

Nurse Entrepreneurship and Premises Liability

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Those of you who are thinking about establishing your own health care business, either as an advanced practice nurse or as a nurse practicing a specialty that focuses on consultation and education, as examples, know all too well the importance of carrying professional liability insurance. Premises liability insurance is another form of protection for you that you need to carefully consider.

A premises liability insurance policy is purchased to provide coverage when a client who comes to your business office is injured “on the premises”¹ and the injury is covered by the policy. Should a client trip and fall during a clinic visit, for example, the policy could cover any injuries suffered as a result of the fall. Your policy may also cover injuries to clients when you meet with them out of an office or clinic, such as when you do a workshop or if you use your home for the provision of your services.

If such an injury occurs and the client makes a claim, your premises liability policy most often covers for hospital and physician visits, inability of your client to work for a specified period of time, and “pain and suffering” the person experiences.²

It should be noted that premises liability insurance does not cover every single type of injury a client may sustain on your property. Based on the definitions and limits of the insurance policy, the costs of the client injury may exceed the policy protection. If that is the case, you as the property owner bear the costs over and above the policy protections.

As the person who has control over the property that is insured by the premises liability policy, you will have responsibilities under the policy to maintain the property in a non-negligent way. These duties would include protecting clients against unreasonable and foreseeable risks of harm, such as a wet floor, a step or steps into your office that are not marked so that a client knows they are to step up or to step down before reaching the sidewalk or entry into the office itself, and waiting room furniture that is in good repair and not subject to breaking when one sits or leans on it.

Security of the clients that utilize your services is another concern if there is a foreseeable likelihood that particular situations may cause harm or injury.³ As an example, if your office or clinic is in an area where muggings or stealing of cars is common, you may have an obligation to protect your clients from such criminal acts of third parties.⁴ Likewise, if a client in your office is threatening another client or becomes physical with another client, you have a duty to remove that person by, for example, calling the police. You can purchase a premises policy that provides coverage for criminal acts by third parties.

A premises liability policy is an important consideration when establishing your own business. Like your professional liability policy, it provides financial protection, an attorney to represent you, and some peace of mind when either policy is needed due to a claim filed by a health care client.

FOOTNOTES

1. Insurance Providers (n.d.). "What Does Premises Liability Insurance Cover?" Available at: <http://insuranceproviders.com/what-does-premises-liability-insurance-cover/>. Accessed 10/14/14.
2. PCIA (2012). "What Is Premises Liability Coverage?" Available at: http://www.pciaonline.com/2012/08/28/what_is_premises_liability_coverage/. Accessed 10/14/14.
3. HumphreyFarringtonMcClain (n.d.). "Criminal Acts By Third Parties". Available at: <http://www.hfmlegal.com/Premises-Liability-In-Depth/Criminal-Acts-by-Third-Parties.shtml>. Accessed 10/14/14.

GENERAL REFERENCE

Nancy J. Brent (2001). "The Nurse As Entrepreneur", in *Nurses And The Law: A Guide To Principles And Applications*. 2nd Edition. Philadelphia: Saunders, 496.

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