

5 Common Liability Traps Home Health & Hospice Providers Fall Into — And How to Avoid Them

As a home health, hospice, homecare, or healthcare provider, managing liability and workers' compensation is critical. Overlooking common pitfalls can leave your organization exposed to lawsuits, fines, or unexpected costs. Here are five traps we see most often — and steps you can take to avoid them.

✓ *Underinsuring Your Business*

Many healthcare organizations carry only the minimum liability or workers' comp coverage. This may save money upfront but can leave you severely underprotected. **Solution:** Review your coverage annually and ensure policy limits reflect your true risk exposure.

✓ *Not Covering Contractors or Staffing Properly*

Some policies exclude independent contractors or staffing personnel unless they carry their own insurance. If they don't, your business may be responsible for their claims. **Solution:** Require certificates of insurance from all contracted caregivers and verify coverage is active.

✓ *Ignoring Contract & Payer Requirements*

Hospitals, referral sources, and payers often include specific insurance requirements. Missing these can lead to lost contracts or compliance issues. **Solution:** Always review payer and partner contracts carefully and align policies with requirements.

✓ *Failing to Track Employee Classifications*

Misclassifying field nurses, aides, or office staff can trigger workers' comp audits, penalties, and premium hikes. **Solution:** Work with your broker to ensure accurate classifications and payroll tracking.

✓ *Letting Policies Lapse*

Even a short lapse in liability, abuse, or workers' comp coverage can create financial exposure — and make it harder to get affordable coverage later. **Solution:** Set up reminders for renewals or use autopay/financing options to keep policies active.

Staying proactive about your coverage is the best way to protect your patients, staff, and reputation. At **Peloton Insurance Brokers, LLC**, we specialize in helping California, Nevada, and Texas healthcare providers secure tailored liability and workers' compensation programs. We'll help you avoid these traps, reduce costs, and stay compliant. **Contact us today to review your coverage and protect your business.**

Peloton Insurance Brokers, LLC

Serving California • Nevada • Texas

Phone: (949) 359-1380

Email: brokers@pelotonins.com

Website: www.pelotoninsurancebrokers.com