

**SOCIAL SERVICE AGENCY PROFESSIONAL  
LIABILITY INSURANCE PROGRAM**

*Program Administered by:*  
American Professional Agency, Inc.  
*Program Underwritten by:*  
American Home Assurance Co.  
*Sponsored by:*  
NASW Assurance Services

## Lawsuits are embarrassing... and expensive

The strong personal commitment which professional mental health care demands, involvement with people, their situations and their environment, can place your Agency, its officers and employees in a vulnerable legal position. More important, individual professionals can be sued for an alleged error or negligent omission. The Agencies they represent can also be held responsible for allegations made against these professionals.

In recent years, court judgments in such cases have increased alarmingly. Any suit brought by one of your Agency's clients, even though it may be groundless, false, or fraudulent, must be defended. The cost of such a defense can be excessively high.

That is why American Home Assurance Company, in consultation with N.A.S.W., has developed the Social Service Agency Professional Liability Insurance Program to protect your Agency and its employees. This custom coverage has been designed to fit the special needs of any qualified Agency. (Note: Availability of the policy is not limited to N.A.S.W. members, and no additional financial transaction other than arrangements for payment of the premium are required for purchase of the insurance.)

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## Our flexible, low-cost coverage features:

- Specially designed no-deductible protection against claims which arise from professional services by your Agency, including the Agency's liability for acts of employees.
- Your Agency is insured in its own name and the policy covers individual employees while working under the auspices of the Agency. In the event of a professional liability suit against the Agency and an employee on your staff, the policy will protect both.
- This blanket protection includes employees, directors, trustees, and executive officers while acting within the scope of their duties as such.
- The **Agency** is protected for volunteers and students and they are protected personally.
- Protection for acts occurring during the policy term even though the claim is made after the policy expires.
- An automatic coverage of additional employees hired during the policy term.
- Employed psychiatrists may be included except in Pennsylvania.

Psychiatrists are not covered unless you tell us about them in the application and a premium charge is shown for them in the policy. Physicians (other than psychiatrists) cannot be covered.

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## Get A Quote

Since every Agency is different, we tailor our premium to fit your operation and employees.

Simply complete the attached application and return it to us. We will provide a quote to you immediately. We do require the completed application before quoting.

Please make sure all questions are answered fully and complete information is provided under Question 4 for each employee.

Submission of an application does not bind the company to either quote or accept the risk.

Any additional information that is pertinent to any question regarding your operation should be included.

Students and volunteers are protected personally.

Independent Contractors/Consultants are NOT personally protected by this policy unless required by the insurance carrier. The Agency is always protected for their acts while doing work for the Agency.

**We do require a copy of all promotional or descriptive brochures.**

All policies will become effective on the first day of the month following the date the completed application is approved and premium is received. Consideration will be given to those applicants requiring a date other than the 1st of the month, however no policies will be back-dated. Please make this request when the application is submitted.

Note: Policy coverage, terms, and conditions are only briefly outlined here. For complete provisions, please refer to the policy itself. A copy is available upon request.

# Application

## for Social Service Agency Professional Liability Policy Offered through the Professional Counselors Purchasing Group, Inc.

Notice to Florida Applicants:  
License #054346502 issued to Richard C. Imbert

Notice to California Applicants:  
License #0555091 issued to American Professional Agency, Inc.

All questions must be answered and the application must be dated and signed before a quotation is given.

**NOTICE: A SMALLER LIMIT APPLIES WHEN THERE ARE ALLEGATIONS OF SEXUAL MISCONDUCT.  
( SEE THE SPECIAL PROVISION "SEXUAL MISCONDUCT" IN THE POLICY )**

1. Name of Applicant: \_\_\_\_\_  
Address: \_\_\_\_\_

(City) (County) (State) (Zip Code)

(If more than one location, list on separate sheet and attach to application.)

Person to Contact: \_\_\_\_\_  
Business Telephone Number: ( ) \_\_\_\_\_

2. Applicant is a:  For Profit Corporation  Nonprofit Corporation  
 Partnership  Municipal / Governmental  
 Other  
(specify) \_\_\_\_\_

3. Limits of Liability desired (check one):  
(Limits of Liability apply to each claim. A series of continuous, repeated or interrelated wrongful acts are considered one wrongful act and one claim.)

The first limit is applicable to each claim. The second limit is the annual aggregate the insurer is liable for.

- \$100,000/300,000       \$1,000,000/1,000,000       \$1,000,000/3,000,000  
 \$1,000,000/4,000,000       \$1,000,000/5,000,000       \$2,000,000/2,000,000       \$2,000,000/4,000,000

4. List the name and information for every employee including clerical. If additional space is needed, please use the page provided. Independent Contractors are not to be listed since they are not personally protected.

Name	Degree & Field of Study	Licensed As	Certified As	Full Time Part Time	Position Held (Job Title)

5. Does the agency utilize the services of any Independent Contractors or Consultants (1099 form)?  Yes  No  
If yes, on a separate sheet of paper, please provide us with all their names, degrees and fields of study.

6. Total number of hours donated by volunteers in an average work week: \_\_\_\_\_

7. Average number of students working for or training under the direction of the applicant named in Question 1: \_\_\_\_\_

8. The applicant is a member of (check next to those which apply):  
 Council on Accreditation of Services for Families and Children  
 Child Welfare League of America  
 Family Service Association of America  
 United Way  
 Other (specify) \_\_\_\_\_

9. a) The agency is licensed by state or local authorities:  Yes  No  
If yes, indicate which authority: \_\_\_\_\_

b) The agency is certified by: \_\_\_\_\_

10. Year established: \_\_\_\_\_

11. Indicate Gross Revenues:  
a) Last Calendar Year: \_\_\_\_\_ b) This Calendar Year: \_\_\_\_\_

12. Give a complete description of the services provided. If additional space is required, attach a separate sheet to this application.  
(Include any descriptive material and/or brochures.) \_\_\_\_\_

Please complete the application on the next page.

# Application (continued)

**ALL PARTS OF THE FOLLOWING QUESTIONS MUST BE ANSWERED.**  
If additional space is required, attach a separate sheet to this application.

## ADOPTION SERVICES

13. Does the applicant provide adoption services?  Yes  No
- a) Number of adoptions arranged in last calendar year: \_\_\_\_\_
- b) Estimate number of adoptions you will arrange this calendar year: \_\_\_\_\_
- c) What are the ages of the children placed for adoption? \_\_\_\_\_
- d) Outline the protocol used in the adoption procedure: \_\_\_\_\_  
\_\_\_\_\_
- e) Does applicant have legal custody of child?  Yes  No
- f) Is a guardian appointed to ensure the child's welfare?  Yes  No

## FOSTER CARE

14. Does the applicant place children in foster homes?  Yes  No
- a) Number of children placed in foster homes during the last calendar year: \_\_\_\_\_
- b) Estimate number of children you will place in foster homes this calendar year: \_\_\_\_\_
- c) What are the ages of the children placed in foster homes? \_\_\_\_\_
- d) How many foster homes does the applicant utilize? \_\_\_\_\_
- Are all homes licensed by applicable state and/or local authorities?  Yes  No
- e) How does the applicant obtain foster homes? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- f) Who licenses the foster homes? \_\_\_\_\_  
\_\_\_\_\_
- g) Does the applicant certify the foster homes it utilizes?  Yes  No  
If yes, describe standards set for certification: \_\_\_\_\_  
\_\_\_\_\_
- h) What is the applicant's criteria upon which a foster home is rated and accepted? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- i) How often are children moved from one foster home to another? \_\_\_\_\_  
\_\_\_\_\_
- j) How many times does the applicant have its employees visit the children in the foster homes? \_\_\_\_\_
- k) Who compensates foster parents? \_\_\_\_\_
- l) Does the applicant require proof of Foster Parents Liability Insurance?  Yes  No
- m) Please forward proof of General Liability Insurance indicating minimum of \$100,000/\$300,000 coverage.
- n) What is the procedure utilized by the applicant to handle allegations of child abuse (sexual or other) in the foster home? \_\_\_\_\_

## RESIDENTIAL

15. Does the applicant provide residential care services?  Yes  No
- a) Number of residents last calendar year: \_\_\_\_\_
- b) Estimate number of residents during this calendar year: \_\_\_\_\_
- c) Age limitations of residents: \_\_\_\_\_

Please complete the application on the next page.

# Application (continued)

15. (continued)

- d) Average age of residents: \_\_\_\_\_
- e) Residents are: Male \_\_\_\_\_ Female \_\_\_\_\_ Both \_\_\_\_\_
- f) Average length of stay by residents: \_\_\_\_\_
- g) Number of beds the applicant maintains: \_\_\_\_\_
- h) The applicant provides residential care for the following (check the boxes next to those you are involved in)
- Half Way House for Handicapped
  - Half Way House for Convicts
  - Crisis Shelter
  - Half Way House for Troubled Juveniles
  - Orphanage
  - Other (specify): \_\_\_\_\_
- \_\_\_\_\_
- i) How many residences/locations are utilized by applicant for residential services? \_\_\_\_\_
- \_\_\_\_\_
- Attach separate sheet listing locations.
- j) Does the applicant own or lease the residences used for the residential care services? \_\_\_\_\_
- \_\_\_\_\_
- k) Indicate client/staff ratio: \_\_\_\_\_
- l) Describe the security measures the applicant has placed at each residence: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- m) How many employees or persons under contract\* with the applicant named in Question 1 staff the residence after normal hours of operation? \_\_\_\_\_
- n) The agency must present proof of Comprehensive General Liability Insurance in a minimum amount of \$100,000/\$300,000.
- o) How does the applicant obtain the residents utilizing the applicant's services? \_\_\_\_\_
- \_\_\_\_\_
- p) Indicate the minimum number of monthly visits to the residence by the caseworker: \_\_\_\_\_
- q) What is the procedure utilized by the applicant to handle allegations of child abuse (sexual or other) in the residential facility? \_\_\_\_\_

16. Does the applicant provide counseling services?

Yes  No

- a) The applicant provides (check next to those that apply):
- out-patient services only
  - in-house patient services (bed and board facilities) only
  - both out-patient and in-house patient services
- (Note: The policy does not cover liability arising out of clinics with in-house patient services.)
- b) Number of client out-patient visits in last calendar year: \_\_\_\_\_
- c) Estimate number of client out-patient visits during this calendar year: \_\_\_\_\_
- d) What types of problems are treated by the applicant? \_\_\_\_\_
- \_\_\_\_\_
- e) Does the applicant have services specifically concerned with sexual response/dysfunction?  Yes  No
- If yes, does the agency utilize any sexual surrogates and/or hands on therapy when delivering these services?  Yes  No
- Please explain: \_\_\_\_\_
- \_\_\_\_\_

**\*NOTE: This policy does not provide coverage to Independent Contractors/Consultants unless required by the insurance carrier. The Agency is always protected for their acts while doing work for the Agency.**

# Application (continued)

16. (continued)

f) Does the applicant perform any research activities?

Yes  No

If yes, give full particulars: \_\_\_\_\_  
\_\_\_\_\_

g) Does the applicant maintain any facilities for detoxification of substance abuse?

Yes  No

If yes, give full particulars: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

h) If the applicant provides group therapy sessions, answer the following:

1) Average size of group: \_\_\_\_\_

2) Average number of times a week the group meets: \_\_\_\_\_

3) Indicate the classes for whom group therapy is used: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

i) Does the applicant provide hotline services?

Yes  No

If yes, answer the following:

1) What types of problems are handled by the hotline? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2) Do you use volunteers as hotline counselors?

Yes  No

3) If volunteers are used as counselors, outline the training they receive: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4) Hours of operation of the hotline: \_\_\_\_\_

5) Please provide us with a written protocol outlining the procedure for handling all calls.

17. Does the applicant provide resettlement services?

Yes  No

a) Please provide a copy of all the services provided by your agency including such information as protocol used for an unaccompanied minor; policy regarding periodic evaluation of foster homes, group homes, and residential care centers; procedures regarding the handling of alleged abuse of any kind.

b) Does the agency accept responsibility for the local resettlement of clients of a national voluntary agency?

Yes  No

If yes, please provide us with the written agreement which describes the relationship between the agencies and the services provided.

18. a) List the expiration date of prior Professional Liability Insurance carried: \_\_\_\_\_

b) Prior limits: \_\_\_\_\_ Prior premium: \_\_\_\_\_

c) Prior insurance carrier: \_\_\_\_\_

Please complete the application on the next page.

# Application (continued)

## REPRESENTATION SECTION

Any policy issued by the Company is based on the following Representations:

19. \*After inquiry of each person named in Question 4:

\*\*After inquiry” means the applicant has inquired of each person as to whether he/she has information pertinent to this question.

- a) Has any professional liability claim or suit ever been made against the applicant named in Question 1, its directors, officers, or any person named in Question 4, their predecessors in business or against any past or present partner?  Yes  No

If yes, please give full particulars for each claim in order for your application to be considered: \_\_\_\_\_

\_\_\_\_\_

- b) Are there any circumstances which the applicant named in Question 1, its directors, officers, or any person named in Question 4 is aware of that may result in any claim or suit being made against the applicant, its directors, officers, or any person named in Question 4, their predecessors in business or against any past or present partner or employees?  Yes  No

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_

\_\_\_\_\_

- c) Has the applicant named in Question 1 or any person named in Question 4 ever had any insurance company or Lloyd’s decline, cancel, refuse to renew or accept only on special terms any Professional Liability Insurance?  Yes  No  
**MISSOURI APPLICANTS DO NOT RESPOND.**

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_

\_\_\_\_\_

- d) Has any person named in Question 4, ever been convicted of or charged with a crime (felony) in any state or country, the disposition of which was other than acquittal or dismissal?  Yes  No

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_

\_\_\_\_\_

- e) Has any person named in Question 4, ever had any licensing board or professional ethics body ever require you to surrender your license or found you guilty of violation of ethics codes, professional misconduct, unprofessional conduct, incompetence or negligence in any state or country?  Yes  No

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_

\_\_\_\_\_

- f) Are there any charges pending against any person named in Question 4, by any licensing board or professional ethics body for violation of ethics codes, professional misconduct, unprofessional conduct, incompetence or negligence in any state or country?  Yes  No

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_

\_\_\_\_\_

- g) Is any person named in Question 4, engaged in or ever been engaged in any sexual misconduct with any of your current or former patients or any current or former patient’s spouse or any person with a direct relationship to the patient or former patient (for example a guardian, blood relative of the patient or spouse or any person sharing the patient’s domicile)?  Yes  No

(Sexual misconduct means any actual or alleged erotic physical contact or attempt thereat or proposal thereof.)

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_

\_\_\_\_\_

Please complete the application on the next page.

# Application (continued)

The applicant hereby represents that to the best of his/her knowledge the statements set forth in this application are true. If the information supplied on this application changes between the date of this application and the time when the policy is issued the applicant will immediately notify the Company.

**Notice to Arkansas Applicants:** "Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

**Notice to Colorado Applicants:** "It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies."

**Notice to Florida Applicants:** "Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony in the third degree."

**Notice to Kentucky Applicants:** "Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime."

**Notice to Maine Applicants:** "It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits."

**Notice to New Jersey Applicants:** "Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties."

**Notice to New Mexico Applicants:** "Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties."

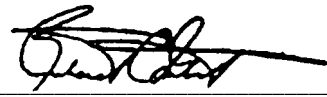
**Notice to New York Applicants:** "Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation."

**Notice to Ohio Applicants:** "Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud."

**Notice to Pennsylvania Applicants:** "Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."

Date: \_\_\_\_\_ Signature: \_\_\_\_\_  
(APPLICANT/OWNER/PRESIDENT OF CORPORATION)

Title: \_\_\_\_\_

Signature of Authorized Representative of the American Professional Agency, Inc.  \_\_\_\_\_

This application does not bind the applicant nor the Company to complete the insurance, but, it is agreed that this form shall be the basis of the contract should a policy be issued. Application must be signed, dated and fully completed to be considered for quotation.

**Please mail to: American Professional Agency, Inc.**

**Program Administrator:**

**AMERICAN PROFESSIONAL AGENCY, INC.**

95 Broadway, Amityville, NY 11701

(631) 691-6400 ● (800) 421-6694

[www.americanprofessional.com](http://www.americanprofessional.com)

*Underwritten By:*

**AMERICAN HOME ASSURANCE COMPANY**



A Member Company of  
American International Group

## **BASIC GUIDELINES REGARDING ENCLOSED APPLICATION**

Dear Applicant:

Enclosed is the application you have requested for Professional Liability Insurance for Social Service Agencies and employees, students in field placement and volunteers as such.

Please provide us with a complete listing, by name, of **ALL** current employees (including clerical) of the Agency. Also, please give us the total number of volunteer hours donated by all volunteers during an average workweek. In addition, please supply us the average number of students in placement yearly with your Agency. Please place the last two answers in the appropriate position on the application. Upon submitting your application include a brochure outlining all services being offered.

You have the option of including Psychiatrists, **who are employees** of the agency, in the coverage. They can be insured as individuals while working for the Agency. The underwriting requirements stipulate that with this option **ALL** Psychiatrists be included, not just select ones. If you wish to include them, please list each Psychiatrist, along with the other employees, under question number four identifying each one by classification (i.e., James Smith, M.D., Psychiatrist).

Independent Contractors/Consultants are not insured under this policy unless required by the insurance carrier. This means that only employees, students in field placement, and volunteers as such are covered under the Social Service Agency Program. The **Agency** is protected, at no additional charge, for the acts of its Mental Health Independent Contractors/Consultants while doing work for the Agency. This does not include anyone in the medical field. The definition of an Independent Contractor/Consultant is anyone who receives a 1099 form. Anyone who receives a W2 form is an employee.

Higher limits of liability are available as indicated on the application, but are not available in all states at this time. You will be advised as to eligibility when your quote is sent.

A response to the completed application will be given as quickly as possible by this office.

If you have any questions concerning this, please contact this office.

Very truly yours,

American Professional Agency, Inc.

AGY-117 2/04

**ADDENDUM TO SOCIAL SERVICE AGENCY PROFESSIONAL LIABILITY POLICY  
AMERICAN HOME ASSURANCE COMPANY**

**REPRESENTATION SECTION**

Any policy issued by the Company is based on the following Representations:

19. \* After inquiry of each person named in **Question 5**:

\*“After inquiry” means the applicant has inquired of each person as to whether he/she has information pertinent to this question.

a) Has any professional liability claim or suit ever been made against the applicant named in Question 1, its directors, officers, or any person named in **Question 5**, their predecessors in business or against any past or present partner?      YES      NO

If yes, please give full particulars for each claim in order for your application to be considered: \_\_\_\_\_  
\_\_\_\_\_

b) Are there any circumstances which the applicant named in Question 1, its directors, officers, or any person named in **Question 5** is aware of that may result in any claim or suit being made against the applicant, its directors, officers, or any person named in **Question 5**, their predecessors in business or against any past or present partner or contractors/consultants?      YES      NO

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_  
\_\_\_\_\_

c) Has the applicant named in Question 1 or any person named in **Question 5** ever had any insurance company or Lloyd’s decline, cancel, refuse to renew or accept only on special terms any Professional Liability Insurance?      YES      NO

**MISSOURI APPLICANTS DO NOT RESPOND.**

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_  
\_\_\_\_\_

d) Has any person named in **Question 5**, ever been convicted of or charged with a crime (felony) in any state or country, the disposition of which was other than acquittal or dismissal?      YES      NO

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_  
\_\_\_\_\_

e) Has any person named in **Question 5**, ever had any licensing board or professional ethics body ever require you to surrender your license or found you guilty of violation of ethics codes, professional misconduct, unprofessional conduct, incompetence or negligence in any state or country?      YES      NO

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_  
\_\_\_\_\_

f) Are there any charges pending against any person named in **Question 5**, by any licensing board or professional ethics body for violation of ethics codes, professional misconduct, unprofessional conduct, incompetence or negligence in any state or country?      YES      NO

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_  
\_\_\_\_\_

g) Is any person named in **Question 5**, engaged in or ever been engaged in any sexual misconduct with any of your current or former patients or any current or former patient’s spouse or any person with a direct relationship to the patient or former patient (for example a guardian, blood relative of the patient or spouse or any person sharing the patient’s domicile)?      YES      NO

(Sexual misconduct means any actual or alleged erotic physical contact or attempt thereat or proposal thereof.)

If yes, please give full particulars in order for your application to be considered: \_\_\_\_\_  
\_\_\_\_\_