

What is a Pure Consent Provision?

Seven Malpractice Policy Pitfalls to Avoid

Your insurance policy has a consent provision that decides if you have the choice to refuse to settle a claim. Learn the details of this important policy clause to better protect your future.

Key Concepts

- Understand consent to settle
- 7 consent exceptions to avoid
- What pure consent looks like

What is a Consent to Settle Provision?

The consent to settle provision is one of the most important parts of your malpractice insurance policy that you've probably never read. The consent provision in your policy determines if your insurance carrier has power to decide to settle your case (pay the demand). In other words, if you're faced with a malpractice lawsuit, can you refuse settlement? That's where your consent to settle provision comes in.

What Does 'Pure' Consent Mean?

If your malpractice insurance policy has a 'pure' consent provision, it means that you as the policyholder have the right to refuse to settle a claim. Your insurance carrier cannot force you to settle a claim. If you want to go to trial rather than pay the demand, you will have the right to do so.

However, many insurers do not offer pure consent. Instead, their consent provisions have exceptions and rules that usually give more decision-making power to the insurer and less to the policyholder.

Seven Common Consent Exceptions to Avoid:

While some carriers advertise consent to settle, read the fine print! These policies often have exceptions that actually take away your right to settle in different situations.

Here are seven common exceptions you may find in your malpractice policy:

1. **Unreasonable:** You have consent authority unless the insurance company deems you unreasonable in withholding your consent.
2. **Unavailable or cannot be located:** You have consent authority unless the company cannot locate you or you are otherwise unavailable at the time of settlement or jury trial.
3. **Board approval:** You have consent authority as long as the company's review panel or board agrees with you that your performance met the standard of care. If they disagree, the board assumes consent authority on your behalf.
4. **Binding arbitration:** You have consent authority unless the company disagrees, at which time they submit your refusal to consent to binding arbitration.
5. **No longer insured by company:** You have consent authority unless you are no longer insured by the company at the time settlement or trial occurs.
6. **License suspended:** You have consent authority unless your professional license has been suspended, revoked or surrendered at any time during the claim process.

7. **Deceased or incompetent:** You have consent authority unless you are deceased or deemed incompetent. This could deprive your loved ones of the ability to fight the malpractice claim on your behalf.

If any of these exceptions are in your malpractice policy, you don't have a pure consent to settle provision.

How Do You Know if You Have Pure Consent?

It's important to check that your insurance carrier really *does* give you pure consent because being forced to settle a claim can greatly impact your reputation and career.

The consent provision in your policy should have no exceptions that take away your right to refuse to settle a claim — that's pure consent.

Here's an example of a pure consent clause:

We will not settle any claim or suit against you without your prior written consent.

Don't settle for a company that will settle on you.

Unlike other insurance options, ChiroPreferred offers a truly pure consent to settle provision. If a claim is made against you, you won't be forced to settle. After all, this is your reputation and livelihood. Your insurance company shouldn't make that decision for you.

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