**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA**

**PSYCHIATRIST PROFESSIONAL LIABILITY KANSAS**

**ELIGIBILITY RULE**: All Psychiatrists eligible for coverage under this program will have an MD or DO with training in their field of psychiatry, and a license in the state they practice.

1. **Coverage:** Coverage’s are written on an Occurrence or Claims Made basis. For details of coverage please refer to the policy form.
2. **Rates:** All rates are based on a one (1) year policy period unless otherwise noted. For a policy term other than annual all rates will be pro-rata. Calculate rate using the rates in effect on the policy date and by the territorial base rate definitions of this state.

# Additional Premium (AP) and Return Premium (RP):

The additional premium charges will be calculated as follows:

* 1. Pro-rate all changes requiring additional premium.
  2. Apply the rates and rules in effect on the effective date of the change.
  3. Waive additional premium of $20.00 or less. The waiver only applies to cash exchange due on an endorsement effective date.

The return premium charges will be calculated as follows:

1. Deletion of a mandatory coverage is not permitted unless the entire policy is canceled.
2. Compute return premium at the rate used to calculate the policy premium.
3. Compute return premium pro rata when any coverage or exposure is deleted or an amount of insurance is reduced.
4. Waive return premium of $20.00 or less. This waiver only applies to cash exchanges due on the endorsement effective date.

# Limits of Liability:

Manual rates provide a basic professional liability limit of $1,000,000 each occurrence, a premise liability limit of $1,000,000 each occurrence, and a combined professional and premise liability $3,000,000 aggregate as well as the following:

* $25,000 for Administrative Hearing coverage
* $25,000 for Billing E&O Claims Expense coverage
* $50,000 for Corporate Identity Protection coverage
* $50,000 for HIPPA Defense only coverage

# Rating Procedure:

**Individual:** The Named Insured individual Psychiatrist listed on the Declarations Page receives a basic rate which is derived from the location of the practice. Individual coverage (separate limit) for other behavioral health professionals will be rated as a percentage of the applicable Psychiatrist premium. Based on the following:

**Professional Type Relativity to Psychiatrist Rate**

Psychologists 0.25

Social Workers 0.03

Therapists 0.03

Nurses 0.05

Nurse Practitioners/Physician Assistant 0.25

# Corporation/Group Account:

A corporation/group account may be listed as the Named Insured on the Declarations Page. Premium calculation is as follows:

Add individually derived premiums for each scheduled named insured. Charge 10% of the 5 highest rated individual’s for the entity premium. This will be added to the sum of all individual premiums for a total policy premium.

1. **Deductibles:** A Deductible will be offered at the insured’s request for the amount listed on the corresponding state’s rate page. This deductible will apply to indemnity only. (Deductible Endorsement

– 111865)

# Rating Modifications:

**Discounts:**

* Part-time - Each individual will be charged 50% of the full-time premium rate for practicing 20 hours or less per week, or fewer than 26 weeks per year.
* Prep Discount – This is available to those Psychiatrists entering private practice for the first time who purchase a policy within 3 years upon completing an internship program, fellowship program, residency program or military service. The applicable prep discount is based on the number of years since the psychiatrist completed the program or service as follows:

|  |  |
| --- | --- |
| Number of Years | Discount |
| <1 | 50% |
| 1 < 1.99 | 35% |
| 2 < 2.99 | 25% |
| ≥ 3 | None |

* Member in Training (MIT Discount) – 50% discount is available to those insured’s classified as a MIT by the American Psychiatric Association.

*Only one of the above discounts may apply to an insured per policy year.*

* Risk Management Credit 5-10%

1. Participated in Risk Management focused continuing education program. (5%)
2. Participated in Risk Management seminar in the last 12 months, in addition to continuing education requirement. (10%)

* Child and Adolescent Psychiatry - a 15% discount is available for Psychiatrists whose patient base is less than 50% adult psychiatry.
* New Business – A 10% credit will be applied for each insured applying to the CIS Company/Program for the first time, provided they have been claims free for the past 12 months.

**Schedule Rating:** To recognize the individual and unique characteristics within each account, it shall be permissible to apply a Schedule Rating debit and/or credit. *The following scheduled modifiers will be considered on the listed criteria and the range will be as indicated below.*

* + Practice Setting (+/- 25%)
  1. Detention Facilities
  2. Patient Recruitment
  3. Facility has been subject to license or accreditation disciplinary action or federal investigation or prosecution, mass tort litigation or investigative reporting
  4. Clinical teaching activities exceed 50% of total practice time.
  + Nature and Scope of Practice (+/- 25%)

1. Treatment of borderline personalities and multiple personality disorders
2. Treatment of Pain Management
3. Use of abreaction, rage; sodium amytal, sex and recovered memory therapies.
4. Supervision of /Consultation with professionals in 1,2 and 3 above
5. Above or below average daily patients volume
6. Adverse Risk not considered in base rate
   * General Factors (-10%/+25%)
7. Hospital Staff Privileges
8. Managed Care Network Privileges
9. Medical Record Keeping and Billing

*The maximum scheduled rating adjustment will be +/-25%*

**Experience Rating:** Based upon the insured’s claim experience and history over the preceding ten (10) year period, an Experience Rating debit or credit may be applied. The maximum credit shall not exceed 10% and debit shall not exceed 50%. *The following debits/credits will be considered on the claims history criteria of the insured and the range will be as indicated below.*

* + Claims Free Credit

1. 1 year loss free 1%
2. 2 years loss free 2%
3. 3 years loss free 3%
4. 4 years loss free 4%
5. 5 years loss free 5%
6. 6 years loss free 6%
7. 7 years loss free 7%
8. 8 years loss free 8%
9. 9 years loss free 9%
10. 10 years loss free 10%
    * Loss Experience is determined based on the chargeable loss amount and frequency within the last 5 years. The chargeable loss includes loss payments, outstanding reserves, and loss adjustment expenses. One (1) loss is considered to be a reported claim that incurs at least $250 of chargeable loss.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Chargeable loss | Applied Debit | | | |
|  | 1 loss | 2 losses | 3 losses | 4 losses |
| $250 - $3,000 | 0% | 10% | 15% | 25% |
| $3,001 - $10,000 | 10% | 15% | 20% | 25% |
| $10,001 - $25,000 | 15% | 20% | 25% | 25% |
| $25,001 - $50,000 | 20% | 25% | 25% | 25% |
| $50,001 - $100,000 | 25% | 25% | 25% | 25% |
| $100,001 + | 25% | 25% | 25% | 25% |

*The maximum combined Rating Modification will be -75% (if 1-3 of discounts applies) otherwise the maximum will be -50% and +50%.*

1. **Administrative Hearing:** Additional limits for Administrative Hearing Coverage are available as provided within the Rating Plan.
2. **Corporate Identity Protection:** Additional limits for Corporate Identity Protection are available as provided within the Rating Plan.
3. **Billing E&O Claims Expense Coverage:** Additional limits for Billing E&O Claims Expense Coverage are available as provided within the Rating Plan.
4. **HIPAA Defense Only Coverage:** Additional limits for HIPPA Defense Only Coverage are available as provided within the rating Plan.

# Cancellation:

If the reason for cancellation is in accordance with K.S.A 40-2,120, the policy will be cancelled at the pro-rata unearned premium for the following instances:

* 1. A policy is cancelled by the company;
  2. A policy is cancelled and rewritten.

The policy will be cancelled as 90% of the pro-rata unearned premium when:

a) The cancellation is the result of any other circumstance.

1. **Installment Payments:** We will offer the option for insured’s to pay by installments. The initial down payment will be 30% of premium with additional payments due every 60 days subsequent the effective date. The additional payments can be made in 3 or 4 equal installments, depending on the preference of the insured.
2. **Rounding:** Premium will be rounded to the nearest whole dollar. A premium ending in $.50 or more will be rounded to the next higher whole dollar. Thus, $1,000.50 = 1,001.00; $1,000.49 = $1,000.00.
3. **Exclusion of Person or Organization:** We will offer the option for insureds to exclude coverage for claims arising out of services provided by particular persons or organizations. Upon request we will apply endorsement 111868, Exclusion of Scheduled Person or Organization Endorsement.
4. **Policy Change:** The policy change endorsements will only be used to correct errors on the Declarations Page as well as requested coverage changes upon written notification of the insured. The endorsements will not be used to amend policy language. We will apply Policy Change Endorsement 111871 or 111872 accordingly.
5. **Medical Director:** We will charge for the insured’s exposure to professional services as a Medical Director..
6. **Prior Acts Coverage**: The following rating is used when an insured converts their claims-made policy to an occurrence policy and does not purchase the extended reporting endorsement from the prior carrier. The Prior Acts Endorsement will be effective the inception date of insured’s occurrence policy and will cover claims reported after the termination date of the prior claims- made policy for incidents that occurred between the retroactive date and termination date of the prior claims- made policy. (Prior Acts Endorsement Unlimited Reporting – 111873)

The following conditions apply:

* 1. Prior Acts coverage, once purchased, must survive termination of the occurrence policy; i.e. any act is treated as if it took place while the occurrence policy was in place.
  2. Prior Acts coverage will be retroactive to July 1, 1976 or the insured’s first date of their Kansas practice thereafter.