

PUT PROFESSIONAL LIABILITY CLAIMS IN PERSPECTIVE

Professional Liability claims are frightening and high profile, but a survey by the Risk Management Division shows other exposures occur more frequently.

In the practice of human services, professional liability concerns—violations of standards of ethical behavior—are the exposures that are the most familiar. These claims include accusations of sexual misconduct or breaking confidentiality, alienation of affection or premature discharge, violent behavior by clients or ex-clients, and accusations of transgressing the principles of dual relationships and private enurement.

These exposures are the most well known and if proven genuine can be very costly. But are they really the most frequent claims experienced by human service organizations?

The Risk Management Department conducted a survey to answer this question. The objective was to discover if professional liability claims represent the lion's share of risk or if other types of claims deserve equal attention and effort.

The survey began with our extensive database. Brown & Brown of the Lehigh Valley, Inc. writes in excess of 500 behavioral healthcare accounts. Each of Lehr's five Senior Account Managers was asked to list five behavioral healthcare insureds that had claims in the past two years. The size of the claim did not matter.

From this list eighteen (unduplicated) accounts were identified and a loss run for each was secured. The eighteen accounts had filed 279 claims during the surveyed period. Claims were broken down into four major categories: liability, property, vehicle and workers' compensation. Subcategories for each were tallied using a standardized claim-reporting format.

Liability claims represented only 20.4% of the sample. Professional liability claims were only 19.3% of the sample. These surprising results are not meant to disarm behavioral healthcare organizations or their staff from the ethical practice of care. More importantly, organizations must begin to strategize and initiate action to affect improvement for all types of exposure.

Type of Claim	Number	%
Workers' Compensation	103	36.9
Vehicle	67	24.0
Liability	53	19.0
Property	44	15.8
Directors and Officers	12	4.3

While strategic plans are developed to move organizations forward in the care provided and to secure fiscal security, these plans must also consider how to minimize loss related to vehicle, workers' compensation, general and professional liability, and property exposures.