Top business insurance every dentists needs

Business insurance for dentists is a vital part of your practice: As does flossing, the right coverage for your employees, practice's equipment and your patients' health & records, can go a long way. Here is what you need to know.

There are four major policies that serves as prevention for losses: A Medical Malpractice Liability (also called Professional Liability), a General Liability or a Business Owners Policy as well as a Workers’ Compensation (which is mandatory) and Cyber Insurance.

Malpractice / Professional Liability Insurance

Our teeth are a mechanical tool that is given to us by nature. Although we use it daily, your patients often seem to neglect the importance of flossing, brushing & Co. Still, in case of toothache, your patients are likely to hold your treatment responsible, independent if the pain is caused by your error, faulty materials or poor maintenance. Common claims include adverse reaction to an anesthesia, operating without clear patient consent, failure to diagnose cancer, root canal injuries or simply accidently injuring a patient during treatment.

Patients then seek financial reparations or lawsuits, your Professional Liability will cover legal cost and settlements, sparing your reputation & wallet. The average dental malpractice payout is about $68,000 (cf. [medpro](https://www.medpro.com/documents/10502/10739/DDS+Student+Handbook.pdf) via the National Practitioner Data Bank).

Be aware, while many medical offices (but not all) will provide their dentists with Professional Liability coverage, chances are that limits (the maximum amount the insurance covers) are inadequate, therefore each dentist should consider an individual Professional Liability policy as well. Moreover, most policies are written on a “claims-made” basis, meaning that no coverage is granted for lawsuits filed after you have terminated your employment.

Depending on your type of specialty, additional endorsements are required expand your scope of coverage, here are common examples:

General Anesthesia Coverage: By default, claims arising out of the use of general anesthesia or deep sedation, unless administered in a hospital or by a person licensed in the administration of general anesthesia other than an insured, are excluded. If necessary, additional insureds have to be added.

Cosmic Procedure enhancement: With this endorsement, coverage can be expended to include damages caused through dermal procedures, such as botulinum toxins, or oral & maxillofacial procedures.

Temporary Substitute Physician: If one of your doctors is unavailable for a longer period of time, e.g. due to maternity leave, this endorsement would include coverage for a temporarily replacement.

General Liability

This policy covers injuries sustained by your patients or business partners, e.g. a patient slipping when still feeling befuddled after treatment. Also covered are two more things: Firstly, you are protected against third-party property claims, e.g. breakage of previously purchased dentures. Secondly, the policy shields you from Personal & Advertising injuries, e.g. when you are too “confident” in your recent marketing material or gossip about another dentist, who in turn files a libel & slander claim, as well as, if you improperly used someone else’s slogan or pictures and infringed a copyright.

Equipment breakdown coverage: Your job depends on several technical tools, such as a X-ray machine, vacuum systems or a dental drill, with this endorsement for your General Liability policy, equipment repair cost and lost income (if you temporarily can’t serve your patients) are covered.

Business Owners Policy

With a Business Owners Policy (“BOP”) you enjoy a discount, as it bundles General Liability with Property Liability and Business Interruption Insurance. As General Liability only covers third-party damages, you need a BOP to cover your own valuable property, such as your real estate, furniture, medical devices and other valuable electronics. In case of a fire, a natural peril (e.g. a windstorm), vandalism or other instances, BOP would assume repair & restauration cost.

Also included is a Business Interruption Insurance, that covers expenses and missed income in case you can’t open your practice. While not being able to treat your patients after a devastating accident, is bad enough, this policy would shield you from ongoing expenses (such as utility cost) and missed income, letting you focus on repair & rebuild your practice.

Workers’ Compensation

In case your employees become patients, Workers’ Compensation would cover medical cost, missed wages & indemnity. Last year, New York registered for physicians 1,230 workplace related accidents, e.g. contact with sharp objects, over-exposure to x-ray radiation or repetitive motions that cause back injuries or sprains, with a median 4 days away from work (cf. [OSHA](https://www.osha.gov/oshstats/work.html)).

Cyber Insurance

Every diagnosis & treatment is only as good as the information you have about your patient. They trust you with storing personal, payment & medical information. This makes you vulnerable to hacking attacks. Cyber insurance would cover reputational reparations & lawsuits in case of a data breach. In similar cases, the loss cost per patient record has been $200 (cf. [PwC](https://www.forbes.com/sites/stevemorgan/2016/05/13/list-of-the-5-most-cyber-attacked-industries/#59b5f72c715e))

While you might not give you a lollipop, here are more insurance goodies you should consider.

Commercial Vehicle Insurance: If you own or rent a car to make home visits, transport patients or source supplies, coverage would be excluded under a regular/private car insurance.

Employment Practices Liability Insurance: You want to keep both employees & patients happy: As Dentistry is precision work, conflicts naturally arise and sometimes you may side with your patients, upsetting your staff. This policy will cover legal cost and settlements in case a (former) employee files a lawsuit against you.

Given the high premiums & specific modifications, not only for malpractice insurance, you should plan your insurance purchase carefully. Visit linchpin.app to learn more about your coverage options and use our premium estimate calculator.