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Nurse Practitioner 2012 Liability Update

A Three-part Approach



TWENTY YEARS OF PROVIDING PROFESSIONAL LIABILITY
COVERAGE FOR NURSE PRACTITIONERS

INTRODUCTION

This executive summary provides only a brief sampling of the information found in the *Nurse Practitioner 2012 Liability Update: A Three-part Approach*.

Part 1 of the full report provides statistical charts and analysis on fifteen topics relating to nurse practitioners' professional liability closed claims. Part 2 supplies data on eight topics relating to license protection claims and Part 3 offers readers selected highlights from the NSO 2012 Qualitative Nurse Practitioner Work Profile Survey.

The complete report also contains case studies, risk control recommendations and a risk control self-assessment checklist. You can read and/or download the report at www.nso.com/npclaimreport2012.

Part 1: Nurse Practitioner Professional Liability Exposures, CNA Five-year Closed Claims Analysis (January 1, 2007–December 31, 2011)

In 2012, Nurses Service Organization (NSO) and CNA celebrated the 20-year anniversary of the Nurse Practitioner Professional Liability Insurance Program. With more than 27,000 policies in force, we are proud to be one of the nation's largest professional liability insurance programs for nurse practitioners.

NSO and CNA are dedicated to educating nurse practitioners about risk. Using the information provided in the full report, nurse practitioners can better understand the risks and challenges they may encounter on a daily basis, evaluate their practices in relation to the claims experienced by their peers, and modify their procedures to enhance patient safety while minimizing liability exposure.

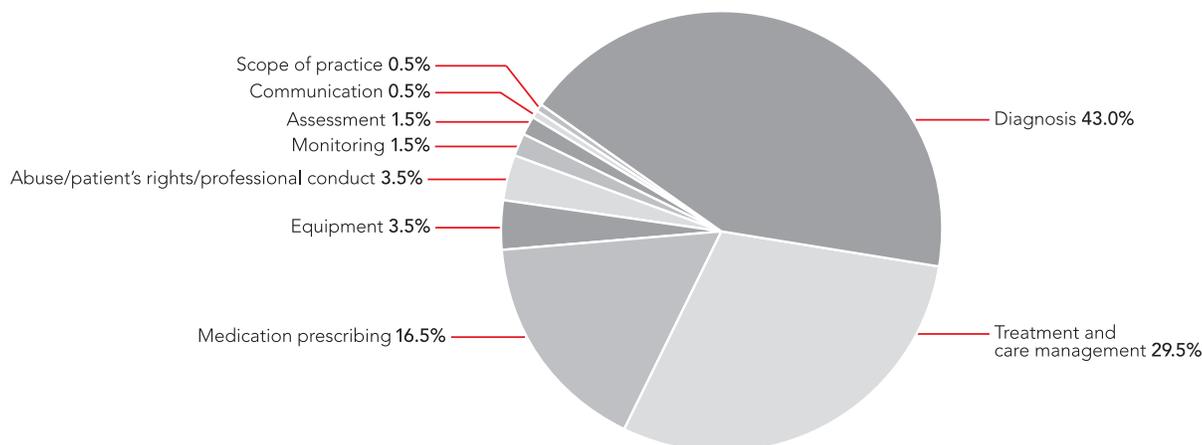
ANALYSIS OF CLAIMS BY INSURANCE TYPE

Insurance Type	Percentage of closed claims	Total paid indemnity	Total paid expense	Average paid indemnity	Average paid expense	Average total incurred
Student nurse practitioner, individually insured	0.5%	\$850,000	\$158,080	\$850,000	\$158,080	\$1,008,080
Nurse practitioner, individually insured	95.0%	\$43,055,407	\$12,222,170	\$226,607	\$64,327	\$290,935
Nurse practitioner receiving coverage through a CNA-insured healthcare business	4.5%	\$465,083	\$378,188	\$51,676	\$42,021	\$93,697
Overall	100%	\$44,370,490	\$12,758,438	\$221,852	\$63,792	\$285,645

- The single closed claim attributed to a student nurse practitioner involved alleged failure to notify the physician that a pregnant patient was showing signs of premature labor and required hospitalization. The infant was born severely impaired.

ALLEGATIONS: CLAIM DISTRIBUTION

The most frequent allegations made against nurse practitioners involved failure to diagnose and delay in making a correct diagnosis, failure to provide the proper treatment and care and medication prescribing errors.



Between 2009 and 2011, the average paid indemnity for nurse practitioner professional liability claims rose from \$186,282 to \$221,852, an increase of 19 percent.

Part 2: Nurses Service Organization's Analysis of Nurse Practitioner License Protection Paid Claims (January 1, 2007–December 31, 2011)

An action taken against a nurse practitioner's license to practice differs from a professional liability claim in that it may or may not involve allegations related to patient care and treatment provided by the nurse practitioner. Another difference is that amounts paid related to license protection claims represent the costs of providing legal representation to the nurse practitioner in defending such actions, rather than settlement payments to a plaintiff.

LICENSE DEFENSE CLAIM PAYMENT

Of the 504 total reported license protection defense incidents, 26.4 percent resulted in payment, with an average amount of \$4,441.

PRACTICE LOCATION

Of the nurse practitioners with a license protection defense paid claim most worked in an office setting (69.2 percent), followed by hospitals (19.5 percent), aging services facilities (4.5 percent), home health services (4.5 percent) and schools (2.3 percent).

ALLEGATIONS

The allegation classes with the highest percentage of license protection defense paid claims were improper treatment and care (25.6 percent), unprofessional conduct including drug diversion (23.3 percent), medication error (20.3 percent), patient abuse (9.0 percent) and working beyond scope of practice (9.0 percent).

LICENSING BOARD ACTIONS

Most board complaint outcomes for paid license protection defense claims favored the nurse practitioner, with the board's final decisions resulting in no action taken. A small number of decisions resulted in the end of a nurse practitioner's career, including license surrender (0.8 percent) and revocation (2.3 percent).

Outcome	Percentage of total closed claims
Closed – no action	61.7%
Probation	9.0%
Suspension	6.0%
Fine or CE or both	6.0%
Letter of concern	3.8%
Reprimand	3.0%
Consent agreement	3.0%
Administrative warning	2.3%
Revocation	2.3%
Professional assistance program	1.5%
Surrender license	0.8%
Public censure	0.8%

Part 3: Highlights from the NSO 2012 Qualitative Nurse Practitioner Work Profile Survey

The 2012 NSO survey was taken by 1,110 nurse practitioners. It provides additional insight into nurse practitioner professional liability claims not contained in the claims analysis found in Part 1. Below is a partial summary of the key findings from the survey. You can find the complete survey results at www.nso.com/npclaimreport2012.

YEARS IN PRACTICE

- The number of claims increased with the respondents' experience. Nearly 73 percent of respondents who experienced claims had worked as a nurse practitioner for more than 11 years. Highest average total paid amounts were for those who had been in practice for six to 10 years. This correlates with the findings that the longer a nurse practitioner is in practice, the higher his or her risk of experiencing a claim.
- As the clinical hours and continuing education credits required in the respondents' nurse practitioner program increased, the average total paid amounts declined slightly.

EDUCATION

- Most respondents who experienced claims had a master's degree in nursing. Average total paid amounts were directly correlated with level of education, with higher levels experiencing higher average total paid amounts.

SCOPE OF PRACTICE

- Most respondents (76.4 percent) indicated that they refuse to perform out-of-scope actions. Those who experienced claims related to practicing outside their scope of practice indicated that the biggest factor influencing their decision to practice beyond their scope was the finding that they were trained to do the procedure by their supervising physician.

SUPERVISION

- A majority of respondents who experienced claims indicated that supervision was available if needed. Respondents who indicated they were not supervised at all had the highest average total paid amount.

PATIENT CONTACT

- A little more than one-third of respondents who experienced claims spent an average of 16 to 20 minutes in direct contact with their patients. With one exception, more time spent in direct contact with patients correlated with slightly decreased average total paid amounts.

ELECTRONIC RECORDS

- Using electronic medical records was associated with the lowest average total paid amount.



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In addition to this publication, CNA has produced numerous studies and articles that provide useful risk control information on topics relevant to nurse practitioners. These publications are available by contacting CNA at 1-888-600-4776 or at www.cna.com. Nurses Service Organization (NSO) also maintains a variety of online materials for nurses, including nurse survey results, articles and useful clinical and risk control resources, as well as information relating to nurse practitioner professional liability insurance, at www.nso.com.

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