

“Additional Insured” Does Not Fall Within Definition of “Insured”

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Applying Georgia law, the United States District Court for the Middle District of Georgia has held that an entity named as an additional insured for a specified purpose could not also qualify as an insured under a separate provision of the policies at issue defining the term “insured.” *Hudson Spec. Ins. Co. v. Columbus Reg'l Healthcare Sys., Inc.*, 2012 WL 6693741 (M.D. Ga. Dec. 21, 2012).

A professional liability insurer issued a series of policies to a group of physicians. The policies' definition of “insured” included the physician group as the named insured and, among others, “[p]ersons performing services on or for your formal review boards or committees . . . , but only while performing services required or requested by such boards or committees.” In addition, an endorsement to the policies provided that the medical center where the physicians were employed was an additional insured “but only if [the medical center is] held legally responsible for the acts of any insured physician(s) . . . under this policy with respect to claims arising out of the insured physician(s) . . . providing or failing to provide professional services.”

A former patient of one of the insured physicians filed an action against the medical center alleging that the medical center was negligent in approving credentials for the patient's physician. When the medical center sought coverage, the insurer disputed that the medical center was an insured with respect to the credentialing claim because it did not involve the physician's professional services, which the policies defined as the treatment of a patient's medical condition. The medical center contended that it was an insured under the policies' base definition of “insured” with respect to the patient's credentialing claim because it was a “person performing committee or board services.”

The court ruled for the insurer, finding that the specific limitation of coverage for the medical center as an additional insured solely for claims related to professional services indicated that the parties did not also intend for the medical center to be an insured for claims related to committee or board activities. Instead, the court held, employees of the medical center who serve on the relevant review boards or committees could be considered insureds in that regard, but the medical center itself is not an insured under those policy provisions. Accordingly, the court held that no coverage was available for the medical center under the policies.