

Liability and Risk Reduction

Course Curriculum for Estheticians

Developed and Sponsored by
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Liability and Risk Reduction Course Curriculum for Estheticians

Course Session Summary

This 2-module course is intended to provide esthetician students with an overview of business and professional liability needs they will encounter as professionals. This essential knowledge provides students with the information needed to seek liability insurance for all unanticipated needs. A second module on risk reduction has been developed for schools that do not already have this content integrated into their course curriculum. Both modules should take about 75–90 minutes to complete, depending on the level of participation from students. The course was designed to be used in conjunction with the accompanying PowerPoint presentation, *Liability and Risk Reduction: A Guide for Estheticians*, found on the enclosed CD.

In Module 1, students will read aloud a few real-life risk issues, which are potentially threatening to an esthetician's livelihood. It is important to illustrate this need to pre-professionals who may not yet recognize the need to protect themselves against future liability risk exposures and occurrences with both insurance and adequate documentation. The instructor will then lecture about the types of liability and typical claim types, followed by a discussion on claims prevention and risk reduction. The curriculum includes several critical thinking discussion questions intended to further emotionally engage the student and invoke images of Court TV.

Module 2 will provide a lecture in which risk reduction activities are listed and discussed.

As an option, students will then read further case scenarios in small groups and report back to the large group how risk can be minimized in each situation. As a follow-up, students can be asked to complete a mock incident report on one of the case studies as a homework assignment.

Session Objectives:

Module 1. Esthetician Liability

By the end of the session, students will be able to:

1. Appreciate the need to obtain liability insurance.
2. Contrast four different types of liability insurance.
3. Summarize why practitioners need liability insurance.
4. Describe the types of claims typically made against estheticians.

Module 2. Risk Reduction

By the end of the session, students will be able to:

5. Identify key risk reduction strategies.
6. Recognize what to do if an incident occurs.
7. Reinforce the need to obtain liability insurance.

Curriculum Overview

| Objective | Content | Delivery Method | Evaluation |
|--|---|---|---|
| Module 1. Esthetician Liability | | | |
| 1. Appreciate the need to obtain liability insurance. | <ul style="list-style-type: none"> Students to read 3 brief pre-session case studies: <ol style="list-style-type: none"> Instrument dropped on a client Disfigurement Equipment collapse | Case study | Ask students how many think they need some liability insurance to protect them as estheticians. |
| 2. Contrast 4 different types of liability insurance. | <ul style="list-style-type: none"> Types of Liability Insurance: <ol style="list-style-type: none"> General Professional Product Claims made vs. occurrence form Additional Insured Endorsement Requiring insurance of others Where to obtain liability insurance Discussion: <ol style="list-style-type: none"> How much coverage should one have? Why that amount? What if you are a homeowner, property owner, or are perceived as having deep pockets? | Lecture/discussion | Quiz: Matching exercise |
| 3. Summarize why practitioners need liability insurance. | <ul style="list-style-type: none"> Question: What would you do if you were a highly visible professional and your esthetician burned your face? Define liability risk exposure. Who can get sued. Don't assume you are covered. Discussion: Ask students about other lawsuits they've seen on TV (and their validity). | Lecture/discussion | Quiz: True/False questions |
| 4. Describe the types of claims typically made against estheticians. | <ul style="list-style-type: none"> Product/equipment problems Injury caused by esthetician during the treatment Client suffers injury due to accident (not caused by treatment) Alleged problems with no real incident Discussion: How do you distinguish what's honest and what could be fabricated? | Lecture/discussion | Quiz: Multiple choice |
| Module 2. Risk Reduction | | | |
| 5. Identify key risk reduction strategies | <ul style="list-style-type: none"> Keeping accurate records. Always use client health history, waiver and update forms. Conduct work environment safety checks. Develop communication/relationships with clients. Use home care and after treatment precautions. Ensure privacy; eliminate gossip. Educate and counsel clients about procedures and any potential risks. Unplug heat sources and small appliances; limit use of candles. Drape clients. Do not perform unsafe procedures. Use caution with heat. Check equipment daily. When in doubt, refer out for medical attention, if necessary. Discussion: Pain sometimes occurs later. Discussion: Good relationships. | Group brainstorm Faculty to complete list <i>or</i> Handout to students (if time is limited) | Quiz: Fill in the blanks |

| Objective | Content | Delivery Method | Evaluation |
|---|--|--------------------|------------------------------------|
| 6. Recognize what to do if an incident occurs | <ol style="list-style-type: none"> 1. Assess injuries. Obtain medical assistance if necessary. 2. Don't get defensive or hostile; don't admit fault. 3. Take photos/write detailed account of actions and conversations. 4. Contact your carrier ASAP for counseling on further communications with client. 5. Know what your carrier suggests <i>before</i> an incident happens. | Lecture/discussion | |
| 7. Reinforce the need to obtain liability insurance | <p>Post Lecture Case Studies (Optional)</p> <p>Break students into groups of 3–4, read the case study and answer the following:</p> <ul style="list-style-type: none"> • What type of liability is this situation? • How could this situation have been prevented? • What immediate action should the esthetician take? • Complete sample incident report <p>Cases:</p> <ol style="list-style-type: none"> 1. Chemical burn 2. Photo facial 3. Slip/fall 4. A problem product (adverse reaction) | Case studies | Small groups report to large group |
| Follow-Up Exercises (Optional) | | | |
| | <ul style="list-style-type: none"> • Ask students to look up liability/risk cases on Google. • Ask students to conduct a safety check in their office or home and find at least three areas that need improvement. They may also use the Incident Report Form "Safety Concern" section to consider options to resolve one key problem. • Ask students to complete a mock incident report for the ACME Salon, as a homework assignment. • Have students get 2–3 quotes for full coverage, including general liability. | | |

Instructor Notes

Most of these discussion points listed on the following pages are also included in the accompanying PowerPoint presentation, *Liability and Risk Reduction: A Guide for Estheticians*, found on the enclosed CD, along with PDF versions of the handouts and quiz, which instructors may duplicate for their students.

Module 1. Esthetician Liability

Pre-Session Case Studies

Choose three students to read the pre-session case studies to the class. Handouts are provided in this curriculum and as PDF documents on the accompanying CD.

Pre-Session Case Study 1—Instrument Dropped on a Client

Pre-Session Case Study 2—Disfigurement

Pre-Session Case Study 3—Equipment Collapse

Discussion

What do you think of these cases? Do they seem real?

Ask students how many of them think they need liability insurance to protect themselves as estheticians.

Lecture

What is liability insurance? Liability insurance coverage protects the esthetician against claims alleging that one's negligence resulted in bodily injury or property damage.

Let's review some of the major types of liability insurance:

General: General liability protects you when a client has an accident on your business premises, whether you own it or not. You may be found liable if you are legally responsible for maintaining the area's safety or were negligent in some way. For example: if your client were to slip and fall, trip over a step, and hit their head, even though this kind of injury is not related to the treatment you provided, it may be covered under general liability—if you were found negligent. If your table collapsed, causing injury to your client, damages may be covered under your general liability. If you were to accidentally damage your client's property, damages may be covered under your general liability. If someone were to damage your property, it would **not** be covered under general liability.

Professional: Professional liability would cover you if you injure a client as the result of providing standard treatment procedures. Let's say you burn someone, peel their skin off, or cause any other treatment-related injury, professional liability insurance would cover you. No matter how careful you are, these types of incidents *can* happen.

Product: Product liability covers you in case of injury caused by the product or if the product produces an adverse reaction, such as a chemical burn or an allergic rash.

Claims-Made vs. Occurrence Form Liability Insurance : Claims-made policies are typically less expensive because they provide less extensive coverage. Claims-made coverage requires claims be made while your policy is in effect. If your policy has expired and someone makes a claim against you (even though you had insurance at the time the client received your services), you will have no insurance coverage because your policy has lapsed. The insurance company has the right, too, to refuse to renew your policy. This could make it difficult to protect yourself.

Occurrence form means coverage continues even if a claim is filed at a later date for an incident that occurred while you were still insured. Many claims aren't filed until the statute of limitations has nearly run out (two years after the incident, in most states). Occurrence form coverage provides protection for these types of claims. Claims-made does not.

Additional Insured Endorsement (AIE): If you are an independent contractor or sub-lessee (booth renter), a salon or the owner of the space may require that their name be listed as an additional insured endorsement (AIE) to also cover them from any liability claims filed by one of your clients. This is because the owner may also be liable if an incident occurs on the property, even if the owner was not at fault or the one that provided treatment to the client. This depends on what is required in your lease agreement or contract. You always need to read any contract carefully; if an AIE is not *required* (not a condition of your employment contract/lease), do not request to add one to your policy. Most individual liability policies provide protection for the named individual's professional liability only and are not intended to provide general liability coverage for businesses, corporations or employers.

If you organize your own business as a separate entity, such as a corporation, you may wish to name your corporation as an AIE on your individual liability insurance policy to protect your business.

Requiring insurance of others: If you are an owner, you should require all contractors to carry insurance. If they are not covered, *you* can be liable and people who have been injured can go after both your personal and professional assets, including property and savings. You should also require your contractors to name your business as an additional insured endorsement (AIE) for further protection.

Where to obtain liability insurance: Do some cost comparisons. You may find that affordable liability insurance is offered through your professional association at no additional cost. You may want to ask your local insurance agent to provide you with a quote or a referral. You can also seek insurance through malpractice companies, though this option may require having to pay a higher premium. Your homeowners insurance may require that you purchase a commercial rider (which can be rather expensive) if they discover you are operating a business from your home. The reason for this is simple: the insurance company assumes your risk increases substantially with the increased traffic caused by conducting a business in your home. Choose insurance that will cover you for all forms of liability and a policy that will cover you no matter where or in how many settings you provide skin care services.

Discussion

1. How much coverage should one have? Amounts will vary anywhere from \$100,000 to \$1 million of coverage per category of liability. Large groups or associations may have coverage up to \$3 million each in general, product, and professional liability.
2. Why that amount? You may have multiple lawsuits in any given period and these can add up. You also want to make sure you have enough protection for any type of claim, and enough to protect all your personal and business assets.
3. What if you are a homeowner, property owner, or are perceived as having deep pockets? You are at greater risk for losing your assets. Can you afford a \$25,000 legal bill and/or the loss of future earning potential?

Lecture

Question: Let's turn the tables. What would you do if you were a business professional who met face to face with clients all day, and your esthetician burned your face?

- **Define Liability Risk Exposure or Occurrence**

A liability risk exposure or occurrence is any event that could result in a claim or lawsuit alleging your negligence. This can be because the client slips and falls or may be caused by a treatment performed by the esthetician.

- **Who Can Get Sued?**

Everyone involved can get named in the lawsuit. The owner, manager, and *you* can all be named in the suit.

This is one of the most important points to be made in this session.

Do not assume you are covered by your employer. Employers or owners may not automatically cover you. You need to ask! Remember, an employer's policy will typically *only* provide coverage for services you perform at his/her facility and nowhere else.

If your employer provides your professional liability insurance, there are several important questions to ask. Will your employer provide you with a copy of the policy for you to review? Does the employer's policy cover you for all services you are performing? When does the policy come up for renewal? In the event of a claim, will it cover your legal defense?

Discussion

Ask students about other lawsuits they've seen on TV or heard about through friends. Were the claims always valid? How did some of these cases turn out?

Lecture/Discussion

Describe some examples of the types of claims typically made against estheticians.

- Product/equipment problems. Do not always assume that these have been previously reported to the manufacturer. Products can cause even minimal side effects, which can lead to complaints. Pay attention and beware when using a product with which you have less experience.

Before you buy a piece of equipment, make certain you check with your state board to determine whether you are allowed to use the equipment within your scope of practice. Do not take the word of the manufacturer alone; the responsibility to know your scope of practice is yours. Using equipment or techniques that fall outside your scope of practice is illegal; any claim arising from use of such equipment or procedure will likely not be covered by your liability insurance policy.

- Accidents caused by the esthetician. Leaving a product on too long and burning a client with tools that are too hot are common incidents. Even experienced practitioners can make mistakes. These are often caused by interruptions or lack of focus. Minimize anything that may cause a distraction during treatment.
- Client suffers an injury due to an accident (not caused by treatment). For example, an injury may have occurred because the client left the medical history blank on the intake form, but he/she was using a prescription acne medication. The client's skin peeled off when a chemical exfoliation agent was removed. Even though the client failed to disclose the risk, the esthetician remains at risk for a claim.
- Alleged problems with no real incident. There are times when someone claims a problem that didn't really occur. But it's your word against the client's. Documentation is essential in this and all cases.

Ask for examples from the group.

Discussion

How do you distinguish what's honest and what could be fabricated by the client? Does that make a difference? Which facts must you document?

Module 2. Risk Reduction

Lecture

Encourage students to take notes on these items for improved retention. A handout is included to reduce the time spent writing the list. Students can then add examples and notes into the left-hand column.

| Risk Reduction Strategy | Notes/Examples |
|---|--|
| Keep accurate records. | Practitioners can get complacent about keeping records on their clients. It is important to <i>always</i> keep notes on each client visit. They can be brief, but write what was done and which product was used. |
| Always use client health history, waiver, and update forms. | Always use health history forms and waivers, even with friends. Encourage verbal communication, and ask the client if there is anything else to report. |
| Conduct work environment safety checks. | Safety checks should be done weekly or monthly. Keep your workspace clear of distractions and anything that could injure your client. Remember to check chairs, tables, or anything that supports the client during your work. Remember environmental hazards, like ice and rain. |
| Develop communication/relationships with clients. | Even when an incident does occur, the relationship that you have with your client can determine if he/she will sue. Maintain positive relationships with your clients using open communication. |
| Use home care and after treatment precautions. | Instruct your clients carefully on what they should expect and do after they get home. Document your instruction. Ideally, give them detailed and legible written instructions, verbally go over these instructions with them, and ask them to initial important instructions, leaving a written and dated record that they understand their homecare regimen, and keep a copy of this in the client's file. |
| Ensure privacy; eliminate gossip. | Always maintain client privacy and <i>never</i> discuss a client case in front of another client. Be careful of being overheard if you must discuss a case with a fellow practitioner. Gossip can lead to lawsuits. Comply with all HIPAA standards. |
| Educate and counsel clients about procedures and any potential risks. | Always counsel your clients about risks associated with a product or procedure. Remind them of the risks each time you see them, even if you are repeating something you've done before. Always document that you've discussed the risks with clients and have them sign a consent form. Perform a patch test before treatment to identify potential problems/reactions. |
| Unplug heat sources and small appliances; limit use of candles. | Fire is a cause for risk. Heat sources can cause a lot of damage to both clients and property. |
| Drape clients. | If you spill product on your clients, you discredit yourself, and you may end up replacing their clothes, even if you don't injure them. Always drape your clients, even if they think it is not necessary. |
| Do not perform unsafe procedures. | Do not practice outside of your scope, and do not provide treatments for which you have not received sufficient formal training or that are unproven or unorthodox. Do not believe everything you hear or read. You must evaluate where the information is coming from and its validity. Never put a client at risk with an unsafe procedure. |
| Use caution with heat. | Heat is one of the greatest sources of risk, and burns are very costly to treat. The loss and emotional injury can lead to significant lawsuits. |

| Risk Reduction Strategy | Notes/Examples |
|---------------------------|---|
| Check equipment daily. | Have a daily checklist for all your equipment. Place your completed checklists in a folder and maintain for at least one year. This documentation can help your defense if you have a claim as a result of equipment failure. |
| When in doubt, refer out. | If a client appears to have a condition that warrants treatment beyond your scope of practice as an esthetician, refer your client to seek medical attention. |

Lecture

The following should be done immediately if an incident occurs where someone is injured.

1. Assess injuries.
Ask the client to describe how he or she feels, including any discomfort.
2. Do not be overly defensive or hostile to client. Don't admit fault.
Do what you can to soothe the situation. Many times, minor claims are dropped once the client's initial emotional anger diminishes.
3. Take photos and write a detailed account of actions and conversations.
Whether you use a cell phone or any camera, document the problem. Tell the client that you want to document the extent of the case. Write down every detail you can remember during or immediately after your conversation and intervention with the client. **Everything you officially document can be introduced in court, so document *only* the facts.** Do not write impressions or feelings in your documentation. You can write those down in a separate place.
4. Contact your carrier immediately and get counseling on further communications with client.
Your liability carrier will counsel you about how to deal with follow-up with the client. Do not delay in calling them. They may suggest that you cut off all communication with the client or they may encourage you to follow up with them. Follow their directions.
5. Know what your carrier suggests *before* an incident happens.
When you purchase insurance, call your carrier and ask what resources they have for risk reduction and what procedure they have for reporting a potential claim. Each carrier may ask you to document things a little differently, so it's a good idea to ask in advance.
6. Obtain medical help, if warranted, or encourage your client to seek treatment immediately.
Do not wait to find out about your insurance coverage. Your client's safety and well-being should always come first.

Discussion

1. Just because a client reports that he or she feels fine at the moment does not mean that the client will not feel pain at a later time. Anticipate the worst-case scenario by keeping the best documentation you can and assisting the client to seek medical help if warranted. Discuss why pain and injury sometimes appear later.
2. Why is developing a good relationship so important if an incident occurs? Does it make up for problems with your product or your own practices?

Post-Session Case Studies (Optional)

Break students into groups of 3–4. Give each group a case study to read and problem-solve. They should answer the following questions and be prepared to report their answers to the entire class. There are four post-session case studies, for which students should review their notes and apply the session content.

In cases where there are only a few students in the class, students can do the case studies as a large group.

Post-Session Case Study 1—Chemical Burns (Professional)

Post-Session Case Study 2—Photo Facial (Professional)

Post-Session Case Study 3—Slip/Fall (General Liability)

Post-Session Case Study 4—A Problem Product? (Product)

Each group of students should take about 10 minutes to complete the questions. One spokesperson should be selected to report back to class.

- What type of liability is this situation?
- How could this situation have been prevented?
- What immediate action should the esthetician take?
- Complete a sample incident report.

Follow-up Exercises and Homework (Optional)

- Ask students to look up liability/risk cases on Google and report back to the class at the next session.
- Ask students to conduct a safety check in their office or home and find at least three areas that need improvement.
- Ask students to complete a mock incident report on either one of the cases above or as an improvement activity from their safety check. Students do not need to complete the shaded area, where liability carrier comments would be added. However, this section makes them aware of including comments from their carrier in their documentation.
- Have students get 2–3 quotes for full liability coverage, including general liability.

Liability and Risk Reduction

Session Handouts

The handouts and quiz on the following pages are also included as PDF documents on the accompanying CD.
Instructors are encouraged to print and distribute these forms to their students.

Pre-Session Case Study 1

Instrument Dropped on a Client

An esthetician was giving a facial to a long-time client. During the treatment, the esthetician's magnifying glass slipped, striking the client on the area between the client's eye and temple. Ice was applied and the skin seemed to be barely bruised. A few days after the incident, the client contacted the esthetician and stated that she had gone to the emergency room for treatment and that she was experiencing pain when she moved her eye and numbness in that area. The doctor at the emergency room referred her to an eye specialist. The emergency room and eye doctor bills totaled \$4,070.

Who do you think had to pay those bills?

Pre-Session Case Study 2

Disfigurement

One of your clients is alleging that you, her esthetician, performed extractions on her face that left her disfigured. You followed protocol during the extractions and asked the client about her comfort during the facial/extractions. No problems or concerns were mentioned. According to the client's intake form, the client stated that she suffers from a bleeding/bruising condition; it is not known if this condition may have contributed to the injury. The client has retained an attorney who has contacted you for a deposition. You are subpoenaed to appear at the attorney's office a week from Tuesday. Without any insurance, you are without legal counsel, and a local attorney will cost you \$200 per hour to prepare and \$400 per hour to sit with you during the deposition.

What do you do?

Pre-Session Case Study 3

Equipment Collapse

An esthetician was scheduled to perform a facial. As her client was getting on the table, the table support broke and the client was thrown backward, hitting her head on the floor. The client was taken to the hospital where X-rays were taken to make sure her head and neck were not seriously injured. Upon investigation, it appeared that the bolts that held the support rod to the back of the table simply worked themselves loose over the time the table was in use.

Who is at fault here?

Post-Session Case Study 1

Chemical Burns

A client is alleging that she suffered serious facial chemical burns with permanent scarring from a facial; she retained an attorney. The esthetician stated that the client had acne, blemishes, and a big pimple on her face when she performed the facial and extractions and that she advised the client that there might be some dryness.

Discussion Questions:

What type of liability is involved in this case?

How could the situation have been prevented?

What immediate action should the esthetician take?

Complete a sample incident report.

Post-Session Case Study 2

Photo Facial

An esthetician performed a photo facial using an intense pulse light (IPL) machine on a female client. The esthetician did complete a client intake form and the client signed a consent form for treatment (which outlines possible complications). The client called the next day alleging that she suffered burns to her neck; she came into the spa where the esthetician and spa owner observed reddish squares in the pattern of the IPL treatment. There appeared to be no blistering, erosions, or any break in the skin at that time. A dermatologist treated the client. The claimant did retain an attorney early on who is alleging the client sustained serious personal injuries (burning and subsequent scarring). The client's attorney made a point to mention that the client is a "well-known staff writer for a well known magazine" and that the burns have caused her tremendous pain and embarrassment.

Discussion Questions:

What type of liability is involved in this case?

How could the situation have been prevented?

What immediate action should the esthetician take?

Complete a sample incident report.

Post-Session Case Study 3

Slip/Fall

You are the owner of a small salon and your business is set up as a sole proprietorship. You see clients in an old house that is located in a historic district. Automatic sprinklers are activated every morning from 7 a.m. to 7:30 a.m. to water the landscaping in front of your salon. You agree to see a client for an early morning appointment. As she walks down the concrete path from the sidewalk to the front door, she steps in a puddle of water from the sprinkler runoff. She slips on the wet concrete and falls forward, landing on her wrist. You hear her screaming outside and go to her aid. She goes to the local emergency room and then to an orthopedist, needing to wear a cast for six weeks due to a fractured wrist. You didn't witness the event.

Discussion Questions:

What type of liability is involved in this case?

How could the situation have been prevented?

What immediate action should the esthetician take?

Complete a sample incident report.

Post-Session Case Study 4

A Problem Product?

An esthetics client is alleging abrasions and burns after a resurfacing facial. This is the third incident regarding this type of facial at the spa. It appears that the esthetician followed protocol and that the product manufacturer had not had any history of problems with this product. The product was pulled from the spa's menu of services. The client, a flight attendant by trade, is asking for reimbursement of her dermatologist visits, as well as loss of income.

Discussion Questions:

What type of liability is involved in this case?

How could the situation have been prevented?

What immediate action should the esthetician take?

Complete a sample incident report.

Risk Reduction Strategies

| Risk Reduction Strategy | Notes/Examples |
|---|----------------|
| Keep accurate records. | |
| Always use client health history, waiver, and update forms. | |
| Conduct work environment safety checks. | |
| Develop communication/relationships with clients. | |
| Use home care and after treatment precautions. | |
| Ensure privacy; eliminate gossip. | |
| Educate and counsel clients about procedures and any potential risks. | |
| Unplug heat sources and small appliances; limit use of candles. | |

| Risk Reduction Strategy | Notes/Examples |
|-----------------------------------|----------------|
| Drape clients. | |
| Do not perform unsafe procedures. | |
| Use caution with heat. | |
| Check equipment daily. | |
| When in doubt, refer out. | |

Quiz Instructor Notes

The following can be used as a stand-alone quiz or the questions can be incorporated into a regular exam on broad topics. The quiz should take no more than 10 minutes to complete. There is a maximum of 12 points for the quiz. Each question is 1 point. The test can be expanded by adding up to 5 blanks to question number 10.

Answer Key:

1. C.
2. B.
3. E.
4. A.
5. D.
6. F. Anyone can be named in a lawsuit, especially if they are perceived as having “deep pockets.”
7. True. Anyone can be named in a lawsuit.
8. False. A practitioner should always verify that the salon covers employees for liability; never assume this.
9. A.
10. Any 3 of the following should be included:
 - Keep accurate records.
 - Always use client health history, waiver, and update forms.
 - Conduct work environment safety checks.
 - Develop communication/relationships with clients.
 - Use home care and after treatment precautions.
 - Ensure privacy; eliminate gossip.
 - Educate and counsel clients about procedures and any potential risks.
 - Unplug heat sources and small appliances; limit use of candles.
 - Drape clients.
 - Do not perform unsafe procedures.
 - Use caution with heat.
 - Check equipment daily.
 - When in doubt, refer out.

Quiz: Liability and Risk Reduction

Name: _____

Date: _____

Draw a line to match the situation with the correct type of liability.

| Risk Situation | Liability/Coverage Type |
|--|-------------------------|
| 1. A product (used as directed by the manufacturer) causes a reaction that has never been reported by the manufacturer. | A. Professional |
| 2. A client trips on the sidewalk outside the salon. | B. General |
| 3. A client files a lawsuit nine months after the incident occurs, and your insurance expired two months ago. Which type of policy would cover the claim? | C. Product |
| 4. You leave a product on too long, resulting in the client needing to go to a dermatologist to treat chemical burns. | D. Claims Made |
| 5. A client files a lawsuit nine months after the incident occurs, and your insurance expired two months ago. Your insurer has denied coverage for your claim because your insurance is now expired. Which type of policy coverage did you have at the time of incident? | E. Occurrence Form |

Circle True (T) or False (F) for each statement.

6. A building owner will not be sued if a problem occurs when a practitioner burns a client. **T or F**
7. If a client trips on the sidewalk outside the salon, falls, and is injured, the practitioner can be named in the suit, even if he or she does not own the property. **T or F**
8. It is mandatory that an employer or contractor cover you for liability. **T or F**
9. Which is *not* an example of a liability claim typically made against a practitioner? Circle the correct answer.
- A. The client is in a car accident on the way to see you for an appointment.
 - B. The client ignores instructions that you give for aftercare and suffers skin irritation after waxing.
 - C. You accidentally spill product on the floor and your client slips, falls, and suffers an injury.
 - D. None of the above.
10. List 3 things that can help estheticians reduce their liability risk.

- _____
- _____
- _____

| | | |
|--|--|----------------------------|
| Company Name: | Incident Report Form (Use Continuation Sheet If Necessary) | |
| SUBMITTER AND CLAIMANT CONTACT INFORMATION | | |
| SUBMITTED BY: | JOB TITLE (Optional): | PHONE: FAX: |
| FACILITY NAME: | FACILITY / LOCATION: | DATE / TIME: |
| CLAIMANT'S NAME: | CLAIMANT'S ADDRESS: | WORK PHONE: HOME PHONE: |
| SPECIFIC DETAILS | | |
| SAFETY CONCERN: | | |
| DESCRIPTION OF INCIDENT WITH CLIENT (ATTACH DETAILED REPORT): | | |
| CAUSE & EFFECT | | |
| DIRECT CAUSE(S): | | |
| CONTRIBUTING CAUSE(S): | | |
| POTENTIAL IMPACT (INJURY/ILLNESS/PROPERTY OR EQUIPMENT DAMAGE, ETC.): | | |
| WITNESSES: NAME, ADDRESS, PHONE NUMBER, RELATIONSHIP TO PRACTITIONER AND/OR CLAIMANT | | |
| CORRECTIVE ACTIONS AND OTHER COMMENTS | | |
| SUGGESTED CORRECTIVE ACTIONS: | | |
| OTHER COMMENTS: | | |
| LIABILITY CARRIER ACTIONS: | | |
| INITIAL RESPONSE SUMMARY: | | |
| DATE OF INITIAL CALL: | ASSIGNED TO: | |
| PLANNED CORRECTIVE ACTIONS SUMMARY: | | |
| SIGNED: _____ DATED: _____ | | |