

What Happens When a Therapist Doesn't Have Insurance?

written by CPH Insurance | June 16, 2016

For therapists it is wise to invest in [professional liability insurance](#). Many agencies require it, however even if it is not required, it is important to hold an individual policy which provides support during your time of need, so you can focus on doing what you do best. If you are a licensed therapist, holding an individual policy is important for protection of your license and for preventing the costs of a lawsuit to threaten your livelihood.

Most professional liability policies are purchased to protect therapists in the event of a lawsuit. If a lawsuit is filed against you, the first difficulty to arise are the financial fees associated with getting defense council. Legal fees are costly, even if you are simply hiring someone to help get the case dismissed.

Additionally, the time and energy that will go into defending yourself is an extra cost. The hours of working the case, time missed from work, and the exhaustion you might incur from working to fight the case by night and handle clients through the day will in one way or another cost you. Having professional liability insurance protects you from these costs and will offset them when a lawsuit is filed against you.

If you work for a company who holds an insurance policy over their employees, it is also a good idea to purchase an independent policy as an individual for several reasons:

1. If you operate in your position anywhere other than your place of work, you are not covered under your employers' professional liability policy.
2. A policy purchased by your facility will cover the employers' interests first - and will then be employee specific.
3. If you are sued for an incident that happens at a facility where you have worked, but no longer exists; you may be left vulnerable.

A supplemental benefit of professional liability insurance is protection if a complaint is made against you to your licensing board or regulatory board. Many therapists make the mistake of trying to defend themselves to their licensing board, but this only increases vulnerability. Defending yourself is a risk, and saying the wrong thing could make things worse. Legal professionals are trained to handle these matters, and having a professional liability insurance policy will cover the costs of getting legal counsel for board complaints related to the rendering of services.

An additional benefit to [professional liability insurance with CPH Insurance](#) is the 'avoiding liability

helpline' available to policyholders. The purpose of this helpline is to reduce your liability exposure in a situation that, if not handled properly, could potentially lead to a claim or complaint against your license. By preventing these situations before they arise, you are protected from potential threats.

Without a [professional liability insurance policy](#) you could find yourself spending more time on defending your license than treating patients. Your attention does not have to be torn between your patients and the security of your practice. Professional liability insurance gives you the protection you need and so you can focus on your practice.