

Commercial Risk Summary – Health Care Providers

PHYSICIANS OFFICE

Category: Health Care Providers

SIC CODE: 8011 Offices and Clinics of Doctors of Medicine

NAICS CODE: 621111 Offices of Physicians (except Mental Health Specialists)

Suggested ISO General Liability Code: 66561

Suggested Workers Compensation Code: 8832

Description of operations: Doctors and physicians are educated and licensed to deal with the overall medical health and physical concerns of their patients. Some are general practitioners, working with patients of all ages on routine health matters such as preventive medicine. These often act as primary care doctors who pre-screen patients according to their symptoms, prescribe medication for common ailments, and refer patients in need of more serious medical evaluation and intervention to specialists. Doctors may have advanced education and training in a particular medical specialty, such as cardiology, gastroenterology, or neurology. Most doctors work from their own private offices and either a hospital or clinic to which they refer patients for laboratory tests, surgery, and post-operative care.

Property exposure is moderate due to the use of expensive diagnostic and medical equipment. All electrical wiring must be up to code and equipment properly maintained. A small fire which produces smoke can cause considerable damage when sterile equipment and environments are compromised. If pharmaceuticals are kept on premises, theft is a concern. These items should be inaccessible for unauthorized use and stored in a protected area after hours. Most property items are better covered on inland marine forms such as a computer form or the physicians and surgeons floater. The business income and extra expense exposure can be minimized if the doctor has arranged for temporary facilities with another doctor.

Equipment breakdown exposures may be high if operations are dependent on expensive medical equipment being available at the premises, particularly if the doctor specializes in a particular field. All equipment should be maintained on an ongoing basis.

Crime exposure is from employee dishonesty of both money and inventory. Background checks should be conducted on all employees handling money. Doctors may keep pharmaceuticals on the premises. Rigid controls must be maintained including inventory control and limited access to storage areas. All ordering, billing and disbursement must be handled by separate individuals. Money and securities are a concern if payments are accepted on premises. Deposits should be made regularly and money should not be kept on premises overnight.

Inland marine exposure includes accounts receivable, computers, physicians and surgeons equipment, and valuable papers and records. Accounts receivable coverage is needed if the physician bills for its services. Computers are used for patients' records and other office purposes, but some medical equipment, such as video equipment and X-ray machines, is now also computerized. Physicians and surgeons floater includes items that the doctor may take off site to handle emergencies, and can be extended to include all office furnishings. Duplicates of all records and programs should be kept off site.

Premises liability exposure is moderate due to public access to the premises. The customer areas should be neat with no obstructions. Trips, slips, and falls are major concerns. Adequate lighting, marked exits and egress are mandatory. Steps should have handrails, be well-lighted, marked, and in good repair. Parking lots should be maintained free of ice and snow. Housekeeping should be excellent and spills must be cleaned up promptly. If surgery is performed, the area must be kept sterile at all times and carefully controlled. The patients' area must be designed for patients who are physically impaired following the surgery. Escort procedures must be clear for all personnel.

Professional exposures are extensive. All doctors and all employees should be well trained, experienced, and properly licensed. The more types of procedures that the doctor performs, the more

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chance of professional loss. Needles and other equipment must be sterilized and sanitized to prevent the spread of blood-borne infectious diseases such as hepatitis, HIV and AIDS. On-site surgery must be closely monitored, with an experienced trained individual administering and monitoring the use of the anaesthetic.

Automobile exposure is generally limited to hired and nonownership liability for employees running errands. If the doctor or other personnel travel to client locations, the radius of the area driven, the age, record, and training of the driver, and vehicle maintenance should be monitored.

Workers compensation exposure is due to the possible transmission of disease from a patient. Gloves and masks should be worn at all times when working around any bodily fluids. Training and safety equipment should be in place to prevent exposure to radiation when performing X-rays. If employees travel to patients' residences there should be monitoring procedures in place that includes emergency backup. Unruly or unpredictable patients can cause harm including strains, back injuries and contusions.

Minimum recommended coverage:

Business Personal Property, Business Income and Extra Expense, Employee Dishonesty, Money and Securities, Accounts Receivable, Computers, Physicians and Surgeons Floater, Valuable Papers and Records, General Liability, Employee Benefits, Professional, Umbrella, Hired and Nonownership Auto, Workers Compensation

Other coverages to consider:

Building, Earthquake, Flood, Equipment Breakdown, Computer Fraud, Forgery, Cyberliability, Employment-related Practices, Automobile Liability and Physical Damage, Stop Gap Liability

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Agent: The coverages listed below are suggested for consideration for health care providers. After evaluating each of the listed coverages, check the recommended blank by those that apply specifically to this client. Make sure both the exposure and the coverage are explained to the client. Each coverage and option is explained in the Definitions section of this program.

Client: For each of the coverages that the agent has recommended, initial whether you have chosen to accept or reject that coverage in the blanks provided.

CLIENT / AGENT COVERAGE AGREEMENT

PROPERTY COVERAGES

		Recommend	Accept	Reject	Not Applicable
Building and Personal Property Coverage Form					
Building		_____	_____	_____	_____
Business Personal Property		_____	_____	_____	_____
Personal Property of Others		_____	_____	_____	_____
Improvements and Betterments		_____	_____	_____	_____
Condominium Coverage Form					
Condo-Unit Owners Coverage		_____	_____	_____	_____
Commercial Output Policy					
		_____	_____	_____	_____
Building and Personal Property Coinsurance					
Percentages	None 80% 90% 100%				
Bldg	_____	_____	_____	_____	_____
BPP	_____	_____	_____	_____	_____
PPO	_____	_____	_____	_____	_____
I & B	_____	_____	_____	_____	_____
Alternatives to Coinsurance					
Agreed Value		_____	_____	_____	_____
Functional Replacement Cost		_____	_____	_____	_____
Peak Season		_____	_____	_____	_____
Reporting Form		_____	_____	_____	_____
Other	_____	_____	_____	_____	_____

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	Recommend	Accept	Reject	Not Applicable
Optional Property Coverages				
Boiler and Machinery	_____	_____	_____	_____
Legal Liability	_____	_____	_____	_____
Optional Property Endorsements				
Additional Debris Removal	_____	_____	_____	_____
Ordinance or Law	_____	_____	_____	_____
Outdoor Trees, Shrubs and Plants Enhancement	_____	_____	_____	_____
Replacement Cost Valuation	_____	_____	_____	_____
Spoilage	_____	_____	_____	_____
Utility Services-Direct Damage	_____	_____	_____	_____
Other Property Options				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
TIME ELEMENT COVERAGES				
Business Income With Extra Expense Coinsurance Percentage ____	_____	_____	_____	_____
Business Income Without Extra Expense Coinsurance Percentage ____	_____	_____	_____	_____
Extra Expense	_____	_____	_____	_____
Leasehold Interest	_____	_____	_____	_____
Alternatives to Coinsurance				
Agreed Value	_____	_____	_____	_____
Maximum Period of Indemnity	_____	_____	_____	_____
Monthly Limit of Indemnity	_____	_____	_____	_____
Premium Adjustment	_____	_____	_____	_____

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	Recommend	Accept	Reject	Not Applicable
Optional Time Element Endorsements				
Business Income from Dependent Properties	_____	_____	_____	_____
Ordinance or Law Increased Period of Restoration	_____	_____	_____	_____
Utility Services	_____	_____	_____	_____
Other Time Element Coverages				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
PROPERTY AND TIME ELEMENT CAUSES OF LOSS				
Bldg BPP PPO BI EE				
Basic _____	_____	_____	_____	_____
Broad _____	_____	_____	_____	_____
Special _____	_____	_____	_____	_____
Earthquake _____	_____	_____	_____	_____
Flood _____	_____	_____	_____	_____
Other Cause of Loss Endorsements				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
INLAND MARINE COVERAGES				
Accounts Receivable	_____	_____	_____	_____
Contractors Equipment	_____	_____	_____	_____
Difference In Conditions – DIC	_____	_____	_____	_____
Electronic Data Processing	_____	_____	_____	_____
Film Coverage	_____	_____	_____	_____

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	Recommend	Accept	Reject	Not Applicable
Fine Arts	_____	_____	_____	_____
Goods in Transit	_____	_____	_____	_____
Miscellaneous	_____	_____	_____	_____
Physicians and Surgeons	_____	_____	_____	_____
Signs (Neon and Electric)	_____	_____	_____	_____
Valuable Papers and Records	_____	_____	_____	_____
Other Inland Marine Coverages				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
CRIME COVERAGES				
Money, Securities and Other Property				
Employee Dishonesty Coverage	_____	_____	_____	_____
Including Customer's Goods	_____	_____	_____	_____
Computer Fraud Coverage	_____	_____	_____	_____
Extortion Coverage	_____	_____	_____	_____
Forgery or Alterations Coverage	_____	_____	_____	_____
Lessees of Safe Deposit Boxes Coverage (Securities and Other Property only)	_____	_____	_____	_____
Money and/or Securities Only				
Theft, Disappearance and Destruction	_____	_____	_____	_____
Robbery and Safe Burglary	_____	_____	_____	_____
Securities Deposited With Others Coverage	_____	_____	_____	_____
Property other than Money and Securities				
Premises Burglary	_____	_____	_____	_____
Premises Theft	_____	_____	_____	_____
Robbery and Safe Burglary	_____	_____	_____	_____

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	Recommend	Accept	Reject	Not Applicable
Other Crime Coverages				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
 LIABILITY COVERAGES				
Commercial General Liability				
Occurrence Basis	_____	_____	_____	_____
Claims- Made Basis	_____	_____	_____	_____
Optional Liability Coverages				
Directors and Officers	_____	_____	_____	_____
Employee Benefits	_____	_____	_____	_____
Employment- Related Practices	_____	_____	_____	_____
Owners and Contractors Protective	_____	_____	_____	_____
Professional/E&O Liability	_____	_____	_____	_____
Railroad Protective	_____	_____	_____	_____
Special Events	_____	_____	_____	_____
Other Liability Coverages				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
 COMMERCIAL AUTO COVERAGES				
Liability	_____	_____	_____	_____
Physical Damage	_____	_____	_____	_____
Uninsured Motorists	_____	_____	_____	_____
Underinsured Motorist	_____	_____	_____	_____

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	Recommend	Accept	Reject	Not Applicable
Hired Cars	_____	_____	_____	_____
Non-Ownership Auto	_____	_____	_____	_____
P.I.P./No-Fault	_____	_____	_____	_____
Garagekeepers	_____	_____	_____	_____
Other Auto Coverages				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
WORKERS COMPENSATION COVERAGES				
Workers Compensation and Employers Liability	_____	_____	_____	_____
Stop Gap or Employers Liability Coverage	_____	_____	_____	_____
Federal Employers Liability Act	_____	_____	_____	_____
Longshore and Harbor Workers Coverage	_____	_____	_____	_____
Voluntary Compensation	_____	_____	_____	_____
Other Workers Compensation Endorsements				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
EXCESS LIABILITY COVERAGES				
Umbrella Policy	_____	_____	_____	_____
Excess Liability Policy	_____	_____	_____	_____
AVIATION COVERAGES				
Aircraft Policy	_____	_____	_____	_____
Passenger Liability	_____	_____	_____	_____

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	Recommend	Accept	Reject	Not Applicable
SPECIALTY COVERAGES				
Environmental Impairment Liability Policy	_____	_____	_____	_____
Fiduciary Liability Insurance	_____	_____	_____	_____
International/Foreign Operations Insurance	_____	_____	_____	_____
Rain or Weather Insurance	_____	_____	_____	_____
Terrorism Insurance	_____	_____	_____	_____
Underground Storage Tank Liability – UST	_____	_____	_____	_____
Other _____	_____	_____	_____	_____
BONDS				
Bid Bond	_____	_____	_____	_____
Contract Bond	_____	_____	_____	_____
License Bond	_____	_____	_____	_____
Other _____	_____	_____	_____	_____
Other Options				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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Comments

I certify that I have reviewed my coverage needs in accordance with this checklist with my agent and I have accepted or rejected the recommended coverages as indicated by my initials in the spaces above.

_____ Signature of Client _____ Date

_____ Title

I certify that I have reviewed the coverages outlined in this checklist with my client and that the initials of the client indicate the acceptance or rejection of the coverages recommended.

_____ Signature of Agent _____ Date