INSURANCE 101

PSYCHE
the policy for psychology

UNDERSTANDING ADDITIONAL COVERAGES

You already know that malpractice insurance helps protect your career, your financial stability, and your peace of mind. But how much protection do you actually have?

Your professional malpractice policy outlines what is covered, along with your coverage limits. These limits define how much protection your policy provides if a claim arises. While they may seem like minor details tucked away in the fine print, they can have a significant impact when you need to depend on your insurance coverage.

At Psyche, we believe insurance should feel clear and empowering, not complicated. Here's how your "limits" work, and what to look for when reviewing your own policy.

WHAT COVERAGE LIMITS MEAN

Every malpractice policy for psychologists includes two key numbers with respect to your main professional liability limits:

- **Per claim limit:** The most your policy will pay for a single claim.
- **Aggregate limit:** The total amount your policy will pay across all claims during the policy year.

For example, a $1 million / $3 million policy means you have up to $1 million available for any one claim and up to $3 million total for the year.

Those are your main liability limits. Your policy also provides additional coverages that apply to certain situations. Each additional coverage has its' own limits.

WHAT ARE THESE ADDITIONAL COVERAGES?

These additional coverages provide assistance for the following:

- Licensing board or disciplinary proceedings
- HIPAA or privacy-related claims
- Billing audits
- Privacy breaches or cyber incidents
- Assault or injuries that happen in your office
- Deposition expenses

Some professional liability policies require that you pay up front legal costs and that you request reimbursement. A Psyche policy pays these costs directly and avoids creating any financial hardship for its' insured psychologists.

These additional coverages address real-world risks that psychologists face in their practice. Each one has its own coverage limits. The key is understanding what your policy includes, whether you may need to pay out of pocket, what your coverage limits are, and whether they truly align with the realities of your work.

WHY IT'S IMPORTANT TO REVIEW YOUR POLICY

Imagine being notified of a licensing board complaint related to documentation or an alleged boundary violation in your psychology practice. Even if the issue is resolved quickly, legal defense can be costly.

Some policies offer only minimal coverage for board defense, which may not even cover your initial consultation with an attorney.

Or consider a situation where a privacy breach affects client records. The costs involved with responding to that breach, notifying clients, and restoring systems can add up quickly. If your limit of coverage for privacy claims is too low, your coverage could run out before the situation is fully resolved, leaving you to pay the remaining costs.

Some insurance providers will reimburse your out-of-pocket costs for these ancillary coverages up to the limit provided. Psyche pays these costs directly so you won't have to dip into your savings. Understanding these details now can prevent financial and emotional stress later.

WHAT TO LOOK FOR IN YOUR MALPRACTICE INSURANCE POLICY

When reviewing your current coverage, focus on a few key areas:

- How much coverage do I have for board or licensing defense?
- For claims and lawsuits, are my legal defense costs separate from (or included in) my main policy limits?
- How much coverage does my policy provide for privacy breaches, HIPAA claims, or billing audits?
- Am I covered for incidents like assault or property damage at my office?
- If I supervise students, are they included in my policy?

If you aren't sure about the answers, it's worth taking the time to review your declarations page or ask your underwriter for clarification.

HOW PSYCHE COVERAGE HELPS PROTECT YOU

Psyche coverage is built for psychologists. Every part of the policy is designed to protect you in real-world situations you may face in practice. The limits are strong, and the coverage goes beyond what many clinicians realize they need until a problem arises.

Here are some of the ways Psyche helps protect your career and peace of mind:

- **Licensing Board Defense:** Up to **$150,000** to cover attorney fees, expert consultation, and defense costs if a licensing board complaint is filed. Board actions can be stressful and time-consuming. This coverage helps ensure you have the resources to respond properly and protect your professional standing.
- **HIPAA and Billing Investigations:** Up to **$50,000** for legal representation and defense in the event of an alleged HIPAA violation, or billing audit brought by federal or state agencies. This can also include certain fines and penalties where allowed by law.
- **Privacy Breach Coverage:** Up to **$30,000** to help with the costs of responding to a data breach, including notifying clients, securing systems, and restoring affected records.
- **Deposition Expenses:** Up to **$30,000** to pay for legal support and preparation if you are required to give a deposition related to your professional services.
- **Assault Expense Coverage:** Up to **$30,000** to assist with medical, counseling, or property

replacement costs if you are assaulted in connection with your professional work.

- **Fire Damage to Premises:** Up to **$150,000** in coverage if your office space sustains fire damage.
- **Medical Payments for Injuries on Premises:** Up to **$100,000** to cover injuries that occur at your office as the result of an accident, even if no one is found to be at fault.
- **Defense Costs Outside the Policy Limits:** Legal defense costs are paid in addition to your liability limits, so attorney fees and court costs do not reduce the amount available to resolve a claim.

These coverages are tailored to the practice of psychology. They reflect the kinds of risks that psychologists face every day. Additionally, unlike other policies, Psyche pays these costs directly without any financial stress on you.

Psyche policies are underwritten by Fairco, and backed by the financial strength of Berkshire Hathaway, giving you confidence that your coverage is secure. More importantly, the policy gives you the kind of support that helps you keep practicing with peace of mind, knowing you are protected when it matters most.

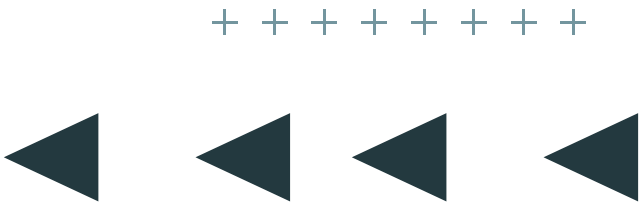
IN SUMMARY

Your malpractice insurance policy is more than a piece of paper. It's the foundation of your professional protection.

Choosing a policy with strong limits and meaningful additional coverages can make a major difference if a claim or complaint arises.

Psyche coverage provides psychologists with comprehensive protection and higher limits, supported by Fairco and the financial strength of Berkshire Hathaway.

Take a few minutes to review your policy. Knowing exactly what's covered is one of the simplest ways to protect both the career you've worked hard to build as well as your financial stabiliy.



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