

Choosing the Right Malpractice Policy for Your Chiropractic Career

As a chiropractor, purchasing malpractice insurance is the best way to protect your career and practice. Whether you're an associate, practice owner, or retired, understanding the difference between policy types can help you determine which coverage is right for you.

Key Concepts

- Malpractice policy types
- Solo practitioner vs. group practice
- Policy limits and cost considerations

As a chiropractor, your career involves unique risks that can lead to malpractice claims. That's why having malpractice insurance is an essential part of chiropractic practice. A malpractice policy offers coverage and defense against accusations of negligence that may be brought against you. Malpractice insurance is the best way to protect yourself from the threat of lawsuits that can jeopardize your career, practice, and financial stability.

Purchasing chiropractic malpractice insurance requires some strategy. To make an informed decision, you should:

1. Compare policies
2. Regularly assess your business needs
3. Consult a professional for guidance

It's crucial to understand the available policy types before choosing a specific one.

What Are the Different Malpractice Policy Types?

There are two main policy types chiropractors can choose from: **Claims-made and Occurrence**. To decide which one will best meet your unique needs, you must first understand each policy's benefits and limitations.

- A **Claims-made policy** covers claims that are brought against you during the policy period, regardless of when the incident occurred. Your protection ends at the end of the policy term. If you leave a practice or retire, you'll most likely need to purchase tail coverage.
- **Tail coverage** (sometimes called an Extended Reporting Endorsement) keeps you covered for any claims made against you once you stop practicing or end your Claims-made policy. Depending on the state, tail coverage can cost twice as much as your current annual rate.
- An **Occurrence policy** covers incidents that occur during the policy period, even if the claim is made after the period ends. Occurrence coverage doesn't end when the policy ends. If someone files a claim against you, your Occurrence policy from the year of the incident will cover you. Each year you renew your policy, you have a new set of limits to protect you from any future claims that result from incidents occurring that year.

Though Occurrence policies are generally more costly upfront than Claims-made policies, when the cost for tail coverage is factored in, Occurrence is often cheaper than Claims-made coverage in the long run.

As your insurance needs evolve over time, you'll need to review your policy regularly and make adjustments as needed. In doing so, you can ensure you always have the right coverage for your current circumstances.

Cost Considerations for Each Policy Type

The cost of each policy type varies by location, claims history, and other factors. Claims-made policies typically cost less during the first year, while rates increase annually as the policy progresses. This option may be more desirable for new chiropractors due to lower initial premiums.

Conversely, the cost of an Occurrence policy can be higher at first, but over time, the premiums are more stable and predictable, often making Occurrence coverage more affordable in the long run.

Learn more about malpractice insurance pricing in [this article](#).

Solo vs. Group Practice

Understanding your specific role within a practice will help you determine which policy type and limits will best apply to your situation.

Owning a Practice

As owner of your practice, you are often a marketer, HR manager, CFO and CEO. Much of your own time, energy and money are invested in building your practice. That's why it's important to know that your practice, just like you, can be named in a malpractice lawsuit.

There are two main business entity malpractice coverage types: Separate Limits Coverage and Shared Limits Coverage.

- **Separate Limits Coverage** allows defense costs and indemnity payments to be paid on behalf of your practice – separately from your individual policy limits. You may qualify for this option if you own all or a portion of your practice.

- **Shared Limits Coverage** means defense costs and indemnity payments will be paid on behalf of both you and your practice under one shared set of limits. This may be the right option for you if you have a solo corporation with no employed or contracted chiropractic associates.

ChiroPreferred offers competitive business entity malpractice insurance solutions to help protect you and your practice.

Joining a Group Practice as an Associate

Associate chiropractors, employed by practice owners, may get malpractice coverage from their group practice. If you don't understand the coverage terms set by your employer, request a copy of the policy.

Whether you're full-time or part-time, your employer's policy may not satisfy your coverage needs. Depending on employer preference, you may be able to purchase individual coverage out of your own pocket. Having a policy of your own means you won't have reduced limits due to shared coverage with other employees. You would also have your own attorney representing your interests in the event of a lawsuit.

Retiring from a Practice

As a retired chiropractor, you remain at risk for malpractice claims, even years after treatment. Tail coverage is especially important at this stage in your career if you were previously covered under a Claims-made policy.

Some carriers, like ChiroPreferred's underwriting carrier, MedPro Group, offer free tail upon retirement, regardless of your age. To qualify for free tail upon retirement, you must:

- Be retired

- Have a retroactive date at least 24 months prior to the date of retirement
- Be insured by the company for 12 months on a Claims-made policy

With free tail from ChiroPreferred, you can retire with ease and peace of mind.

Other Policy Factors

Consider these additional aspects of a policy before signing on the dotted line.

Policy Limits: The maximum amount an insurer is willing to pay for a claim filed against you.

- For **Claims-made** coverage, you must renew your policy annually to remain protected by claims, even if the incident happened in the past when you had coverage.
- **Occurrence** coverage provides a separate set of limits for each year you buy the policy. These limits never expire. If someone files a claim, you will still be covered by your policy from the year of the incident.

No matter the coverage type, make sure your limits are high enough to protect you throughout your career. Certain risks are better supported by higher limits. Consult with an insurance expert to determine how high your limits should be to best suit your practice.

Additional Coverages: Added policy benefits such as cyber liability, HIPAA coverage, audit coverage, and billing errors coverage. Remember to check these add-ons to make sure your practice is appropriately protected with the necessary additional coverage options.

Pure Consent Provision: A detail on your insurance policy that determines whether you have the right to refuse to settle a claim. Make sure the **consent provision** in your policy gives you that power without exceptions.

Learn more about how these factors play into choosing a policy in our **Guide to Malpractice Insurance**.

Need Additional Support? ChiroPreferred Is Here to Help.

Before deciding on a policy, it's best to consult a professional who specializes in malpractice insurance for chiropractors. Experts at ChiroPreferred can help you navigate the complexities of choosing a policy so that you're confident in your decision. With over 40 years of chiropractic malpractice experience, you can rest assured knowing ChiroPreferred will protect your good name.

To get started, **contact our team** or **get a quote** today.

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