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Insurance issues include costs and who pays

Most tracks have increased coverage

By Jennie Rees • jrees@courier-journal.com • April 26, 2010

You can work to prevent or minimize injuries, but what happens when those efforts fail and a jockey is badly hurt?

The racing industry has argued, sometimes bitterly in recent years, over who should pay for injured jockeys' medical bills, rehabilitation and associated costs.

Some states — most notably California, New York, New Jersey and Maryland — provide for jockeys to be covered under special workers' compensation programs.

But in other states, it has become a controversial subject because jockeys by almost any definition are independent contractors, free to ride what, when and where they please.

Effective medical and disability insurance can be difficult and very expensive for jockeys to obtain because of their risky profession, and the vast majority of them make far less than top riders at the bigger tracks. Further, policies can exclude previously injured body parts to the point that some jockeys say there's no point having insurance.

The issue came to a head nationally in 2004 after jockey Michael Rowland died of brain injuries when a horse broke down at Turfway Park (the first such death in Kentucky since 1976, and third documented overall), and Gary Birzer was paralyzed in a spill at Mountaineer Park in West Virginia.

It was only then that many members of the Jockeys' Guild learned that their management at the time had dropped its accident insurance.

That fall, some jockeys refused to ride at Churchill Downs in protest of the $100,000-per-jockey-per-accident insurance policy that Churchill, and most other tracks offered at the time. Those riders were temporarily banned from Churchill-owned tracks, as management argued that a walkout was no way to solve a complex problem that required an industrywide solution.

In 2005, Churchill was among those leading the way to raise its accident insurance coverage to $1million per jockey per accident, which the majority of tracks provide today — although some smaller tracks have $500,000 policies.

The policies are paid by each track, and costs vary widely among them. For instance, Keeneland, which races about six weeks a year, says it pays $67,760 per year, while Churchill Downs, Inc., which has four tracks racing far more days, pays about $600,000.

Even $1million might not cover all medical and rehabilitation costs of accidents involving brain

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and spinal-cord injuries. In 2006, Churchill Downs and others helped establish the Permanently Disabled Jockeys Fund, which helps catastrophically injured jockeys cover medical and some basic living expenses long after their accidents.

The fund now pays $1,000 a month each to about 60 former riders, along with reimbursing them for Medicare insurance and prescription-drug-plan premiums.

But the fund has struggled to build an endowment. Nancy LaSala, its Illinois-based executive director, said an endowment of $15million is needed for adequate funding; it's currently at $2.1million.

Because there is no permanent funding mechanism, it has relied on fundraisers and donations from organizations and individuals, such as prominent breeder Will Farish's pledge last summer of $1million over four years.

In 2005, a proposal to put jockeys under workers' compensation in Kentucky died when riders objected to it being partially funded by cutting into purse money for first-place jockeys.

Many Kentucky trainers point out that horsemen are responsible for their own insurance, as well as paying for workers' comp for their stable employees, and that horse owners already are saddled with too many costs. They believe jockeys should be responsible for their insurance.

But horsemen in workers' comp states say the right model brings down costs for everyone and protects owners and trainers from lawsuits involving injured riders.

Prominent racing-industry insurance broker John Unick said an affordable solution is to offer jockeys excess-coverage policies that would kick in if a track policy maxes out. The question, however, remains who would pay the premiums.

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