chiro practical

COVERING YOUR BASES: IS MALPRACTICE INSURANCE ENOUGH?

Mike Whitmer:

Welcome to Chiropractical. I'm Mike Whitmer. We're going to do something a bit different today. I'm turning over the keys for this episode of Chiropractical to Dr. Jon Keck. John works for NCMIC, helping our doctors get the right protection for their practices and their personal lives. As a doctor of chiropractic, John's intimately familiar with the challenges of daily practice. He's a great resource for NCMIC and he's a great resource for you, our listeners, as he brings his experience as a chiropractor and an insurance expert. Great combination to tackle this episode's topic, Dealing with the Insurance Needs of Practicing Chiropractors.

Dr. Jon Keck, welcome to Chiropractical.

Jon Kec:

Thanks, Mike. Happy to be here and I'll do my best to keep the car pointed forward and on the road for you. Today we're going to take a look at some situations that doctors in practice face every day, but usually don't really fully consider and know how to prepare for.

Imagine this, it's Monday morning, you just walked into the office, your eyes are barely open, you haven't even had time to pour your first cup of coffee. Patient walks in for their appointment, sits down in your waiting room. Next thing you know, you hear a scream. Uh-Oh, looks like the chair leg broke, and that patient is now lying on the floor holding their right wrist in tears. Now what do you, do? You think, "I have malpractice insurance, time to call NCMIC." The problem is what just happened won't be an accusation of malpractice. So what do you need to do to make sure your office is fully protected and set up for success?

To help, I've brought in one of my colleagues, Andy Pratt. Andy's been with NCMIC for over 20 years. In that time, he set conversations with thousands of doctors and have helped them to better understand both their practice and address those potential risks I mentioned. Andy, welcome to Chiropractical.

Andy Pratt:

My pleasure. Thanks for having me, John.

Jon Kec:

So let's dive in. I teased a little bit before about some risks that doctors don't really fully consider or maybe don't even know they have. One of the most common ones I get, question-wise at least from doctors, is around their office. And I talked about it before, a patient walks in, fell down, broke their wrist, just sitting in a chair. They get injured not really in the course of care. Too often I feel like people think that's going to be covered by their malpractice, but it isn't, right?

Andy Pratt:

Yeah, you're right, John. We certainly have seen that happen in the past. And the situation you've described is really a general liability exposure or more commonly referred to as a slip and fall type of risk, which that's very important coverage to make sure that you have in place. But you're right, it is not a malpractice situation as the injury did not happen as a result of providing treatment.

Jon Kec:

Is that something that the NCMIC didn't include for a specific reason or is it just something that you always get a second policy to address?

Andy Pratt:

Yes, we intentionally did not include that coverage in our policy. It's something that we've certainly considered adding over the years, but ultimately we came to the conclusion that it's really better for our customers to get that coverage from a carrier that specializes in general liability. Just like you would want malpractice experts covering you for malpractice allegations, you want general liability experts covering you for those types of exposures. And we also found that many times, if a malpractice policy does include those coverages, the limits that they include are not sufficient to rely upon as your only source for that coverage. So we do recommend to our doctors to obtain a stand-alone BOP or GL policy from a carrier that specializes in that type of insurance.

Jon Kec:

Makes total sense. And I think everybody thinks that one size fits all is the best way to go, right? As easy as they can possibly make it, but I think you bring up a great point. Make sure that the carrier that is as an expert in what you're insuring.

Andy, one other big question I get and I feel like it's something we've seen a lot in the news lately, more and more ransomware or cyberware attacks are happening focused on medical offices and hospital systems. Is that something a chiropractic office needs to be worried about as well?

Andy Pratt:

Yeah, absolutely it is. Cyber attacks and data breaches can happen to any business regardless of size. And as a business owner, you have a duty to protect your customers PII or personally identifiable information. And furthermore, as a business, you have the added responsibility to protect their personal health information as well. So that additional layer makes it all the more important for chiropractic business owners to maintain and carry cyber liability insurance and have the limits that are sufficient to protect you in the event of a worst-case scenario. Data breaches get very expensive to recover from and you want to make sure that you're covered adequately and by a company with experience in that area.

Jon Kec:

I think a lot of offices don't really realize how exposed they can be on a cyber liability claim. They think, "We're small. Nobody's going to target us." And really think about where we've gone in medicine over the last couple of years. Everybody's using EHRs. Every single patient that walks in your office, their information is stored in the computer. It is accessible to cybercrime at any time. And yeah, you're a small office, maybe you only have a few thousand records compared to the hospital down the street that has millions, but you're also probably the easiest target. Your security's not as strong as that hospital system. You don't have the time, energy, or resources to really fight and recover your data. You're probably just going to have to pay it because you can't afford to be shut down for days.

If you don't bring in something like that cyber liability policy, you're basically just saying, "I'll handle it myself." And I don't know about you, but I don't know how to handle it myself, right? If my system gets compromised, I didn't know how to handle it in the beginning, I'm definitely not going to be able to recover it. I don't have the money to pay to notify all those patients. Please, let's find somebody to do it. And I think back to what you said, let's find an expert. It's not a one-size-fits-all approach. It's never going to be because if I specialize in malpractice insurance, I probably don't know anything about cyber liability. If I specialize in cyber liability, I probably don't know as much about general liability, so let's find the people to really help us with each of those things and set up for success.

Andy Pratt:

Yeah, it's a great point, John. Cyber criminals don't discriminate. And a lot of times they will take the path of least resistance to get the payday that they want or cause the trouble that they want. So small businesses need to be fully aware of that and ready and protected for that.

Jon Kec:

Andy, another question I've gotten a lot recently. It's mostly been coming from practice owners. They're concerned, they heard from a colleague that they let an employee go. Somebody that right or wrong just wasn't a fit for the practice anymore and now there's been a report made to the board or they've gotten a letter that they're going to be investigated for wrongful termination. Is there anything out there that can protect a practice from a situation like that?

Andy Pratt:

Yeah, that's a very important component to make sure that employers include in their coverage, it's called EPLI insurance, employment practices Liability. It covers things like wrongful termination, harassment claims, things like that that you might find yourself being allegations of in the course of being an employer. It's usually included in most business owners' policies, but it's important to look closely at that and make sure you have that included in your business owner's policy with substantial limits for that.

Jon Kec:

Okay, Andy. So I feel like what we've talked about is more applicable if you own your practice. What about doctors in other situations? What if I'm an employee or maybe an independent contractor? I feel like doctors in those scenarios always think the practice is going to provide everything I'm covered by what they have. Is that the case?

Andy Pratt:

Yeah, that's the big misnomer right there, isn't it? In my time here, I've had several situations where an employee DC made assumptions about what their employer was responsible for and ended up in a tight spot without any coverage. If you assume that your employer is going to be providing you with malpractice insurance, liabilities insurance, coverage for cyber, even your health life disability insurances, I would advise you to make sure you review your employment contract carefully to make sure what's included in there, and then go and get the things that aren't included. If they're not providing them for you, go and get your own policy that will protect you in the case of those less fortunate situations.

Jon Kec:

Absolutely. You said something there I don't think we've talked about, disability insurance. So as a chiropractor, disability insurance, "I'm healthy. I see chiropractors myself. I get treated. I do everything I can to keep myself healthy in the office. Why do I need disability insurance?"

Andy Pratt:

Yeah, that's another big misnomer. Chiropractors use their bodies. They're very active in their profession during the course of a day. They give dozens of adjustments that are physically taxing on their bodies. They use their hands, they use their shoulders. Then if you don't have a functionality to be able to do that, then you could be jeopardizing your ability to make an income. If you have an injury that takes you out of practice, you want to make sure that you have disability insurance that will pay you in order to continue paying your bills because your bills don't go away, right? You still have to pay the overhead costs for your business. In some cases, you have to pay for your employee's insurance if you're a business owner. Making sure that you have disability insurance to cover those expenses in the event that you can't work is very important.

Jon Kec:

So for people that aren't completely familiar with that disability insurance policy or what they could get with something like that, basically you're saying if I end up injured out of the office, that's a way to make sure I still have income coming in whether I'm an employee, I'm an independent contractor, I own the business. Whatever it is, it sets me up to keep either my personal livelihood secure or keep my practice financially stable at least let's say. I may find another doctor to come in and cover patients, but it's a way, a safety net to protect the financial security of my practice.

Andy Pratt:

Yeah, exactly right. If you're unable to perform the duties of your profession and you're able to prove that, then your claim could be paid and you'll get a percentage of your income paid back to you until you're healthy enough to be able to work. There are some waiting periods that you'll have to meet in order to get those disability payments. And there are of course some policy maximums that will come into play as well, but if you are unable to perform your duties as a chiropractor due to an injury or illness that is covered by the policy, then that's when that coverage would kick in.

Jon Kec:

Okay. And is that work-related injuries only?

Andy Pratt:

Nope.

Jon Kec:

Or if I get injured outside of work, same thing?

Andy Pratt:

Yep. It could even be an accident, a car accident. Could be you're doing something fun, you're skydiving, have an accident, then you could have coverage for that too. It does not have to be a work-related injury.

Jon Kec:

Perfect. Everybody jump on the snowboards, have at it, you'll be fine. Awesome. We covered a ton of information today. Heavy topics, a lot of detail. Big three takeaways for you, general or business liability insurance, disability insurance, cyber liability insurance. Make sure you know what they are. And fear not. Our agency's here to help you with all of it. They want to understand your practice and will help you figure out where your risks truly lie, as well as get you set up with the insurance to make sure you've got them.

A whole lot more information on the NCMIC website. Links in the show notes. Check them out. We're here to help with any questions. Andy, thanks for your time. We covered a bunch of stuff and you made it easy. I appreciate that.

Andy Pratt:

My pleasure, John. Anything I can do to help our chiropractors, I'm happy to do it.

Jon Kec:

Thanks, Andy.

Mike Whitmer:

It's time for Ask NCMIC where we take your questions. I'm Mike Whitmer. One of the biggest events of the year is upon us, Parker Seminars in Las Vegas. I was talking with a doctor about all the events that I have the opportunity to attend representing NCMIC. The doctor then asked me, "Why should I attend a live event?" These days, docs can get a lot, if not all, their continuing education online, so what's the benefit for doctors attending a live event?

First of all, I'd say that CE credits are just one reason to attend a conference or a convention. I think one of the most important benefits to docs is actually networking. These events give an opportunity to make new connections and reconnect with old friends. Showing up is also a way for doctors to get more involved in the profession and make a difference. The leaders are there. If you have leadership aspirations, you need to be there too. Vendors are another big benefit. Most events have a vendor Expo Hall, which is a great opportunity to learn about new products that can help your practice and also touch base with vendors you currently use to see if there's anything new that may be of interest. If you have a question that you would like us to address, please shoot us an email at askncmic@ncmic.com.

Jon Kec:

Thanks, Mike. And to our listeners, thank you for giving us your time. We really do appreciate it. Everything we talked about today is linked down in the show notes with more information on the website, ncmic.com. And as always, we're here to help.

Now, I have an ask of you. As we continue to do episodes of Chiropractical, we want your input. There's an email in the show notes. It comes straight to us. Tell us what you want to hear. Tell us what you want us to talk about. Let us know what questions you have. We want you to be as involved in this show as we are. Thank you again for listening. We'll talk to you soon.