds and that Grantee agrees to provide workers' compensation for Subrecipients and their employees. Grantee shall obtain and monitor the certificates of insurance from each Subrecipients in order to assure compliance with the insurance requirements. Grantee must retain the certificates of insurance for the duration of the Grant Agreement plus seven (7) years and shall have the responsibility of enforcing these insurance requirements among its Subrecipients. Owner shall be entitled, upon request and without expense, to receive copies of these certificates.

C. SPECIFIC INSURANCE COVERAGE REQUIRED

1. **Workers' Compensation.** Insurance with limits as required by the Texas Workers' Compensation Act, with the policy endorsed to provide a waiver of subrogation in favor of the Texas Health and Human Services Commission, employer's liability insurance of not less than:
 - a. \$1,000,000 each accident;
 - b. \$1,000,000 disease each employee; and
 - c. \$1,000,000 disease policy limit.

Workers' compensation insurance coverage must be provided for all workers at all tier levels and meet the statutory requirements of the Texas Labor Code.

2. **Commercial General Liability Insurance.** Including premises, operations, independent Grantee's liability, products and completed operations and contractual liability, covering, but not limited to, the liability assumed under the indemnification provisions of the Grant Agreement, fully insuring Grantee's liability for bodily injury (including death) and property damage with a minimum limit of:

- a. \$2,000,000 per occurrence;
 - b. \$4,000,000 general aggregate;
 - c. \$5,000 Medical Expense each person;
 - d. \$2,000,000 Personal Injury and Advertising Liability;
 - e. \$4,000,000 products and completed operations aggregate;
 - f. \$50,000 Damage to Premises Rented to You; and
 - g. Coverage shall be on an “occurrence” basis.
 - h. Abuse and Molestation Endorsement.
 - i. The term “You” as referenced in the subsection above, means the Grantee.
3. **Comprehensive Automobile Liability Insurance.** Covering owned, hired, and non-owned vehicles, with a minimum combined single limit for bodily injury (including death) and property damage of **\$1,000,000** per accident. No aggregate shall be permitted for this type of coverage.
4. **Cyber/Privacy Liability Insurance Policy.** Grantee shall provide Cyber/Privacy Liability Insurance. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include loss to electronic vandalism to electronic data, electronic data, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

The policy must include coverage for including coverage for a third party’s willful electronic alteration of data, introduction of viruses which impact electronic data, unauthorized use of electronic data, or denial of service to web site or email destinations.

If the Grantee maintains broader coverage and/or higher limits than the minimums shown above, the Entity requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Grantee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Entity.

Cyber Liability Insurance **\$5,000,000** Claim/**\$5,000,000** Aggregate.

5. **Professional Liability Insurance.** Grantee shall obtain, pay for and maintain

professional liability errors and omissions insurance during the Grant Agreement term, insuring Grantee for an amount of not less than **\$5,000,000**.

6. Umbrella Liability Insurance. Respondent shall obtain, pay for and maintain umbrella liability insurance during the Grant Agreement term, insuring Respondent for an amount of not less than amount **\$10,000,000** that provides coverage at least as broad as and applies in excess and follows form of the primary liability coverages required hereinabove.

a. The policy shall provide “drop down” coverage where underlying primary insurance coverage limits are insufficient or exhausted.

7. Crime Insurance. Crime insurance to cover losses from employee dishonesty with a minimum limit of **\$5,000,000.00** per occurrence. Coverage must include third party property and the policy cannot include a conviction clause. HHSC must be listed as a loss payee.

D. Alternative Insurability

Notwithstanding the preceding, the HHSC Agency reserves the right to consider reasonable alternative methods of insuring the Grant Agreement in lieu of the insurance policies customarily required. It will be the Grantee's responsibility to recommend to the HHSC Agency alternative methods of insuring the Grant Agreement. Any alternatives proposed by Grantee should be accompanied by a detailed explanation regarding Grantee's inability to obtain the required insurance and/or bonds. HHSC shall be the sole and final judge as to the adequacy of any substitute form of insurance coverage.