

Professional Liability Insurance



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- I have no conflict of interest to declare.
- Please note that all information in this workshop is for **information purposes only**, and does **NOT** constitute legal, financial or professional consultation. Please consult your insurance professional and/or legal advisor who can provide advice for your personal needs and circumstances.
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Liability Insurance



- **Professional Liability Insurance:** protects from liability from injuries or damages resulting from negligent, errors or omission or malpractice from providing psychological services. Protects you from college complaints
- **Commercial General Liability:** protects against claims from injury or damages as a result of your operations and/or premises



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Liability Insurance



- **Business Professional Liability Insurance:** Protects you if you operate under a business name
- **Business Commercial General Liability:** protects the business against claims from injury or property damage as a result of your operations and/or premises
- **Contents, Business Interruption, and Crime:**
 - Content: items usually in an office
 - Business Interruption: protects against direct physical loss or damage to the premises by an insured event (ex. flood, fire, etc.)
 - Crime Coverage: protects against theft, fraud, dishonesty related financial loss

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Liability Insurance

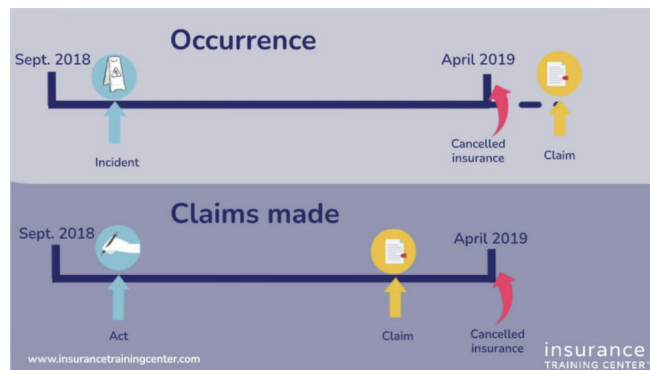
- **Cybersecurity and privacy liability:** Protects you if there is a data breach or cyber security incident
- **Employment Practices Liability:** protects against employment related law suits



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Key considerations

- **Policy type:** occurrence vs. claims-made:
 - **Claims-made:** covers claims reported during the policy period
 - **Occurrence:** covers incidents that occurred during the policy period regardless of when claim is made



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Key considerations



- **Claims-made:** covers claims reported during the policy period
 - **Prior Acts coverage:** if you're switching insurance providers, you need to make sure they cover "prior acts" so you are protected if anything comes up from before you started your new policy
 - **Tail coverage (Extended Reporting Period):** When you terminate a claims made policy, you need this to cover any claims reported after the policy's expiration but that happened during the policy period.

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Key Considerations


- Coverage Limits
- Policy type: occurrence vs. claims-made
 - Tail coverage
 - Prior Acts Coverage
- Cybersecurity and Data Breach Coverage
- Financial Health of the company



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BMS vs. MacFarland Rowlands

- Sent 3 companies a list of 23 questions
- 2 responded
- Summarized below



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BMS vs MacFarland Rowlands



Feature	BMS	Macfarland Rowlands
Policy Type	Claims-Made (Professional Liability) & Occurrence (General Liability)	Claims-Made (Professional Liability)
Coverage Limits	\$10M per claim / \$10M aggregate (PL) & \$5M per occurrence / \$5M aggregate (CGL)	\$5M each for PL and CGL
Tail Coverage (ERP)	2 years (2023-24), then 10 years after June 1, 2025	10-year option available for \$100 + tax
Prior Acts Coverage	Full prior acts if unaware of potential claims	Covered if continuous coverage with proof

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BMS vs MacFarland Rowlands



Feature	BMS	Macfarland Rowlands
Student/Trainee Coverage	Covered under supervisor's policy (shared limit) or separate student policy available	Requires separate coverage
Multidisciplinary Group Coverage	Business Professional Liability and Business Commercial General Liability recommended	Clinic policy available, but individuals still need own coverage
Coverage Outside Canada	Telepsych worldwide, limited in-person coverage in US (up to 20%)	In-person across Canada, telepsych worldwide

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BMS vs MacFarland Rowlands



Feature	BMS	Macfarland Rowlands
Legal Defense Costs	Covered within policy limit (up to 300K)	Covered within policy limit (limit ?)
Choice of Attorney	Can choose own counsel (potentially with restrictions)	Likely be assigned but may be able to negotiate it
Cap on Legal Costs	No cap (PL)	Yes, capped for certain claims
Payment of Legal Costs	Paid upfront by insurer	Likely paid upfront by insurer

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BMS vs MacFarland Rowlands



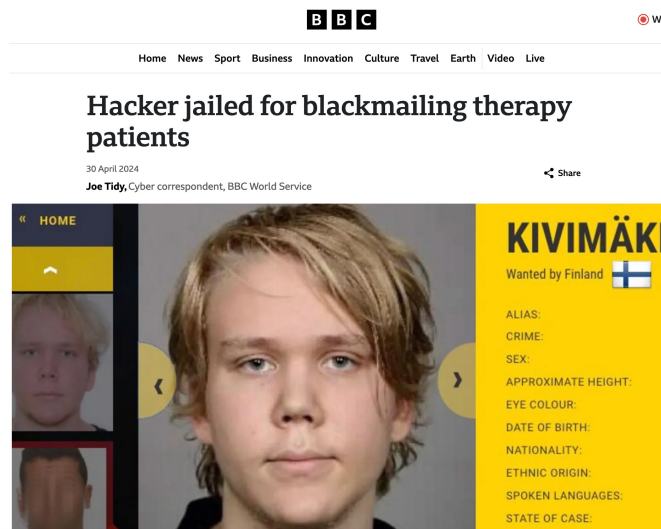
Feature	BMS	Macfarland Rowlands
Cybersecurity Coverage	\$1M limit, separate policy for independent contractors	\$100,000 limit, optional add-on
Free Legal Advice	30-minute consultation per practice-related question	30 minutes per year by email
Subpoena Response/Testimony	Covered through legal helpline, claim-dependent	Not covered unless part of a claim/lawsuit
Deductible	None (PL), \$1,000 (Cyber)	\$500 (CGL), None (PL), \$500 (Contents)

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Cybersecurity and Data Breaches



- Data Breaches
- Ransomware Attacks
- Phishing Attacks
- Social Engineering
- Third-Party Risks



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Making a decision



- Carefully review the policies and quotes provided by providers
- Consider your practice type and needs, risk tolerance and budget
- Consider your assets
- Consider variables impacting insurance rates

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Resources



<https://www.crhsp.ca/wp-content/uploads/2024/04/CRHSP-2024-Program-EN.pdf>

<https://www.psychology.bmsgroup.com/home.html>

https://www.psychology.bmsgroup.com/downloads/CPACAPAP_WhatCoverageDoINeed_2024_EN.pdf

https://www.psychology.bmsgroup.com/downloads/PSY_Business_Brochure_2024_EN.pdf

https://www.psychology.bmsgroup.com/downloads/PSY_PLI_CGL_Brochure_2024_EN.pdf

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