

# **Exclusions of Professional Liability Insurance Policies**

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Errors and omissions insurance is also known as professional liability insurance, which protects the mental and allied healthcare professionals in the event a client challenges the accuracy or competency of your professional services. Should someone file a lawsuit against you or your practice, professional liability insurance pays for legal defense costs as well as any settlement to be paid to the client, if it is found that you were negligent in administering health care.

Negligence can include failure to make the right diagnosis which causes harm to the patient or failure to properly administer the correct medication – or otherwise not provide a complete and high level of care. A patient can file a lawsuit for any reason they see fit that falls under negligence. It is your responsibility to prove the facts of the case.

These types of insurance policies come in handy for healthcare providers, but they do have exclusions, which means that the amount of defense provided by your insurance company also shrinks should a liability claim involve intentional wrongful acts or illegal acts, as well as certain business disputes.

It is important to understand in advance what sorts of items are excluded from your policy, so you are not surprised when your insurance company refuses to provide coverage in the event of a claim.

Common Exclusions Include:

- Malicious, dishonest, criminal or illegal acts, including intentional violation of any law, regulation, statute or ordinance
- Services you might provide under the name of any other business, charity or organization that is not named in the policy as a covered insured
- Bodily harm to any person, including sickness or death.
- Libel or slander
- Illegal discrimination
- Punitive fines, penalties or damages

Spend some time understanding the types of professional liability risks you face and what your insurance policy covers, at CPH Insurance we will review your policy with you to determine what you have coverage for and what areas may be at risk or need an additional policy. Some incidents won't be covered by insurance especially if it is found that the negligence was intentional, but at least, before an incident happens, you'll know what you're looking at.