

Do I need professional liability insurance?

Professionals that operate their own businesses need professional liability insurance in addition to an in-home business or businessowners policy. This protects them against financial losses from lawsuits filed against them by their clients.

Professionals are expected to have extensive technical knowledge or training in their particular area of expertise. They are also expected to perform the services for which they were hired, according to the standards of conduct in their profession. If they fail to use the degree of skill expected of them, they can be held responsible in a court of law for any harm they cause to another person or business. When liability is limited to acts of negligence, professional liability insurance may be called "errors and omissions" liability.

Professional liability insurance is a specialty coverage. Professional liability coverage is not provided under homeowners endorsements, in-home business policies or businessowners policies (BOPs).