**RATE NARRATIVE**

The referenced companies are introducing the Public Entity Program which employs a combination of ISO and independent forms and rules. The Companies are proposing a risk quality factor pricing structure for the commercial general liability coverage to contemplate the unique risk characteristics found in qualifying public entities as set forth in the proposed Commercial Lines Manual – Commercial General Liability Public Entities submitted with this filing. We are proposing three additional optional coverage forms which are subject to premium charges as follows:

**Optional and Additional Coverage Charges**

**FIRE DISTRICTS OR DEPARTMENTS PROFESSIONAL LIABILITY ENDORSEMENT**

This optional endorsement adds professional liability and good samaritan coverage for fire departments and amends the expected or intended injury exclusion for an occurrence in the course of fire-fighting or emergency operations.

There is an additional premium charge for this endorsement of $5 per firefighter, whether employed or volunteer, subject to a $100 minimum premium. In our underwriting judgment, the proposed rate for the limits provided is adequate but not excessive.

**LIMITED ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION FOR DESIGNATED PREMISES**

This optional endorsement amends Section II – Who Is An Insured by adding a designated person or organization for a specific purpose at a designated premises.

There is an additional premium charge for this endorsement of $100.00 for each entity added as an additional insured. In our underwriting judgment, the proposed rate for the limits provided is adequate but not excessive.

**NURSES EMERGENCY MEDICAL TECHNICIANS PARAMEDICS PROFESSIONAL LIABILITY ENDORSEMENT**

This optional endorsement amends Section II – Who Is An Insured by adding coverage for “bodily injury” or “personal and advertising injury” arising out of professional healthcare services provided by employed nurses, emergency medical technicians or paramedics.

The premium for this endorsement is set forth in the following table:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Professional Group** | **$1M / $1M limit** | | **$1M / $2M limit** | | **$1M/ $3M limit** | |
|  | Rate A | Rate B | Rate A | Rate B | Rate A | Rate B |
| Registered Nurses, each | $75 | $187 | $76 | $190 | $77 | $192 |
| Licensed Practical Nurses, each | $70 | $172 | $71 | $174 | $72 | $177 |
| Nurses minimum premium | $200 | $400 | $200 | $400 | $200 | $400 |
| EMT (no ambulances), each, max 10 | $121 | $316 | $123 | $321 | $125 | $325 |
| EMT minimum premium | $250 | $750 | $250 | $750 | $250 | $750 |
| Ambulances with EMTs only (no paramedics) | $340 per ambulance | $730 per ambulance | $345 per ambulance | $740 per ambulance | $350 per ambulance | $750 per ambulance |
| Ambulances with Paramedics | $486 per ambulance | $1,215 per ambulance | $493 per ambulance | $1,233 per ambulance | $500 per ambulance | $1,250 per ambulance |

In our underwriting judgment, the proposed rates for the limits provided are adequate but not excessive.

Limits are included within the Commercial General Liability Limits of Insurance on the policy to which this endorsement is attached. Rates are based on the limits indicated and are not subject to further modification by Experience or Schedule rating, as they are already deviated based on loss ratio per the following rule:

* If the General Liability loss ratio is 50% or less, use Rate A.
* If the General Liability loss ratio is 51% or greater, use Rate B.

For minimum premiums, each rated Professional Group is subject to its own minimum premium. There is no minimum premium for the “Per Ambulance” rates. If Nurses and EMT (no ambulances) are rated on a single policy and neither one rates above minimum premium, then the total premium for this endorsement would be the combined minimum premium values based upon the Rate (A or B) for which the account qualified.

For example: An account rated using Rate A for a $1M/$1M CGL limit, has 1 RN and 1 LPN = $75 + $70 = $145, which falls below the Nurse Minimum Premium, therefore the $200 Nurse Minimum Premium is charged. The account also has 2 EMT’s @ $121 each totaling $242, which also falls below the EMT Minimum Premium, therefore the $250 EMT Minimum Premium is charged. The account would therefore pay $450 for the endorsement.