

Medical Alliance Association

Safety Group 834

August 2006

Umbrella Insurance

Today, lawsuits are everywhere and larger amounts of money are being awarded. Do you know business policies have a limit on liability insurance? If an unfortunate accident should occur, that is your fault, do you have enough liability insurance from your current policies to cover your costs of negligence? Since no one can predict how much may be awarded the injured person, umbrella insurance is not just for the wealthy anymore, but a needed protection for every business owner.

An Umbrella provides coverage for claims that exceed the amount of coverage on your general liability policy and may also add coverage to your commercial auto policy as well as the employers' liability coverage on your workers' compensation policy.

Umbrella insurance is designed to give a policy holder added liability protection above and beyond the limits on business insurance policies. With an umbrella policy, depending on the insurance company, one can add an additional 1-5 million in liability protection. This protection is designed to "kick-in" when the liability on other current policies has been exhausted.

Liability insurance is the portion of a business policy that pays for expenses such as the injured person's medical bills, rehabilitative therapy, and lost wages due to the negligence of the person at fault. The liability portion of an insurance policy also covers a legal defense representative, if the negligence happens to land the "at fault person" in the court room. After adding up all of the medical expenses for the injured person and the legal fees of the negligent person, the standard liability in a general labor or auto policy is often not enough. Almost every state has financial responsibility laws that hold drivers accountable for bodily injury and property damage resulting from car accidents and the "at fault driver" could be sued for the damage.

There is good news! A business umbrella insurance policy can give added liability protection without a large added cost. Additional liability insurance is often inexpensive, especially compared to the added coverage that is gained. Having the added protection of a liability umbrella policy is coverage no one should go without.

Don't make the mistake of assuming your insurance coverage provides you with all the liability protection you need. With liability lawsuits becoming more common and often leading to expensive jury awards, you cannot afford to be without protection and risk losing your assets. Protect yourself and your

business with an umbrella policy.

Information provided by kellyking@nrcinsurance.com
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Gasoline Refueling Fires

The Petroleum Equipment Institute (PEI) has issued a message regarding refueling fires. There has been to date 150 refueling fires that are not caused by cigarettes or a running engine, they appear to be caused by a discharge of static electricity.

PEI now recommends that you do not reenter your vehicle when refueling.

Sliding across the seat when entering your vehicle can create a static buildup that may cause a spark when you go back to the pump and touch the metal nozzle. If you do reenter the car, it is advised that you touch a metal part of your car that is NOT near the fuel tank area. Touching the metal will discharge the static electricity, making it safe to grab the nozzle.

1. *Turn off Engine*
2. *Don't Smoke*
3. *Never Reenter your Vehicle*



How Did I Become a Member of Medical Alliance Association? (MAA)

We occasionally receive phone calls from members who have no idea why they received an invoice from MAA.

In order to make it clear, and save you time and frustration, let us explain.

There are two ways that you could be placed with MAA.

State Compensation Insurance Fund Initiates MAA Members- SCIF can initiate the company becoming a member by directly placing the company into MAA. SCIF then subsequently notifies MAA that it has added this company to MAA Safety Group-834 as a new member. When MAA receives this notification, it then invoices the company for the annual MAA membership fee which all members must pay.

The Company or Broker of the Company Initiates MAA Membership- The company itself, or broker of the company, can initiate becoming a member of MAA by completing and signing a Policy Transfer Request Form to convert their current individual policy with SCIF over to the MAA group policy with SCIF.

~Medical Alliance Association

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Safety is a Profit Center

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General Liability Insurance Coverage for Small Business

General liability and property package coverage is the most basic type of commercial insurance and is limited to liability claims of bodily injury or property damage. Coverage is provided for accidents on your premises or at your customer's location. You and your employees are covered if, for example, you or your employee is working on a client's property and a covered accident occurs that leaves the property damaged, the policy would respond. This insurance is a business requirement for most environmental firms. Some client contracts also refer to these policies as comprehensive commercial liability. It is important to remember that these policies exclude errors and omissions type claims related to the delivery of your professional services.

All companies, without exception, should carry general liability insurance coverage for small business because it is not only needed, but is usually very affordable. If you work with pollutants (broadly defined), it is imperative that you have coverage that addresses your exposures.

General liability coverage protects against covered lawsuits alleging "bodily injury", "property damage", "personal injury" (defamation of character such as slander and libel), "advertising injury" and "damage to leased premises".

Please note that the general liability coverage does not protect against the types of lawsuits that are covered by a professional liability policy (Errors & Omissions). E & O insures a person and/or an entity against claims made by third parties alleging negligence while rendering professional services, or failure to provide a proper level of professional services. It is absolutely essential that all companies carry professional liability insurance in addition to general liability.

Potentially general liability coverage claims for a company include:

- A customer has a slip and fall accident on your premises and sues you for negligence.
- You throw a cigarette in a trash can that starts a fire that causes \$100,000 of damage to the landlord's building.
- You make a disparaging remark about a competitor and you are sued for slander.
- Patients are in the waiting room, a picture falls from the wall and hurts someone, you are sued.

Business Auto Insurance Coverage

Almost every business venture has some exposure to vehicle liability or physical damage to a vehicle as a normal part of their operations, whether you own a vehicle or your employees/independent contractors use their vehicles while conducting business for you. An auto is probably the single largest exposure to loss you have. Each time your autos go down the street your *Entire Bank Account* rides with it! Make sure you are properly protected!

Here's a little known fact about business auto insurance: There are at least nine distinct coverages available in a business auto policy which are:

Bodily Injury Liability, Property Damage Liability, Collision, Comprehensive, Medical Payments, Uninsured/Under-insured Motorist, Hired Auto, Non-Owned Auto, Rental Vehicle Benefit.

Employer Practices Liability

Statistically, there's a growing risk that threatens your business, unless you work solely alone. It's the risk that you'll be the target of legal action from a past, present or prospective employee.

It doesn't matter how many employees you have, how attractive your benefit plan is, or how long your employees have been with you. As an employer, you are at risk. According to USA Today, an estimated 450 employment lawsuits are filed in the United States every day.

The risks covered by Employers' Practices Liability Insurance:

Wrongful termination claims. The discharge of an employee has more potential to result in litigation than any other aspect of the employee relationship.

Discrimination claims. Claims by current, former or prospective employees who charge that they are the victims of discrimination on the basis of race, age, disability, religion, sex and other reasons prohibited by law.

Sexual harassment claims. Includes sexual harassment claims against your company, including claims against supervisors and fellow employees, in all categories of harassment currently defined by the Equal Employment Opportunity Commission.

Whistle-blower claims. Employees who charge that they were the subject of an adverse employment decision solely because they disclosed an unfair or illegal practice by an employer.

Other employment-related claims. Other causes of action alleged in employment litigation are covered, including libel, slander or other defamation, invasion of privacy, mental anguish, infliction of emotional distress, loss of consortium, assault, battery, breach of contract, negligent hiring, supervision, promotion or retention in connection with any other employment-related claim.

Protect Yourself and Others

As a health care provider, you're surrounded by germs on a daily basis. This puts you at risk of becoming infected. It also means that you could spread infections among your patients, or even loved ones. You can protect yourself and those around you by using standard and transmission-based precautions—guidelines set up by the Centers for Disease Control and Prevention (CDC). Read on to learn more.

What are the risks? Germs can cause infections—some that lead to severe illness and even death. Keep in mind that:

Germs can spread among patients, coworkers, and visitors.

Germs are too small to see, and infection often doesn't cause symptoms. You cannot always tell by looking if someone has an infection.

It is really up to you to keep germs from spreading.

What you can do to protect yourself:

Standard precautions are used at all times, with each patient. These precautions protect you from infections that spread through blood and Other Potentially Infectious Materials (OPIM).

Transmission-based precautions are used in certain cases on and above the standard precautions. They include contact precautions, air-borne precautions, and droplet precautions.

Handwashing on the Job

Frequent and thorough handwashing is the best way to prevent infection. The sooner you wash your hands after exposure, the less likely you are to catch or spread infection.

Do you wash your hands when you are supposed to?

Hands should be washed when first arriving at work and before you leave.

They should be washed again before and after each patient.

After touching blood or any other bodily fluid or substance, broken skin, or mucus membranes. After touching any object or surface that is, or may be, contaminated. As soon as you remove your gloves and other PPE(Personal Protective Equipment). Gloves may have tiny holes, too small to see.

Before and after eating, drinking, smoking, and after using the restroom.



How to Properly Wash Your Hands

First, carefully remove your gloves and other PPE. Follow your facility's guidelines for dealing with jewelry.

Then follow these steps:

Use warm water and plenty of soap. Work up a good lather. Don't just wipe-rub well. Clean your whole hands, under your nails, between your fingers, and up your wrists. Lather for at least 10 to 15 seconds. Rinse your hands well. Let the water run off your fingertips, not up your wrists. Dry your hands well with clean paper towels. Use paper towels to turn off the faucet and open the door so you don't recontaminate your hands.

Follow your facility's guidelines on when and how to use waterless hand cleansers.

For a complete safety material catalog, log onto our web site(www.maa834.com) and go to: Marketing Information/Safety Materials Catalog/ or go straight to <http://www.scif.com/pdf/e17805.pdf>.

2006 New Benefit Programs Available

- **Office Depot** – Members receive up to 75% Direct Discount Savings on purchases of their 14,000 products. *Contact Steve.*
- **Aqua Bottled Water** – “Member’s Business-Custom Labeled” purchase specially priced pure spring water for your marketing business needs, for \$.50 per 16 oz. bottle (\$12 case price for 24 bottles). *Contact Jesse.*
- **GreenFlag Profit Recovery** – Leads the industry in recovering on slow pay, delinquent accounts and NFS checks for a flat fee that averages \$10 per account. Special discounts offered to members. *Contact Cheryl Wilson.*
- **First Data** – The world’s largest provider of merchant processing, providing 24 hour customer service. We allow you to offer a wide range of payment options to your customers by accepting all major credit cards, debit cards and purchase cards at the point of sale and over the internet. You can reduce risk and lower cost by using PIN based debit and electronic check acceptance and grow your business with gift card and loyalty programs. *Contact Richard.*
- **Alphagraphics #481**– A rapid response business communications firm that specializes in fast turn around printing jobs while meeting ISO 9000 quality standards. Members receive 15% off on orders. All UPS ground is no charge except for logo merchandise. *Contact Chuck.*



(209) 475-6456



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(925) 931-0097



(800) 767-2484



(209) 577-2222



Identity Theft, Know your Responsibilities

As you may already be aware, the crime of identity theft is on the rise, claiming millions of victims a year. The California legislature has taken initiative by acknowledging the seriousness of this fast growing problem and has, most notably, enacted legislation to help curb the threat. SB 1386, the California Information Practice Act, was enacted in July 2003 and continues to regulate how businesses may conduct their affairs with regards to security breaches, often times resulting in identity theft situations. SB 1386, codified as Civil Code § 1798.82, requires the disclosure of security breaches and may expose businesses and nonprofits to law suits if they fail to inform

customers when system break-ins occur. More specifically, the law provides:

“[a]ny person or business that conducts business in California, and that owns or licenses computerized data that includes personal information, shall disclose any breach of the security of the system following discovery of notification of the breach in the security of the data to any resident of California whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The disclosure shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the data system.”

“personal information” as an individual’s first initial and last name in combination with any one or more of the following: (1) Social Security number (2) Driver’s license number or California Identification card number (3) Account number, credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual’s financial account.

It is important to note that individuals may file suit against an organization that fails to notify them in a timely manner that their personal information has been breached. The law provides that organizations may be sued for money damages and, in addition, individuals harmed may seek injunction against the company that is in violation of these mandates.

Information contributed by Gianelli and Fores

Medical Alliance Association Benefits

Have you enrolled in the various benefit programs offered? We have brought you several great options that could save you money! We offer:

Office Depot- 75% direct discount on over 14,000 items.

Aquas Bottled Waters- offering customized labels for your business at discounted prices.

GreenFlag Profit Recovery- helps you to recover money from slow paying customers.

First Data- a provider of merchant processing, providing 24 hour a day service. Allowing you to offer a wide range of payment options to your customers by accepting all major credit cards at point of sale and over the internet.

Alphagraphics- a printshop of the future providing fast turn around print jobs at a 15% discount to members.

For more information call (888) 436-2523

The law defines

Reporting Work Related Injuries



State Fund’s claim reporting Center (888) 222-3211 is available 24 hours a day, 7 days a week for policyholders to report injuries as soon as they occur. Agents will do the necessary paperwork to get the claim started and refer the injured to the designated physician or provider.

Within 8 hours of any serious illness or injury (requiring hospitalization over 24 hours, other than for medical observation or where there is permanent employee disfigurement) or death occurring in the workplace, or in connection with employment, employers must report the incident to the Division of Occupational Safety and Health.

