



# HEALTHCARE PROFESSIONAL LIABILITY POLICY

SPECIMEN

NOTICE: This policy is issued by your risk retention group. Your risk retention group may not be subject to all the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your risk retention group.

**THIS ENDORSEMENT CHANGES YOUR POLICY—PLEASE READ IT CAREFULLY.**

First Named Insured:  
Policy Number:  
Policy Period: To:  
Endorsement Effective Date: Date Issued:

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**GENERAL LIABILITY COVERAGE**

In consideration of the premium charged, **your** Policy is changed as follows:

Unless stated otherwise in this Endorsement, all the other terms of **your** Policy also apply to the coverage provided by this Endorsement.

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**A. Limits of Liability for General Liability**

General Liability Claim Limit:                      \$[claim limit]  
No-Fault Medical Payments Limit:                      \$1,000  
Fire Damage Legal Liability Limit:                      \$50,000  
General Liability Aggregate:                      \$[aggregate limit]

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**B. Section I Changes – Who is an Insured**

The following new provision is added to Policy **Section I: Who is an Insured**:

1. Any person (other than an *Employee* of the *First Named Insured*), or any organization while acting as real estate manager for the *First Named Insured*;
  2. The landlord of the *Insured Premises*, if the *First Named Insured* is required as part of a written lease to provide liability coverage for the landlord for *Bodily Injury* or *Property Damage* resulting from its use of *Insured Premises* leased from the landlord. However, this insurance does not provide protection (whether defense costs or indemnity, or both) to such landlord for *Bodily Injury* or *Property Damage* which occurs after the *First Named Insured* ceases to be a tenant, or which results from structural alterations, new construction, or demolition performed by or for the landlord; and
  3. the lessor under a written lease of items of equipment to the *First Named Insured* for its use, if the *First Named Insured* is required as part of the lease to provide liability coverage for the lessor for *Bodily Injury* or *Property Damage* arising out of the ownership, maintenance, or use of those items of equipment. However, this insurance does not provide protection (whether defense costs or indemnity, or both) to such lessor for *Bodily Injury* or *Property Damage* which occurs after the equipment lease is terminated.
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**C. Section II Changes – What Liability is Covered**

The following new provision is added to Policy **Section II: What Liability Is Covered**:

## General Liability

**We** will pay on **your** behalf all sums that **you** become legally obligated to pay for *Damages* for *Claims* covered under this Policy because of *General Liability Incidents*:

1. less any applicable deductible or excess of any applicable Insured's Retention; and
2. up to the Limits of Liability for General Liability Coverage shown above.

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### D. Section III Changes – When This Policy Will Respond

The following new provision is added to Policy **Section III: When This Policy Will Respond**:

With respect to coverage provided by this Endorsement, **your** liability is covered under this Policy only if and when:

1. the liability arises from a *General Liability Incident* that takes place entirely on or after the *Effective Date* of this Policy, and prior to the termination date of this Policy; and
2. the liability is asserted in a *Claim* that is reported to **us** as soon as practicable.

If a *General Liability Incident*, meeting all of the requirements for coverage in effect during this *Policy Period*, occurs during this *Policy Period*, all related *Claims* arising from the same *General Liability Incident* or series of related *General Liability Incidents*, including continuous or repeated exposure to substantially the same general harmful conditions, shall be deemed a single *Claim* subject to all provisions in effect during this *Policy Period*, including the Limits of Liability.

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### E. Section IV Changes – Limits of Liability

The following new provision is added to Policy **Section IV: Limits of Liability**:

Limits of Liability for *General Liability Incidents*

This section and the Limits of Liability for General Liability shown in this Endorsement fix the most **we** will pay regardless of:

- i. how many persons sustain injury or loss, including derivative *Claims*, such as those made by family members, including domestic partners, whether or not recognized by law;
- ii. how many conditions affect one or more claimants;
- iii. when or how many *Claims* or causes of action have been asserted against one or more Insureds;
- iv. how many persons or entities allege *Damages*; or
- v. how many *Suits* have been brought.

The coverage provided by this Endorsement does not cumulate or "stack" with any other coverage limits provided by this Policy. If the liability incurred is covered by this Endorsement and any other coverage provided by this Policy, then the Claim Limit will be equal to the highest applicable Claim Limit available under any of the coverages applicable to the *Claim*, but not more than one coverage.

The Limits of Liability for General Liability are shared by all Insureds covered under this Policy.

1. General Liability Claim Limit

The General Liability Claim Limit is the maximum amount **we** will pay for *Damages* for all covered liability incurred by all Insureds as a result of all injury or loss arising from any one *General Liability Incident*.

## 2. *No-Fault Medical Payments*

**We** will make *No-Fault Medical Payments*, at the request of the *First Named Insured*, to or on behalf of persons injured as a result of an accident, that occurs during this *Policy Period*, and which takes place at, or on ways next to, premises **you** own, rent, or legally control.

However, **we** will not pay for medical expenses incurred for injuries:

- i. which, regardless of fault on **your** part, are excluded by this Policy;
- ii. which results from a Professional Liability Incident;
- iii. which are sustained by **you** or **your** family members or **your** patients; or
- iv. which are sustained by **your** tenant, or by any person hired to do work for, or on behalf of, **you** or any of **your** tenants.

The maximum **we** will pay for all *No-Fault Medical Payments* is the No-Fault Medical Payments Limit listed in this Endorsement.

## 3. General Liability Aggregate

The General Liability Aggregate listed in this Endorsement is the maximum amount **we** will pay for all *Damages* for all covered liabilities to which this Endorsement applies. The General Liability Aggregate is reduced by all amounts **we** pay for such *Damages*.

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## F. Section V Changes – Defense and Settlement

The following new provision is added to Policy **Section V: Defense and Settlement**:

**We** have the right, without **your** consent, to settle *Claims* arising from *General Liability Incidents*. **We** may, at **our** discretion, investigate any such Incident and settle any *Claim* that may result.

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## G. Section VI Changes - Exclusions

The following new Exclusions are added to Policy **Section VI: Exclusions**. These new Exclusions only apply to *Claims* covered by this Endorsement:

1. Liability resulting from a *Professional Liability Incident* or a *Review Incident*.
2. Liability arising out of the breach of any contract or agreement by **you**, or arising out of liability assumed by **you** under any contract or agreement.

This Exclusion does not apply to:

- i. liability, if otherwise covered by this Policy, that **you** would have had in the absence of the contract;
- ii. that part of any lease of premises which obligates **you** to indemnify others for *Fire Damage Legal Liability* up to the amount listed in the Declarations Page as the Fire Damage Legal Liability Limit of Liability;
- iii. elevator maintenance agreements; or

- iv. contracts to which **we** consent in writing, in which **you** assume the liability of others.
3. Liability arising from **your** warranty of goods or products.
  4. Liability arising out of the ownership, maintenance, use or entrustment to others of any *Auto*, watercraft, or aircraft, owned or operated by, loaned to or rented to any Insured. Use includes operation, loading, and unloading.

However, this Exclusion does not apply to:

- i. a watercraft while ashore on premises **you** own or rent;
  - ii. a watercraft **you** do not own that is:
    - a. less than 26 feet long; and
    - b. not being used to carry persons or property for a charge;
  - iii. parking an *Auto* on, or on the ways next to, premises **you** own or rent, provided the *Auto* is not owned by, or rented or loaned to **you**; or
  - iv. loading or unloading of **your** patients.
5. Liability of the *First Named Insured* for *Bodily Injury* or *Property Damage* arising out of the maintenance, operation, use, loading or unloading of an *Auto* in the medical practice or operations of the *First Named Insured* which is not owned by, registered in the name of, hired by, or loaned to the *First Named Insured*.
  6. Liability for *Claims* brought by **your** prospective, current, or former *Employees* or independent contractors or their family members or domestic partners, including but not limited to, any of the following:
    - i. liability under any workers' compensation, unemployment compensation or disability benefits law, or under any similar law; or for any injury to, or sickness, disease, or death of any *Employee* arising out of the course and scope of employment by **you**;
    - ii. liability based in whole or in part on, or arising from, employment, employment demotion or promotion, termination or discharge, or from discrimination by **you** on any basis, including but not limited to age, color, creed, gender, marital status, national origin, physical handicap, political affiliation, pregnancy, race, religious belief, sex or sexual orientation, or union membership;
    - iii. liability based on or arising from *Sexual Conduct*; or
    - iv. liability based on or arising from the Employee Retirement Income Security Act.
- This Exclusion also applies to any obligation to share *Damages* with or repay another party who has or may pay *Damages* because of the injury.
7. Liability arising out of the hazardous properties of nuclear material.
  8. Liability arising from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of *Pollutants* at any time, including any loss, cost, or expense arising out of any:
    - i. request, demand, or order that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, *Pollutants*; or

- ii. *Claim* or *Suit* by or on behalf of a governmental authority, to recover sums incurred because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to, or assessing the effects of, *Pollutants*.

However, this Exclusion does not apply to:

- i. *Bodily Injury* or *Property Damage* arising out of heat, smoke, or fumes from a fire that becomes uncontrollable or breaks out from where it was intended to be.
- ii. *Bodily Injury* sustained within a building if caused by smoke, fumes, soot, or vapor from equipment used to dehumidify, heat, or cool the building, or to heat water for personal use by the building's occupants.

9. Liability arising from *Property Damage* to:

- i. property **you** own, occupy, or rent;
- ii. premises **you** sell, give away, or abandon, if the *Property Damage* arises out of any part of those premises;
- iii. property loaned to **you**; or
- iv. personal property in **your** care, custody, or control.

However, Item (i) above does not apply to *Fire Damage Legal Liability* up to the Fire Damage Legal Liability Limit of Liability.

10. Liability for *Property Damage* to *Your Product* or arising out of any part of it.

11. Liability arising out of any accounting, legal, architectural, engineering, building design, or construction services provided by **you** to anyone.

12. Liability arising out of *Professional Services*.

13. *Claims* by an Insured against another Insured.

14. *Personal Injury* or *Advertising Injury*:

- i. arising in whole or in part out of oral or written publication of material by or at **your** direction with knowledge of its falsity; or
- ii. arising in whole or in part out of oral or written publication of material whose first publication took place before the *Effective Date* of this Policy.
- iii. caused by or at the direction of a *Named Insured* with the knowledge that the act would violate the rights of one or more others and would cause *Personal Injury* or *Advertising Injury*.

15. *Advertising Injury* arising in whole or in part from:

- i. breach of contract;
- ii. the failure of goods, products, or services to conform with advertised quality or performance; or
- iii. the wrong description of the price of goods, products, or services.

16. Any *Claim* or action brought by:

- i. any government agency arising from an alleged violation of any statute, ordinance, or regulation;
- ii. a state licensing board; or
- iii. a private accrediting body including, but not limited to, the Joint Commission.

17. *Claims* arising directly or indirectly, in whole or in part, from fungi (including mold, mushrooms, or mildew) regardless of any other cause, event, material, product, or building component that contributed concurrently or in any sequence to that injury or damage. This includes any loss, cost, or expense related to any request, demand, or order that any Insured or others test for, monitor, clean up, treat, detoxify, or neutralize, or in any way respond to or assess the effects of such organisms.

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## H. Section VII Changes - Definitions

The following Definitions are added to Policy **Section VII: Definitions**:

**Advertising Injury** means injury arising out of one or more of the following offenses committed while this Policy is in effect and in the course of advertising **your** goods, products, or services related to your medical practice:

1. oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services;
2. oral or written publication, in any manner, of material that violates a person's right of privacy;
3. the use of another's advertising ideas or style of doing business; or
4. infringement of copyright, title, or slogan.

**Auto** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads.

**Bodily Injury** means physical injury, sickness, or disease sustained by a person, including death resulting from any of these at any time.

**Fire Damage Legal Liability** means **your** liability for *Property Damage* because of fire to premises **you** rent or lease from others or premises **you** occupy temporarily with the permission of the owner. Water damage from a fire is also included.

**General Liability Incident** means:

1. an accident, other than a *Professional Liability Incident* or *Review Incident*, which causes *Bodily Injury* or *Property Damage* other than to a patient or any Insured, and which is neither expected nor intended, and which occurs at any premises **you** use while providing *Professional Services*, or arises out of a *Named Insured's* medical practice; or
2. an event, other than a *Professional Liability Incident* or *Review Incident*, which causes *Personal Injury* or *Advertising Injury* that occurs at, or arises out of, a *Named Insured's* medical practice.

**Insured Premises** means premises used by the *First Named Insured* at the address listed in the Declarations Page, and any other premises used by the *First Named Insured* for its medical professional operations, and includes the ways immediately adjoining such premises on land.

**No-Fault Medical Payments** means the reasonable medical expenses that an injured person described herein incurs within one year after injury. *No-Fault Medical Payments* does not include fees paid or payable to **you**.

**Personal Injury** means injury arising out of one or more of the following offenses committed while this Policy is in effect:

1. false arrest, detention, or imprisonment;
2. malicious prosecution;
3. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord, or lessor;
4. oral, written, or other publication of material that slanders or libels a person or organization, or disparages a person's or organization's goods, products, or services; or
5. oral, written, or other publication of material that violates a person's right of privacy.

**Pollutants** means any solid, liquid, gaseous, or thermal irritant or contaminant. The term includes, but is not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals, asbestos, lead, and waste. Waste includes medical waste of any type.

**Property Damage** means either of the following:

1. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
2. loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the accident that caused it.

**Your Product** means any goods or products reasonably relating to **your** operation as a health care facility, manufactured, sold, handled, distributed, or disposed of by:

1. **you**;
2. others trading under **your** name;
3. a person or organization whose business or assets **you** have acquired; and
4. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
5. *Your Product* includes warranties or representations made at any time regarding the fitness, quality, durability, performance, or use of *Your Product*, and the providing of, or failure to provide, warnings or instructions.

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## I. Section VIII Changes – General Rules

The following new provision is added to Policy **Section VIII: General Rules**, item **o. Other Insurance**:

General Liability Coverage Is Excess of Any Other Coverage:

If **you** have any *Other Insurance*, whether primary, excess, umbrella, or otherwise, that provides coverage, in whole or in part, for *Damages* or expenses that are also covered by this Endorsement, the following will apply: **You** agree that the *Other Insurance* must pay first and that this Policy will apply only as excess. This Policy will not contribute with such *Other Insurance* toward payment of such *Damages* or expenses on a pro rata or any other basis. **You** and **we** agree that **you** shall not permit any *Other Insurance* to schedule this Policy to be underlying insurance with respect to any *Damages* or expenses covered by this Endorsement.



*Other Insurance* includes any valid and collectible insurance, self-insurance, self-insured retention, self-insured trust, or risk transfer instrument of any kind, other than this Policy, that provides defense or indemnity to any Insured for any *Claim, Suit*, loss, liability, or *Damages* covered, in full or in part, by this Policy.

For example, if **you** have any *Other Insurance* such as a Commercial General Liability Policy or Coverage Part, Commercial Package Policy, Businessowner's Policy, Owners/Landlords/Tenants Policy, then that policy will pay for **your** defense and will pay *Damages* first. If the limits of the *Other Insurance* are exhausted by the payment of covered *Damages*, then the coverage provided by this Endorsement would apply.

**ALL OTHER TERMS, CONDITIONS, AND LIMITATIONS  
CONTAINED IN YOUR POLICY REMAIN THE SAME.**

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