



Medical Malpractice Insurance 202

**Harvard Medical School
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What's the Purpose of Medical Malpractice Insurance?

- Malpractice pays for an “injury” to another party
- Also pays for legal defense and other costs to defend you (expert witnesses)
- Protects you and your family against claims you could not afford to pay yourself
- Legally required in most states

Common Malpractice Policy Limits

- \$1 Million\ \$3 Million
\$2 Million\ \$6 Million
\$5 Million\ \$10 Million
- 1st Amount: Maximum Amount per Claim
- 2nd Amount: Maximum Amount for All Claims During Policy Year

Claims Made vs. Occurrence

- All policies have a starting date and an ending date.
- The key difference between Claims Made & Occurrence is what happens if an unreported incident occurs during the policy period and a claim is made after the policy ends?

Claims Made Coverage

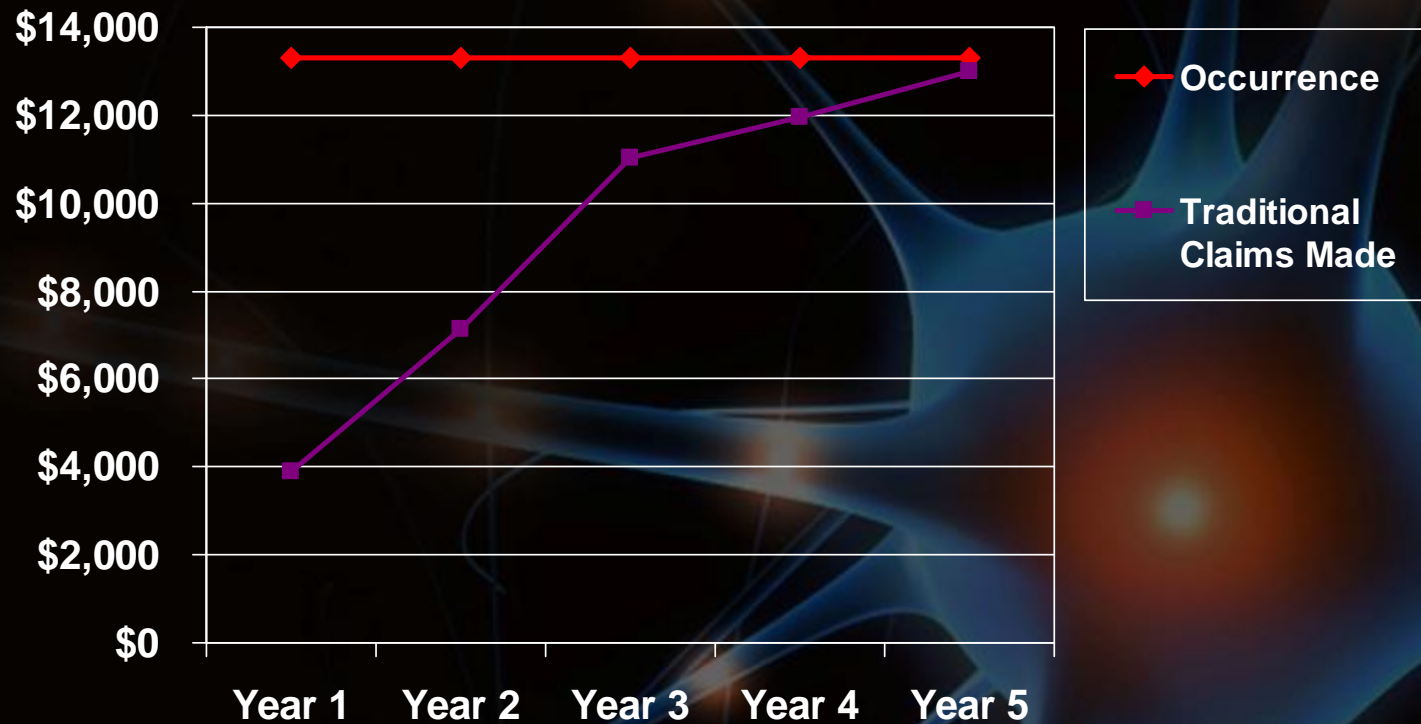
- Most common type of coverage in the US
- Costs the least to start off...
- Pays claims if an incident occurs & claim is made during the policy period.
- If unreported incident occurs during the policy period & claim is made after policy ends:
No Coverage...Unless You Get a “Tail”
- Tails continue coverage after the policy ends.

Occurrence Coverage

- Less common except in the Northeast
- Occurrence often costs more in the beginning
- Occurrence pays for claims that occur if the policy was in effect when the incident occurred....Tail coverage is built in
- With Occurrence, no need to buy a tail when the policy ends.

Costs: Claims Made vs. Occurrence

Internal Medicine: \$1M/3M Base Premiums



Special Added Coverages (Endorsements)

- Sexual Misconduct
- Professional Licensing Issues
- Locum Tenens
- Billing Fraud & Abuse
- Data Breach-Loss of Personal or Healthcare-Related Information

Applying for a New Position? Ask These Malpractice Questions:

- Who is paying for my medical malpractice insurance?
- Will there be a malpractice “tail” needed when I leave?
- If so, who pays for the tail?

The background features a dark blue gradient with a large, stylized neuron-like shape on the right side. This shape has a central body and several branching processes extending towards the left. Scattered throughout the dark background are several small, glowing orange-yellow spots, some of which are positioned along the branching structures of the neuron-like shape.

Questions?