

SANDY'S SIDELIGHT

MedSpa Insurance Newsletter

Stay Enlightened ♦ Stay Healthy ♦ Stay Beautiful



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"Thinking back, I've realized that when barriers are put in front of you, it's God or the universe asking you to remember who you are, and reminding you not to let yourself be defined by things outside of you. Because let me tell you, over-the-hill has never felt so good."

Actress Christine Ebersole as told to Naomi Barr



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WHAT YOU NEED TO KNOW!

THE GOOD NEWS CONTINUES INTO THE NEW YEAR!

"The American Society for Aesthetic Plastic Surgery reports that the number of nonsurgical cosmetic procedures in the United States has increased by 45 percent in the period from 2003 to 2005, with more than nine billion procedures performed in 2005. Top medical spa procedures were in order Botox injection, laser hair removal, chemical peels, microdermabrasion and hyaluronic acid treatments."¹

"In 2004, American consumers spent \$44.6 billion on anti-aging products and services, and the total anti-aging market is projected to reach \$72 billion by 2009."²

"Minimally invasive cosmetic procedures jumped 8 percent to more than \$1 million procedures in 2006. Botox continues to dominate the injectable market, while hyaluronic acid fillers like Restylane have increased 59 percent - more than any other minimally-invasive cosmetic procedure...when it comes to the war on aging, Americans are clearly looking to injectables to help win the battle".³

A DIFFERENT PERSPECTIVE ON THE NOT SO GOOD NEWS!

Instead of quoting horror story claims in this issue, I ask you stop & think about the nuisance claim from the impossibly unrealistic patient. Is your spa adequately & appropriately insured to defend these claims?

Nuisance claims can fester into annoying, expensive, time-consuming & emotionally draining lawsuits. These can result in substantial direct and indirect costs to the spa owner & Medical Director:

- ♦ **Direct Costs** in the form of attorneys' fees & related defense costs
- ♦ **Indirect Costs** in the form of loss of productivity while staff spends time trying to learn how to deal with claims, unnecessarily worrying about the claim, and seeking advice from questionably knowledgeable sources. This lost time equates to lost productivity - time which could more fruitfully be spent performing procedures on paying customers

Insurance Companies are the best, most effective procurers of experienced & knowledgeable legal services; they provide a continual source of business to competent & qualified attorneys versus a single, uninsured or inadequately insured medspa with limited buying power, expertise & lack of resources. Even if a spa owner was able to identify & retain the best available legal counsel for defense of a malpractice claim, a competent legal defense firm will likely charge the "one shot" medspa client as much as three times as their longstanding insurance company client.

Being properly insured enables the medspa owner to focus on delivering the best medspa services available, allowing the medspa owner and staff to avoid those wasted days, sleepless nights & to 'rest insured'.

¹<http://www.pamelahillinstitute.com>

²<http://www.thecrystalartot.com>

³<http://www.americanhealthandbeauty.com>

IN THE SPOTLIGHT: What Makes A Successful MedSpa

Part 2 of my interview with Christy Farrell, RN

What types of potential mishaps have you experienced or heard about?

I mostly see laser hair removal burns – again, this comes from lack of training &/or experience. When I was working as a laser trainer & certifier, the first day was spent teaching laser physics; if the student did not understand the dynamics of the lasers, they did not go on to Day 2. I would not certify a student even after the full 3 day course, until I was comfortable with them performing treatments.

Tattoo removal can also result in scarring, if not done properly.

Things like lumpy lips & droopy eyelids can happen with injections; fortunately, they are temporary & most procedures are correctable, but can nevertheless, still result in a claim to the spa.

It is important for physicians & staff not to have a cavalier, all-knowing attitude. Continuing education classes, seminars & hands-on workshops should continually be attended.

I can't stress enough the importance of educating your patients. Be sure your Consent Forms include **ALL** potential risks & outcomes & review all of them with your client, before performing any procedure. Point out the pre & post treatment requirements (ie. not lying prone for 4 hours after an injection, avoiding sun exposure, not working out immediately after some procedures, etc.); then, document in their chart that you reviewed all this information & that the patient still agreed to have the procedure. Charting is crucial! (Note from the author: Before & after pictures are also important for insurance purposes).

I show my patients the Botox vial before performing an injection, stressing that this is the genuine Allergan Cosmetic Botox (Botulinum Toxin A) product & that it is only diluted as recommended by the manufacturer, Allergan. I warn patients of 'cheap deals' – instead of less expensive Botox, they might just be paying for expensive water!

Beware of unrealistic expectations – potential patients who bring in pictures, as you would take a picture of a hairdo to your hair stylist, because they "want to look just like so & so" - I usually turn those people away.

I urge potential clients to ask questions, check the spa's background & licensing, confirm the Medical Director's & staff's experience levels, be sure the spa has current Medical Malpractice insurance in place & that the spa has implemented procedures to comply with HIPAA (Health Insurance Portability and Accountability Act of 1996). By pointing out these important issues, I add to my spa's & my own credibility & professionalism.

Within the last 5 years, medical spas have grown 133% & are expected to continue their astronomical growth for at least another 10 years - how do you see the future of medspas?

I also see continued growth. I believe the wave of the future will be more spas being connected to physicians' offices, either inside the office or at least inside the building. I feel that legislation will probably eventually go in the direction of requiring an onsite Medical Director & other professionals (ie. RN's, PA's & Nurse Practitioners) to pass a specialty Board for Aesthetics (exams).

In all your years of experience, what is your best medspa story?

I'd have to say it was a lady, about 47 years old, who had a very bad case of Rosacea (a chronic, long-term disease that affects the skin, characterized by redness, pimples & thickened skin). The condition had so inhibited her life, that she'd become a recluse, almost never going out in public & when she did, always hiding under a big hat. After the procedures, she told me "you gave me my life back". I hadn't – the treatments had, but it was wonderful to hear her gratitude. There is very little gratification in this field, yet we are still nurses – we want to help people. This is a great field for nurses today. It allows for more latitude & caters to our more entrepreneurial & creative sides, along with the medical expertise of our doctors.



Top Five Male Cosmetic Procedures in 2006 Minimally-Invasive

1. Botox (284,000)
2. Microdermabrasion (182,000)
3. Laser hair removal (173,000)
4. Chemical peel (98,000)
5. Laser skin resurfacing (32,000)

Source: American Society of Plastic Surgeons

SEEING THE LIGHT!

MedSpa Insurance - Myths & Misconceptions

ATTENTION MEDICAL DIRECTORS: I often hear physicians say that their spa is covered because they have extension of coverage as a treating physician under their practice's Malpractice Policy. Bear in mind that although you may have coverage performing treatments for your spa, this still leaves major gaps in coverage:

- ✓ Coverage for the spa's legal entity/entities
- ✓ Coverage for the owners
- ✓ Coverage for the staff
- ✓ Coverage for you as a **supervisory** Medical Director

Many spa owners & Medical Directors often do not understand the importance of this last coverage. "**Vicarious Liability** – When one person is liable for the negligent actions of another person, even though the first person was not directly responsible for the injury".¹ Take for example a physician who delegates treating duties to a lesser trained professional.



Will an aggressive attorney sue the physician if a laser technician botches a laser hair removal procedure? More than likely, the answer is yes! Depending upon the specific circumstances, a doctor may be able to escape ultimate liability and a costly damage payment, but it is more likely that the disfigured patient will sue every person and entity who had a hand in the treatment. If the doctor and the spa are properly insured, the insurance carrier will provide a formidable legal defense, extricating non-responsible parties from time consuming, annoying and embarrassing claims.

Don't let a bogus claim cause your financial well being to become a hungry attorney's playground.

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SANTA CLAUS' MEDSPA NIGHT BEFORE CHRISTMAS

By Sandy Elliott, CISR

"Twas the night before christmas,
when all through the medspa,
the clinicians were stirring,
preparing for Santa;

His cheeks were like roses, his
nose like a cherry!
til they used lasers so he looked
less weary;

In his teeth, the stump of a pipe
he held tight,
laser teeth bleaching restored
them to white!

The stockings were hung by the
nurses with care,
in hopes that laser hair removal
soon would be there;

His droll little mouth was drawn up
like a bow,
til the PA used restylane – no
one would know!

He was chubby & plump, a right
jolly old elf,
until lipodissolve turned him into
svelte!

The aestheticians were all nestled
by the spa's treatment beds,
while visions of dermabrasions
danced in their heads;

And the beard of his chin was as
white as the snow,
laser hair removal & he was
good to go!

A wink of his eye & a twist of his
head,
said "thank you medspa staff for
the years I've now shed"!

My medical director, so lively and
quick,
sat down for a consult with old
St. Nick;



"Now cosmoplast, now
cosmoderm, now juvederm,
now restylane,
on captique, on collagen, on
radiesse and perlane"!

Santa's eyes, how they wrinkled -
botox shots til they twinkled!

I heard him exclaim, ere he drove
out of sight,
"thank you to medspas & to
Sandy's SideLight"!



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LIGHTSIDE



The In-Need-Of-Botox Babes

Look for my interviews with some established medspa consultants & training schools and more MedSpa Insurance Myths & Misconceptions in my upcoming 2008 newsletters. If you have questions or information which you'd like to share with fellow medspa professionals, please email me at: sandye@professional-ins.com. Until my next newsletter, Happy Holidays & remember to

Stay Enlightened + Stay Healthy + Stay Beautiful!

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