AAPM PROFESSIONAL LIABILITY INSURANCE PROGRAM
Covering Your Assets: A Brief Overview of General and Professional Liability Insurance for Medical Physicists
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Disclosure
• Speaker is NOT a licensed insurance professional
• Speaker is NOT promoting or selling any insurance
• Speaker is a medical physics graduate student

Disclosure
• Speaker is a guest of the AAPM's Insurance Subcommittee, which helps in managing a number of endorsed insurance products, including the Professional Liability Insurance (PLI) through Mercer Consumer.
• The AAPM receives royalties from the sale of endorsed insurance products
Objectives

• Cover some insurance basics

• Define General and Professional Liability Insurance

• Describe common medical physics practice scenarios that involve professional vs. general liability and associated insurance coverages

What is insurance?

• Merriam-Webster: “Coverage by contract whereby one party undertakes to indemnify or guarantee another against loss by a specified contingency or peril”

Liability Insurance

• Indemnifies the insured against legal liability arising out of bodily or personal injury to a third party or for damage to the third party’s property

1. Bodily Injury
2. Personal Injury
3. Property Damage
Liability Insurance

1. **Bodily Injury**
   Covers bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

2. **Personal Injury**
   Covers events such as false arrest, detention, or imprisonment; malicious prosecution; wrongful eviction; slander; libel; and invasion of privacy.

3. **Property Damage**
   Covers physical injury to tangible property including resulting loss of use and loss of use of tangible property that has not been physically injured.

Liability Insurance

- **Examples:**
  - Automobile Insurance
  - Commercial General Liability Insurance (GLI)
  - Employers’ Liability Insurance
  - etc.
  - Professional Liability Insurance (PLI)

Insurance Policy Anatomy

1. Declarations Page
2. Forms and Endorsements
3. Base Policy Form
4. Regulatory Notices
5. Miscellaneous Items
Insurance Policy Anatomy

1. Declarations page
   • 1st page of policy
   • Name of the insurer
   • Policy number
   • Policy period
   • Named insured
   • Coverages

   • Type(s) of coverage
   • Schedule of limits
     - Per claim or occurrence basis / Aggregate
   • Deductibles
Insurance Policy Anatomy

2. Listing of Forms and Endorsements
   • Usually attached to the declarations page
   • Includes a form number and title of the endorsement(s)

3. Base Policy Form
   • Insuring agreement
   • Exclusions
   • Definitions
   • Conditions

Insurance Policy Anatomy

4. Regulatory Notices
   • State specific provisions to be stated within the policy

5. Miscellaneous Items
   • Policy Jacket
   • etc

General Liability Insurance

• Sometimes called “Commercial General Liability Insurance”
• A standard insurance policy issued to business organizations to protect them against liability claims for bodily injury (BI) and property damage (PD) arising out of premises, operations, products, and completed operations; and advertising and personal injury (PI) liability.
General Liability Insurance

- Each GLI policy can have different specifics on coverage.
- But most cover Bodily Injury, Property Damage and Personal Injury coverage.
- Includes coverage for:
  - Attorney fees and investigative expenses
  - Medical expenses in case of injuries
  - Damages from copyright violation

General Liability Insurance

- Does not cover all risks associated with running medical physics day-to-day business.
  - Professional Liability Insurance
  - GLI policy rarely pays for punitive damages resulting from a lawsuit.
  - GLI does not cover damages or injuries resulting from expected or intentional acts.
  - Commercial vehicles – Endorsement
  - Employee injuries – Worker’s Comp Endorsement

General Liability Insurance

- Examples of GLI coverage for the physicist:
  1. Leaky water tank → slip-and-fall accident
  2. Leaky water tank → damage to hospital equipment
  3. False public statement → defamation or false advertising claims
What if a client sues for damages that result from you or your company’s negligence, misrepresentation, violations of good faith or error or failure to render an opinion or offer a service?

Professional Liability Insurance
• Customized to the profession’s unique risks
• If a professional makes a mistake on the job, they can be held responsible for any harm they cause to a person or business
→ PLI policies can help managing these risks

Professional Liability Insurance
• Coverage
  • Bodily Injury
  • Property Damage
  • Personal Injury
• Policy Forms
  • Claims-made Form (AAPM’s PLI Program)
    • Coverage applies if policy effective at time of incident AND time of claim
  • Occurrence Forms
    • Coverage applies to claims resulting from incidents occurring during the effective term of the policy
AAPM’s PLI Program

- Insured – Available to AAPM members only (student, associate and corresponding members not eligible)
- Coverage limits
  - Event or occurrence / aggregate
- Insured
  - Individual
  - Business

http://www.aapm.org/memb/default.asp

Professional Liability Insurance

- Examples of PLI coverage for the physicist:
  - Personal Injury or Death
  - Lawyer fees
  - Shielding/Inspection
  - Dropped hospital equipment
  - Errors in measurements/calibrations
  - Treatment planning
  - Over-dosing
Conclusion

- General and Professional liability insurance provide coverage for possible events in the day-to-day practice of the medical physicist.
- These policies differ greatly in what they cover
- It’s up to the physicist to determine if liability insurance is required to minimize their risk exposure

Further Reading

- Presentation by David Jordan – AAPM Virtual Library – Session: Professional Liability and Risk Management in Medical Physics Practice – 2013 AAPM Spring Clinical meeting – 2013 AAPM Annual Meeting