

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

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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

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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

(4)

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"



(5)

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

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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

(7)

Liability Insurance

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

(8)

Insurance Policy Anatomy

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



(9)

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

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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

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Insurance Policy Anatomy

- 4. Regulatory Notices
 - State specific provisions to be stated within the policy
- 5. Miscellaneous Items
 - Policy Jacket
 - etc

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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.

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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

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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

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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

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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?

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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



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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

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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

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

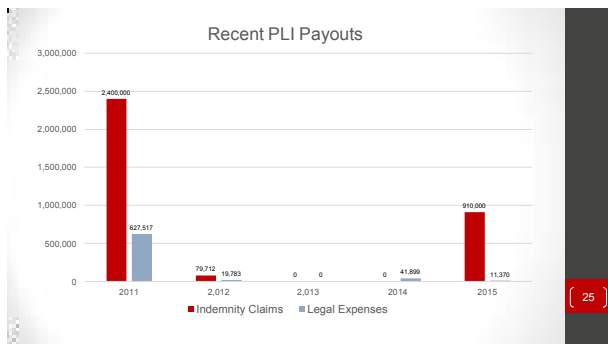


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Professional Liability Insurance

- 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

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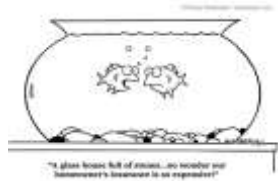


Conclusion

- 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
- Presentation by Anas Orfali – AAPM Virtual Library – Session: AAPM Professional Liability Insurance Update – 2015 & 2016 AAPM Annual meeting
- AAPM Newsletter Article – July/August 2015 – Professional vs. Commercial General Liability Insurance.



Questions?

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