

The Physician’s “Plain English” Guide to Insurance for Your Practice

	Coverage	What Does It Cover? / Why Do I need this?
Required	Malpractice Insurance	A patient’s injuries resulting from your professional care.
	Business Owner’s Policy	<p>A Comprehensive policy that contains 3 main coverages:</p> <ul style="list-style-type: none"> - General Liability- (e.g. a patient falls in your waiting room) - Property loss- (e.g. fire damage to building or contents) - Business Interruption- (e.g. renting a temporary office while your damaged office is closed) <p><u>Note:</u> If the practice owns any vehicles, add a separate business auto policy</p>
	Worker’s Compensation	<p>Provides benefits for job-related injuries. (e.g. a tech suffers a needle prick). Many state laws require that you carry this for your employees. You may be able to exclude yourself from coverage to save money as the premium is based on payroll.</p>
Recommended	MedGuard	Pays your legal expenses in disciplinary proceedings. There has been an uptick in disciplinary Board cases.
	Employee Dishonesty Coverage	Pays for your Loss of money or property due to theft by employees. All an employee needs is motive (e.g. financial pressure) and an opportunity (e.g. access to checks or cash). This is a growing problem in practices.
	Directors and Officers (management liability)	Covers allegations that someone’s financial harm resulted from your misrepresentation or mismanagement of the practice. (e.g. A new physician sues the practice for allegedly misrepresenting the potential income she would make.)
	Employment Practices (management liability)	Covers wrongful employment acts alleged by employees, independent contractors and patients. Examples include wrongful termination, discrimination and sexual harassment. The insurer will provide you with free resources (including limited free legal advice).
	Fiduciary Liability (management liability)	<p>Covers claims made against the business for mismanaging the company’s 401 (k) plan or other qualified employee benefit plans.</p> <p>Courts have recently expanded the employer’s liability</p>
	Cyber Liability	Covers data breach of information such as computerized medical records.
	Billing Error Insurance “MedDefense”	Provides defense costs for allegations of improper billing and other covered Medical Regulatory Violations. The Center for Medicare and Medicaid are aggressively pursuing overpayments and alleged fraud.

This document is intended to provide general information only and does not replace the advice of a qualified insurance professional. Consult with your insurance representative prior to making any decisions, as your company’s unique situation will dictate what policies are necessary to protect your business.

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