



COOPERATIVE OF  
AMERICAN PHYSICIANS



CAP PHYSICIANS INSURANCE®



# Physicians at Risk Protecting Your Business and Personal Assets

Presented By:

Deidri Hoppe, President and CEO

CAP Physicians Insurance Agency, Inc. (CAP Agency)



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Agenda

01

## **Business Risks**

- CyberRisk
- Business Owners Risk
- Employment-Related Liabilities

02

## **Personal Risks**

- Risk of Death
- Risk of Disability
- Personal Asset Protection

03

## **Shopping for the Right Insurance**

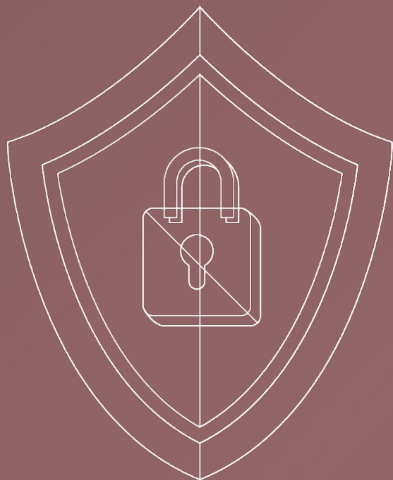
04

## **Questions**



COOPERATIVE OF  
AMERICAN PHYSICIANS

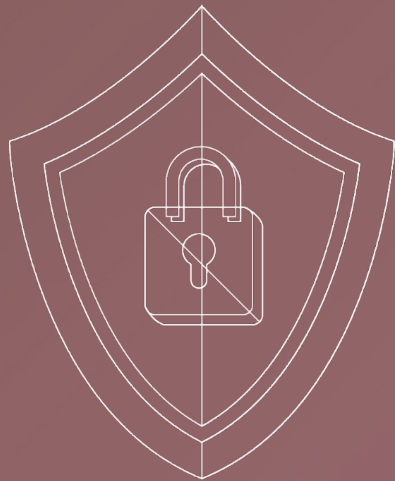
# CyberRisk





COOPERATIVE OF  
AMERICAN PHYSICIANS

# CyberRisk



## Common Risks



---

Phishing and social engineering

---

Ransomware attacks

---

Double or triple extortion threats

---

System hacking through connected devices

---

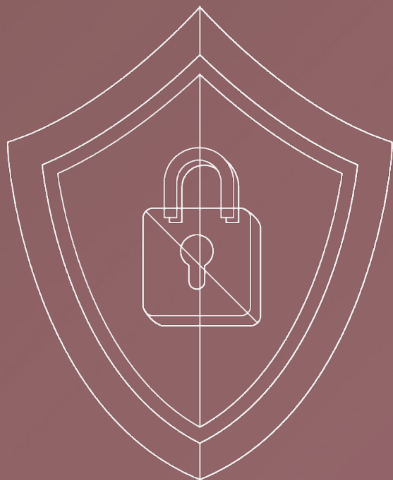
Third party lawsuits

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# CyberRisk



## Impact on the Practice

---

Stolen protected health information (PHI)/  
EHR system breach

---

Systems and data inaccessibility

---

HIPAA violations and penalties

---

Personal and patient identify theft

---

Reputational harm

---

Ruined physician-patient relationship

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# CyberRisk



## Mitigation Strategies

---

Backup your data regularly

---

Always update your software

---

Maintain a patch  
management policy

---

Install good antivirus  
software

---

Provide HIPAA and cyber  
security training

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# CyberRisk



## **A Good Cyber Risk Insurance Policy:**

---

Legal costs associated with the breach

---

Patient notification costs

---

Ransomware extortion costs

---

Public relations reputation repair costs

---

Consultation on how to manage the breach and the aftermath

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# General Business Risks



## Common Risks



---

Fire, flood, and other  
accidental property damage

---

Non-employee injuries

---

Defense of lawsuits for your  
alleged liability

---

Libel, slander, and copyright  
infringements

---

Stolen property

---





COOPERATIVE OF  
AMERICAN PHYSICIANS

# General Business Risks



## Impact on the Practice

---

Business interruption

---

Medical payments for  
injuries by a third party

---

Defense - court and  
legal fees

---

Costly damage repairs

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# General Business Risks



## Mitigation Strategies

---

Install a water sensor program to detect water leaks and potential damage

---

Maintain a safe physical environment

---

Place warning signs around potentially hazardous areas

---

Install an alarm or security system

---

Perform background checks on your new hires

---

Implement strict social media policies

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# General Business Risks



## **A Good BOP Policy:**

---

Protects against liability claims of injury or damage

---

---

Repairs or replaces damaged caused by a covered loss such as fire or water

---

---

Reimburses lost income when your business is interrupted following a covered loss

---

---

Covers the cost of replacing or restoring damaged records or files

---

---

Pays for medical expenses of individuals injured at your practice

---

# Employment Liability: Employment Practices Risk



## Common Risks



---

Wrongful termination

---

Violation of employment  
discrimination laws

---

Sexual and other harassment

---

Hourly employee and wage  
allegations

---

Violation of state or local laws

---

Hostile work environment

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

## Employment Liability: Employment Practices Risk



### Impact on the Practice

Exorbitant legal defense  
fees

Poor employee morale

Poor patient service

High employee turnover

State and federal  
penalties



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Employment Liability: Employment Practices Risk



## Mitigation Strategies

---

Provide a human resources manual/employee handbook

---

Train supervisors in HR procedures and policies

---

Provide state mandated sexual harassment avoidance training for your staff

---

Offer a comprehensive employee benefits package

---

Review policies and procedures as part of new-hire orientation

---

Keep your policies up to date when there are changes in the law

---

Consider consulting with an attorney if an employee needs to be terminated or has employment-related issues

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

## Employment Liability: Employment Practices Risk



### A Good EPLI Policy

---

Covers the costs of legal fees and judgments arising from claims alleging

---

Harassment – sexual and all other discrimination

---

Wrongful termination

---

Wage and hour allegations

---

Breach of employment contract

---

Hostile work place

---

Failure to employ or promote

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Employment Liability: Employee Injuries



## Common Risks



---

Slips, trips, and falls

---

---

Muscle strains

---

---

Falling objects

---

---

Repetitive strain injury

---

---

Cuts and lacerations

---





COOPERATIVE OF  
AMERICAN PHYSICIANS

# Employment Liability: Employee Injuries



## Impact on the Practice

---

Injured employees

---

---

Temporary disability

---

---

Replacing/Training staff

---

---

Cost of staff turnover

---

---

Legal fees

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Employment Liability: Employee Injuries



## Mitigation Strategy

Establish a safety-first culture

Place OSHA posters and flyers in prominent employee areas

Provide OSHA and other safety trainings for all employees

Ensure policies/procedures for when an injury occurs

Have a return-to-work plan in place for injured workers



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Employment Liability: Employee Injuries



## **A Good Workers' Compensation Policy:**

---

Covers the medical expenses of the injured employee

---

---

Covers the employee's lost income due to temporary disability

---

---

Provides medical professionals to monitor injury and medical treatment

---

---

Protects the business owner from accident-related lawsuits

---

---

Ensures compliance with state mandatory requirements – avoid heavy fines

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Personal Risk



## Your Most Important Asset is YOU

- Financial loss due to accident, illness, or death
- Loss of income due to disability
- Loss of personal assets and property – due to serious liability claims



COOPERATIVE OF  
AMERICAN PHYSICIANS

## Personal Risk: Death



### A Good Life Insurance Policy:

---

Provides services like grief counseling, will preparation, and other support services

---

Offers benefits that are paid tax-free directly to your beneficiaries

---

Term life insurance and permanent insurance can both be good options

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Personal Risk: Disability



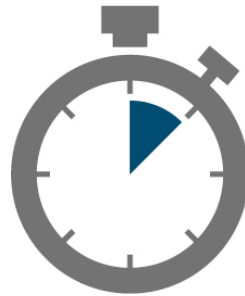
## Impact on You:

- Income loss
- Inability to work
- Debt
- Inability to support family members



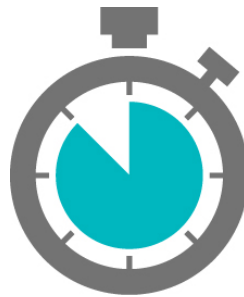
COOPERATIVE OF  
AMERICAN PHYSICIANS

# Personal Risk: Disability



## Short-term disability

- Good investment for all physicians, including those just starting out or those with little savings.
- It would also cover pregnancy.



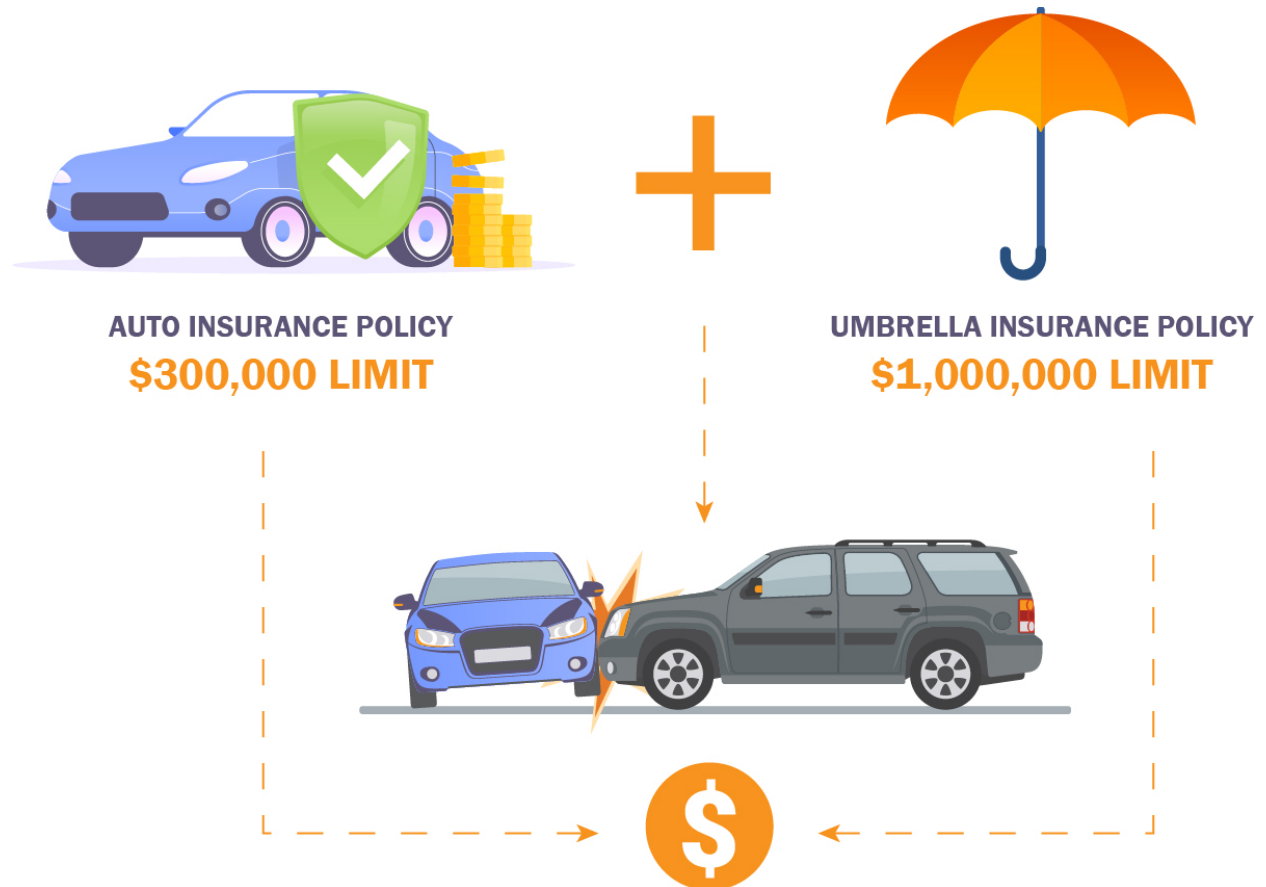
## Long-term Disability

- Steady stream of income to help cover essential expenses for an extended time, such as during a long-term illness or after a disabling accident.



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Personal Risk: Assets and Property



*The physician's auto insurance company would pay the first **\$300,000** and umbrella insurance would pay any additional amount, **up to \$1 million**.*





COOPERATIVE OF  
AMERICAN PHYSICIANS

Personal  
Risk:  
Assets and  
Property



---

Common  
Risks



A dog bite

---

An auto or boating  
accident

---

Injury on your  
property

---

Injury caused by your  
child

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Personal Risk: Assets and Property



## Impact on You:

- Out of pocket medical bills
- Costs for repairs/damages that auto/home insurance do not cover
- Potential seizure or garnishment of financial and tangible assets



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Personal Risk: Assets and Property



---

## A Good Life Insurance Policy:

Covers legal costs of a third party lawsuit against you

---

Covers claims, such as libel, false arrest, and more, that standard policies do not cover

---

Offers additional liability insurance so that your assets and future income streams are protected from judgments and settlements

---



COOPERATIVE OF  
AMERICAN PHYSICIANS

# One Stop

## **Access Your Coverage in One Place!**

CAP members can take advantage of CAP Agency, a wholly owned subsidiary of CAP, to purchase business insurance, personal insurance, and specialty-specific disability insurance, at preferred rates.



COOPERATIVE OF  
AMERICAN PHYSICIANS

# Shopping for Insurance

## Take advantage of CAP's open enrollment period

to purchase valuable personal coverages at group rates. **Begins October 1, 2021.**





COOPERATIVE OF  
AMERICAN PHYSICIANS

# Shopping for Insurance

- Location change
- Equipment purchases
- Mergers or acquisitions
- Staffing changes
- Practice name changes
- Claims





COOPERATIVE OF  
AMERICAN PHYSICIANS

# Shopping for Insurance

- Adding or changing automobiles
- Increase of property value
- New family member
- Teenage driver
- Purchase of new toys; boats, motorcycles etc.
- Purchase of a vacation home





COOPERATIVE OF  
AMERICAN PHYSICIANS

Thank  
You!

Questions?

CAP Agency is here to support you!

Phone: 800-819-0061

Email: [CAPAgency@CAPphysicians.com](mailto:CAPAgency@CAPphysicians.com)