



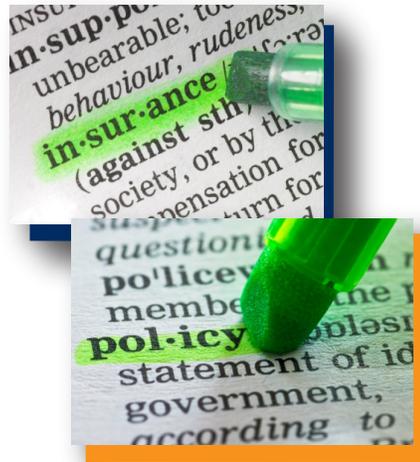
E & O Loss Prevention Tip

Description of Claim:

The insured agent sold a LTC policy to a client, and specifically assured the client that a certain facility qualified for 100% payment under the plan, when in fact the facility had 2 branches, one of which qualified for 100% payment, and one qualified for 70% payment. The client went into the facility, but was in the assisted living part of the facility that qualified for only 70% payment. The client made a demand for payment of the remaining 30% from the agent's E&O policy. The claim was resolved by paying the first 60 days of care from the agent's E&O, and then the client selected a different facility.

E&O Prevention Tip:

Limit representations regarding policy benefits to a summary sheet or highlight sheet, that you have prepared in advance, that outlines basic coverage's and benefits afforded under the policy. If there are more detailed or specific questions about policy benefits or coverage's, do additional research prior to answering questions. Have the client sign or initial the summary or highlight sheet so you have file documentation of what was explained to the client.



Brown & Brown of California, Inc.
dba CalSurance Associates
681 South Parker St., Suite 200, Orange, CA 92868



Phone: (800) 745-7189
Fax: (800) 607-6875
E-mail: info@calsurance.com
California License #: 0B02587