WEST VIRGINIA CODE: §29-12A-9

§29-12A-9. Settlement or defense of suit; effect of liability insurance.

(a) If a policy or contract of liability insurance covering a political subdivision or its employees is applicable, the terms of the policy govern the rights and obligations of the political subdivision and the insurer with respect to the investigation, settlement, payment and defense of suits against the political subdivision, or its employees, covered by the policy. The insurer may not enter into a settlement for an amount which exceeds the insurance coverage.

(b) A political subdivision, or its employees, are not liable for any costs, judgments or settlements paid through an applicable contract or policy of insurance.

(c) A political subdivision has the right of indemnity against the insurer issuing any applicable contract or policy of insurance to the monetary limit of the contract or policy of insurance.

WV Legislature