

# FACT

Friday



INDEMNITY TOOLKIT

## LIABILITY POLICIES: A FACT SHEET FOR MEDICAL PROFESSIONALS AND ESTABLISHMENTS

1.

### **Coverage Overview:**

Liability insurance policies for medical professionals and establishments provide financial protection against claims arising from bodily injury or property damage caused to patients or third parties during the course of medical services.

2.

### **Legal Representation:**

Professional liability insurance not only covers the costs of legal defense but also provides resources. This includes access to legal counsel who can advise medical professionals on risk management strategies, patient communication, and documentation practices to reduce the likelihood of malpractice claims.

3.

### **Tailored Coverage Options:**

Liability insurance policies for medical professionals and establishments often offer tailored coverage options to suit specific needs. This can include coverage for cyber liability, sexual misconduct, vicarious liability, and other risks unique to the healthcare industry, ensuring comprehensive protection against a wide range of potential liabilities.

4.

### **Patient Compensation:**

Liability policies cover the costs associated with legal defense, settlements, or judgments in malpractice lawsuits. This includes compensation for medical expenses, lost wages, pain and suffering, and other damages awarded to the plaintiff.

5.

### **Protection for Establishments:**

Medical facilities, including hospitals, clinics, and private practices, benefit from liability insurance that shields them from claims related to the actions of their staff members or the condition of their premises.



# INDEMNITY FACT SHEET



**6. Regulatory Compliance:**  
In South Africa, medical professionals and establishments are required by law to maintain liability insurance as part of their licensing or accreditation process. Failure to have appropriate coverage can result in fines, license revocation, or facility closure.

**7. Peace of Mind:**  
Having liability insurance in place provides medical professionals and establishments with peace of mind, knowing that they are financially protected against unforeseen circumstances and litigation risks.

**8. Costs of Litigation:**  
Without liability insurance, medical professionals and establishments must bear the full financial burden of legal defense costs, settlements, or judgments in malpractice lawsuits, which can be financially devastating and may even lead to bankruptcy.

**9. Professional Reputation:**  
Being involved in a malpractice lawsuit can tarnish a medical professional's reputation and erode patient trust. Liability insurance helps mitigate these risks by providing support for legal representation and financial compensation.

**10. Continuity of Care:**  
For medical establishments, such as hospitals or clinics, lacking liability insurance can disrupt operations and compromise patient care. Legal battles and financial strain resulting from lawsuits may lead to closure or reduced services, impacting the community's access to healthcare.



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