

**State:** Illinois **First Filing Company:** The Cincinnati Casualty Company, ...  
**TOI/Sub-TOI:** 11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other  
**Product Name:** Medical Malpractice  
**Project Name/Number:** /CPRO18759 19192

## Filing at a Glance

**Companies:** The Cincinnati Casualty Company  
 The Cincinnati Indemnity Company  
 The Cincinnati Insurance Company  
**Product Name:** Medical Malpractice  
**State:** Illinois  
**TOI:** 11.0 Medical Malpractice - Claims Made/Occurrence  
**Sub-TOI:** 11.0029 Other  
**Filing Type:** Rule  
**Date Submitted:** 05/08/2014  
**SERFF Tr Num:** CNNA-129530684  
**SERFF Status:** Closed-Filed  
**State Tr Num:**  
**State Status:** Under Review  
**Co Tr Num:** CQD-PRO-14-2505MM-IL  
  
**Effective Date** 11/15/2014  
**Requested (New):**  
**Effective Date** 11/15/2014  
**Requested (Renewal):**  
**Author(s):** Kelly Lindemuth  
**Reviewer(s):** Gayle Neuman (primary), Caryn Carmean, Julie Rachford  
**Disposition Date:** 05/29/2014  
**Disposition Status:** Filed  
**Effective Date (New):** 11/15/2014  
**Effective Date (Renewal):** 11/15/2014  
  
**State Filing Description:**  
 ROUTED 5/8/14

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## General Information

Project Name:	Status of Filing in Domicile:
Project Number: CPRO18759 19192	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 05/29/2014	
State Status Changed: 05/08/2014	Deemer Date:
Created By: Kelly Lindemuth	Submitted By: Kelly Lindemuth
Corresponding Filing Tracking Number:	

### Filing Description:

The Cincinnati Insurance Company - FEIN 31-0542366  
 The Cincinnati Casualty Company - FEIN 31-0826946  
 The Cincinnati Indemnity Company - FEIN 31-1241230

At this time, we wish to file revised rules per the attached memorandum. The rules are applicable to all of the above companies. We are revising rules for editorial reasons and for clarification.

Final copies are attached for your review.

We are an ISO reporting company and we follow ISO's reporting conditions and requirements.

Your approval is respectfully requested for use on policies effective on or after November 15, 2014.

## Company and Contact

### Filing Contact Information

Kelly Lindemuth, AINS, AIS, Filings Analyst kelly\_lindemuth@cinfin.com

PO BOX 145496	513-603-5980 [Phone]
Cincinnati, OH 45250-5496	513-603-5650 [FAX]

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**Filing Company Information**

The Cincinnati Casualty Company	CoCode: 28665	State of Domicile: Ohio
6200 S. Gilmore Road	Group Code: 244	Company Type:
Fairfield, OH 45014	Group Name: Cincinnati Fin Grp	State ID Number:
(513) 870-2000 ext. [Phone]	FEIN Number: 31-0826946	

The Cincinnati Indemnity Company	CoCode: 23280	State of Domicile: Ohio
6200 S. Gilmore Road	Group Code: 244	Company Type:
Fairfield, OH 45014	Group Name: Cincinnati Fin Grp	State ID Number:
(513) 870-2000 ext. [Phone]	FEIN Number: 31-1241230	

The Cincinnati Insurance Company	CoCode: 10677	State of Domicile: Ohio
6200 S. Gilmore Road	Group Code: 244	Company Type:
Fairfield, OH 45014	Group Name: Cincinnati Fin Grp	State ID Number:
(513) 870-2000 ext. [Phone]	FEIN Number: 31-0542366	

**Filing Fees**

Fee Required? No

Retaliatory? No

Fee Explanation:

**State Specific**

Refer to our checklists prior to submitting filing ([http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp)): Reviewed

Refer to our updated (04/06/2007) SERFF General Instructions prior to submitting filing. They have been updated to clarify what rates and rules are required to be filed as well as what rates and rules are not required to be filed. Also, the "Product Name" is the Filing Title and not the Project Number.: Reviewed

NO RATES and/or RULES ARE REQUIRED TO BE FILED FOR LINES OF COVERAGE SUCH AS COMMERCIAL AUTO (except taxicabs), BURGLARY AND THEFT, GLASS, FIDELITY, SURETY, COMMERCIAL GENERAL LIABILITY, CROP HAIL, COMMERCIAL PROPERTY, DIRECTORS AND OFFICERS, ERRORS AND OMISSIONS, COMMERCIAL MULTI PERIL just to mention a few. However, a Summary Sheet (RF-3) is required to be filed. Please refer to the State Specific Field below for what rates/rules are required to be filed and to our checklists for specific statutes, regulations, etc. :

[http://insurance.illinois.gov/Prop\\_Cas\\_IS3\\_Checklists/IS3\\_Checklists.asp](http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp) .: Understood

Medical Malpractice rates/rules may now be submitted using SERFF effective January 1, 2012.: Understood

The only rates and/or rules that are required to be filed are Homeowners, Mobile Homeowners, Dwelling Fire and Allied Lines, Workers' Compensation, Liquor Liability, Private Passenger Automobiles, Taxicabs, Motorcycles and Group Inland Marine Insurance which only applies to insurance involving personal property owned by, being purchased by or pledged as collateral by individuals, and not used in any business, trade or profession per Regulation Part 2302 which says in part, "each company shall file with the Director of Insurance each rate, rule and minimum premium before it is used in the State of Illinois.": Medical Malpractice

When selecting a form filing type for a multiple form filing, use the dominant type from these choices: APP - application; CER - certificate; COF - coverage form; DPS - declaration page; END - endorsement; POJ - policy jacket; ORG - Companies adopting an Advisory or Rating Organization's filing. Example: If you are submitting a policy as well as endorsements, a declaration page and an application, you would select "POL" for policy.: N/A

**SERFF Tracking #:**

CNNA-129530684

**State Tracking #:****Company Tracking #:**

CQD-PRO-14-2505MM-IL

**State:**

Illinois

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The Cincinnati Casualty Company, ...

**TOI/Sub-TOI:**

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/CPRO18759 19192

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Gayle Neuman	05/29/2014	05/29/2014

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Re: effective date	Note To Reviewer	Kelly Lindemuth	05/29/2014	05/29/2014
effective date	Note To Filer	Gayle Neuman	05/29/2014	05/29/2014
Actuarial Review	Reviewer Note	Julie Rachford	05/29/2014	

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## Disposition

Disposition Date: 05/29/2014  
 Effective Date (New): 11/15/2014  
 Effective Date (Renewal): 11/15/2014  
 Status: Filed

Comment:

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

<b>Overall Percentage Rate Indicated For This Filing</b>	0.000%
<b>Overall Percentage Rate Impact For This Filing</b>	0.000%
<b>Effect of Rate Filing-Written Premium Change For This Program</b>	\$0
<b>Effect of Rate Filing - Number of Policyholders Affected</b>	0

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Explanatory Memorandum		Yes
Supporting Document	Form RF3 - (Summary Sheet)		Yes
Supporting Document	Certification		Yes
Supporting Document	Request to Maintain Data as Trade Secret Information		Yes
Supporting Document	Manual		Yes
Supporting Document	Support		Yes
Rate	Manual pages		Yes

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## Note To Reviewer

**Created By:**

Kelly Lindemuth on 05/29/2014 11:53 AM

**Last Edited By:**

Gayle Neuman

**Submitted On:**

05/29/2014 01:00 PM

**Subject:**

Re: effective date

**Comments:**

Yes, we would like to keep the 11/15/2014 effective date for this filing. Thank you.

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## Note To Filer

**Created By:**

Gayle Neuman on 05/29/2014 11:40 AM

**Last Edited By:**

Gayle Neuman

**Submitted On:**

05/29/2014 01:00 PM

**Subject:**

effective date

**Comments:**

The Department of Insurance has now completed its review of this filing. You previously requested the filing be effective November 15, 2014. Do you still wish to have that effective date? Your prompt response is appreciated.

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## Reviewer Note

**Created By:**

Julie Rachford on 05/29/2014 11:21 AM

**Last Edited By:**

Gayle Neuman

**Submitted On:**

05/29/2014 01:00 PM

**Subject:**

Actuarial Review

**Comments:**

Actuarial review complete.



SERFF Tracking #:

CNNA-129530684

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Company Tracking #:

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State:

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TOI/Sub-TOI:

11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other

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/CPRO18759 19192

## Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Manual pages	MM-25 and MM-53 (11/14)	Replacement		IL MM 11-14 D.pdf

# THE CINCINNATI INSURANCE COMPANIES

## DIVISION SEVEN COMMERCIAL LINES MEDICAL MALPRACTICE LIABILITY MANUAL COVERAGE RULES

### 4. DENTIST'S PROFESSIONAL LIABILITY (Subline Code 230) (Cont'd)

3. Multi-Jurisdiction Endorsement. This endorsement allows a dentist who practices in more than one state, where one of those states may have a Patients Compensation Fund (PCF) or similar limit on their liability which in turn limits the amount of professional liability insurance they are required to carry. This endorsement may be desired by such insureds, as claims arising from other jurisdictions would not be subject to the PCF, and thus they may want to purchase a higher limit of insurance for such claims than they purchase for their practice in the state with the PCF or similar limit on their liability. The premium for this endorsement would be based on our filed rates for Dentist's Professional Liability in the states in question. The premium for the non-PCF state with the higher limit of insurance would be offset by the premium paid in the PCF state. Attach Form **PA 4111**.
4. Locum Tenens (Temporary Substitute) Coverage. Coverage is extended to a named individual who is temporarily substituting for an insured. The Limits of Insurance do not apply separately to the Locum Tenens, but are shared with the insured. Attach Form **PA 204**. No premium charge. Application **PA-007** or **PA 017 (e-CLAS<sup>®</sup>)** is required.
5. Botulinum Toxin or Dermal Fillers Coverage. Attach Form **PA 216**. See **I. Rate Modification Plan, 6. Practice Rating Plan, f.** for rates.
  - Provide a copy of the insured's completion certificate for botulinum toxin or dermal fillers training course.
  - Provide a copy of the informed patient consent form the dentist uses prior to performing procedures.
  - Advise your client to check with their state dental board on whether these services are or aren't within the scope of a dentist's license.

#### I. Rate Modification Plan

##### 1. General Rules

- a. All rating plans apply for a period of one year and will be recalculated at each anniversary or renewal.
- b. All credits and debits apply to each dentist individually.
- c. The credits and debits provided by these plans shall be taken one after the other and not added together.
- d. The total credits for all Rating plans combined, not including the Leave of Absence Rating Plan, may not exceed 60%.

##### 2. Recent Graduate Rating Plan:

	<b>Credit</b>
First year dentist	60% <b>credit</b>
Second year dentist	40% <b>credit</b>
Third year dentist	20% <b>credit</b>

The first year begins on the date the dentist receives the first state or regional board certification.

##### 3. Part-time Rating Plan:

To qualify for a part-time credit of 50%, the dentist must work no more than 20 hours per week.

##### 4. Leave of Absence Rating Plan:

Apply 75% credit to that portion of the premium that is charged for the period of the leave of absence. To qualify for this credit, the dentist must be disabled or on a leave of absence for a period of not less than 45 days but no more than 180 days.

##### 5. Association Rating Plan:

Member of a local, state, or national dental association	5% <b>credit</b>
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## Supporting Document Schedules

<b>Satisfied - Item:</b>	Explanatory Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	FSMEMO1.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Form RF3 - (Summary Sheet)
<b>Bypass Reason:</b>	N/A
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	ACTUARIAL CERTIFICATION-MED MAL 2.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Request to Maintain Data as Trade Secret Information
<b>Bypass Reason:</b>	Not needed at this time.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Manual
<b>Comments:</b>	Please note that the entire Medical Malpractice Liability manual can be provided upon your request.
<b>Attachment(s):</b>	Manual Certification Statement--Med Mal.pdf Non-Discriminatory Statement.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Support
<b>Comments:</b>	
<b>Attachment(s):</b>	SUPPORT - EXPLANATION SUPPORTING RULE CHANG.pdf
<b>Item Status:</b>	

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**Status Date:**

**ILLINOIS  
DIVISION SEVEN – MEDICAL MALPRACTICE LIABILITY  
RULES AND RATES MEMORANDUM**

<b>NEW PAGE</b>	<b>REPLACED PAGE</b>	<b>DESCRIPTION OF CHANGE</b>
MM-25 (11/14)	MM-25 (7/13)	RULE 4. DENTIST'S PROFESSIONAL LIABILITY H.5. Editing capitalization in title of coverage. Amending the guideline from confirming that the client verified to advising that the client check with the state dental board whether or not the services are or aren't within the scope of a dentist's license.

We are amending the management practices credit rule under the Home Health Care Professional Liability Program to indicate that the 1.25 debit does not apply to franchises that predominantly provide home care aide services.

MM-53 (11/14)	MM-53 (7/12)	RULE 53. HOME HEALTH CARE PROFESSIONAL LIABILITY E.2.a. Adding "of total" to clarify payroll used for rating purposes. E.2.b. Adding "of total" to clarify payroll used for rating purposes. E.2.c. Adding "of total" to clarify payroll used for rating purposes. Adding exception to remove the debit for franchise operation with total payrolls of less than 25% in the skilled/therapeutic category.
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# ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such 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.

I, C. Kathleen Kramer, CPCU, AINS, a duly authorized officer of The Cincinnati Insurance Companies, am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

I, Richard A. Knudson Jr., FCAS, MAAA, a duly authorized actuary of The Cincinnati Insurance Companies, am authorized to certify on behalf of The Cincinnati Insurance Company, The Cincinnati Indemnity Company and The Cincinnati Casualty Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

C Kathleen Kramer, CPCU, AINS, CPIW Secretary 05/06/14  
Signature and Title of Authorized Insurance Company Officer Date

Richard A. Knudson Jr., FCAS, MAAA, P & C Actuary 05/06/14  
Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 31 - 0542366 - The Cincinnati Insurance Company  
31 - 1241230 - The Cincinnati Indemnity Company  
31 - 0826946 - The Cincinnati Casualty Company

Filing Number CQD-PRO-14-2505MM-IL

Insurer's Address P.O. Box 145496

City Cincinnati State OH Zip Code 45250-5496

Contact Person's:

Name and E-mail Kelly Lindemuth kelly\_lindemuth@cinfin.com

Direct Telephone and Fax Number phone: (513) 603-5980 fax: (513) 881-8884

## Manual Certification Statement

DATE: 05/05/2014

FILING NUMBER: CQD-PRO-14-2505MM-IL

DIVISION SEVEN – MEDICAL MALPRACTICE LIABILITY

The Cincinnati Insurance Company - FEIN 31-0542366

The Cincinnati Casualty Company - FEIN 31-0826946

The Cincinnati Indemnity Company - FEIN 31-1241230

This will certify that nothing in the submitted manual has changed from the previously filed manual except for what is highlighted in this filing.

Respectfully Submitted,



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Kelly A. Lindemuth, AINS, AIS  
Commercial Lines Filings Analyst III  
The Cincinnati Insurance Companies



## Non-Discriminatory Statement

DATE: 05/05/2014

FILING NUMBER: CQD-PRO-14-2505MM-IL

DIVISION SEVEN – MEDICAL MALPRACTICE LIABILITY

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The Cincinnati Indemnity Company - FEIN 31-1241230

We, in offering, administering or applying our filed rate/rule manual and/or any amended provisions, do not unfairly discriminate.

Respectfully Submitted,



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Kelly A. Lindemuth, AINS, AIS  
Commercial Lines Filings Analyst III  
The Cincinnati Insurance Companies

## **Reason for the amendment of the home health care professional management practices rating plan:**

For a home companion care risk that is a part of a franchise, there are built-in characteristics that decrease the risk exposure from an underwriting standpoint. Because of these characteristics, we believe the exposure is decreased and the 1.25 debit for home care operations that are predominantly home care aides is not warranted.

- 1) Franchisor is selective with regard to businesses they will allow to operate under their name. The franchisees' background and financials are closely scrutinized by the franchisor.
- 2) Franchisees are subject to specific insurance guidelines set by the franchisor.
- 3) Franchises create similarity among risks to allow for more homogenous underwriting.
- 4) Franchisor has strict requirements for how they manage their business and how franchisees must manage their operations.
- 5) Franchisees operate under close control of the franchisor.
- 6) In the home health care industry, the franchisor has structured new employee hiring practices and background check procedures that are imposed upon the franchisees.
- 7) Most franchisors in the home health industry provide ongoing best practices training for their franchisees.
- 8) In the home health care industry, the franchisee is routinely subject to compliance with the franchisor's operations manual which includes:
  - Quarterly unannounced patient visits
  - Consultations with the franchisor to assist with compliance issues
  - Specific consequences for violations of the franchisor's operations guidelines including loss of franchise
- 9) Typically for home health care, the franchisor holds legal rights to the customer base. So, if the franchisee violates the franchise agreement, the franchisor steps in and owns the client list and all phone calls are re-routed to the franchisor.

In summary, the combination of more structure, accountability and on-going training with a franchised operation results in less exposure from a liability standpoint than a non-franchised home companion care operation.