American College of Emergency Physicians®

Medical Malpractice Insurance for Emergency Physicians

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What to Do If Your Malpractice Coverage Is Managed by Another Party

If your malpractice insurance is controlled by a group or individual other than yourself, it's essential to be prepared in case your coverage is ever interrupted. Below are key documents to maintain and steps to take if your coverage lapses.

BE PREPARED

1. Certificate of Insurance (COI)

Request an updated COI annually. This document identifies your current insurance carrier and the agent or broker managing your policy. It also specifies the type of coverage:

- **Occurrence Policy**: No tail coverage is needed. Keep all certificates for your records.
- **Claims-Made Policy**: You may need to purchase tail coverage (an unlimited reporting period endorsement) if coverage ends.

2. Employment or Service Contract

Review your contract to determine who is responsible for purchasing tail coverage in the event of a policy interruption.

3. Loss Run / Claims History Report

Request this from your carrier or agent every couple of years and review for accuracy. This report is essential when applying for new coverage or tail policies.

IF YOUR CLAIMS-MADE COVERAGE IS INTERRUPTED

1. Review Your Certificate of Insurance

Identify your insurance carrier and agent to contact to request a quote for tail coverage. Be prepared to provide your last day of employment.

2. Understand Tail Coverage Costs

Tail coverage typically costs 250–300% of your annual premium. This premium is traditionally a **one-time, lump-sum payment** due within 30 days of your last day of work. Most carriers do not offer payment plans, though some states (e.g., West Virginia) may be regulatorily required to do so.

3. Benefits of Purchasing Tail from Your Current Carrier

- Maintains all policy provisions leaving no gaps in coverage.
- Often includes an unlimited reporting period—ideal for specialties with long liability windows, such as pediatrics.

4. Explore Alternative Tail Options

Standalone tail policies may offer more affordable terms.

Work with an experienced agent or broker familiar with these products to evaluate your options.

ADDITIONAL CONSIDERATIONS

Review Your Contract Again

Most carrier tail provisions provide only 30–60 days to purchase tail coverage after a policy ends. Even if your contract states the employer is responsible for tail coverage, in some circumstances you may not have time to enforce this obligation legally. As such, the obligation to secure tail coverage may be on you. Confirm the exact timeframe when requesting a quote.

Loss Run / Claims History Requirements

- Required when applying for new malpractice coverage.
- Must be dated within 60 days of your application.
- Be prepared to provide reports covering the past 10 years of employment and insurance history.

You will find that tail coverage is not inexpensive. Be prepared to pay the cost in full within 30 days (some carriers may give you up to 60 days) from the last day of coverage. Contact us with help reviewing your options.

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Malpractice Preparedness Key Terms

Professional Liability Insurance, also known as Medical Malpractice Insurance: Protects physicians from financial liability arising from claims of negligence, errors, or omissions during patient care that results in injury or death. It covers costs associated with defending malpractice suits, including attorney fees and court costs, as well as potential settlements or judgements.

There are two types of Professional Liability policies:

Occurrence policy: Provides coverage for incidents that happen during the policy period, regardless of when a claim is filed. While a state may have laws governing statute of limitations, an occurrence policy itself does not have a time limit on when a claim can be reported. Occurrence policies are preferred but can be expensive.

Claims-Made policy: Only covers incidents that happen AND are reported while the policy is active. For example, if a reportable incident happens while the policy is active, but doesn't get reported until after the policy expires, you will not be covered, unless a Tail has been purchased. Claims-made polices are less expensive than the occurrence polices, but do not offer protection after the policy has expired.

Tail Coverage, also known as Extended Reporting Period (ERP): This is an insurance policy endorsement that has to be purchased and added to a claims-made policy to provide continued protection for claims that are made after the policy expires or cancels. The one thing to remember is that this only covers incidents that happen during the time the claims-made policy was in force. Tail coverage just extends the claims reporting time past the policy cancellation. Tail coverage can be purchased in varying lengths. Those that treat pediatric patients need to purchase longer tails than those that treat adults.

When looking at a certificate of insurance:

Carrier: This is an insurance company.

Broker: This is an intermediary that acts on behalf of the insured. They negotiate insurance contracts and provide advice on coverage needs. They will also be able to provide pertinent insurance documentation like the Certificate of Insurance.

Policy effective date/Policy expiration date: The policy effective date is the day the policy starts. The policy expiration date is the day the policy ends. Policies are written on 12-month terms. This means you will need to request a new Certificate of Insurance annually.

Claims type: The Certificate of Insurance will state if the policy is occurrence or claims-made. If the policy is claims-made, it will also state the Extended Reporting Period if the endorsement was purchased.

Limits, each occurrence: This is the most the insurance company will pay out in the event you are found liable for negligence, errors, or omissions during patient care that results in injury or death. Depending on the insurance carrier, attorney fees and court costs can be included in the "each occurrence" limit. Some insurance companies do not include these fees as part of the "each occurrence" limit.

Limits, annual aggregate: This is the most the insurance company will pay out each year for all of your combined claims.