



U.S. General Services Administration (GSA)

**GSA Order: Professional Liability Insurance**

HRM 9820.1A

Office of Human Resources Management

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**Purpose:**

This Order implements policy within the General Services Administration (GSA) for the reimbursement of costs incurred by covered employees for professional liability insurance (PLI), providing coverage for certain acts and omissions.

**Background:**

This Order is issued under the authority of and to implement the permanent provisions of Section 636 of the Treasury, Postal Service, and General Government Appropriations Act, 1997, Public Law 104-208 (1996); and amended in Section 642 of the Treasury, Postal Service, and General Government Appropriations Act, 2000, Public Law 106-58, (1999) (the Act), requiring agencies to reimburse covered employees "... not to exceed one-half the costs incurred by such employee(s) for professional liability insurance."

**Applicability:**

The Act limits coverage to employees who are:

- a. Members of the Senior Executive Service;
- b. Supervisors or management officials; and/or
- c. Law enforcement officers.

This policy applies to the Office of Inspector General (OIG) only to the extent that the OIG determines it is consistent with the OIG's independent authority under the IG Act and it does not conflict with other OIG policies or the OIG mission.

**Cancellation:**

This Order cancels and supersedes GSA Order HRM 9820.1,, Professional Liability Insurance, dated January 16, 2020.

**Summary of Changes:**

This Order updates the instructions for submitting a PLI reimbursement to reflect current procedures and technology.

## **Policy:**

GSA will reimburse a covered employee not more than \$150 per year or one-half of the annual policy cost, whichever is less, for professional liability insurance. The purchase of professional liability insurance is strictly voluntary.

## **Definitions:**

a. Professional Liability Insurance. Insurance, as defined by the Act, which provides coverage for the following:

(1) Legal liability for damages due to injuries to other persons, damage to their property, or other damage or loss to such other persons (including the expenses of litigation and settlement) resulting from or arising out of any tortious act, error, or omission of the covered individual (whether common law, statutory, or constitutional) while in the performance of such individual's official duties as a qualified employee; and

(2) The cost of legal representation for the covered individual in connection with any administrative or judicial proceeding (including any investigation or disciplinary proceeding) relating to any act, error, or omission of the covered individual while in the performance of such individual's official duties as a qualified employee, and other legal costs and fees relating to any such administrative or judicial proceeding.

b. Supervisor. An individual employed by an agency having authority in the interest of the agency to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment, except that, with respect to any unit which includes firefighters or nurses, the term "supervisor" includes only those individuals who devote a preponderance of their employment time to exercising such authority. (5 CFR 7103(a)(10)).

c. Management Official. An individual employed by an agency in a position the duties and responsibilities of which require or authorize the individual to formulate, determine, or influence the policies of the agency. (5CFR 7103 (a)(11)).

d. Law Enforcement Officer. An employee, the duties of whose position are primarily the investigation, apprehension, prosecution, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including any law enforcement officer under section 8331(20) or 8401(17) of such title 5, or under section 4823 of title 22, United States Code.

## **Procedure:**

a. Employees covered by this Order who purchase or have purchased professional liability insurance coverage, and who wish to obtain reimbursement, must obtain a receipt showing all of the following:

