

Insuring Private Hospitals and Surgical Facilities

February 23, 2021

Privately owned and operated hospitals and surgical facilities are on the rise in Canada. More patients are opting to pay to skip long waitlists and receive more individualized attention from practitioners. Canada houses more than 100 of these private clinics. They are typically run independently by physicians or surgeons, performing MRI scans, numerous types of surgeries (including dental and cosmetic), and even regular check-ups.

Why are more Canadians choosing private hospitals and surgical facilities? Aetonix, a Canadian healthcare tech company, cites a few benefits of these alternatives to public hospitals:

- **Convenience and speed:** Waiting in the queue to get treatment for a painful condition can be inconvenient and uncomfortable. According to a study from the Canadian Institute for Health Information, only 50% of people in Ontario ages 18 and older could receive a knee replacement surgery less than 92 days after booking it. Paying a private surgeon hundreds or thousands of dollars for the same procedure in a shorter amount of time seems well worth the cost.
- **Personalization:** Private clinics have a more balanced doctor-to-patient ratio, translating to a higher quality of care for patients. These facilities also give patients more options, such as the ability to choose the physician.
- **Decreased risk:** 1 in 10 patients admitted to the hospital will get a hospital-acquired infection during their stay. By contrast, private facilities typically don't have overnight beds. Patients don't have to worry about sharing their overnight stay with other sick patients. (1)

This article will list the liability risks and regulations facing private hospitals and surgical facilities for brokers looking to represent clinics in this market.

What's at Risk for Hospitals and Surgical Facilities

Private clinics face numerous exposures from their patients, staff, equipment, and property. Here are some examples of what could go wrong:

1. **Patients:** Not having overnight beds has its pros and cons. While it decreases the risk of contracting an illness, it also poses the risk of poor patient outcomes from the post-op care process.
2. **Staff:** Practitioners have a duty of care to their patients. They could compromise their duty because of overwork, workplace stress, or failure to comply with their practice's regulatory requirements.
3. **Equipment:** Machine breakdown, malfunctions, and other deficiencies could result in injuries to staff or patients. Private clinics could also be held responsible

for failing to follow the equipment manufacturer's recommended maintenance procedures when there is a breakdown or failure.

4. **Facility:** When facilities are overcrowded, poorly maintained, or not optimized for health and safety, this can result in risks of injury or disease outbreak.

Understanding Regulations

Though growing in popularity, Canadian private clinics still have their work cut out for them to mitigate unique risks that are less prominent in public hospitals. According to an article in MedThree, private facilities cannot handle more complex cases due to limited staffing and equipment capacity. Further, private hospitals and surgical facilities have restricted or limited contingency plans for intraoperative emergencies and post-op care. (2)

Nevertheless, governing bodies such as the College of Physicians and Surgeons of Ontario (CPSO) are responding to these challenges. The CPSO has increased inspections to oversee private surgical facilities in recent years. The CPSO also provides accreditation to these facilities.

The MedThree Advantage

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Sources:

1. <https://aetonix.com/care-coordination/public-vs-private-hospitals-why-go-private/>
2. <https://medthreeinsurance.com/uploads/articles/Surgical%20Facilities.pdf>