

From The Tip of the Nose to the End of the Tail

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It is important to always review your [professional liability insurance policy](#) to know what your coverage includes. Two of the most important times to know the ins and outs of your policy are when initially purchasing coverage and when making a change of employer or insurance carrier. A key question to ask is: Does the policy provide for claims-made or occurrence-based coverage?

[Claims-made malpractice insurance](#) covers policyholders for alleged acts of malpractice that both occur and are reported during a policy period.

[Occurrence form professional liability insurance](#) provides lifetime protection for the policy period, regardless of when a claim is reported in the future.

Since coverage under a claims made policy terminates after the policy expiration date, it is important to understand the options for continuing protection if a claim is later reported. If you choose or are currently insured under a claims-made policy, you should be aware of some key terms: tail coverage and nose coverage.

In short, your professional liability insurance needs to cover you from head to foot or, more aptly, from nose to tail.

[Tail coverage](#) (also known as an extended reporting period) is offered by the carrier with which coverage is expiring. This coverage increases the length of time a claim can be reported for treatment dates within the policy period. The cost is generally a percentage of the expiring policy premium determined by the desired length of the tail coverage.

Alternatively, nose coverage (also known as prior acts coverage) can be purchased when a practitioner changes carriers. Nose coverage will provide protection under the new policy if claims are reported in the future for treatment dates going back to the previous policy inception date.

Being covered from nose to tail is important to avoid expensive costs due to alleged claims during the time of practice. Read your professional liability insurance policy to know what you are and are not covered for.