

# Opening a Private Mental Health Practice

written by CPH Insurance | June 16, 2016

Owning your own private practice was like a dream... until it wasn't. You made the move into private practice, and suddenly EVERYTHING demands your attention. Cost, office space, equipment, staffing, insurance, marketing - these are not just your purview but requirements for your practice to succeed! Your primary job is to administer your patients and their well-being, but now it includes so much more. You are running a business.

Your patients must stay healthy, and so must your practice! Legal, tax, and financial issues require immediate attention.

Your top need as a mental health private practice owner is the need for malpractice insurance. It is absolutely critical for professionals in private practice to maintain professional liability insurance to prevent you from being a target of legal actions / claims or licensing board complaints.

## **Here some important types of mental health practice insurance coverages to consider:**

### 1. **Mental health professional liability insurance:**

This is also known as mental health malpractice insurance and protects your practice from the financial burdens that may occur due to liabilities associated with practicing and providing patient care, such as patient claims or board complaints.

- **CPH & Associates offers portable, occurrence form coverage with a few different liability limits options based on your need and unlimited defense coverage with the option to add CPH TOP™ coverage.**
- *CPH TOP™ coverage includes:* General Liability (also known as "Slip and Fall" or "Premises Liability Coverage") with limits of \$1,000,000 each occurrence / \$3,000,000 aggregate provides coverage for Bodily Injury & Property Damage Liability (for damage to the premises rented to you)
- \$250,000 for Fire & Water Legal Liability (damage to the rented premises)
- \$15,000 of property coverage\* protecting your business personal property
- *Business Income and Extra Expense (Interruption) Insurance\** may be added to CPH TOP™ to provide coverage in cases of loss of income or profits due to a covered loss or damage at the rented premises
- *\*Property coverage and Business Income and Extra Expense (Interruption) Insurance is not available in the state of Florida*

**2. Other business-related insurance:** Additional insurance packages offered by local insurance agents may include workers' compensation, employer liability, commercial property and auto insurance. You may want to consider adding on **Disability insurance** into that package to

protect you or a partner should either of you become disabled. This insurance will aid you should your ability to earn an income be jeopardized due to a disability.

Secondly, **business development/practice growth** is the next area that needs constant attention. Marketing, web development and well distributed business brochures can help spread the word about who you are and explain your philosophy toward health care.

If going into private practice is something you want to do, the rewards can be great! Always remember that even though there are many steps to follow, your exceptional brand of mental health will be well worth the effort.

*Please note: it's important to [protect both yourself as a professional](#) AND [your practice](#)!*