

Radiological Emergency Preparedness

American Nuclear Insurers frequently asked questions

Purpose of this Fact Sheet

This fact sheet is designed to provide basic information about potential insurance claims in the event of a nuclear generating plant emergency.

This fact sheet does not supersede any plans, procedures, or guidelines that are in use.

American Nuclear Insurers response to any claim always depends on all applicable terms, conditions, and exclusions of the appropriate nuclear liability insurance policy.

- **Can evacuated people go to a hotel or motel?**
 - Evacuees may stay at motels or hotels, or stay with friends or relatives. Reimbursement could be made for immediate, reasonable out-of-pocket living expenses which include, but may not be limited to: food, lodging, transportation, (mileage allowance), loss of wage, and emergency medical treatment. Reasonable costs would be reimbursed and advanced by insurers.
- **How are burglary or looting losses covered if they occur after evacuation?**
 - The nuclear liability policy responds only to liability for “bodily injury” or offsite “property damage”...caused by the “nuclear energy hazard”. The policy would not respond for burglary or looting losses. The question of whether the insured would be liable for these losses also exists. Losses of this type may be covered under a

Homeowner’s Insurance Policy depending on the scope of contract.

- **Is loss of business by stores, restaurants, etc. due to evacuation covered?**
 - Coverage for commercial loss of revenue depends on the location of a business and its proximity to the nuclear event. An economic loss claim must be supported by evidence that the business is located in an area that was actually contaminated, or may possibly be contaminated, or is in imminent danger of contamination. Thus, the reasonableness of the claim is based on the inability of the work force to attend normal production.
- **Do claimants have to hire lawyers?**
 - Claimants are not required to hire lawyers.
- **Are volunteers or expenses by volunteers (amateur radio operators, Red Cross, etc.) reimbursed?**
 - The policy responds only for an insured’s legal liability to pay damages “because of bodily injury or...” Since there would be no liability to reimburse volunteers, our policy would not respond for expenses incurred by volunteer groups.
- **How are losses to crops of farm products handled? What about product boycotts?**
 - Once again we refer to the “term” property damage as defined in the policy. If farmers in the vicinity of the accident are unable to sell their crops or other farm products



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“...because possibly so contaminated or because of imminent danger of such contamination”, the policy would respond to the insured’s liability for those losses.

- The aspect of reasonableness would be a factor in determining the insured’s legal liability and the extent of policy coverage. For example, if the potential danger zone is limited by the facts to five miles around the site, claims for the inability to sell crops grown beyond that distance could be considered unreasonable and therefore, there may not be liability coverage. (The reference to five miles from the site is used for illustrative purposes only).
- **How does ANI determine where the claims office will be set up?**
 - The magnitude of the nuclear incident and prevailing weather conditions dictate where an office will be located. Logically, a claim office is placed where it is most convenient to serving the needs of evacuees and is accessible to persons who are to operate it.
- **How is the claims office operated? What kind of information will be required of claimants?**
 - The claim office is staffed with a Claim Coordinator, Claim Supervisors, Adjusters, and clerical support, each with specific duties for administering to claimant needs for emergency assistance payments.
 - Claimants for emergency assistance would be required to produce identification and documentation to permit payment of reimbursement of living expenses, such as: social security number, driver’s license, credit card, birth certificate, earnings statement, tax receipts etc. Personal interviews are conducted by adjusters to

determine eligibility before payment is approved.

- **If there is a vehicle accident during evacuation, how is it covered?**
 - As was indicated earlier our policy responds only for an insured’s liability for “bodily injury” or offsite “property damage”...caused by the “nuclear energy hazard”. Thus injury or damage sustained as a result of an automobile accident would not be covered under the policy. Presumably, coverage for such injury or damage would be available under an automobile liability policy. Health policies might also apply in case of injury.
- **How will ANI coordinate payments for evacuees with similar payments made by FEMA?**
 - The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288) addresses response coordination issues between FEMA and other emergency responders such as American Nuclear Insurers.