



PHYSICIANS HAVE A SAY IN THE SETTLEMENT OF MALPRACTICE CLAIMS AGAIN

Vicky VanGorder, CPCU, RPLU

In 1985 Florida legislation was enacted that prohibited insurance companies from selling a professional liability (malpractice) insurance policy that gave the insured physician the authority to control the settlement decisions of a claim. The insurance company had the right to determine, to make, and to conclude, without an insured physician's permission any offer of admission of liability and settlement offer, or offer of judgment of a claim within the applicable limit of liability of the policy. Interestingly this particular rule applied to physicians but not dentists.

The Florida legislature recently passed a bill that goes into effect on October 1, 2011 that allows the insurance companies to include a "consent to settle" clause within the professional liability (malpractice) insurance policies, in essence giving the claims settlement authority back to the physician. Physicians should expect to see all of the standard professional liability insurance companies in Florida amend their policy to give the settlement authority back to the physicians. Good News!

Publication By:

Vicky VanGorder, CPCU, RPLU
VanGorder Insurance Services, Inc.
P.O. Box 150725
Altamonte Springs, Florida 32715-0725
Office: (407) 661-1116
Fax: (407) 661-1115
Email: vickyv@vangorderins.com
Web: www.vangorderins.com