CAPITOL INDEMNITY CORPORATION
4610 University Avenue • P.O. Box 5900 • Madison, WI 53705-0900
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39-0971527

RECEIVED
JUL 17 2009
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

Illinois Department of Insurance
320 West Washington Street
Springfield, Illinois 62767

Attention: Ms Gayle Neuman-Insurance Analyst – Medical Malpractice

RATE/RULE Nurses, Medical and Dental Technicians Professional Liability Coverage Including Business Liability Rate/Manual Filing – PCR 0124-IL (04-09)

Company filing number: 09-LIAB-FO-CW-058
NAIC: 10472
Effective 10-01-2009 New and 10-01-2009 Renewal

We submit for your review and approval the final printed copy of PCR 0124-IL Nurses, Medical and Dental Program Professional Liability Manual.

Explanatory Memo

Policy Forms for this program have been submitted today via SERFF TR number CAPC-126228590.

This is rate/rule manual which includes Eligibility, Coverage etc. An index is the first page of the Manual.

Please return a copy of the manual with your stamp of approval

Thank-you for your time and consideration in the approval of this manual. If you have questions please feel free to call.

Sincerely

FILED
JUN 01 2010
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Lois Beld
Senior Rate Analyst
P.O. Box 5900 Madison WI 53705

Phone 608-829-4215
e-mail: libeld@capitol.net

Encl: PCR 0124-IL (04-09)
Return envelope

FO
MEM
RAT
JeR

Neuman, Gayle

From: Beld, Lois [lbeld@capitol.net]
Sent: Wednesday, February 10, 2010 10:47 AM
To: Neuman, Gayle
Subject: RE: Capitol Indemnity Corporation - Filing #09-LIAB-FO-CW-058

Ms Newman

I'm sorry for the late response on this e-mail. I have been out of the office and just now reviewing e-mails.

We would like to request an effective date of June 01, 2010 for New and Renewal policies.

Thank-you for your approval of this filing

Lois Beld
Capitol Indemnity Corporation
lbeld@capitol.net

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, January 29, 2010 8:18 AM
To: Beld, Lois
Subject: Capitol Indemnity Corporation - Filing #09-LIAB-FO-CW-058

Ms. Beld,

The Department has now completed its review of the filing referenced above. The Director signed off on this filing on January 27, 2010. Originally, Capitol Indemnity requested the filing be effective October 1, 2009. Was the filing put in effect on October 1, 2009 or do you wish to use some other effective date? Your prompt response is appreciated.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

THIS MESSAGE IS INTENDED FOR THE SOLE USE OF THE ADDRESSEE AND MAY BE CONFIDENTIAL, PRIVILEGED AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAWS. IF YOU RECEIVE THIS MESSAGE IN ERROR, PLEASE DESTROY IT AND NOTIFY US BY SENDING AN E-MAIL TO: GAYLE.NEUMAN@ILLINOIS.GOV.

Neuman, Gayle

From: Beld, Lois [lbeld@capitol.net]
Sent: Monday, July 27, 2009 12:12 PM
To: Neuman, Gayle
Subject: RE: Filing #09-LIAB-FO-CW-058
Attachments: Actuary Certification.pdf

1) Attached find a signed certification as requested.
2) We are members of Insurance Service Office (ISO) and report statistical data to them.
3) This coverage is only an occurrence policy. All territories are rated the same.

Please let me know if there is anything further I can do to help in this approval process.

Lois Beld

Senior Product Analyst
Capitol Indemnity Corporation
PO Box 5900
Madison WI 53705 -0900
lbeld@capitol.net

Phone - 608-829-4215
Fax 608-829-7402

Serving our customers and our communities for 50 years

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, July 21, 2009 7:38 AM
To: Beld, Lois
Subject: RE: Filing #09-LIAB-FO-CW-058

I will extend the due date to August 4, 2009.

Gayle Neuman
Department of Insurance

From: Beld, Lois [mailto:lbeld@capitol.net]
Sent: Tuesday, July 21, 2009 7:36 AM
To: Neuman, Gayle
Subject: RE: Filing #09-LIAB-FO-CW-058

I need to request additional time to complete your request. Our chief actuary is out for the next 2 weeks therefore not able to complete the necessary paper work requested.

Please extend our time for response or withdraw this filing and we can submit at a later time.

Thank your for your time and consideration

Lois Beld

Senior Product Analyst
Capitol Indemnity Corporation
PO Box 5900
Madison WI 53705 -0900
lbeld@capitol.net

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Fax 608-829-7402

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From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, July 20, 2009 10:32 AM
To: Beld, Lois
Subject: FW: Filing #09-LIAB-FO-CW-058

From: Neuman, Gayle
Sent: Monday, July 20, 2009 10:27 AM
To: 'libeld@capitol.net'
Subject: Filing #09-LIAB-FO-CW-058

Ms. Beld,

I am in receipt of the above referenced filing received on July 17, 2009. The cover letter was not dated.
The submission is not acceptable for filing in Illinois due to the following issue(s):
1. 215 ILCS 5/155.18 states it shall be certified in this filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience. This information is required in every rate/rule filing for medical malpractice.
2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?
3. Do you only write the coverage as an occurrence policy? Are there are any territory factors?

I request receipt of your response by July 27, 2009.

Gayle Neuman
Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

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Actuarial Memorandum

I attest these rate are not unfairly discriminatory, and neither excessive nor inadequate. Taking into account prior and potential losses for the state of Illinois, and those outside of Illinois, it is in my opinion that these rates are not inconsistent with the loss experience. Furthermore, the rates are based on sound actuarial principles, and therefore, deemed reasonable.

Larry Seymour, FCAS, MAAA
Vice Prsident, Chief actuary

Date: 07/27/2009

Capitol Indemnity Corporation
P.O. Box 5900
Madison, WI 53705

Nurses, Medical and Dental Program
Professional Liability
Countrywide Exceptions

Index

A. Eligibility 2
B. Coverages 2
C. Premium Computation: 2
D. Policy Period 3
E. Additional Premium Changes 3
F. Return Premium Changes 4
G. Cancellations 4
H. Payment Plans 4
I. Fee Schedule 5

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JUN 01 2010
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

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Nurses, Medical and Dental Program
Professional Liability
Countrywide Exceptions

RULES - RATES

A. Eligibility

1. Each applicant (other than students) must posses a valid state license in their profession.

2. Each applicant (other than students) must be employed by a fully licensed medical facility and work under a physician's standing or written order.

3. Students for any eligible occupations while studying at an accredited school. Students must work under the supervision of a licensed professional in their field of study. The maximum limit of liability available is $100,000

4. The following occupations are eligible for coverage:

   a. Audiologist
   b. Corrective Therapist
   c. Dental Assistant
   d. Day Care Center Nurse
   e. Dental Hygienist
   f. Dialysis Technician – Maximum limit of liability is $100,000
   g. Dietician
   h. EEG Technician
   i. EKG Technician
   j. Inhalation Therapist
   k. Instructor
   l. Licensed Practical Nurse
   m. Medical Assistant
   n. Medical Record Technician
   o. Medical Technologist
   p. Nurse Aide
   q. Nurse Assistant
   r. Occupational Therapist / Massage Therapist
   s. Ophthalmic Assistant
   t. Physical Therapist / Physiotherapist or Assistant
   u. Prosthetist
   v. Recreational Therapist
   w. Registered Nurse
   x. Respiratory Therapist
   y. Speech Pathologist
   z. School Nurse or Camp Nurse
   aa. Ultrasound Technologist

B. Coverages

Professional Liability, Personal Liability and Medical Payments coverage are mandatory on each policy.

C. Premium Computation:

Compute the premium using the annual premiums in effect at the policy inception.

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Madison, WI 53705

Limits of Liability and Premiums:

a. **Licensed Professional**

PROFESSIONAL			PERSONAL		MEDICAL PAYMENTS		PREMIUM
Each Person	Each Occurrence	Aggregate Per Policy Period	Each Person	Aggregate Per Policy Period	Each Person	Each Accident	Annual
$1,000,000	$1,000,000	$1,000,000	$100,000	$100,000	$1,000	$10,000	$150.00
$500,000	$500,000	$500,000	$100,000	$100,000	$1,000	$10,000	$110.00
$300,000	$300,000	$300,000	$100,000	$100,000	$1,000	$10,000	$75.00
$100,000	$100,000	$100,000	$100,000	$100,000	$1,000	$10,000	$65.00

b. **Student Applicant**

PROFESSIONAL			PERSONAL		MEDICAL PAYMENTS		PREMIUM
Each Person	Each Occurrence	Aggregate Per Policy Period	Annual	Aggregate Per Policy Period	Each Person	Each Accident	Annual
$100,000	$100,000	$100,000	$100,000	$100,000	$1,000	$10,000	$50.00
$50,000	$50,000	$50,000	$50,000	$50,000	$1,000	$10,000	$45.00

D. Policy Period

All policies are written for an annual term.

E. Additional Premium Changes

1. Calculation of Premium

a. Prorate all changes requiring additional premium.

b. Apply the premiums and rules in effect on the effective date of the policy.

2. Waiver of Premium

a. Additional premium of $15.00 or less will be waived

This waiver applies only to that portion of the premium due on the effective date of the policy change.

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SPRINGFIELD, ILLINOIS

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F. Return Premium Changes

1. Premium Computation

a. Compute return premium at the premium used to calculate the policy premium.

b. Compute return premium pro rata and round to the next higher whole dollar when an amount of insurance is reduced.

2. Waiver of Premium

a. Return premium in the amount of $15.00 or less will be waived.

b. This waiver applies only to that portion of the premium due on the effective date of the policy change.

c. Any return premium due will be returned upon request by the insured.

G. Cancellations

1. Pro Rata Calculations

Compute return premium pro rata and round to the next highest dollar when a policy is cancelled:

a. At the company's request;

b. Because the insured no longer has an insurable interest as a licensed professional that is the subject of insurance;

c. And rewritten in the same company or company group;

2. Other Calculations

When at the insured's request, compute return premium at .90 of the pro rate unearned premium. Round to the nearest higher dollar.

H. Payment Plans

1. Eligibility Requirements

a. Must be a direct bill policy.

b. Policy must develop an annual premium of $250 or more.

2. Terms and Conditions

a. Premium payment may be made in eleven installments. The first installment shall be due on or before the policy effective date. The remaining installments shall be due each consecutive month thereafter until the total premium is paid. The total premium shall be divided among the installments as follows:

b. The first installment shall be 20% of the total policy premium.

c. The remaining installments shall each be 8% of the total policy premium.

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3. The first installment shall not include a service charge. The remaining installments shall include a service charge of $5.00 each.

4. The insured may pay the entire premium at any time during the policy period to avoid any remaining future service charges.

I. Fee Schedule

1. Late Payment Fee

   A late fee of $5.00 will be charged if the minimum due is not received by the due date listed on your invoice and a Notice of Cancellation is issued.

2. Reinstatement Fee

   A $30.00 reinstatement fee will be charged if payment is received after the final cancellation and underwriting approves reinstating the policy.

3. Non-Sufficient Funds Fee

   A $30.00 fee will be generated for any returned check including stop pay or non-sufficient funds.

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