

PSYCHE
the policy for psychology

AVOIDING COMMON COVERAGE MISTAKES

Understanding malpractice insurance coverage is one of those things that feels easy to put off until you need it. Most clinicians buy malpractice insurance, renew it each year, and assume that is enough. But a few simple mistakes can leave even experienced professionals exposed when it matters most.

Here are some of the most common issues we see and how Psyche can help you avoid them.

1. ASSUMING YOU'RE FULLY COVERED BY AN EMPLOYER OR GROUP POLICY

If you are insured under a group or employer policy, take the time to find out exactly what that coverage includes. These policies are designed to protect the organization first, not necessarily the individual clinician. Know who has the authority to settle claims, the employer or you. With your own Psyche policy, only you have the right to consent to settle claims.

Employer or group policies may limit coverage to work performed within the organization's setting or exclude certain activities such as supervision, consulting, or side practice. Many also have low or no limits for board defense or privacy issues.

Having your own policy with Psyche ensures that your interests are represented and that you have access to the defense and support you need for the full scope of your professional work.

2. FORGETTING TO MAINTAIN CONTINUOUS COVERAGE

Coverage is only active when your policy is in force. For claims-made policies, both the alleged incident and the date the claim is made must occur while the policy is active.

If you cancel your policy, take a break from practice, or switch carriers without arranging continuous coverage, you could lose coverage for any claims made after the date the policy is no longer in force. This is where tail coverage becomes essential. An extended reporting period (tail) must be in place to ensure protection for claims made after the policy is no longer active.

Before making any changes to your insurance, connect with Psyche at psycheinsurance.com. We can help you understand how to maintain uninterrupted protection and make sure you stay covered through every stage of your career.

3. WAITING TOO LONG TO REPORT A POTENTIAL CLAIM OR COMPLAINT

Every malpractice insurance policy includes a reporting requirement and missing that window can affect your coverage. Some clinicians wait to notify their carrier until they are certain a situation will turn into a formal claim. That delay can cause problems later.

If you are insured with Psyche and receive a complaint letter, a subpoena, or even a concerning email from a client or attorney, contact us right away. Our claims team can step in immediately, assign counsel if needed, and start building your defense.

Reporting early never hurts your coverage. Waiting too long can.

4. OVERLOOKING THE DETAILS IN YOUR LIMITS AND SUBLIMITS

Many professionals only focus on the main limits of liability, such as $1 million per claim or $3 million aggregate, and miss the smaller sublimits that cover things such as board complaints, HIPAA violations, or privacy breaches.

These sublimits can make a significant difference when you actually need to use your coverage. Take a few minutes to review your policy and understand exactly what is available in each area. Pay special attention to whether costs are paid by you and reimbursed, or whether these costs are paid directly without any out-of-pocket inconvenience to you.

With Psyche, you can rest assured that your policy includes strong limits and sublimits designed specifically for psychologists. We provide higher limits of protection in the areas that most often affect psychologists. With Psyche these costs are paid directly to attorneys and other vendors.

5. NOT REVIEWING OR UPDATING YOUR COVERAGE REGULARLY

Your practice will change over time. You may work in new settings, add new specialties, or adjust your schedule. Your insurance policy may have to change as well.

Make a habit of reviewing your policy each year. Confirm that your coverage limits, sublimits, and named insureds still fit your current professional situation.

If you have moved from an employed role to private practice, started supervising students, or began telehealth work across state lines, let Psyche know. We can help you confirm that your policy accurately reflects your scope of practice.

6. IGNORING EXCLUSIONS OR POLICY CONDITIONS

Every policy lists exclusions, which are types of claims or circumstances that are not covered. Most exclude intentional wrongdoing, criminal acts, or practicing without a license, but other limitations vary by insurer.

Some policies also include consent to settle provisions that determine whether your insurer can settle a claim without your approval. With Psyche, you are part of that decision.

It is worth reading through these sections at least once so you know exactly what to expect. Our team is available to explain any terms or limits that are unclear and to make sure you understand how your coverage works.

7. NOT TAKING ADVANTAGE OF RISK MANAGEMENT EDUCATION

The best way to handle a claim is to avoid one whenever possible. Ongoing education in documentation, maintaining boundaries, and communication can help reduce your risk and your stress.

Psyche offers premium discounts for continuing education and risk management courses through Continued.com. These courses are a simple way to stay current and strengthen your everyday risk awareness.



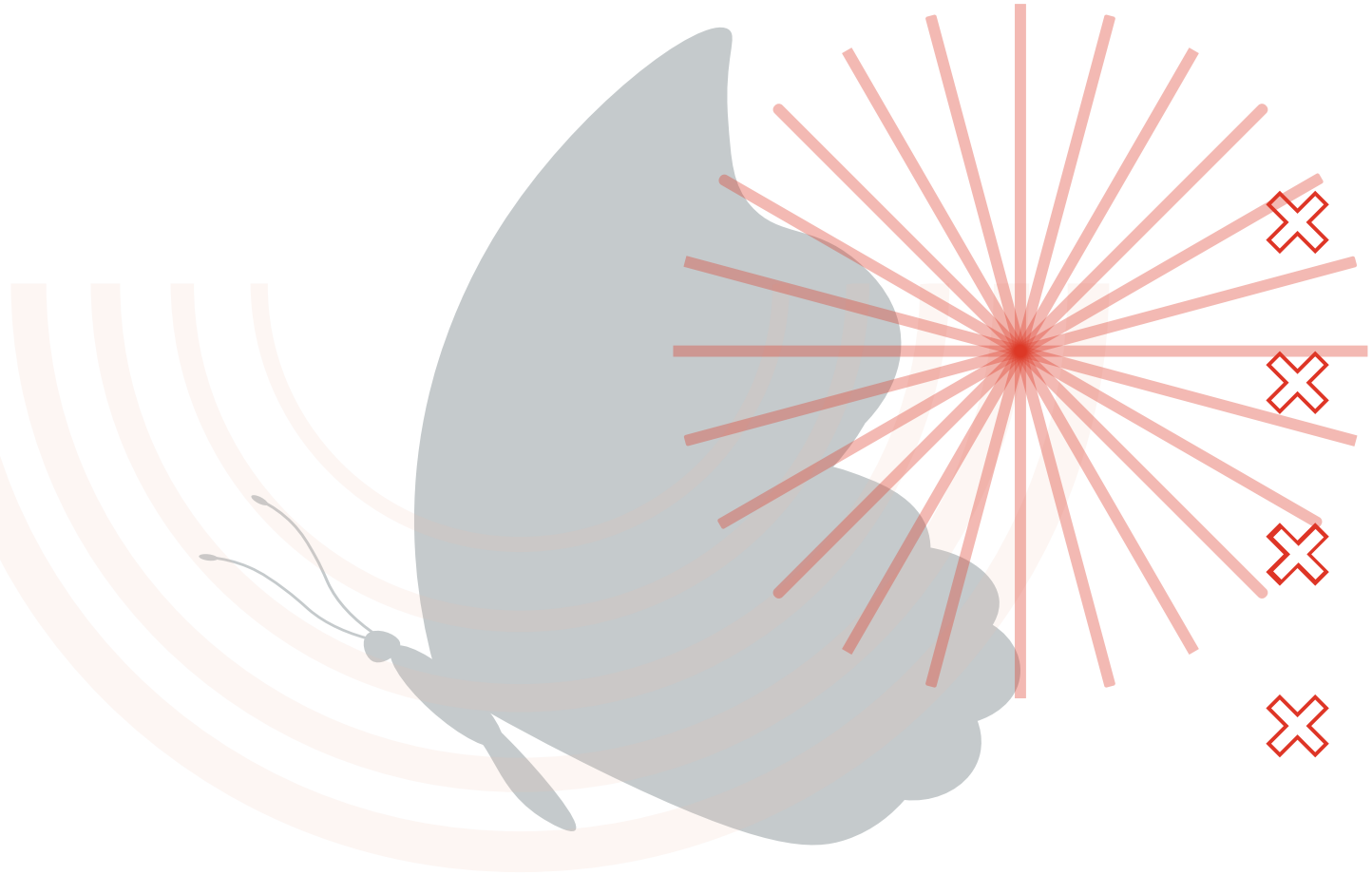
IN SUMMARY

Insurance is designed to protect you when life and work take unexpected turns. Avoiding small oversights can make all the difference when you need that protection most.

To stay fully covered:

- Review your policy each year.
- Report incidents early.
- Keep continuous coverage when you change roles or retire.
- Understand your sublimits and exclusions.
- Continue strengthening your risk management skills.

With Psyche, you can feel confident knowing that your coverage is clear, comprehensive, and built for the realities of the practice of psychology. Our team is here to help you protect your work, your reputation, and your peace of mind.



INSURANCE DESIGNED FOR PEACE OF MIND

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