CNA

-40 Wall Street – 9th Floor
New York, New York 10005

WITHDRAWN

NOV 25 2009

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Sharon A. Robinson
Regulatory Filings Technician
P & C State Filing Unit
CNA Global Specialty Lines
Telephone: 877-269-3277 ext. 7302
Facsimile: 212-440-2877
email: sharon.robinson2@cna.com

June 29, 2009

RECEIVED
LAH - FCS

JUL 02 2009

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

Illinois Department of Financial and Professional Regulation
Division of Insurance
Property and Casualty Compliance Unit
320 W Washington St
Springfield, IL 62767-0001

RATE/RULE

RE: Continental Casualty Company NAIC#218-20443, FEIN#36-2114545
Chiropractic Professional Liability Policy Program
Rate Filing
Our File #: 09-00023-R

To Whom It May Concern:

The Continental Casualty Company, a member company of the CNA group of Insurance Companies, submits for your review and approval the attached new and revised forms and revised rates for use with the Chiropractic Benefit Services Risk Purchasing Group Professional Liability Program currently on file with your department.

Included in this submission are:

- the actuarial memorandum describing the rate changes included in this filing;
- revised countrywide and state manual pages; and
- the rate/rule filing schedule form.

We propose that this filing become effective for all policies written on or after September 1, 2009 or the earliest date permitted by your state.

Very truly yours,

Sharon A. Robinson

Sharon Rob.

FD
MEM
Jeh

Neuman, Gayle

From: Robinson,Sharon [Sharon.Robinson2@cna.com]
Sent: Thursday, December 03, 2009 10:41 AM
To: Neuman, Gayle
Subject: RE: Continental Casualty Company - Rate/Rule Filing #09-00023-R

Ms. Neuman

We would like to confirm that at this time we are requesting the withdrawal of Continental Casualty Company - Rate/Rule Filing #09-00023-R. We would also like to confirm that Continental Casualty has not utilized the rate increase effective September 1, 2009.

Thanks,
Sharon

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, December 01, 2009 9:42 AM
To: Robinson,Sharon
Subject: Continental Casualty Company - Rate/Rule Filing #09-00023-R

Ms. Robinson,

I have received notice that you requested the above referenced filing be withdrawn. Please confirm that in an e-mail to me that can be part of the filing record. Additionally, did Continental Casualty utilize the rate increase effective September 1, 2009? 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.

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Effective March 1, 2007

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	**09-00023-RL**
2.	**This filing corresponds to form filing number** (Company tracking number of form filing, if applicable)	**09-00023-F**

☒ Rate Increase ☐ Rate Decrease ☐ Rate Neutral (0%)

3.	**Filing Method (Prior Approval, File & Use, Flex Band, etc.)**	**Prior Approval**

4a. Rate Change by Company (As Proposed)

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
CCC	-0.9%	-0.9%	$-2,073	146	$230,318	21.3%	-13.0%

4b. Rate Change by Company (As Accepted) For State Use Only

Company Name	Overall % Indicated Change (when applicable	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

Overall Rate Information (Complete for Multiple Company Filing only)

		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)		
5b.	Overall percentage rate impact for this filing		
5c.	Effect of Rate Filing – Written premium change for this program		
5d.	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	5.6%
7.	Effective Date of last rate revision	12/1/2008
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	Prior Approval

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01	Countrywide Manual Pages	☐ New ☒ Replacement ☐ Withdrawn	
02	State Exception Pages	☐ New ☒ Replacement ☐ Withdrawn	
03		☐ New ☐ Replacement ☐ Withdrawn	

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Form (RF-3)

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 9/1/2009

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other Medical Malpractice (Line of Insurance)	$230,318	-0.9%

Does filing only apply to certain territory (territories) or certain classes? If so, specify: No

Brief description of filing. (If filing follows rates of an advisory organization, specify organization):
Base rate increase of +21.3%, Step decrease of -2.0%, and increased limits factor decrease of -16.6%
result in premium decrease of -0.9%

chiropractic

*Adjusted to reflect all prior rate changes.
**Change in Company's premium level which will result from application of new rates.

Continental Casualty Company
Name of Company

Robert Anderson, ACAS
Actuarial Consulting Director, Proprietary Rating
Official – Title

RECEIVED
JUL 22 2009
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

WITHDRAWN
NOV 25 2009
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Form (RF-3)

ILLINOIS DEPARTMENT OF INSURANCE
SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 9/1/2009

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other Medical Malpractice (Line of Insurance)	$230,318	-0.9%

Does filing only apply to certain territory (territories) or certain classes? If so, specify: No

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): chiropractic

Base rate increase of +21.3%, Step decrease of -2.0%, and increased limits factor decrease of -16.6% result in premium decrease of -0.9%

*Adjusted to reflect all prior rate changes.
**Change in Company's premium level which will result from application of new rates.

Continental Casualty Company
Name of Company

Robert Anderson, ACAS
Actuarial Consulting Director, Proprietary Rating
Official – Title

RECEIVED
JUL 22 2009
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Form (RF-3)

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 9/1/2009

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other Medical Malpractice (Line of Insurance)	$230,318	-0.9%

Does filing only apply to certain territory (territories) or certain classes? If so, specify: No

Brief description of filing. (If filing follows rates of an advisory organization, specify organization):
We are filing to change rates for our Chiropractic Professional Liability Product. Please see Actuarial Memoradum for details

*Adjusted to reflect all prior rate changes.
**Change in Company's premium level which will result from application of new rates.

Continental Casualty Company
Name of Company

Robert Anderson, ACAS
Actuarial Consulting Director, Proprietary Rating
Official – Title

RECEIVED
JUL 02 2009
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

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, DEBI ARDELN, a duly authorized officer of CNA, 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 he company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

I, DEBI ARDELN, a duly authorized actuary of CNA, am authorized to certify on behalf of 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 subject to this filing.

Debi Ard, VICE-PRESIDENT & ACTUARY Date 7/21/09

Signature and Title of Authorized Insurance Company Officer

Debi Ard, VICE-PRESIDENT & ACTUARY Date 7/21/09

Signature and Title of Authorized Actuary

Insurance Company FEIN 36-2114545 Filing Number 09-00023-RL

Insurer's Address 40 Wall Street

City New York State N.Y. Zip Code 10005

Contact Person's:
- Name and E-mail Sharon Robinson sharon.robinson2@CNA.com

- Direct Telephone and Fax Number

(212) 440-7302
(212) 440-2877

Continental Casualty Company
Chiropractic Professional Liability
Rate Filing
Illinois
CNA Filing ID # 09-00023-RL

Actuarial Memorandum

The Continental Casualty Company (the Company) is proposing a -0.9% premium decrease in the state of Illinois to its Chiropractic Benefit Services Risk Purchasing Group Program. This change will be applicable to all policies written on or after 9/1/09.

The proposed Company rate change is in response to a state specific analysis of our state experience credibility-weighted with a countrywide analysis of our Chiropractic Professional Liability experience evaluated as of June 30, 2008.

The premium decrease of -0.9% is the combined effect of a base rate increase of +21.3% and a rating rule decrease of -18.3% due to changes in our Step Factor Table in Section XII.B.2.d and our Increased Limits Factors in Section XIV.

The attached RATE/RULE FILING SCHEDULE gives the required state information for this rate filing.

Neuman, Gayle

From: Neuman, Gayle
Sent: Wednesday, July 08, 2009 2:20 PM
To: 'sharon.robinson2@cna.com'
Subject: Chiropractic Professional Liability - Rate/Rule Filing #09-00023-R

Ms. Robinson,

I am in receipt of the above referenced filing submitted with your letter dated June 29, 2009.

The Rate/Rule Filing Schedule provided with this filing indicated a filing number of 09-00023-RL and a rate increase. I will disregard these issues. However, please respond to the following issues/concerns:
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. The information in paragraph 3 of the Actuarial Memorandum should be added to the RF-3 Summary Sheet.
4. Pursuant to 50 Ill. Adm. Code 754.10, identification of all changes in all superseding filings, as well as identification of all superseded fiings is required. Additionally, we require you certify that nothing else has changed from what was previously filed except for the changes brought to our attention in this filing.
5. Please also provide the base rates (occurrence and claims-made) along with the territory factors and class factors.

I request receipt of your response by July 22, 2009.
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.

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Neuman, Gayle

From: Robinson,Sharon [Sharon.Robinson2@cna.com]
Sent: Wednesday, July 22, 2009 1:01 PM
To: Neuman, Gayle
Cc: Stern,Adrienne H.; Cortina,Kristine
Subject: IL Rate Objection #1.09-00023-FR HealthPro Chiropractic Revision Program
Attachments: IL Certification .pdf; IL RF-3 20090722.xls; IL Chiro Comparison.xls

Dear Ms. Neuman:

Thank you for your email dated July 8, 2009. Please note our following response to the issues you raised.

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.

Debi Ardern, FCAS and Vice-president, certifies that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

<<IL Certification .pdf>>

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?

Our statistics are reported to the Insurance Services Offices.

3. The information in paragraph 3 of the Actuarial Memorandum should be added to the RF-3 Summary Sheet.

The information in paragraph 3 of the Actuarial Memorandum has been added to the RF-3 Summary Sheet.
<<IL RF-3 20090722.xls>>

4. Pursuant to 50 Ill. Adm. Code 754.10, identification of all changes in all superseding filings, as well as identification of all superseded filings is required. Additionally, we require you certify that nothing else has changed from what was previously filed except for the changes brought to our attention in this filing.

The attached exhibit gives all the changes in our filing. These are the only change from the previously filed rates.
<<IL Chiro Comparison.xls>>

5. Please also provide the base rates (occurrence and claims-made) along with the territory factors and class factors.

The exhibit attached in item 4 above provides this information also. The base rates are only on a claims-made basis.

Thank you.

Sharon Robinson

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Neuman, Gayle

From: Robinson,Sharon [Sharon.Robinson2@cna.com]
Sent: Wednesday, July 22, 2009 2:59 PM
To: Neuman, Gayle
Cc: Stern,Adrienne H.; Cortina,Kristine; Master,Debra R.; Anderson,Robert C.; Pacansky,Ginette L.; Vesel,Marie-Eve
Subject: IL Rate Objection #1.09-00023-FR HealthPro Chiropractic Revision Program
Attachments: CW Pages TRACKED CHANGES.pdf

Dear Ms. Neuman:

Thank you for your email dated July 22, 2009.

In response to your request we attach a tracked copy of our countrywide manual pages which displays the changes made in this filing.

We will follow-up within a day or two with the changes to the Illinois State Pages.

We are apologize for any inconvenience we may have caused.

Thank you.

Sharon

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Wednesday, July 22, 2009 2:34 PM
To: Robinson,Sharon
Subject: RE: IL Rate Objection #1.09-00023-FR HealthPro Chiropractic Revision Program

Ms. Robinson,

The last version of this section of the manual was filed effective December 1, 2008. On page 3 of that filing, the Class 1 description included wording regarding Terms of Acceptance. I do not see this information on the pages you are submitting for review in this filing, There are additional changes I have found. In my July 8, 2009 e-mail, I requested that all changes be disclosed as required. This information and other changes were not disclosed when I brought this to your attention.

Please provide a response indicating if other changes are being made. Otherwise, page to the manual will have to be reprinted to resolve the issue. Your immediate attention is requested.

Gayle Neuman
Department of Insurance

From: Robinson,Sharon [mailto:Sharon.Robinson2@cna.com]
Sent: Wednesday, July 22, 2009 1:01 PM
To: Neuman, Gayle
Cc: Stern,Adrienne H.; Cortina,Kristine
Subject: IL Rate Objection #1.09-00023-FR HealthPro Chiropractic Revision Program

Dear Ms. Neuman:

Thank you for your email dated July 8, 2009. Please note our following response to the issues you raised.

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.

Debi Ardern, FCAS and Vice-president, certifies that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

<<IL Certification.pdf>>

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?

Our statistics are reported to the Insurance Services Offices.

3. The information in paragraph 3 of the Actuarial Memorandum should be added to the RF-3 Summary Sheet.

The information in paragraph 3 of the Actuarial Memorandum has been added to the RF-3 Summary Sheet.
<<IL RF-3 20090722.xls>>

4. Pursuant to 50 Ill. Adm. Code 754.10, identification of all changes in all superseding filings, as well as identification of all superseded filings is required. Additionally, we require you certify that nothing else has changed from what was previously filed except for the changes brought to our attention in this filing.

The attached exhibit gives all the changes in our filing. These are the only change from the previously filed rates.
<<IL Chiro Comparison.xls>>

5. Please also provide the base rates (occurrence and claims-made) along with the territory factors and class factors.

The exhibit attached in item 4 above provides this information also. The base rates are only on a claims-made basis.

Thank you.

Sharon Robinson

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Illinois
Continental Casualty Company
2009 Rate Filing
Illinois
CNA Filing ID# 09-00023-RL
Changes

	Present	Proposed	Change
III. Rate Professional Liability			
Class I			
Territory			
1	1,488	1,805	21.3%
2	1,374	1,667	21.3%
3	1,062	1,288	21.3%
Class II			
Territory			
1	1,984	2,407	21.3%
2	1,832	2,222	21.3%
3	1,416	1,718	21.3%
XII. Classification - Calculation of Premium			
Step			
1	0.49	0.35	-28.6%
2	0.75	0.66	-12.0%
3	0.95	0.90	-5.3%
4	1.00	1.00	0.0%
XIV. Limits of Liability			
Limits			
$100,000/$300,000	1.000	1.000	0.0%
$200,000/$600,000	1.300	1.159	-10.8%
$250,000/$750,000	1.370	1.215	-11.3%
$500,000/$1,500,000	1.600	1.500	-6.3%
$1,000,000/$3,000,000	1.950	1.590	-18.5%
$2,000,000/$4,000,000	2.380	1.741	-26.8%

Neuman, Gayle

From: Robinson,Sharon [Sharon.Robinson2@cna.com]
Sent: Thursday, July 23, 2009 9:15 AM
To: Neuman, Gayle
Cc: Stern,Adrienne H.; Cortina,Kristine
Subject: IL Rate Objection #1.09-00023-FR HealthPro Chiropractic Revision Program
Attachments: Summary of Changes to IL State Page.doc

Dear Ms. Neuman:
As we promised here is a document which clearly describes the changes to the Illinois State Exception/Rate Page.
Thank you.

<<Summary of Changes to IL State Page.doc>>
Sharon

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immediately alert the sender by reply e-mail and then delete this message and any a
are not the intended recipient, you are notified that any use, dissemination, distr
storage of this message or any attachment is strictly prohibited.

SUMMARY OF CHANGES TO
ILLINOIS STATE EXCEPTION/RATE PAGE FOR CHIROPRACTIC
BENEFIT SERVICES RISK PURCHASING GROUP
2007 TO 2009

1. **Header Section:**
   - The CNA Logo was added.
   - "Illinois" was changed to "ILLINOIS".
   - The placement of "CONTINENTAL CASUALTY COMPANY" was changed in the header.

2. **Under Item II:**
   - Column titles were added.
   - "Territory I" was changed to "I".
   - "Territory II" was changed to "II".
   - "Territory III" was changed to "III".

3. **Under Item III:**
   - Territory I / Class I "$1,488" was changed to "$1,805".
   - Territory I / Class II "$1,984" was changed to "$2,407".
   - Territory II / Class I "$1,374" was changed to "$1,667".
   - Territory II / Class II "$1,832" was changed to "$2,222".
   - Territory III / Class I "$1,062" was changed to "$1,288".
   - Territory III / Class II "$1,416" was changed to "$1,718".

4. **Footer Section:**
   - "ed. 2007" was changed to "2009 EDITION".
   - "2ND REPRINT" was added.

Neuman, Gayle

From: Neuman, Gayle
Sent: Thursday, July 23, 2009 1:22 PM
To: 'Robinson,Sharon'
Subject: Rate/Rule Filing #09-00023-R

Ms. Robinson,

I previously requested the base rates and territory factors, but this information was not provided. It appears that you don't actually use the territory factors for the Student Class – please confirm.

Please forward so that I may conclude my review.

Gayle Neuman
Department of Insurance

From: Robinson,Sharon [mailto:Sharon.Robinson2@cna.com]
Sent: Thursday, July 23, 2009 9:15 AM
To: Neuman, Gayle
Cc: Stern,Adrienne H.; Cortina,Kristine
Subject: IL Rate Objection #1.09-00023-FR HealthPro Chiropractic Revision Program

Dear Ms. Neuman:
As we promised here is a document which clearly describes the changes to the Illinois State Exception/Rate Page.
Thank you.

<<Summary of Changes to IL State Page.doc>>
Sharon

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addressee(s) and may contain confidential and/or legally privileged information. If
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storage of this message or any attachment is strictly prohibited.

Neuman, Gayle

From: Robinson,Sharon [Sharon.Robinson2@cna.com]
Sent: Friday, July 24, 2009 8:32 AM
To: Neuman, Gayle
Cc: Stern,Adrienne H.; Cortina,Kristine; Anderson,Robert C.
Subject: IL Objection #2 Rate/Rule Filing #09-00023-R
Attachments: IL Chiro Comparison 20090723.xls

Dear Ms. Neuman:
Thank you for your email dated July 23, 2009. Please note our following response to the issues you raised. Our Class 1 and Class II rates vary by territory but we do not have territorial factors as such since we provide rates in dollars. Please note that the Class II rates are 33.3% higher than the Class I rates. In addition, the Territory 1 and 2 rates are 40.1% and 29.4% higher than the Territory 3 rates, respectively.

The attached comparison document now includes the Student's rates, which were unchanged and do not vary by territory.
Thank you.

<<IL Chiro Comparison 20090723.xls>>

Thanks,
Sharon

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Illinois
Continental Casualty Company
2009 Rate Filing
Illinois
CNA Filing ID# 09-00023-RL
Changes

	Present	Proposed	Change
III. Rate Professional Liability			
Class I			
Territory			
1	1,488	1,805	21.3%
2	1,374	1,667	21.3%
3	1,062	1,288	21.3%
Class II			
Territory			
1	1,984	2,407	21.3%
2	1,832	2,222	21.3%
3	1,416	1,718	21.3%
Students	35	35	0.0%
XII. Classification - Calculation of Premium			
Step			
1	0.49	0.35	-28.6%
2	0.75	0.66	-12.0%
3	0.95	0.90	-5.3%
4	1.00	1.00	0.0%
XIV. Limits of Liability			
Limits			
$100,000/$300,000	1.000	1.000	0.0%
$200,000/$600,000	1.300	1.159	-10.8%
$250,000/$750,000	1.370	1.215	-11.3%
$500,000/$1,500,000	1.600	1.500	-6.3%
$1,000,000/$3,000,000	1.950	1.590	-18.5%
$2,000,000/$4,000,000	2.380	1.741	-26.8%

CNA

COMPANY PAGES FOR
CHIROPRACTIC BENEFIT SERVICES RISK PURCHASING GROUP

CONTINENTAL CASUALTY COMPANY

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I. APPLICATION OF MANUAL RULES

A. This manual provides rules, rates, premiums and classifications and shall govern the writing of policies for the chiropractic profession.

B. The rules, rates, rating plans and forms filed on behalf of the Company and not in conflict herewith shall govern in all cases not specifically provided for herein.

C. Any exceptions to these manual rules are contained in the respective Section or State Rate Page.

II. POLICY TERMS

Policies may be written for a term of one year, and renewed annually thereafter, or as otherwise specified for the respective coverage.

III. PREMIUM COMPUTATION

A. Compute the premium at policy inception using the rules, rates and rating plans in effect, at that time. At each renewal, compute the premium using the rules, rates and rating plans then in effect.

B. Prorate the premium when a policy is used for less than a whole year.

C. Premiums are calculated as specified for the respective coverage. Premium rounding will be done in accordance with the Whole Dollar Rule.

D. The premium shall be computed by applying the rate per practitioner, shown on the State Rate Page, to the total number of practitioners who are named insureds. The rates shall be applied in accordance with each practitioner's classification.

IV. FACTORS OR MULTIPLIERS

Unless stated otherwise, factors or multipliers are to be applied consecutively and not added together.

V. POLICY WRITING MINIMUM PREMIUM

The minimum premium shall be $200.00 per annual or lesser period.

VI. PREMIUM PAYMENT PLAN

The Company may, at its discretion, offer to the Named Insured various premium payment options, including monthly, quarterly, and annual payment plans.

VII. WHOLE DOLLAR RULE

If the result of the rating procedure is not a whole dollar, the result will be adjusted as follows:
A. any amount involving $.50 or over shall be rounded to the next higher whole dollar amount; or
B. any amount involving $.49 or less shall be rounded down to the next lower whole dollar amount.

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VIII. ADDITIONAL PREMIUM CHARGES

A. Prorate all changes requiring additional premium.

B. Apply the rates and rules that were in effect at the inception date of this policy period. After computing the additional premium, charge the amount applicable from the effective date of the change, even if the policy inception premium was less than the policy writing minimum premium.

C. Waive additional premium of $10.00 or less.

IX. RETURN PREMIUM

A. Deletion of any coverage, other than optional coverages, is not permitted unless the entire policy is canceled.

B. Compute return premium at the rates used to calculate the policy premium at the inception of this policy period.

C. Compute return premium pro rata and round in accordance with the Whole Dollar Rule when any coverage or exposure is deleted or an amount of insurance is reduced.

D. Retain the policy writing minimum premium.

X. COVERAGES

Coverage	Limits
A Professional Liability	Claims-Made Basis
B Licensure Defense Assistance	$30,000 Each Civil Proceeding $30,000 Each Policy Period Aggregate
C Deposition Assistance	$2,500 Each Deposition $7,500 Each Policy Period Aggregate
D Reimbursement for Attendance at Dispute Resolution	$500 Each Day $5,000 Each Policy Period Aggregate
E Property Damage Payment	$500 Each Claim $1,000 Each Policy Period Aggregate
F First Aid Reimbursement	$5,000 Each Person $10,000 Each Policy Period Aggregate

XI. POLICY CANCELLATIONS

A. The policy may be canceled flat within 60 days of the effective date. Evidence of such cancellation must be received by the Company within 60 days of such cancellation.

B. Any cancellation initiated, other than by the insured, after more than 60 days will be canceled pro-rata.

C. Cancellation initiated by the insured will be canceled pro-rata less a penalty of 10% (subject to Rule V. Policy Writing Minimum Premium) unless coverage is concurrently rewritten by the Company, in which case no penalty shall be applied.

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XII. CLASSIFICATIONS – CALCULATION OF PREMIUM – Professional Liability Coverage

The base premium for the policy shall be the sum of the applicable charge for each insured based on his/her class, as developed below. The annual mature claims-made base rate for each class is stated on the respective State Exception page:

ISO Class Code 80410

A. The following class descriptions will apply:

Class	Description
1	Doctors of Chiropractic in Class 1 have as their sole objective the detection and correction of the vertebral subluxation. While they may be aware of the patient's symptoms or specific health problems, they do not attempt to treat those symptoms or conditions. Class 1 chiropractors use manual adjusting techniques, which can include hand-held, non-electric devices such as a Toftness Instrument, Atlas Orthogonal Instrument, Integrator Or Activator, etc In addition, they may use traction, extremity adjusting, massage, hot and cold packs, orthotics or other non-invasive modalities which they consider necessary in order to properly detect or correct subluxations, or which they feel will help patients maintain their adjustments. Class 1 doctors do not use therapeutic agents, including nutritional supplements, homeopatic or naturopathic remedies, to treat diseases or suppress symptoms. Surface electromyography (SEMG) is the paraspinal area may be used to measure a variety of physiological changes to determine if subluxation exists. Evidence-based documentation from spinal range of motion and computerized muscle testing studies fall within Class 1. Skin temperature measurement instruments may be used to evaluate neurological changes associated with vertebral subluxation. No invasive procedures or diagnostic or treatment equipment or techniques should be used which are not directly related to the detection and correction or vertebral subluxation. X-ray and other imaging techniques may be used to assist in determining the presence or vertebral subluxation in the spine.

Deleted: In addition, they use a "Terms of Acceptance" (TOA) document, which clearly explains their practice objective. In their report of findings, they note unusual findings not related to vertebral subluxations that they observed, but do not attempt to diagnose or label those findings and do not refer patients to medical practitioners in specific disciplines. They allow their patients to determine the need for medical advice or care.¶ ¶

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COMPANY PAGES FOR
CHIROPRACTIC BENEFIT SERVICES RISK PURCHASING GROUP

CONTINENTAL CASUALTY COMPANY

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XII. CLASSIFICATIONS – CALCULATION OF PREMIUM – Professional Liability Coverage (cont'd)

A. The following class descriptions will apply:

Class	Description
2	Doctors of chiropractic in this class focus on the detection and correction of the vertebral Subluxation. In addition, they may address neuromusculoskeletal complaints and treat spinal-related conditions and symptoms such as strains and sprains. To achieve their practice objective, doctors in Class 2 may utilize everything included under Class 1 and, additionally, modalities such as electrical stimulation, ultrasound, diathermy whirlpool, cryotherpay, orthopedic supports, homeopathy related to the spine, athletic taping, etc., all for the purpose of detecting or correcting vertebral subluxation or diagnosing and treating neuromusculoskeletal complaints. Although invasive procedures are not used, neurologic and orthopedic tests are sometimes utilized. Those chiropractors who hold licenses in acupuncture and perform techniques which require such a license shall be categorized in this class.

B. The annual mature claims-made rates for each chiropractor are stated on the State Rate Page.

The annual step rates, under claims-made, for each Chiropractor shall be determined as follows:

1. If the chiropractor is just entering practice, or the chiropractor has continuously been insured under an "occurrence" policy, enter the step rate factor from the Table at the year one level.

2. If the chiropractor has been insured under a "claims-made" policy for one or more years immediately preceding the effective date of this coverage, or for reasons acceptable to the Company had been uninsured, the following procedure shall apply:

   a) determine the number of years in which the chiropractor was covered under such claims-made policy(ies);

   b) determine the number of years in which the chiropractor was uninsured;

   c) the sum of years developed in a) and b) shall be the base exposure. Fractional years of six months or more of base exposure shall be rounded to the next higher year; less than six months shall be rounded to the next lower year;

   d) the sum of years developed in c) above shall be the Years of Prior Exposure. The Table is entered at the total prior Years of Exposure, plus one.

   The factors in the following Table shall be applied to the full time class rate, found on the State Page, in effect at the inception of the policy.

Step 1	Step 2	Step 3	Step 4
0.35	0.66	0.90	1.00

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XII. CLASSIFICATIONS – CALCULATION OF PREMIUM – Professional Liability Coverage (cont'd)

C. LOCATION OF PRACTICE

The rates as shown in this manual contemplate the exposure as being derived from professional practice within the state. An exception will be allowed for those who derive 25% or less of their practice time from outside the state. Those who derive more than 25% of their practice time outside the state shall be referred to the Company for underwriting approval and rating. We will charge the higher rate if there is multi-state exposure.

XIII. CREDITS AND SURCHARGES

The following applicable factors will be added together and the sum will be applied to the associated risk. The maximum credit applicable to any risk is shown on the respective State Rate page.

A. New Graduate

A "new" graduate is defined as an individual who is receiving his or her first chiropractic license and beginning a practice.

The following credits will apply:

Years in Practice	Discount
1st	75%
2nd	40%
3rd	25%
4th	15%

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75% for the first year in practice¶
40% for the second year in practice¶
25% for the third year in practice¶
15% for the fourth year in practice¶

B. Corporations/Partnerships/Associations

It shall be permissible to provide coverage for a corporation, partnership or association for liability arising from the practice of member chiropractors insured by the Company. Such coverage may be provided either:

1. on a shared limit of liability with the member practitioner, in which case no additional premium shall be charged; or

2. on a separate limit of liability basis. All practitioners of the corporation must purchase the same limit of liability. Additional premium shall be 15% of the total developed liability premium for each member.

C. Additional Insured

An additional insured, other than Corporations/Partnerships (such as an outpatient surgical center, managed care organization, hospital, etc.) may be added to the policy for an additional premium charge of 20% of the policy's total manual premium. All other Additional Insureds must be referred to the Company for approval and rating.

D. Vicarious Liability

A charge of 10% of the named insured's premium will be charged for each chiropractor not insured by CNA who presents a vicarious liability exposure to the named insured.

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XIII. CREDITS AND SURCHARGES (cont'd)

E. Disability/Leave of Absence

A practitioner who becomes disabled, or is on leave of absence for a period of at least 30 days, but less that 180 days, may be eligible for restricted coverage at a rate reduction of 75% of the applicable rate for the period of disability or leave of absence. This will apply retroactively to the first day of disability or leave of absence. Leaves of absence are subject to underwriting approval.

F. Part Time

A part time credit of 50% of the applicable rate will apply to any practitioner who works 20 hours or less per week.

G. Military Activation

Where an Insured has been called to Active Military duty an endorsement will be attached suspending coverage for the period of deployment. Note: the period on active duty does not count for step rating.

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H. Locum Tenens

Coverage for a practitioner substituting for an insured will be limited to cover only professional services rendered on behalf of an insured for the specified time period. Locum Tenens will share in the insured's limit of liability, and the substituting professional is subject to standard underwriting approval. There is no additional charge for a period not to exceed 60 days.

I. Loss Prevention/Risk Management

A Risk management credit of up to 10% will be applied to the rate, based upon completion of Company-sponsored risk management or Company-approved courses. Course content must include one or more of the following topics:

- patient communication
- documentation
- informed consent
- confidentiality of records
- litigation and other legal issues

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Verifiable active participation is required in any such program. The course must be completed by the insured within 24 months of the policy effective date. This credit will be reapplied to subsequent coverage terms, provided that the course completion date is within 24 months of the effective date. This is subject to underwriting approval.

J. Experience Rating

The following claims-free credits will apply to the chiropractor's applicable class rate:

Minimum Number of Consecutive Years Claims-Free	Credit
5	10%
10	15%
20	20%

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XIII. CREDITS AND SURCHARGES (cont'd)

K. Schedule Modification

A modification reflecting the specific individual characteristics of a risk shall be applied to the professional liability premium for chiropractors. The criteria (shown below) used in evaluating the risk will be applied objectively and uniformly to all risks. All applicable debits and credits from this Section K shall be added together and the sum shall be the total Schedule Modification. The total schedule modification shall be capped by the amount listed in state rate/exception page.

Criteria	Maximum Credit	Maximum Debit
1. Qualifications and experience of management	-10%	+10%
2. Cooperation with insurer	-10%	+10%
3. Selection and supervision of staff	-10%	+10%
4. Effective risk management program	-10%	+10%
5. Ongoing quality improvement program	-10%	+10%
6. Communication vehicle for patient questions and concerns	-10%	+10%
7. Use of recognized system of clinical guidelines	-10%	+10%
8. Well-maintained patient record system	-10%	+10%
9. Thorough documentation of patient care and interaction	-10%	+10%
10. Established policies and procedures for patient relations	-10%	+10%
11. Rehearsed emergency plan/equipment in place	-10%	+10%
12. High risk or experimental procedures or treatments	0%	+25%
13. Loss experience	-10%	+25%
14. Demographics of Patient Group	-10%	+25%
15. Other risk deviations specific to the account	-15%	+15%

XIV. LIMITS OF LIABILITY

The base rate on the state rate page contemplates a limit of $100K/$300K. Higher limits of liability may be selected by insureds. The associated factors listed below will apply to the $100K/$300K rate.

Limits of Liability	Factor
$100,000/$300,000	1.000
$200,000/$600,000	1.159
$250,000/$750,000	1.215
$500,000/$1,500,000	1.500
$1,000,000/$3,000,000	1.590
$2,000,000/$4,000,000	1.741

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XV. EXTENDED REPORTING PERIOD COVERAGE

The extension period is unlimited with respect to time. The availability of Extended Reporting Period Coverage shall be governed by the following rules:

1. The limits of liability will equal the limits of liability of the expiring policy.

2. Extended Reporting Period Coverage will be available to all named insureds shown on the Declarations page of this policy. Should an insured terminate association with an entity, coverage will also be offered for the liability of the entity provided that such entity was also insured by this Company.

3. Should the entity terminate coverage under the policy, the entity may purchase this coverage by giving the Company written notice, within 60 days, of its intent to purchase, and paying the appropriate premium.

4. Upon termination of coverage under this policy by reason of death or permanent disability, the insured's unearned premium for this coverage will be waived and Extended Reporting Period Coverage will be granted for no additional charge.

   There will be no charge for Extended Reporting Period Coverage in the event of retirement from the practice of chiropractic and provided the insured is at least 52 years old and has been continuously insured by the Company for at least one year immediately preceding retirement.

   This shall apply to all insureds otherwise qualifying for such coverage.

5. The Prior Acts date of coverage with this Company will determine the years of prior exposure in calculation of Extended Reporting Period Coverage.

6. Premium must be paid promptly when due.

7. In the event the policy is canceled, any return premium due the insured shall be credited toward the premium for Extended Reporting Period Coverage, if the insured elects this coverage. If any premium is due for the period of time between the earlier of the policy's Prior Acts date or effective date and the termination date, any monies received by the Company from the insured shall first be applied to the premium owing for the policy and then to the Extended Reporting Period endorsement.

8. The factors in the following Table shall be applied to the *expiring premium*:

Years of Claims-Made Coverage	Factor
1	142%
2	134%
3	123%
4 or more	121%

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$2,000,000/$6,000,000	2.430

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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

CNA

COMPANY PAGES FOR
CHIROPRACTIC BENEFIT SERVICES RISK PURCHASING GROUP

CONTINENTAL CASUALTY COMPANY

I. APPLICATION OF MANUAL RULES

A. This manual provides rules, rates, premiums and classifications and shall govern the writing of policies for the chiropractic profession.

B. The rules, rates, rating plans and forms filed on behalf of the Company and not in conflict herewith shall govern in all cases not specifically provided for herein.

C. Any exceptions to these manual rules are contained in the respective Section or State Rate Page.

II. POLICY TERMS

Policies may be written for a term of one year, and renewed annually thereafter, or as otherwise specified for the respective coverage.

III. PREMIUM COMPUTATION

A. Compute the premium at policy inception using the rules, rates and rating plans in effect, at that time. At each renewal, compute the premium using the rules, rates and rating plans then in effect.

B. Prorate the premium when a policy is used for less than a whole year.

C. Premiums are calculated as specified for the respective coverage. Premium rounding will be done in accordance with the Whole Dollar Rule.

D. The premium shall be computed by applying the rate per practitioner, shown on the State Rate Page, to the total number of practitioners who are named insureds. The rates shall be applied in accordance with each practitioner's classification.

IV. FACTORS OR MULTIPLIERS

Unless stated otherwise, factors or multipliers are to be applied consecutively and not added together.

V. POLICY WRITING MINIMUM PREMIUM

The minimum premium shall be $200.00 per annual or lesser period.

VI. PREMIUM PAYMENT PLAN

The Company may, at its discretion, offer to the Named Insured various premium payment options, including monthly, quarterly, and annual payment plans.

VII. WHOLE DOLLAR RULE

If the result of the rating procedure is not a whole dollar, the result will be adjusted as follows:
a) any amount involving $.50 or over shall be rounded to the next higher whole dollar amount; or
b) any amount involving $.49 or less shall be rounded down to the next lower whole dollar amount.

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STATE OF ILLINOIS
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SPRINGFIELD, ILLINOIS

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COMPANY PAGES FOR
CHIROPRACTIC BENEFIT SERVICES RISK PURCHASING GROUP

CONTINENTAL CASUALTY COMPANY

VIII. ADDITIONAL PREMIUM CHARGES

A. Prorate all changes requiring additional premium

B. Apply the rates and rules that were in effect at the inception date of this policy period. After computing the additional premium, charge the amount applicable from the effective date of the change, even if the policy inception premium was less than the policy writing minimum premium.

C. Waive additional premium of $10.00 or less.

IX. RETURN PREMIUM

A. Deletion of any coverage, other than optional coverages, is not permitted unless the entire policy is canceled.

B. Compute return premium at the rates used to calculate the policy premium at the inception of this policy period.

C. Compute return premium pro rata and round in accordance with the Whole Dollar Rule when any coverage or exposure is deleted or an amount of insurance is reduced.

D. Retain the policy writing minimum premium.

X. COVERAGES

Coverage	Limits
A Professional Liability	Claims-Made Basis
B Licensure Defense Assistance	$30,000 Each Civil Proceeding $30,000 Each Policy Period Aggregate
C Deposition Assistance	$2,500 Each Deposition $7,500 Each Policy Period Aggregate
D Reimbursement for Attendance at Dispute Resolution	$500 Each Day $5,000 Each Policy Period Aggregate
E Property Damage Payment	$500 Each Claim $1,000 Each Policy Period Aggregate
F First Aid Reimbursement	$5,000 Each Person $10,000 Each Policy Period Aggregate

XI. POLICY CANCELLATIONS

A. The policy may be canceled flat within 60 days of the effective date. Evidence of such cancellation must be received by the Company within 60 days of such cancellation.

B. Any cancellation initiated, other than by the insured, after more than 60 days will be canceled pro-rata.

C. Cancellation initiated by the insured will be canceled pro-rata less a penalty of 10% (subject to Rule V. Policy Writing Minimum Premium) unless coverage is concurrently rewritten by the Company, in which case no penalty shall be applied.

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

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COMPANY PAGES FOR
CHIROPRACTIC BENEFIT SERVICES RISK PURCHASING GROUP

CONTINENTAL CASUALTY COMPANY

XII. CLASSIFICATIONS – CALCULATION OF PREMIUM – Professional Liability Coverage

The base premium for the policy shall be the sum of the applicable charge for each insured based on his/her class, as developed below. The annual mature claims-made base rate for each class is stated on the respective State Exception page:

ISO Class Code 80410

A. The following class descriptions will apply:

Class	Description
1	Doctors of Chiropractic in Class 1 have as their sole objective the detection and correction of the vertebral subluxation. While they may be aware of the patient's symptoms or specific health problems, they do not attempt to treat those symptoms or conditions. Class 1 chiropractors use manual adjusting techniques, which can include hand-held, non-electric devices such as a Toftness Instrument, Atlas Orthogonal Instrument, Integrator Or Activator, etc In addition, they may use traction, extremity adjusting, massage, hot and cold packs, orthotics or other non-invasive modalities which they consider necessary in order to properly detect or correct subluxations, or which they feel will help patients maintain their adjustments. Class 1 doctors do not use therapeutic agents, including nutritional supplements, homeopatic or naturopathic remedies, to treat diseases or suppress symptoms. Surface electromyography (SEMG) is the paraspinal area may be used to measure a variety of physiological changes to determine if subluxation exists. Evidence-based documentation from spinal range of motion and computerized muscle testing studies fall within Class 1. Skin temperature measurement instruments may be used to evaluate neurological changes associated with vertebral subluxation. No invasive procedures or diagnostic or treatment equipment or techniques should be used which are not directly related to the detection and correction or vertebral subluxation. X-ray and other imaging techniques may be used to assist in determining the presence or vertebral subluxation in the spine.

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CHIROPRACTIC BENEFIT SERVICES RISK PURCHASING GROUP

CONTINENTAL CASUALTY COMPANY

XII. CLASSIFICATIONS – CALCULATION OF PREMIUM – Professional Liability Coverage (cont'd)

A. The following class descriptions will apply:

Class	Description
2	Doctors of chiropractic in this class focus on the detection and correction of the vertebral subluxation. In addition, they may address neuromusculoskeletal complaints and treat spinal-related conditions and symptoms such as strains and sprains. To achieve their practice objective, doctors in Class 2 may utilize everything included under Class 1 and, additionally, modalities such as electrical stimulation, ultrasound, diathermy whirlpool, cryotherpay, orthopedic supports, homeopathy related to the spine, athletic taping, etc., all for the purpose of detecting or correcting vertebral subluxation or diagnosing and treating neuromusculoskeletal complaints. Although invasive procedures are not used, neurologic and orthopedic tests are sometimes utilized. Those chiropractors who hold licenses in acupuncture and perform techniques which require such a license shall be categorized in this class.

B. The annual mature claims-made rates for each chiropractor are stated on the State Rate Page.

The annual step rates, under claims-made, for each Chiropractor shall be determined as follows:

1. If the chiropractor is just entering practice, or the chiropractor has continuously been insured under an "occurrence" policy, enter the step rate factor from the Table at the year one level.

2. If the chiropractor has been insured under a "claims-made" policy for one or more years immediately preceding the effective date of this coverage, or for reasons acceptable to the Company had been uninsured, the following procedure shall apply:

   a) determine the number of years in which the chiropractor was covered under such claims-made policy(ies);

   b) determine the number of years in which the chiropractor was uninsured;

   c) the sum of years developed in a) and b) shall be the base exposure. Fractional years of six months or more of base exposure shall be rounded to the next higher year; less than six months shall be rounded to the next lower year;

   d) the sum of years developed in c) above shall be the Years of Prior Exposure. The Table is entered at the total prior Years of Exposure, plus one.

   The factors in the following Table shall be applied to the full time class rate, found on the State Page, in effect at the inception of the policy.

Step 1	Step 2	Step 3	Step 4
0.35	0.66	0.90	1.00

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SPRINGFIELD, ILLINOIS

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COMPANY PAGES FOR
CHIROPRACTIC BENEFIT SERVICES RISK PURCHASING GROUP

CONTINENTAL CASUALTY COMPANY

XII. CLASSIFICATIONS – CALCULATION OF PREMIUM – Professional Liability Coverage (cont'd)

C. Location of Practice

The rates as shown in this manual contemplate the exposure as being derived from professional practice within the state. An exception will be allowed for those who derive 25% or less of their practice time from outside the state. Those who derive more than 25% of their practice time outside the state shall be referred to the Company for underwriting approval and rating. We will charge the higher rate if there is multi-state exposure.

XIII. CREDITS AND SURCHARGES

The following applicable factors will be added together and the sum will be applied to the associated risk. The maximum credit applicable to any risk is shown on the respective State Rate page.

A. New Graduate

A "new" graduate is defined as an individual who is receiving his or her first chiropractic license and beginning a practice.

The following credits will apply:

Years in Practice	Discount
1st	75%
2nd	40%
3rd	25%
4th	15%

B. Corporations/Partnerships/Associations

It shall be permissible to provide coverage for a corporation, partnership or association for liability arising from the practice of member chiropractors insured by the Company. Such coverage may be provided either:

1. on a shared limit of liability with the member practitioner, in which case no additional premium shall be charged; or

2. on a separate limit of liability basis. All practitioners of the corporation must purchase the same limit of liability. Additional premium shall be 15% of the total developed liability premium for each member.

C. Additional Insured

An additional insured, other than Corporations/Partnerships (such as an outpatient surgical center, managed care organization, hospital, etc.) may be added to the policy for an additional premium charge of 20% of the policy's total manual premium. All other Additional Insureds must be referred to the Company for approval and rating.

D. Vicarious Liability

A charge of 10% of the named insured's premium will be charged for each chiropractor not insured by CNA who presents a vicarious liability exposure to the named insured.

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

CNA

XIII. CREDITS AND SURCHARGES (cont'd)

E. Disability/Leave of Absence

A practitioner who becomes disabled, or is on leave of absence for a period of at least 30 days, but less that 180 days, may be eligible for restricted coverage at a rate reduction of 75% of the applicable rate for the period of disability or leave of absence. This will apply retroactively to the first day of disability or leave of absence. Leaves of absence are subject to underwriting approval.

F. Part Time

A part time credit of 50% of the applicable rate will apply to any practitioner who works 20 hours or less per week.

G. Military Activation

Where an Insured has been called to Active Military duty an endorsement will be attached suspending coverage for the period of deployment. Note: the period on active duty does not count for step rating

H. Locum Tenens

Coverage for a practitioner substituting for an insured will be limited to cover only professional services rendered on behalf of an insured for the specified time period. Locum Tenens will share in the insured's limit of liability, and the substituting professional is subject to standard underwriting approval. There is no additional charge for a period not to exceed 60 days.

I. Loss Prevention/Risk Management

A Risk management credit of up to 10% will be applied to the rate, based upon completion of Company-sponsored risk management or Company-approved courses. Course content must include one or more of the following topics:

- patient communication
- documentation
- informed consent
- confidentiality of records
- litigation and other legal issues

Verifiable active participation is required in any such program. The course must be completed by the insured within 24 months of the policy effective date. This credit will be reapplied to subsequent coverage terms, provided that the course completion date is within 24 months of the effective date. This is subject to underwriting approval.

J. Experience Rating

The following claims-free credits will apply to the chiropractor's applicable class rate:

Minimum Number of Consecutive Years Claims-Free	Credit
5	10%
10	15%
20	20%

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XIII. CREDITS AND SURCHARGES (cont'd)

K. Schedule Modification

A modification reflecting the specific individual characteristics of a risk shall be applied to the professional liability premium for chiropractors. The criteria (shown below) used in evaluating the risk will be applied objectively and uniformly to all risks. All applicable debits and credits from this Section K shall be added together and the sum shall be the total Schedule Modification. The total schedule modification shall be capped by the amount listed in state rate/exception page.

Criteria	Maximum Credit	Maximum Debit
1. Qualifications and experience of management	-10%	+10%
2. Cooperation with insurer	-10%	+10%
3. Selection and supervision of staff	-10%	+10%
4. Effective risk management program	-10%	+10%
5. Ongoing quality improvement program	-10%	+10%
6. Communication vehicle for patient questions and concerns	-10%	+10%
7. Use of recognized system of clinical guidelines	-10%	+10%
8. Well-maintained patient record system	-10%	+10%
9. Thorough documentation of patient care and interaction	-10%	+10%
10. Established policies and procedures for patient relations	-10%	+10%
11. Rehearsed emergency plan/equipment in place	-10%	+10%
12. High risk or experimental procedures or treatments	0%	+25%
13. Loss experience	-10%	+25%
14. Demographics of Patient Group	-10%	+25%
15. Other risk deviations specific to the account	-15%	+15%

XIV. LIMITS OF LIABILITY

The base rate on the state rate page contemplates a limit of $100K/$300K. Higher limits of liability may be selected by insureds. The associated factors listed below will apply to the $100K/$300K rate.

Limits of Liability	Factor
$100,000 / $300,000	1.000
$200,000 / $600,000	1.159
$250,000 / $750,000	1.215
$500,000 / $1,500,000	1.500
$1,000,000 / $3,000,000	1.590
$2,000,000 / $4,000,000	1.741

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XV. EXTENDED REPORTING PERIOD COVERAGE

The extension period is unlimited with respect to time. The availability of Extended Reporting Period Coverage shall be governed by the following rules:

1. The limits of liability will equal the limits of liability of the expiring policy.

2. Extended Reporting Period Coverage will be available to all named insureds shown on the Declarations page of this policy. Should an insured terminate association with an entity, coverage will also be offered for the liability of the entity provided that such entity was also insured by this Company.

3. Should the entity terminate coverage under the policy, the entity may purchase this coverage by giving the Company written notice, within 60 days, of its intent to purchase, and paying the appropriate premium.

4. Upon termination of coverage under this policy by reason of death or permanent disability, the insured's unearned premium for this coverage will be waived and Extended Reporting Period Coverage will be granted for no additional charge.

   There will be no charge for Extended Reporting Period Coverage in the event of retirement from the practice of chiropractic and provided the insured is at least 52 years old and has been continuously insured by the Company for at least one year immediately preceding retirement.

   This shall apply to all insureds otherwise qualifying for such coverage.

5. The Prior Acts date of coverage with this Company will determine the years of prior exposure in calculation of Extended Reporting Period Coverage.

6. Premium must be paid promptly when due.

7. In the event the policy is canceled, any return premium due the insured shall be credited toward the premium for Extended Reporting Period Coverage, if the insured elects this coverage. If any premium is due for the period of time between the earlier of the policy's Prior Acts date or effective date and the termination date, any monies received by the Company from the insured shall first be applied to the premium owing for the policy and then to the Extended Reporting Period endorsement.

8. The factors in the following Table shall be applied to the *expiring premium*:

Years of Claims-Made Coverage	Factor
1	142%
2	134%
3	123%
4 or more	121%

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I. Amended Rules - Professional Liability

Section VI, **Quarterly Installment Option**, is amended to state the following:
The company will offer to all Named Insured a premium payment option as follows:
a. Each quarterly premium payment will be 25% of the total annual premium;
b. There will be no interest charges;
c. There will be quarterly installment charges equal to the lesser of 1% of the total annual premium or $25.00;
d. Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.

Section XIII, Credits and Surcharges, is amended to include the following:
The maximum discount applicable to any one risk shall be governed by the following:

First Year New Graduate	75%
Second Year New Graduate	40%
Part-Time Chiropractor	50%
All Others	30%

Section XIII.K., **Schedule Modifications**, is amended to include the following:
"The maximum schedule modification shall be capped at +/-25%."

Section XV.A.8., **Extended Reporting Period Coverage**, is amended to state the following:
The factors in the following Table shall be applied to the *expiring annual premium*.

Years of Claims-Made Coverage	Factor
1	142%
2	134%
3	123%
4 or more	121%

II. Territorial Definitions - Professional Liability

Territory	Definition
I	St. Clair County
II	Cook
III	Rest of State

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III. Rates - Professional Liability

Mature Claims-made Rate at $100K/$300K Limits:

Class	Territory I	Territory II	Territory III
I	$1,805	$1,667	$1,288
II	$2,407	$2,222	$1,718

Occurrence Rate at $100K/$300K Limits:

Class	Territory I	Territory II	Territory III
Student	$35	$35	$35