



CNA HealthPro

FAQs – Changing Carriers

Q. I'm considering changing my malpractice insurance carrier. Could this create a coverage gap?

A. It's quite possible, depending on what type of insurance you have and what type you're considering purchasing. *Claims-made* policies cover claims that are first made against you while the insurance is in force, based on incidents that occur after the prior acts date. *Occurrence* policies provide coverage for claims arising from incidents that occur during the policy period, even if the claims are not actually brought against you until after the end of the policy period.

If the policies contain identical coverage, going from occurrence coverage to claims-made causes no gap in coverage. The occurrence policy would protect you for a covered loss related to treatment that took place during the occurrence policy period.

However, switching from claims-made to occurrence coverage or from one claims-made policy to another would require you to purchase *tail coverage* (or extended reporting coverage) from the prior company. Tail coverage extends the reporting time of a claims-made policy. Failure to obtain tail coverage could result in a lack of coverage for losses reported after the end of the claims-made policy period.

Alternatively, you could purchase *prior acts coverage* from the new company, which covers you for incidents that occur before the date on which the new coverage begins.

These coverage issues can be quite complex. Your agent can explain in greater detail the potential consequences of switching professional liability insurers.

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