

Home Health Risk Advisor

Why buy malpractice insurance?

Patients often sue just because they've had an unsatisfactory experience. Their case may not meet the legal definition of malpractice or result in a settlement, however business owners often do not realize, even if you win it could cost *a minimum of \$25,000 in legal fees*. Win or lose, legal fees in malpractice claims average \$95,000. And if a jury decides against you, awards today are averaging \$425,000.

With Affinity Healthcare, your malpractice insurance pays your legal fees over and above your coverage limits—even if the claim has no merit.

Reducing Your Malpractice Risk

Although home care providers cannot control all that goes on in the home environment, you can do certain things to reduce their exposure to risk:



Effective provider-patient communication can increase compliance with treatment plans, reducing the likelihood of a malpractice claim.

Discussion with the patient and family members on the goals, treatment and limitations of home care, along with what to do if problems arise, can avoid unrealistic expectations that lead to claims.

Establish procedures with the caregivers who work in the home regarding follow-up responsibility for patient test or lab results and handling of after-hours call coverage.

Coordinate all information pertinent to ongoing patient care in one complete, legible medical record. Missing data on documentation can pose insurmountable problems during your legal defense.

It is critical to give patients and their caregivers an accurate list of current medications, indications, dosages, possible side effects, and schedules.

Hired & Non-owned Auto Coverage

Considering the high number of auto accidents today, if you have employees, hire independent contractors or rent vehicles this seemingly small endorsement can be one of the most important coverages in your insurance program.

When your employees use their vehicles to visit or transport patients, if they cause an accident the injured party can name your business in the lawsuit. Similarly, when you rent a vehicle, if you cause an accident while on company time the person you hit could go after your business for the "pain and suffering" associated with their injuries.

Sexual Abuse and Molestation Coverage

With Affinity Healthcare's Human Services Program you don't have to worry. You can select up to \$3 Million limits of Sexual Abuse & Molestation coverage under your professional liability policy.

Most general liability policies include an "intentional acts exclusion" that disallows coverage for claims alleging sexual abuse. If your patients include minors, the elderly or the infirm then Sexual Abuse & Molestation coverage is extremely important.

Keep in mind that a claim need not be legitimate to ruin you financially. Without the proper coverage your insurance will not pay for your legal defense.

Malpractice Insurance Tips & Tactics

Make sure your firm has its own coverage. Do not rely on your employees or independent contractors to provide their own policies.

Why should you have your own policy for the business?

A policy of your own provides you with separate limits of liability. Affinity's Human Services Program makes several limits available up to \$5 million.



You own the policy. You are the named insured. You are protecting yourself and your business in the event an injured patient sues you as the caregiver's employer.

You are provided with a defense attorney in the event of a claim. The attorney looks after your interests alone.

Home health care businesses are sued. You may be told that businesses are not sued. This is not true. Plaintiff attorneys employ a "shotgun" approach and go after anyone connected with the injured party—including the caregiver's employer.

As with any insurance policy, the most important reason to have professional liability insurance is for your own peace of mind. Just as you would not consider being without home, health or auto insurance, you should not be without malpractice insurance.

"Reducing Malpractice Risk for Physicians Providing Home Care," by Cinda Velasco, J.D., Minnesota Medicine, October 2008.



Human Services Program

Insurance Coverage Highlights

Professional Liability

- Occurrence or Claims Made forms available
- Limits of up to \$5 million per claim/\$5 million annual aggregate
- Defense Costs in Addition to the Policy Limits
- Sexual Abuse and Molestation limits of up to \$3 million

General Liability

- Employer's Hired and Non-Owned Auto
- Contractual Liability
- Property
- No deductible or options as low as \$1,000
- Employee Benefits Liability

Policy coverage protects the following individuals or entities:

- Owner and/or Entity(ies)
- Subsidiaries – Insureds interest 51% or greater
- Employees and volunteers included as insureds
- Psychiatrists, nurse practitioners, and medical doctors

How to Avoid Becoming a Statistic

Today, business owners face more risk than ever. Being careful just isn't enough.

Medical malpractice costs totaled \$30.3 billion in 2007 according to a Tillinghast study. Since 1975, medical malpractice costs have increased at an annual rate of 11.1% versus 8.2% for all other torts which include tobacco and asbestos.*

Procedures in all healthcare disciplines are changing at an incredible pace. Even the most conscientious business owner is at risk in today's contentious legal climate.

One malpractice lawsuit could have a devastating effect on you, your practice, and your professional reputation.

Are you certain you have the right professional liability protection?

Contact the malpractice insurance specialists at Affinity Insurance Services for a complete evaluation of your professional liability needs today!

*2007 Update on U.S. Tort Cost Trends, Tillinghast Insurance Consulting practice of Towers Perrin, www.towersperrin.com

Why Affinity Insurance Services?

Affinity Insurance Services is a part of Aon Corporation, who was rated by A.M. Best as the world's largest global insurance broker in 2007.

Using our size, experience and connections Affinity shops to find you the best combination of coverage and price with an insurance carrier rated "A" (Excellent) or better by A.M. Best. These insurance companies must demonstrate:

- Financial stability
- Commitment to responsive coverage
- Competitive pricing
- Exemplary claims management

Don't leave anything up to chance!

For a free evaluation of your current professional liability insurance and a customized proposal with our recommendations contact:

877-738-3714
www.aisbrokerage.com/h9n