

# CCI's Must-Have Insurance Policies for Doctors

As a doctor, you help diagnose and treat injuries or illnesses. By examining patients, assessing their medical histories, prescribing medications, and ordering and interpreting diagnostic tests, you help your patients manage or recover from their ailments. In turn, it's your practice that makes healthier communities and families by giving your patients the tools they need to take charge of their health.

But running your private medical practice comes with the risk of lawsuits and property damage. As a medical professional, you are probably well aware of the devastating Malpractice suits that await a doctor who misdiagnoses a patient and worsens their condition. But what you may not be aware of is that not having the funds to cover a settlement or judgment doesn't protect you. Courts can collect on your personal assets if you are guilty of wrongdoing.

The best thing you can do for your private practice? Invest in a business insurance plan that protects your personal and commercial assets. With the help of adequate policies, you will have the "deep pockets" you need to cover a claim without jeopardizing your practice or your bank account.

CCI recommends protecting your private medical practice with the following coverage types...

- [General Liability Insurance.](#)
- [Property Insurance.](#)
- [Malpractice Insurance.](#)
- [Business Owner's Policy.](#)
- [Workers' Compensation Insurance.](#)
- [Cyber Liability Insurance.](#)
- [Umbrella Liability Insurance.](#)

Read on to learn how these small business insurance coverages can help your doctor's office survive a costly setback.

## General Liability Insurance for Doctors

[General Liability Insurance](#) (GLI), sometimes called "slip-and-fall" insurance, protects your premises from third-party liability claims over bodily injuries, property damage, and advertising injury. Anyone who walks through your office doors (or on your sidewalk!) who doesn't work for your medical practice could sue you if the conditions are right.

Most General Liability suits are over slips or falls on commercial property. Say, for example, it's raining outside, and your patients have been trudging in rainwater all morning. The next person who walks through your door slips on a puddle and hits their head on the floor. Even if you offer to treat the person free of charge, they could still sue you for damages, such as the time they had to miss from work while recovering. With a General Liability Insurance policy in force, you're covered for attorney's fees, settlements or judgments, and more, up to your limits.

GLI covers the following claims...

- **Premises liability.** This portion of your policy covers physical injuries that happen on your premises. The key thing to remember is that it does not cover bodily injuries or ailments that arise from your treatment. For that protection, you need Malpractice Insurance (see below).
- **Property liability.** If you lose or damage someone's property during an examination, you could be held liable for the loss.
- **Advertising liability.** This part of your GLI covers allegations that you infringed on someone's copyrighted material. It also protects you when you have allegedly committed libel or slander.

The importance of carrying General Liability when you own your own practice can't be overstated. For most business owners, it's the first policy purchased because it protects against some of the most common torts you're likely to face.

## Property Insurance for Doctors

As a doctor, you rely on your medical supplies, tables, and equipment to help assess and diagnose your patients - from exam tables and lights to stethoscopes and diagnostic tools. And a quality [Property Insurance](#) policy can safeguard the investment you've made in your physical office building and its contents.

Property Insurance offers your medical practice...

- **Coverage for common disasters.** Your policy insures your building and assets against loss or damage due to tornadoes, fires, theft, vandalism, and power surges or outages.
- **Compensation for covered assets.** In the event of a covered claim, your insurance provider will reimburse you for the amount your damaged assets or repairs are worth.
- **Business Interruption Coverage.** As part of your Property policy, you'll also receive a year of Business Interruption Insurance. If a fire destroys your practice and you must halt services to rebuild and repair, you can be compensated for your lost earnings during this time.
- **Endorsement options.** Typically, Property Insurance does not include protection for hurricanes, earthquakes, and flooding. You can, however, add on these event-specific coverages to your policy through special endorsements.

You may be offered the option of insuring your assets at their current or replacement value. What you need to know is current-value insurance costs less, but the coverage amount is also less. If you're looking for optimal coverage - the kind that allows you to buy brand-new gear in the event of a covered claim, you'll want to choose replacement-value insurance.

## Malpractice Insurance for Doctors and Medical Practitioners

[Malpractice Insurance](#) - also known as Errors & Omissions or Professional Liability Insurance - is invaluable protection for doctors and medical practitioners. Because Malpractice claims are all

too common in today's litigious society, you need the assurance you won't have to file for bankruptcy over a mistake you made while treating or caring for your patients.

It's also worth noting that seven states currently require that all doctors carry a minimum level of Malpractice Insurance, according to the American Medical Association. These states are Colorado, Connecticut, Kansas, Massachusetts, New Jersey, Rhode Island, and Wisconsin. If you live in one of these states, be sure to ask your [CCI](#) Advisor about the required amount of coverage, as they vary drastically.

A Malpractice judgment may end up being millions of dollars if you are found guilty of wrongdoing. For example, if you don't properly assess your patient before prescribing oxycodone, you could be charged with the patient's overdose. Prescribe a patient medication that results in congestive heart failure? You could also be sued.

But even if you perform your services with the utmost caution, a patient could still sue you if they aren't satisfied with the results. Fortunately, your Malpractice Insurance covers lawsuits over...

- Professional negligence, oversights, or errors you made in your work.
- Incomplete services or treatments.
- Faulty or shoddy services or treatments.
- Misrepresenting services.

It's worth noting that the standard of probable wrongdoing used in civil court is less demanding than the standard to convict a defendant in criminal court, which is proof "beyond a reasonable doubt." The jury only has to be sympathetic to the plight of the plaintiff and feel you are "more than likely" at fault.

Also, be warned that in order for your Malpractice Insurance to cover lawyer's fees, settlements or judgments, and other court costs, you must have the policy in force when the alleged incident occurred and when the claim is filed. This is because Malpractice or Professional Liability Insurance is [claims-made coverage](#).

## Business Owner's Policies for Doctors

A [Business Owner's Policy](#) (BOP) offers you comprehensive insurance coverage at a discounted rate. To qualify, your primary care practice or doctor's office must be considered low-risk, have small premises, and not require more than a year of Business Interruption Insurance.

If you meet the requirements, you can receive...

- Property and General Liability Insurance packaged together for less.
- Up to 12 months of Business Interruption Insurance.
- A discounted yearly premium.

# Workers' Compensation Insurance for Doctors and Medical Practitioners

In your private medical office or clinic, you likely have your own staff of nurses and administrative personnel to help care for your patients. That's why our agents also recommend [Workers' Compensation Insurance](#). This coverage helps you handle occupational injuries that your employees sustain while performing their work. Plus, in most states today, Workers' Comp is mandatory - even if you only have one employee.

Workers' Comp covers...

- Medical expenses for your employees' occupational injuries.
- Foregone income while your work-injured employee is in recovery.
- Disability payments and funeral expenses related to the occupational injury.
- Legal fees (through your policy's Employer's Liability Insurance coverage) should your employee sue your practice for the negligence that contributed to their harm.

## Cyber Liability Insurance / Data Breach Insurance for Doctors

[Cyber Liability Insurance](#) - also known as Cyber Risk Insurance or Data Breach Insurance - is a policy that can help your medical practice handle the costly aftermath of a security breach. Should a hacker break into your computers and access your patients' Social Security numbers, health information, or credit card numbers, your Cyber Risk Insurance offers you a course of action.

First-party Cyber Risk Insurance helps your doctor's office recover after a breach by covering the cost of...

- Notifying your patients that their private data has been leaked or compromised.
- Supplying credit-monitoring services for those affected by the cyber attack.
- Managing public relations and repairing your practice's reputation.
- Handling a cyber extortionist who holds your data hostage.

As a doctor, you are required by HIPAA regulations to keep your patient's private health information safe, which means you should do everything in your power to reduce the risk of a breach. Antivirus software and firewall protection for your computers and media devices is a good risk management measure, but an advanced hacker could overcome those barriers.

That's why Data Risk Insurance is a good investment - it's your practice's last stronghold if the unthinkable does happen. And when negotiating with a cyber extortionist, you'll want all the leverage you can get.

# **Umbrella Liability Insurance / Excess Liability Insurance for Doctors and Medical Practitioners**

[Umbrella Liability Insurance](#) or Excess Liability Insurance can extend the limits of your General Liability Insurance and Employer's Liability Insurance by millions of dollars. It's usually a more cost-effective option than increasing your underlying policies' premiums one by one.

Excess Liability Insurance...

- Raises your underlying policies' limits in increments of \$1 million.
- Boosts multiple policies for one low-cost premium (usually only a couple hundred dollars a year).
- Kicks in when your underlying policy's limits have been reached.

Say, for example, you owe \$750,000 for an Employer's Liability claim, but that policy's limit is \$500,000. Umbrella Liability Insurance would offer the extra \$250,000 you need to cover the claim.

## **Cost of Small Business Insurance for Doctors and Medical Practitioners**

You've built your medical practice, patient base, and staff from scratch. Don't leave your hard work vulnerable to the unpredictability of human nature and accidents. Instead, give yourself the security you need to run your practice and welcome new patients.