

What Insurance Coverage Do I Need?

A quick guide to deciding what insurance you need – and what you don't

As a physiotherapist, you require professional liability insurance to register with your regulatory College. We all know that. But things get a bit more complicated if you are an independent contractor or business owner. There are a lot of different insurance products out there and sometimes it's difficult to figure out what coverage you need – and just as importantly, what coverage you don't.

Table 1 helps to identify the most appropriate coverage(s) for your practice circumstances. While we've tried to make this table as comprehensive as possible, it provides an outline of common practice scenarios only and may not include all possible professional and business structures.

We recommend that you use this Table as an initial framework for decision-making. It does not replace individualized broker advice, so please speak with an insurance professional at BMS Group if you have questions about the most appropriate coverage for your specific practice circumstances.

Table 1: "I am an/a":

Employee (public or private sector)	Independent Contractor / Sole Proprietor	Private Practice Owner
<p>Consider:</p> <ul style="list-style-type: none"> Professional Liability Insurance (PLI) Cyber Security & Privacy Liability 	<p>Do you have valuable contents?</p> <p>YES – Consider:</p> <ul style="list-style-type: none"> Professional Liability Insurance (PLI) Clinic Package Cyber Security & Privacy Liability <p>NO – Consider:</p> <ul style="list-style-type: none"> Professional Liability Insurance (PLI) Commercial General Liability Insurance (CGL) Cyber Security & Privacy Liability 	<p>Do you have other health professionals working for or on behalf of your business and/or billing under your business name?</p> <p>YES - Consider:</p> <ul style="list-style-type: none"> Professional Liability Insurance (PLI) Clinic PLI Clinic Package (with Building Coverage if you own the building where you operate) Employment Practices Liability Cyber Security & Privacy Liability <p>No, non-health professional staff only (for instance, receptionist, bookkeeper, etc.) – Consider:</p> <ul style="list-style-type: none"> Professional Liability Insurance (PLI) Clinic Package (with Building Coverage if you own the building where you operate) Employment Practices Liability Cyber Security & Privacy Liability

Now that you've identified the recommended coverage, read on to learn more about the different types of insurance:

1 PROFESSIONAL LIABILITY INSURANCE (PLI):

This policy responds if you are being sued for injury or damages that have resulted from a negligent act, error, omission, or malpractice that has arisen out of your professional capacity as a physiotherapist. Your policy also responds if a complaint is made against you to your regulatory College. In both cases, your legal defence is coordinated and paid for to the limits of your policy – even in circumstances where you are found to be at fault. And if damages, or patient compensation, are awarded by the court, your PLI policy covers this too.

Although uncommon, criminal charges can also be filed against health care professionals, including physiotherapists, based on interactions with patients. In these circumstances, your PLI policy will reimburse the legal costs associated with your defence if you are found not guilty.

2 CLINIC PROFESSIONAL LIABILITY

This policy responds if your business name is brought into a statement of claim or lawsuit alleging negligence or malpractice.

Following an incident, a patient's legal counsel will commonly name all individuals involved in the patient's care, including the business or clinic as the larger provider of services. A Clinic PLI policy protects your business assets in these circumstances. Business owners should consider purchasing this coverage if other health professionals (for example, co-owners, employees, associates) are working for or on behalf of your business and/or billing under your business name.

Don't worry about purchasing this if you work independently or are a sole proprietor with no other health professionals associated with your business. Your CPA individual PLI policy will automatically extend to cover your business name in these circumstances.

3 CYBER SECURITY & PRIVACY LIABILITY

This policy protects you if you or your business has been involved in a cyber breach or privacy violation. The optional comprehensive policy available through the CPA program will cover the costs of your legal defence, investigative costs, notification, response costs, costs awarded to the patient(s) affected by the breach/violation, and more.

Cyber and privacy liability is one of the fastest growing areas of risk for health care practitioners and physiotherapists are not immune. Anyone who maintains or transmits patient information electronically is vulnerable to a cyber breach. This breach can range from a minor occurrence, such as a colleague accessing information on your computer to the theft of thousands of patient records.

While some breaches derive from external hackers using phishing scams or ransomware attacks, they can also result from system glitches or even from simple carelessness or human error.

With consequences ranging from investigation and prosecution at the provincial level, College disciplinary action, fines, and lawsuits, a cyber security or privacy violation can have significant impact on your reputation, career, and livelihood.

4 COMMERCIAL GENERAL LIABILITY (CGL)

This policy protects you against claims arising from injury or property damage that you (or your business, including your staff) may cause to another person as a result of your operations and/or premises. For example, a patient comes into your clinic for her appointment on a wet, snowy day. When heading to reception, she slips and falls on the wet floor, breaking her arm. The patient may look to hold you (as the business owner) or your business responsible for her injury. CGL is often referred to as "slip and fall" insurance because this is such a common example of injury to a third party as a result of your premises.

Let's look at the other reason physiotherapists buy CGL: to protect against claims of property damage. This applies to both physiotherapists working as independent practitioners who contract out their services and to business owners.

If you are an independent contractor and accidentally cause damage to the property in which you are working, the property owner may look to hold you responsible for compensating them for the costs of repairs. For instance, you plug in a piece of equipment and a short causes an electrical fire. Your CGL policy would respond in this circumstance. Or, you are working with a patient in their home when you accidentally break a piece of their furniture. Your patient may want you to compensate them for the damage. If you are an independent contractor, your CGL policy would respond. If you are a business owner and it was one of your staff who was providing the homecare services, your business CGL policy would respond.

Because business owners generally have other insurance needs associated with physical office space and its contents, CGL coverage often comes bundled in a package product, the Clinic Package.

5 CLINIC PACKAGE (WITH OR WITHOUT BUILDING COVERAGE)

This policy includes CGL, Property, Crime, and Business Interruption coverage and is designed for business owners and independent contractors with valuable contents.

In addition to the CGL coverage described above, the Clinic Package includes coverage to protect your business and the contents within from losses associated with property damage (such as fire) and crime. Property Coverage insurance protects against damage to property, including professional equipment, and loss of revenues caused by an interruption of business activities arising from an insured loss. Crime Coverage insurance protects against financial loss due to dishonesty, fraud, or theft of money, securities or other property owned by the business/office.

Physiotherapist business owners who own the building in which their clinic is located can also add Building Coverage to their policy. This insures the bricks and mortar of your property, protecting you against loss or damage from a broad range of causes, including natural

disasters and other threats to business operations, such as vandalism.

6 EMPLOYMENT PRACTICES LIABILITY (EPL)

Physiotherapist business owners who employ staff and/or engage volunteers, students, or contractors will also want to consider EPL insurance. This policy protects you and your business against allegations of employment practice violation, including wrongful termination, discrimination, workplace harassment, and others.

Your decisions about hiring, compensation, promotions, accommodating disabilities, and terminations, for instance, impact the individuals working in your business environment. Any of these decisions could lead to a claim for a wrongful employment practice, even if handled correctly. As an example, following a promotion of one of your reception staff to the position of office manager you are sued by another staff. Your employee is alleging age discrimination and failure to promote because the office manager position was filled by a younger, less qualified person. Your EPL policy would respond to cover the costs of your legal defence and any compensation awarded to your wronged employee.

The EPL policy, available through the CPA insurance program, has been designed with health care professionals in mind. We understand that clinic business environments vary; with professional staff, non-professional staff, students, volunteers, contractors, and any combination thereof. That's why your EPL policy will respond to protect you, your business, and your employees against allegations made by any of these individuals.

There you have it. Probably more than you ever wanted to know about insurance coverage for you and your business. For more information, or if you have more questions about professional liability and business insurance protection, contact a broker at BMS Group – we're here to help.

Toll Free: 1-855-318-6136

Email: cpa.insurance@bmsgroup.com

Web: www.cpa.bmsgroup.com