



Dental Corporate Professional Liability Entity Coverage

When and why does a Dental Practice need Entity coverage?

The need for Entity coverage occurs when more than one dentist works in a practice. Most professional liability policies will not defend and/or pay on behalf of if the entity is negligent, if there are more than one dentist working in the practice.

Unless specified in EACH individual dentist's policy (regardless of affiliation; owner, partner, associate, or employee) the Entity has NO insurance. Generally, the entity will be named in a legal action by the actions of the dentist regardless of negligence. The cost to defend is generally well over \$30,000 and this does not include any indemnity that could be awarded to the plaintiff.

Entity coverage can be obtained as a separate policy (recommended) or the entity can share the limits on the dentist's individual policy (typically the entity cannot be added as additional insured on individual dentists policy if that dentist is an employee of the entity.)

	Entity Policy - Separate Limits	Individual Dentist Policy -Shared Limits
Does this policy insure the Entity?	Yes	Maybe, the Entity can be added as additional insured to the individual dentist's policy
Who controls the policy (changes, cancellation, limits, etc.)?	Entity	Each Individual Dentist (entity has no control)
When a dentist leaves the practice is the Entity insured for procedures done by that dentist?	Yes, as long as the Entity policy remains in force OR a "Tail" policy is purchased	Maybe, it depends if the dentist keeps his/her individual policy in affect and/or purchases a Tail policy
Is Vicarious Liability Insured?	Yes	Maybe if the Entity is added to each Individual Dentist's policy
Are limits of liability shared?	No, this policy has its own limits of liability	Yes, if the Entity is shown as Additional Insured the Entity shares the limits with the dentist
How much Does it cost?	Typically, it is 10% of each individual dentist's individual policy premium. Assuming they are all insured with the same insurance company	Free if the Entity is added as Additional Insured.
What are the negatives?	It does have a minimal cost	Too hard to administer to make sure the Entity is on each individual policy AND no control over Entity coverage if Dentist leaves practice.

Remember there is typically no insurance for a dental practice if the entity is named in legal action if the dental practice has more than one dentist working in the practice.