

## Missing your Tail?

Extended Reporting Periods are a critical feature of professional liability coverage whenever a professional reaches retirement.

I've noticed that most, if not all, standard physicians companies offer the doctor a lifetime tail upon retirement. Sometimes the tail is free, if the doc has been with that insurer long enough. Other times it's at a relatively reasonable premium.

I've seen this provision in an accountants' policy or two.

However, I have not seen it extended on architects or engineers policies or in the handful of lawyers professional liability policies I have recently reviewed.

What's up with that?

Notwithstanding the fact that many of these professionals work in a firm environment and don't carry individual policies, they still have the issue of coming to retirement age with an incredibly long loss development horizon. They frequently have no control over the ability to purchase tail on their own, having been just a cog in the wheel of the firm, yet they are personally liable for their professional errors in many jurisdictions. If the firm does not maintain coverage, or somehow moves to a policy that does not include these hapless retirees, they are bare.

I would love to see the market respond to this issue by providing an individual tail trigger (and quite possibly limit) for professionals reaching retirement age. Maybe in the next soft market, it will evolve.