

**MARKLUND**  
**HUMAN RESOURCES POLICY AND PROCEDURE**

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| <b>POLICY NO: 5.7</b>                            | <b>PAGE: 1 OF 1</b>            |
| <b>SUBJECT: PROFESSIONAL LIABILITY INSURANCE</b> |                                |
| <b>DEPARTMENTS AFFECTED: ALL</b>                 | <b>APPROVED BY:</b>            |
| <b>ISSUED: 2-15-91</b>                           | <b>EFFECTIVE DATE: 2-15-91</b> |
| <b>REVISED: 7-24-98</b>                          |                                |

**PURPOSE:**

To clarify Marklund's position toward employees in the areas of professional liability and individual liability insurance. Marklund provides Professional and General Liability coverage for all employees through the Illinois Provider Trust (IPT). Employees are named as beneficiaries in the Trust Agreement for actions in the SCOPE OF EMPLOYMENT.

**POLICY:**

- I. Because Marklund and its employees are exposed to professional liability, this coverage protects Marklund and employees from financial loss in the event an injury to a patient or visitor occurs.
  - A. Following Marklund policies and procedures is a requirement for every employee; deviation from these may place the employee's employment under serious consideration.
  - B. Intentional negligence or malpractice is illegal and it is not covered by any insurance. Employees are fully responsible for their own actions.
- II. Subject to the terms of the trust Agreement, the Illinois Provider Trust (IPT) will provide legal defense if an employee is named a defendant, a co-defendant, or merely involved in the case. There are two sources of a lawsuit against an employee; as a directly named defendant or co-defendant (not just named in the suit).
  - A. If an employee has their own insurance and their company does not want to contribute towards the settlement, the employer may sue the employee to force the company to contribute.
  - B. Individual professional liability insurance is primary coverage before the IPT coverage for actions within the scope of Marklund employment. An employee may consider individual professional liability insurance necessary for professional actions outside the scope of Marklund employment. Any decision concerning insurance should be with the advice of an attorney, a professional association or insurance broker.