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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

Myron Harry
Analyst
State Filings Division
212 458 7057 Telephone
212 458 7077 Facsimile

myron.harry@chartisinsurance.com

September 26, 2011

FILED

CHARTIS

MAR 30 2012

Honorable Jack Messmore
Acting Director of Insurance
Illinois Department of Insurance
320 West Washington Street, 4th Floor
Springfield, Illinois 62767-0001

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Attn.: Mr. John Gatlin
Supervisor, Property and Casualty Compliance Unit

RE: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.
NAIC #012-19445 FEIN #25-0687550

Chiropractors Professional Liability Plus Program
Our Filing Number: CHS-11-EO-15

Dear Mr. Gatlin:

National Union Fire Insurance Company of Pittsburgh, Pa. submits for your review and approval a rate plan and rating rules to be used with its Chiropractors Professional Liability Program on file with your Department (our filing numbers AIC-99-OL-06 and NU-94-PR-02). Please be advised that the rate plan, and rules included in this filing are submitted to replace the rates and rules currently on file with your Department.

Please refer to the attached Filing Memorandum, Rate Plan, and Rating Rules for information about the revisions included in this submission.

In addition, please be advised that revised forms for this Program have been submitted via SERFF Tracking Number AGNY-127390764.

Your favorable consideration and approval are respectfully requested.

Sincerely,

Myron Harry
Myron Harry

FO
MEM
RUL
dbn
J&K

**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, Adam C. Reed, a duly authorized officer National Union Fire Insurance Company of Pittsburgh, Pa., 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, Mary Gaillard, a duly authorized actuary of National Union Fire Insurance Company of Pittsburgh, Pa., 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.



Signature and Title of Authorized Insurance Company Officer

AVP

11/10/2011
Date

Mary B. Gaillard, AcAS, MAAA
Signature, Title and Designation of Authorized Actuary
VP & Associate Actuary

11/4/11
Date

Insurance Company FEIN: 25 - 0687550

Filing Number: CHS-11-EO-15

Insurer's Address : 175 Water Street

City : New York State: New York Zip Code: 10038

Contact Person's:

-Name and E-mail Myron Harry - myron.harry@chartisinsurance.com

-Direct Telephone and Fax Number: Telephone: (212) 458 7057

Fax: (212) 458 7077

Neuman, Gayle

From: Harry, Myron [Myron.Harry@chartisinsurance.com]
Sent: Thursday, April 05, 2012 11:40 AM
To: Neuman, Gayle
Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing #CHS-11-EO-15

Ms. Neuman,

We would like to have a March 30, 2012 effective date. This filing has **not** been put into effect.

Myron Harry

Analyst
Chartis
State Filings Division

(212) 458-7057 Telephone
(212) 458-7077 Facsimile
<mailto:myron.harry@chartisinsurance.com>

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From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Wednesday, March 21, 2012 12:04 PM
To: Harry, Myron
Subject: National Union Fire Ins Co of Pittsburgh, PA - Filing #CHS-11-EO-15

Ms. Harry,

The Department of Insurance has now completed its review of the filing referenced above. Originally, National Union Fire requested the filing be effective October 7, 2011. Was the filing put in effect on October 7, 2011 or do you wish to have a different 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: Neuman, Gayle
Sent: Wednesday, April 04, 2012 10:37 AM
To: 'Harry, Myron'
Subject: FW: National Union Fire Ins Co of Pittsburgh, PA - Filing #CHS-11-EO-15

Ms. Harry,

I have not received your response to the e-mail below. I am waiting to conclude this filing based on your response. Your prompt attention is appreciated.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Neuman, Gayle
Sent: Wednesday, March 21, 2012 11:04 AM
To: 'Harry, Myron'
Subject: National Union Fire Ins Co of Pittsburgh, PA - Filing #CHS-11-EO-15

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

CHIROPRACTORS PROFESSIONAL LIABILITY PLUS PROGRAM

**FILING EXPLANATORY MEMORANDUM
(NO BASE RATE REVISION)**

National Union Fire Insurance Company of Pittsburgh, Pa. (NUFIC) is proposing to revise the existing Chiropractor Professional Liability Program currently on file.

The Rating Rules have been revised. We have combined the Claims Made and Occurrence Rules into one document. We consolidated the 6 classes down to 4. Classes 1-4 are essentially the same with further elaboration on types of services covered under each class. The Class 5 and 6 practitioners have been included in the overall coverage and do not need their own classes as we do not surcharge for them any longer. There is no additional charge for these healthcare providers to share the Chiropractor's limit. The increased limits factors, claims made step factors, and extended reporting period factors will continue to be the same as the existing NUFIC rating factors currently on file.

The base rate limit is now \$1M/\$3M. Employees, Interns and Externs are covered under the Chiropractor's base policy. Limits may be purchased up to \$2M/\$4M for individual Chiropractors. Temporary LOA or Disability was increased to 25% from 15% and only extends for 6 months not a full year. New rules are provided for ERP, Part Time, Manipulation under Anesthesia, Animal Adjusting, New Practitioner Discount, 1099 Independent Contractors, Additional Insureds, Vicarious Liability, Locum Tenens, and Rounding Rule.

We have added two (2) new limits with associated factors: \$250,000/\$750,000 (factor of .753) and \$2,000,000/\$4,000,000 (factor of 1.291). The premium modifiers for Chiropractors in first year, second year, third year and fourth year after residency have been amended. The first year after residency discount is 75%, second year after residency is 40%, third year after residency is 25%, and fourth year after residency is 15%. The charge for the additional insured corporate entity remains the same at 10%, but we are providing the entity with a separate limit compared to the entity sharing the limit with the Chiropractor as it stands with the current rule on file.

The product continues to offer the following: –professional liability; –premises liability; –personal injury liability. The enhanced product being offered under this 2011 filing will also include, in addition to the above: -defense costs for HIPAA violations; –defense costs for administrative hearings; –assault upon the insured personal expenses reimbursement; –first aid reimbursement; –medical payments to others reimbursement; – deposition fees and expenses reimbursement when not a named party to a claim; and - billing errors and omissions coverage.

The NUFIC Chiropractor Program enhancements built into the base rate are:

1. HIPAA defense coverage of \$25,000/year (Defense costs are paid up to \$25,000 for allegations of HIPAA violations - No payment for fines or penalties.);
2. Assault Upon You Personal Expenses Reimbursement \$25,000;
3. First Aid Personal Expenses Reimbursement \$5,000;
4. Administrative Hearings Defense Costs \$10,000;
5. Loss of Earnings limit increased from \$250/\$5,000 to \$2,500/\$10,000;
6. Medical Payments limit \$2,500/\$100,000; and
7. Billing Errors and Omissions coverage of \$10,000.

See attached form comparison table for more details.

Neuman, Gayle

From: Harry, Myron [Myron.Harry@chartisinsurance.com]
Sent: Tuesday, January 17, 2012 3:34 PM
To: Neuman, Gayle
Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15
Attachments: Stamped Copy of Cover Letter2.pdf

Ms. Neuman,

Please be advised that we don't seem to have another copy of a stamped cover letter for the Rates/Rules filing. However, please refer to the attached rate pages, there is a date stamp (Feb. 1, 1995) at the bottom of the rates pages. Hope this is helpful.

Please let us know if we can be of any further assistance.

Myron Harry

Analyst
Chartis
State Filings Division

(212) 458-7057 Telephone
(212) 458-7077 Facsimile
<mailto:myron.harry@chartisinsurance.com>

Chartis U.S.
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From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Wednesday, January 11, 2012 2:53 PM
To: Harry, Myron
Subject: FW: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Harry,

Please provide a response to the attached e-mail by January 18, 2012.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Neuman, Gayle
Sent: Thursday, December 22, 2011 2:27 PM

To: 'Harry, Myron'

Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Harry,

Unfortunately, this is the cover letter for a forms filing. You should have another copy of this letter that was stamped filed in response to the rate/rule filing.

Thank you for your prompt attention. Happy Holidays!

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Harry, Myron [<mailto:Myron.Harry@chartisinsurance.com>]

Sent: Thursday, December 22, 2011 1:31 PM

To: Neuman, Gayle

Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Neuman,

In response to your request, attached please find a copy of the stamped cover letter for the Chiropractor Professional Liability Program.

We apologize for delay in getting back to you.

HAPPY HOLIDAYS TO YOU!!

Myron Harry

Analyst

Chartis

State Filings Division

(212) 458-7057 Telephone

(212) 458-7077 Facsimile

<mailto:myron.harry@chartisinsurance.com>

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From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]

Sent: Thursday, December 08, 2011 10:30 AM

To: Harry, Myron

Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Harry,

I am additionally requesting National Union Fire provide a copy of the cover letter stamped "filed" that was sent to the company when the rate/rule pages were previously submitted.

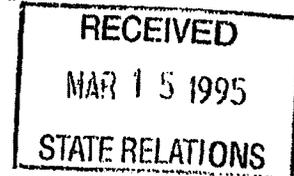
I request receipt of your response by December 16, 2011.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

**National Union Fire Insurance Company
of Pittsburgh, PA.**

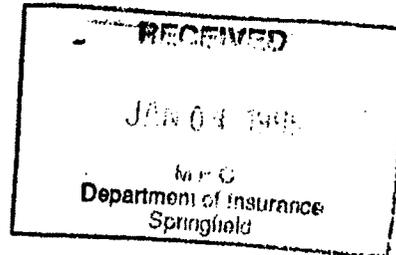
EXECUTIVE OFFICES
70 Pine Street
New York, N.Y. 10270
212/770-7000



December 29, 1994

Direct Dial: 212/770- 2709

Honorable James W. Schacht
Acting Director of Insurance
Illinois Department of Insurance
320 West Washington Street, 4th Floor
Springfield, Illinois 62767



Attn.: Mr. Frank Weaver, Supervising Insurance Analyst

Re: National Union Fire Insurance Company of Pittsburgh, PA
NAIC #012-19445, FEIN #25-0687550
Professional Liability - Forms and Rates
Chiropractors Professional Liability Program
Chiropractors Occurrence Declarations Page - Form Number 60579(6/94)
Chiropractors Occurrence Policy - Form Number 60580(6/94)
Chiropractors Claims-made Declarations Page - Form Number 60577(6/94)
Chiropractors Claims-made Policy - Form Number 60578(6/94)
Chiropractors Application - Form Number 61035(11/94)
Chiropractors Supplemental Claim Form - Form Number 61656(12/94)
Additional Party(s) Covered Endorsement - Form Number 61657(12/94)
Illinois Cancellation/Nonrenewal Endorsement - Form No. 52142(1/93)
Rate Plan and Rules
Filing Number: NU-94-PR-02

MEM
COF (8)
JSG

Dear Director:

The National Union Fire Insurance Company of Pittsburgh, PA respectfully submits for your review and consideration its Chiropractors Professional Liability program.

This new program provides professional liability, premises liability and personal injury coverage for amounts the Insured is legally required to pay to compensate others for loss resulting from the Insured's wrongful act or that of another for whom the Insured is legally responsible.

This program will be offered on an occurrence and a claims-made basis.



Honorable James W. Schacht
December 29, 1994
Page 2

The rates for this program are displayed on the enclosed rating plan. The derivation of the base rates were based upon National Chiropractic Mutual Insurance Company's current base rates. Please refer to the enclosed explanatory memorandum for a further explanation.

We wish to make this program effective February 1, 1995, or the earliest date permitted by your state.

Your favorable review and consideration are respectfully requested.

Very truly yours,

Jennifer Doskoch

Jennifer Doskoch
Senior Filings Analyst
State Filings Department

FEB 1 - 1995

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.
CHIROPRACTORS PROFESSIONAL LIABILITY
RATE PLAN**

ILLINOIS TERRITORY 1
(Cook (Greater Chicago), Lake, DuPage)

<u>LIMIT OF LIABILITY</u>	<u>CLASS 1</u>	<u>CLASS 2</u>	<u>CLASS 3</u>	<u>CLASS 4</u>	<u>CLASS 5</u>	<u>CLASS 6</u>
\$100,000/\$300,000	\$1,395	\$1,694	\$1,993	\$3,388	\$997	\$199
\$200,000/\$600,000	\$1,814	\$2,202	\$2,591	\$4,405	\$1,295	\$259
\$500,000/\$1,000,000	\$2,232	\$2,710	\$3,189	\$5,421	\$1,594	\$319
\$1,000,000/\$1,000,000	\$2,511	\$3,049	\$3,587	\$6,099	\$1,794	\$359
\$1,000,000/\$3,000,000	\$2,651	\$3,219	\$3,787	\$6,437	\$1,893	\$379

OPTIONAL CLAIMS MADE COVERAGE FACTORS:

(If Claims made coverage is desired, the following factors should be applied to the appropriate occurrence rate)

<u>No. of Years Claims-Made</u>	<u>Factor</u>
1	0.35
2	0.60
3	0.85
4	0.90
5+	0.95

DEDUCTIBLE FACTORS:

<u>Deductible</u>	<u>Credit</u>
\$5,000	5.0%
\$1,000	7.5%
\$15,000	10.0%

SCHEDULE OF DEBITS & CREDITS:

<u>Debit</u>	<u>Credit</u>
-5% Written Patient Safety Policy/Chiropractic Standards	+5%
-5% Terms of Acceptance Forms used	+5%
-10% Attended Risk Management Seminar in last 12 months or Participate in Continuing Education Program	+10%
-10% No Claims/Incidents in last five years	+10%

MAXIMUM DEBIT/CREDIT NOT TO EXCEED +/- 25%

(No credits may be given if debits due to claims history have been applied)

PREMIUM MODIFIERS:

<u>Circumstance</u>	<u>Discount</u>
Chiropractors in first year of practice after residency	45%
Chiropractors in second year of practice after residency	25%
Intern/Extern (Group V) practice under 20 hours/week	50%
Chiropractors practicing less than 20 hours/week	50%

MAXIMUM DISCOUNT FOR ANY INSURED

50%

Charge for Corporate Entity Coverage: 10% (without additional limits)

FEB 1 1995

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.
CHIROPRACTORS PROFESSIONAL LIABILITY
RATE PLAN**

ILLINOIS TERRITORY 2
(Rest of State)

<u>LIMIT OF LIABILITY</u>	<u>CLASS 1</u>	<u>CLASS 2</u>	<u>CLASS 3</u>	<u>CLASS 4</u>	<u>CLASS 5</u>	<u>CLASS 6</u>
\$100,000/\$300,000	\$1,186	\$1,440	\$1,694	\$2,880	\$847	\$169
\$200,000/\$600,000	\$1,542	\$1,872	\$2,202	\$3,744	\$1,101	\$220
\$500,000/\$1,000,000	\$1,897	\$2,304	\$2,710	\$4,608	\$1,355	\$271
\$1,000,000/\$1,000,000	\$2,134	\$2,592	\$3,049	\$5,184	\$1,525	\$305
\$1,000,000/\$3,000,000	\$2,253	\$2,736	\$3,219	\$5,472	\$1,609	\$322

OPTIONAL CLAIMS MADE COVERAGE FACTORS:

(If Claims made coverage is desired, the following factors should be applied to the appropriate occurrence rate)

<u>No. of Years Claims-Made</u>	<u>Factor</u>
1	0.35
2	0.60
3	0.85
4	0.90
5+	0.95

DEDUCTIBLE FACTORS:

<u>Deductible</u>	<u>Credit</u>
\$5,000	5.0%
\$1,000	7.5%
\$15,000	10.0%

SCHEDULE OF DEBITS & CREDITS:

<u>Debit</u>	<u>Credit</u>
-5% Written Patient Safety Policy/Chiropractic Standards	+5%
-5% Terms of Acceptance Forms used	+5%
-10% Attended Risk Management Seminar in last 12 months or Participate in Continuing Education Program	+10%
-10% No Claims/Incidents in last five years	+10%

MAXIMUM DEBIT/CREDIT NOT TO EXCEED +/- 25%
(No credits may be given if debits due to claims history have been applied)

PREMIUM MODIFIERS:

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Chiropractors practicing less than 20 hours/week	50%

MAXIMUM DISCOUNT FOR ANY INSURED 50%

Charge for Corporate Entity Coverage: 10% (without additional limits)

FEB 1 1995

Neuman, Gayle

From: Neuman, Gayle
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Attachments: Stamped Copy of Cover Letter.pdf

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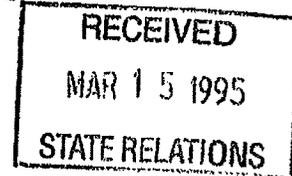
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Gayle Neuman

Illinois Department of Insurance

**National Union Fire Insurance Company
of Pittsburgh, PA.**

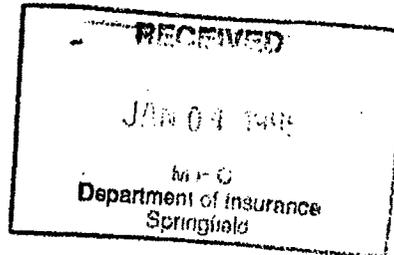
EXECUTIVE OFFICES
70 Pine Street
New York, N.Y. 10270
212/770-7000



December 29, 1994

Direct Dial: 212/770- 8909

Honorable James W. Schacht
Acting Director of Insurance
Illinois Department of Insurance
320 West Washington Street, 4th Floor
Springfield, Illinois 62767



Attn.: Mr. Frank Weaver, Supervising Insurance Analyst

Re: National Union Fire Insurance Company of Pittsburgh, PA
NAIC #012-19445, FEIN #25-0687550
Professional Liability - Forms and Rates
Chiropractors Professional Liability Program
Chiropractors Occurrence Declarations Page - Form Number 60579(6/94)
Chiropractors Occurrence Policy - Form Number 60580(6/94)
Chiropractors Claims-made Declarations Page - Form Number 60577(6/94)
Chiropractors Claims-made Policy - Form Number 60578(6/94)
Chiropractors Application - Form Number 61035(11/94)
Chiropractors Supplemental Claim Form - Form Number 61656(12/94)
Additional Party(s) Covered Endorsement - Form Number 61657(12/94)
Illinois Cancellation/Nonrenewal Endorsement - Form No. 52142(1/93)
Rate Plan and Rules
Filing Number: NU-94-PR-02

MEM
COF (8)
JSG

Dear Director:

The National Union Fire Insurance Company of Pittsburgh, PA respectfully submits for your review and consideration its Chiropractors Professional Liability program.

This new program provides professional liability, premises liability and personal injury coverage for amounts the Insured is legally required to pay to compensate others for loss resulting from the Insured's wrongful act or that of another for whom the Insured is legally responsible.

This program will be offered on an occurrence and a claims-made basis.



Honorable James W. Schacht
December 29, 1994
Page 2

The rates for this program are displayed on the enclosed rating plan. The derivation of the base rates were based upon National Chiropractic Mutual Insurance Company's current base rates. Please refer to the enclosed explanatory memorandum for a further explanation.

We wish to make this program effective February 1, 1995, or the earliest date permitted by your state.

Your favorable review and consideration are respectfully requested.

Very truly yours,

Jennifer Doskoch

Jennifer Doskoch
Senior Filings Analyst
State Filings Department

FEB 1 1995

**NATIONAL UNION FIRE INSURANCE COMPANY OF PHOENIX, PA.
CHIROPRACTORS PROFESSIONAL LIABILITY
RATE PLAN**

ILLINOIS TERRITORY 1
(Cook (Greater Chicago), Lake, DuPage)

LIMIT OF LIABILITY	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6
\$100,000/\$300,000	\$1,395	\$1,694	\$1,993	\$3,388	\$997	\$199
\$200,000/\$600,000	\$1,814	\$2,202	\$2,591	\$4,405	\$1,295	\$259
\$500,000/\$1,000,000	\$2,232	\$2,710	\$3,189	\$5,421	\$1,594	\$319
\$1,000,000/\$1,000,000	\$2,511	\$3,049	\$3,587	\$6,099	\$1,794	\$359
\$1,000,000/\$3,000,000	\$2,651	\$3,219	\$3,787	\$6,437	\$1,893	\$379

OPTIONAL CLAIMS MADE COVERAGE FACTORS:

(If Claims made coverage is desired, the following factors should be applied to the appropriate occurrence rate)

No. of Years Claims-Made	Factor
1	0.35
2	0.60
3	0.85
4	0.90
5+	0.95

DEDUCTIBLE FACTORS:

Deductible	Credit
\$5,000	5.0%
\$1,000	7.5%
\$15,000	10.0%

SCHEDULE OF DEBITS & CREDITS:

Debit	Credit
-5% Written Patient Safety Policy/Chiropractic Standards	+5%
-5% Terms of Acceptance Forms used	+5%
-10% Attended Risk Management Seminar in last 12 months or Participate in Continuing Education Program	+10%
-10% No Claims/Incidents in last five years	+10%

MAXIMUM DEBIT/CREDIT NOT TO EXCEED +/- 25%
(No credits may be given if debits due to claims history have been applied)

PREMIUM MODIFIERS:

Circumstance	Discount
Chiropractors in first year of practice after residency	45%
Chiropractors in second year of practice after residency	25%
Intern/Extern (Group V) practice under 20 hours/week	50%
Chiropractors practicing less than 20 hours/week	50%

MAXIMUM DISCOUNT FOR ANY INSURED 50%

Charge for Corporate Entity Coverage: 10% (without additional limits)

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTS., PA.
CHIROPRACTORS PROFESSIONAL LIABILITY
RATE PLAN**

ILLINOIS TERRITORY 2
(Rest of State)

LIMIT OF LIABILITY	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6
\$100,000/\$300,000	\$1,186	\$1,440	\$1,694	\$2,880	\$847	\$169
\$200,000/\$600,000	\$1,542	\$1,872	\$2,202	\$3,744	\$1,101	\$220
\$500,000/\$1,000,000	\$1,897	\$2,304	\$2,710	\$4,608	\$1,355	\$271
\$1,000,000/\$1,000,000	\$2,134	\$2,592	\$3,049	\$5,184	\$1,525	\$305
\$1,000,000/\$3,000,000	\$2,253	\$2,736	\$3,219	\$5,472	\$1,609	\$322

OPTIONAL CLAIMS MADE COVERAGE FACTORS:

(If Claims made coverage is desired, the following factors should be applied to the appropriate occurrence rate)

No. of Years Claims-Made	Factor
1	0.35
2	0.60
3	0.85
4	0.90
5+	0.95

DEDUCTIBLE FACTORS:

Deductible	Credit
\$5,000	5.0%
\$1,000	7.5%
\$15,000	10.0%

SCHEDULE OF DEBITS & CREDITS:

Debit	Credit
-5% Written Patient Safety Policy/Chiropractic Standards	+5%
-5% Terms of Acceptance Forms used	+5%
-10% Attended Risk Management Seminar in last 12 months or Participate in Continuing Education Program	+10%
-10% No Claims/Incidents in last five years	+10%

MAXIMUM DEBIT/CREDIT NOT TO EXCEED +/- 25%
(No credits may be given if debits due to claims history have been applied)

PREMIUM MODIFIERS:

Circumstance	Discount
Chiropractors in first year of practice after residency	45%
Chiropractors in second year of practice after residency	25%
Intern/Extern (Group V) practice under 20 hours/week	50%
Chiropractors practicing less than 20 hours/week	50%

MAXIMUM DISCOUNT FOR ANY INSURED 50%

Charge for Corporate Entity Coverage: 10% (without additional limits)

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

CHIROPRACTORS PROFESSIONAL LIABILITY Occurrence Rating Rules

- 1. Coverage:** All coverages are written on an occurrence basis. For details of coverage, please refer to the policy jacket.
- 2. Limits of Liability:** Manual rates provide a basic limit of \$100,000 each occurrence and \$300,000 aggregate. The standard coverage provides for one limit to apply to all persons listed under a single policy. When a corporation or partnership is also covered, the organization shares in the limit of liability with the individuals.

A separate limit of liability for partnership or corporation liability may be purchased in accordance with Section 4. However, only one set of limits applies regardless of the number of partnerships or corporations added.

- 3. Classification Procedure:** Classifications are as follows:

Class I	Straight Chiropractors
Class II	Modified Straight Chiropractors
Class III	Mixer Chiropractors
Class IV	Liberal Mixer Chiropractors
Class V	Interns, Externs and/or Postceptors
Class VI	Physical Therapists and X-Ray Technicians

Class I

Straight chiropractic consists solely of analyzing and adjusting vertebral subluxation (adjustment to the spinal column). Straight chiropractors do not engage in the medical procedure of diagnosing and treatment of disease by medical methods. Therefore they represent the lowest risk classification of chiropractor.

Class II

Modified straights are also a very low risk category. However, they do engage in some higher tech modalities that a straight chiropractor will not use, such as low voltage stimulation, ultrasound and hydrotherapy. Like straight chiropractors, they do not engage in the medical procedure of diagnosing and treatment of disease by medical methods.

Class III

Mixers encompass all of the elements of the straight practices as well as using modalities for treatment and to cure diseases rather than simply as aids or enhancements to vertebral subluxation adjustments. Such modalities may include more advanced neurologic or orthopedic exams for screening purposes such as EMG or EKG. They may also draw blood and perform urinalysis for the detection of vitamin or nutritional deficiencies and under certain circumstances, they may perform manipulation under anesthesia.

Class IV

Liberal mixers present a greater risk because patient expectations have been elevated to expect a cure" and they are much more likely to incur "failure to diagnose" claims because they have assumed the role of a primary healthcare provider. This class uses medical testing procedures for the purpose of diagnosing and treating disease in addition to vertebral subluxation.

Class V

Interns, Externs and/or Postceptors

Class VI

Physical Therapists and X-Ray Technicians, Physical Therapists and X-Ray Technicians

4. Rating Procedure:

- Individual** Each individual receives a basic rate which is derived from the individuals classification as shown in Section 3 above location of practice and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 9)
- Partnership** Each partner receives a basic rate which is derived from the partners classification as shown in Section 3 above and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 9)
- Employees** Each chiropractor professional employee will receive a basic rate as an individual. Employed Physical Therapists, and X-Ray Technicians will be covered at the Class VI basic rate. Employed Nurses, Chiropractic Assistants, Chiropractic Technicians and Chiropractic Therapists will be covered with no additional premium charge but must be listed on the policy.
- Intern/Extern** When purchasing a separate policy the Class V rate shall apply. When an Intern, Extern or Postceptor is employed by a licensed chiropractor, an additional charge of 10% of the chiropractors rate shall apply, to include them for coverage under the chiropractors policy.
- Independent Contractors** 1099 form independent Contractors will be covered at no additional charge but must be listed on the policy.
- Corporation/Partnership** Inclusive limits coverage, within the same individual insured's limits of liability. This is included at the Insured's request. Separate limits for Corporation/Partnership coverage can be added for a charge of 10% of the total policy premium.
- Additional Insured** Landlord - Flat \$15 charge

NOTE: A primary chiropractors policy can be issued with limits up to \$1,000,000/\$3,000,000. The total policy limit cannot exceed \$3,000,000.

5. Student/School Rates: The following rates shall apply for students and/or schools.

- Individual Student** Each individual student can purchase his/her own policy for 10% of the base \$1MM/\$3MM rate. The applicable rate shall be based on the state in which the school is located.
- School** A school may purchase coverage for their students for 10% of the base \$1MM/\$3MM rate per student, based on the state in which the school is located. The School can be added as an insured for 25% of the total developed base premium of all the students. A minimum premium for the student/school policy shall apply of \$1,000.

6. Deductibles: Deductibles apply on a per occurrence basis. The deductibles apply as follows:

\$ 5,000	-050
\$10,000	-075
\$15,000	-100

7. Group Policy Discount:

A single group practice policy issued to three or more insured's may be eligible for a premium discount determined by the following table:

Premium Before Discount	Discount	Multiplicative factor
\$8,000 - \$15,000	12.0%	.880
\$15,001 - \$25,000	15.0%	.850
\$25,001 - 100,000	18.0%	.820
\$100,001 - or more	Submit to Company	Submit to Company

8. Temporary Leave Of Absence:

An insured that becomes Temporarily Disabled or is on a Leave Of Absence for a period of 45 days up to 12 months may be eligible for restricted coverage, at the written request of the insured.

A premium rate of 15% of the insured's current premium calculated on a pro-rata basis will apply.

When the insured resumes practice he/she will be charged the current premium he/she would have been charged had he/she not taken the Leave of Absence. Coverage will not apply to any claim that occurs during the Leave of Absence. Coverage is provided for any claims or incidents reported during the Leave of Absence period that occurred subsequent to retroactive date and prior to the Leave of Absence period.

The insured will be required to complete a certificate acknowledging the time period of the Leave and the reason(s) for the request.

9. Premium Modifiers: The manual rates for insureds may be modified by the following credits/debits:

<u>Circumstance</u>	<u>Discount</u>
<i>Chiropractors in First Year of Practice after Residency</i>	45%
<i>Chiropractor in 2nd year of practicing after Residency</i>	25%
<i>Intern/extern (Class V) practicing 20 hours or less/week</i>	50%
<i>Chiropractor practicing 20 hours or less/week</i>	50%
MAXIMUM DISCOUNT FOR ANY INSURED	50%

SCHEDULE OF DEBITS/CREDITS

-5.0%	Written Patient Safety Policy/Chiropractic Standards	+5.0%
-5.0%	Use Of Terms Of Acceptance Forms	+50%
-10%	Attended Risk Management Seminar in Last 12 Months or Participate in Continuing Education Program	+10%
-10%	No Claims/Incidents in the Last Five Years	+10%

MAXIMUM CREDIT/DEBIT EQUALS 25% -- NO CREDITS MAY BE GIVEN IF DEBITS DUE TO CLAIMS HISTORY HAVE BEEN APPLIED

10. Administrative Hearing Coverage:

Additional coverage is available for administrative hearing. A flat annual rate of \$200 will apply for an administrative hearing limit of \$5,000 each administrative hearing \$5,000 aggregate for defense only. The administrative hearing limit of liability is in addition to the basic policy limits.

11. Rating Modifications:

Membership in a State Chiropractic Association - A 5% discount applies to chiropractors who are members of a State Chiropractic Association. (See explanatory memorandum for criteria description.)

12. Exposure Reporting Bases: The exposure reporting bases for chiropractors is per person per 12 month period.

13. Premium Adjustment For Risk Change: Changes to higher or lower rated territories will be calculated on a pro rata basis.

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

CHIROPRACTORS PROFESSIONAL LIABILITY
Claims-Made Rating Rules

- Coverage:** All coverages are written on a claims-made basis. For details of coverage, please refer to the policy jacket.
- Limits of Liability:** Manual rates provide a basic limit of \$100,000 each occurrence and \$300,000 aggregate. The standard coverage provides for one limit to apply to all persons listed under a single policy. When a corporation or partnership is also covered, the organization shares in the limit of liability with the First Named Insured.

A separate limit of liability for partnership or corporation liability may be purchased in accordance with Section 4. However, only one set of limits applies regardless of the number of partnerships or corporations added.

- Classification Procedure:** Classifications are as follows:

Class I	Straight Chiropractors
Class II	Modified Straight Chiropractors
Class III	Mixer Chiropractors
Class IV	Liberal Mixer Chiropractors
Class V	Interns, Externs and/or Postceptors
Class VI	Physical Therapists and X-Ray Technicians

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Straight chiropractic consists solely of analyzing and adjusting vertebral subluxation (adjustment to the spinal column). Straight chiropractors do not engage in the medical procedure of diagnosing and treatment of disease by medical methods. Therefore they represent the lowest risk classification of chiropractor.

Class II

Modified straights are also a very low risk category. However, they do engage in some higher tech modalities that a straight chiropractor will not use, such as low voltage stimulation, ultrasound and hydrotherapy. Like straight chiropractors, they do not engage in the medical procedure of diagnosing and treatment of disease by medical methods.

Class III

Mixers encompass all of the elements of the straight practices as well as using modalities for treatment and to cure diseases rather than simply as aids or enhancements to vertebral subluxation adjustments. Such modalities may include more advanced neurologic or orthopedic exams for screening purposes such as EMG or EKO. They may also draw blood and perform urinalysis for the detection of vitamin or nutritional deficiencies and under certain circumstances, they may perform manipulation under anesthesia.

Class IV

Liberal mixers present a greater risk because patient expectations have been elevated to expect a cure" and they are much more likely to incur "failure to diagnose" claims because they have assumed the role of a primary healthcare provider. This class uses medical testing procedures for the purpose of diagnosing and treating disease in addition to vertebral subluxation.

Class V

Interns, Externs and/or Postceptors.

Class VI

Physical Therapists and X-Ray Technicians, Physical Therapists and X-Ray Technicians

- 4. Rating Procedure: Individuals** Each individual receives a basic rate which is derived from the individuals classification as shown in Section 3 above location of practice and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 10)
- Partnership** Each partner receives a basic rate which is derived from the partners classification as shown in Section 3 above and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 10)
- Employees** Each chiropractor professional employee will receive a basic rate as an individual. Employed Physical Therapists, and X-Ray Technicians will be covered at the Class VI basic rate. Employed Nurses, Chiropractic Assistants, Chiropractic Technicians and Chiropractic Therapists will be covered with no additional premium charge but must be listed on the policy.
- Intern/Extern** When purchasing a separate policy the Class V rate shall apply. When an Intern, Extern or Postceptor is employed by a licensed chiropractor, an additional charge of 10% of the chiropractors rate shall apply, to include them for coverage under the chiropractors policy.
- Independent Contractors** 1099 form independent Contractors will be covered at no additional charge but must be listed on the policy.
- Corporation/Partnership** Inclusive limits coverage, within the same individual insured's limits of liability. This is included at the Insured's request. Separate limits for Corporation/Partnership coverage can be added for a charge of 10% of the total policy premium.
- Additional Insured** Landlord - Flat \$15 charge

NOTE: A primary chiropractors policy can be issued with limits up to \$1,000,000/\$3,000,000. The total policy limit cannot exceed \$3,000,000

5. Student/School Rates: The following rates shall apply for students and/or schools.

- Individual Student** Each individual student can purchase his/her own policy for 10% of the base \$1MM/\$3MM rate. The applicable rate shall be based on the state in which the school is located.
- School** A school may purchase coverage for their students for 10% of the base \$1MM/\$3MM rate per student, based on the state in which the school is located. The School can be added as an insured for 25% of the total developed base premium of all the students. A minimum premium for the student/school policy shall apply of \$1,000.

6. Extended Reporting Period:

The reporting endorsement provides coverage for claims arising from professional services which occur subsequent to the Retroactive Date and prior to the end of the policy period.

<u>Options</u>	<u>Factor*</u>
1 Year Option	55% of mature claims made rate
2 Year Option	85% of mature claims made rate
3 Year Option	100% of mature claims made rate
Unlimited Option	110% of mature claims made rate

*Factor to apply to mature claims made rate in the year the tail policy is written.

The extended reporting endorsement is provided at no cost if:

- a) A chiropractor has been with the program more than 10 consecutive years, or
- b) A chiropractor retires at age 55 and has been with the program for 10 years, or
- c) A chiropractor retires at age 60 and has been with the program for 5 years, or
- d) A chiropractor is permanently disabled or dies.

With the free option, the existing limits of liability of the policy will remain in effect minus any existing claims.

7. **Deductibles:** Deductibles apply on a per occurrence basis. The deductible credits apply as follows:

\$5,000	-.050
\$10,000	-.075
\$15,000	-.100

8. **Group Policy Discount:**

A single group practice policy issued to three or more insured's may be eligible for a premium discount determined by the following table:

Premium Before Discount	Discount	Multiplicative factor
\$8,000 - \$15,000	12.0%	.880
\$15,001 - \$25,000	15.0%	.850
\$25,001 - 100,000	18.0%	.820
\$100,001 - or more	Submit to Company	Submit to Company

9. **Temporary Leave Of Absence**

An insured who becomes Temporarily Disabled or is on a Leave Of Absence for a period of 45 days up to 12 months may be eligible for restricted coverage, at the written request of the insured.

A premium rate of 15% of the insured's current premium calculated on a pro-rata basis will apply.

When the insured resumes practice he/she will be charged the current premium he/she would have been charged had he/she not taken the Leave of Absence. Coverage will not apply to any claim that occurs during the Leave of Absence. Coverage is provided for any claims or incidents reported during the Leave of Absence period that occurred subsequent to retroactive date and prior to the Leave of Absence period.

The insured will be required to complete a certificate acknowledging the time period of the Leave and the reason(s) for the request.

10. **Premium Modifier:** The manual rates for insureds may be modified by the following credits/debits:

<u>Circumstance</u>	<u>Discount</u>
<i>Chiropractors in First Year of Practice after Residency</i>	45%
<i>Chiropractors in 2nd Year of Practice after Residency</i>	25%
<i>Intern/Extern (Class V) practicing 20 hours or less/week</i>	50%
<i>Chiropractors practicing 20 hours or less/week</i>	50%
MAXIMUM DISCOUNT FOR ANY INSURED	50%

SCHEDULE OF DEBITS/CREDITS

-5.0%	Written patient Safety policy/Chiropractic Standards	+5.0%
-5.0%	Use of terms of Acceptance Forms	+5.0%
-10%	Attended Risk Management Seminar in last 12 Months or Participate in Continuing Education Program	+10%
-10%	No Claims/Incidents in the Last five Years	+10%

MAXIMUM CREDIT/DEBIT EQUALS 25% - NO CREDITS MAY BE GIVEN IF DEBITS DUE TO CLAIMS HISTORY HAVE BEEN APPLIED

11. Administrative Hearing Coverage:

Additional coverage is available for administrative hearing. A flat annual rate of \$200 will apply for an administrative hearing limit of \$5,000 each administrative hearing \$5,000 aggregate for defense only. The administrative hearing limit of liability is in addition to the basic policy limits.

12. Rating Modifications:

Membership in a State Chiropractic Association - A 5% discount applies to chiropractors who are members of a State Chiropractic Association. (See explanatory memorandum for criteria description.)

13. Exposure Reporting Bases: The exposure reporting bases for chiropractors is per person per 12 month period.

14. Premium Adjustment For Risk Change:

Insureds changing their practice to a lower rating territory continue to have an exposure to loss from their previous practice. To recognize this exposure change, the following procedure shall be used and a one time premium adjustment shall apply:

Determine current reporting endorsement premium from previous rating territory.	\$ _____
Subtract current reporting endorsement premium from new rating territory.	\$ _____
Difference shall be premium adjustment (code premium adjustment to new rating territory.)	\$ _____

The premium adjustment shall be in addition to the premium for the new rating territory. The insured's original retroactive date shall be maintained. Upon termination of the current policy or its renewal, the reporting endorsement premium applicable to the new territory shall apply.

Chiropractor Professional Liability Plus Insurance Policy
National Union Fire Insurance Company of Pittsburgh, Pa.
Side-by-Side of Coverage Enhancements
REVISION 6/2011

Standard Admitted Coverage (to be discontinued)	Chiropractor Professional Liability Plus Insurance Yellow highlight indicates enhancements
COVERAGES, DEFENSE COSTS & REIMBURSEMENTS	COVERAGES, DEFENSE COSTS & REIMBURSEMENTS
National Union CM & OCC	National Union CM & OCC
Professional Liability	Professional Liability
Premises Liability	Premises Liability
Personal Injury Liability	Personal Injury Liability
Defense outside limits	Defense outside limits
Consent to settle –Hammer Clause	Pure Consent to Settle by Insured
Pre-/Post Judgment Interest	Pre-/Post Judgment Interest
Taxed costs	Taxed costs
Appeal bonds	Appeal bonds
Loss of Earnings/Defense Assist (\$250/day –\$5K/suit)	Loss of Earnings/Defense Assist (\$2,500/day–\$10K/suit)
	HIPAA Defense Only Coverage \$25K annual
	Administrative Hearings Defense Costs of \$10K annual
	Assault Upon You Personal Expense Reimbursement \$25K annual
	First Aid Personal Expenses \$5K annual
	Medical Payments to Others Reimbursement \$100K annual (\$2,500 per incident/occurrence)
	Deposition Fees and Expense Reimbursement When Not a Named Party to a Claim or Suit \$2,500 annual
EXCLUSIONS	EXCLUSIONS
Fraud and criminal acts	Fraud and criminal acts
Ownership of facility with overnight stay or lab	Coverage provided in form
All Billing disputes	Medicare/Medicaid Fraud
Wrongful act as manager, D&O, util review	Coverage provided
Insured v. Insured	Insured v. Insured
Discrimination	Discrimination
Intentional harm	Intentional harm
Auto, watercraft, aircraft related	Auto, watercraft, aircraft related
Employee, contractors, spouses injuries.	Workers' Compensation
Worker's, unemployment, disability	Workers' Compensation
Property owned, rented, under insured's care	Property owned, rented, under insured's care
Business relationships	Removed Exclusion
Contracts liability	Contracts liability
Prior Acts	Prior Acts
Acts not covered by license	Acts not covered by license (definition of professional services)
Acts under influence of drug or intoxicant	Acts under influence of drug or intoxicant
Acts violating law	Acts violating law
Pollutants	Pollutants

**Chiropractor Professional Liability Plus Insurance Policy
National Union Fire Insurance Company of Pittsburgh, Pa.
Side-by-Side of Coverage Enhancements
REVISION 6/2011**

Most fines and punitive, but where permitted will pay fines, etc up to \$25K punitive within limits	All fines, penalties, punitives
Claims covered under prior policies	Other insurance provision
Coverage under one policy coverage part only	Multiple Policies
Sex Misconduct unless adjudicated in insured's favor	Sex Misconduct unless adjudicated in insured's favor
Transmission of disease	Removed Exclusion
All Use, Administer, Prescribing of medications	All Use, Administer, Prescribing of medications unless permitted under license of chiropractor
Products failure	Removed Exclusion
Surgical and Anesthesia	Surgical and Anesthesia
OB and X-ray for treatment (not diagnostics)	X-ray for treatment (not diagnostics) OB services exclude by endorsement
Cosmetics	Removed Exclusion
Nuclear Energy Liability Issues	Nuclear Hazards
	Animal Adjusting
	Unfair Trade Practices
	U.S. Department of Health & Human Services
	War
	Asbestos
	Physicians
LIMITS OF LIABILITY	LIMITS OF LIABILITY
Standard General Rules Applicable to Declarations	Standard General Rules Applicable to Declarations
Multiple Policies provision	Multiple Policies provision within Conditions Section
CONDITIONS	CONDITIONS
Coverage territory is the world	Coverage Territory is limited to the US, Canada and Puerto Rico
Standard duties in event of claim	Standard duties in event of claim
Standard Assistance and Cooperation	Standard Assistance and Cooperation
Standard Legal Action Against the Insurer	Standard Legal Action Against the Insurer
Standard Bankruptcy/Insolvency provision	Standard Bankruptcy/Insolvency provision
Standard Other Insurance provision	Standard Other Insurance provision
Standard Subrogation provision	Standard Subrogation provision
Standard Policy Changes provision	Standard Policy Changes provision
Standard Assignment provision	Standard Assignment provision
Standard rights/duties of 1 st named insured provision	Standard rights/duties of 1 st named insured provision
Standard Representations provision	Standard Representations provision
Cancellation & Non Renewal provision	Cancellation & Non Renewal provision
	Audit provision
	Settle disputes (insured v. insurer) via arbitration
	Conformance to Statute provision
	Inspections and Surveys
	Conformance with Omnibus Reconciliation Act of 1980
	Titles of Paragraphs provision
	Multiple Policies provision

**Chiropractor Professional Liability Plus Insurance Policy
National Union Fire Insurance Company of Pittsburgh, Pa.
Side-by-Side of Coverage Enhancements
REVISION 6/2011**

DEFINITIONS	DEFINITIONS
automobile	automobile
bodily injury	bodily injury
chiropractor	professional services is broader
claim	claim
defense expense	defense costs is more inclusive
discrimination	discrimination
loss	claim and suit
occurrence	occurrence
personal injury offense	personal injury
policy period	policy period
pollutants	pollutants
property damage	property damage
suit	suit
utilization review	professional services is broader
we, us, our	we, us, our
wrongful act	chiropractic incident
you or your	you or your
	HIPAA civil proceeding
	HIPAA investigation
	HIPAA violation
	administrative entity and administrative hearing
	biomedical waste
	employee
	initiated
	named insured entity
	patient
	personal expense
ENDORSEMENTS	ENDORSEMENTS
Administrative Hearings Defense of \$25K for purchase	Administrative Hearings Defense of \$50K for purchase
Additional Party(s) covered	Additional insureds (shared and separate limits)
Corporate Entity Coverage	Included in policy coverage
Insured v. Insured Exclusion	Included in policy exclusions
Locum Tenens	Locum Tenens Additional insured
Naprapathic Services	If employee of chiropractor, these services are covered in policy
Optional ERP	Optional ERP
Chiropractic School	Chiropractic School Policy form
Student Chiropractor	Student Chiropractor Policy form
Temporary Leave of Absence	Temporary Leave of Absence (Military and Disability)

**Chiropractor Professional Liability Plus Insurance Policy
National Union Fire Insurance Company of Pittsburgh, Pa.
Side-by-Side of Coverage Enhancements
REVISION 6/2011**

Utilization Review Coverage	Included in policy coverage
Weight Management Medications Exclusion	No exclusion
	Billing E&O Coverage offered
	Coverage Territory to include world offered
	Deductible offered
	Deletion of Endorsement
	Deletion of Exclusion
	Obstetrics Exclusion
	Policy Change Endorsement (CM & Occ)
	Prior Acts – unlimited reporting
	Prior Acts – reporting during policy period
	Procedures Exclusion
APPLICATIONS	APPLICATIONS
Standard New Business Full Application	Standard New Business Full Application
Standard Renewal Application	Standard Renewal Application
School Application	School Application
Supplemental Claims Form	Supplemental Claims Form
	Administrative Hearing Incident Form
	Locum Tenens Application
	Manipulation Under Anesthesia Supplemental Application
	Part Time Supplemental Application
	Professional Services to Animals Supplemental Application
	Student Application

Neuman, Gayle

From: Neuman, Gayle
Sent: Tuesday, November 01, 2011 8:34 AM
To: 'Harry, Myron'
Subject: FW: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Harry,

I request receipt of a response to the e-mail below by no later than November 4, 2011. All information requested should have been presented with the filing when it was submitted.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Neuman, Gayle
Sent: Tuesday, October 18, 2011 10:59 AM
To: 'Harry, Myron'
Subject: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Harry,

I am in receipt of the above referenced filing submitted with your letter dated September 26, 2011. The filing was received by the Department on October 7, 2011.

Please provide the effective date for the filing. The filing could have an effective date of October 7, 2011 and after.

Please indicate the effective date of when this filing was previously submitted and filed.

You provided a side by side coverage enhancement memorandum with the filing. Does this mean that none of the rates, territories or factors were changed?

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?

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.

Your prompt attention 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: Neuman, Gayle
Sent: Monday, November 07, 2011 7:42 AM
To: 'Harry, Myron'
Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Harry,

I will extend the due date to November 11, 2011.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Harry, Myron [<mailto:Myron.Harry@chartisinsurance.com>]
Sent: Friday, November 04, 2011 1:58 PM
To: Neuman, Gayle
Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Neuman,

We are in the process of responding to your request; unfortunately we would need a couple more days to adequately respond to your request. Could we please have an extension to Friday, November 11, 2011?

In addition, we do apologize for not submitting this information with the filing. Thank you.

Myron Harry

Analyst
Chartis
State Filings Division

(212) 458-7057 Telephone
(212) 458-7077 Facsimile
<mailto:myron.harry@chartisinsurance.com>

Chartis U.S.
175 Water Street, 17th Floor
New York, NY 10038

Please visit our Website at:
www.chartisinsurance.com

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From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Tuesday, November 01, 2011 9:34 AM
To: Harry, Myron
Subject: FW: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Neuman, Gayle

From: Harry, Myron [Myron.Harry@chartisinsurance.com]
Sent: Friday, November 18, 2011 2:36 PM
To: Neuman, Gayle
Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15
Attachments: IL Rate Sheet-AIC-99-OL-06.pdf; OCC Rating Rules (6-99).pdf; CM Rating Rules (6-99).pdf

Ms. Neuman,

In response to your request, attached please find copies of the current rates and rating rules.

Please let us know if we can be of any further assistance.

Myron Harry

Analyst
Chartis
State Filings Division

(212) 458-7057 Telephone
(212) 458-7077 Facsimile
<mailto:myron.harry@chartisinsurance.com>

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From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Monday, November 14, 2011 9:51 AM
To: Harry, Myron
Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Harry,

Please provide a copy of the previously filed rates/rules that are being replaced/revised with this filing. I request receipt of your response by November 18, 2011.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Harry, Myron [<mailto:Myron.Harry@chartisinsurance.com>]
Sent: Thursday, November 10, 2011 4:15 PM

To: Neuman, Gayle

Subject: RE: National Union Fire Ins Co of Pittsburgh, PA - Filing CHS-11-EO-15

Ms. Neuman,

In response to your email dated October 18, 2011, we offer the following:

1. Comment: Please provide the effective date for the filing. The filing could have an effective date of October 7, 2011 and after.

Response: We would like an effective date of October 7, 2011.

2. Comment: Please indicate the effective date of when this filing was previously submitted and filed.

Response: The original Chiropractors Program was filed under our filing numbers AIC-99-OL-06 effective as of 8/20/99, this was an enhancement filing of Declarations, Applications and Student School Coverage. Filing number NU-94-PR-02, effective as of 8/13/96 was the last policy filing.

3. Comment: You provided a side by side coverage enhancement memorandum with the filing. Does this mean that none of the rates, territories or factors were changed?

Response: Factors and limits were added for \$250/\$750 and \$2M/\$4M. The base rates were not changed however the base limit was originally \$100/300 and is now \$1M/\$3M. There were no territory changes. As this was a rollover book from ACE, we filed the same limits currently offered by that program. Please refer to the attached Rule and Form Filing Memorandum previously submitted.

4. Comment: 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?

Response: Our plan for gathering and reporting of statistics is done by ISO.

5. Attached please find an Illinois Certification for Medical Malpractice Rates.

Please let us know if we can be of any further assistance.

Myron Harry

Analyst

Chartis

State Filings Division

(212) 458-7057 Telephone

(212) 458-7077 Facsimile

<mailto:myron.harry@chartisinsurance.com>

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**NATIONAL UNION FIRE INSURANCE COMPANY OF PHOENIX, PA.
CHIROPRACTIC PROFESSIONAL LIABILITY
RATE PLAN**

ILLINOIS TERRITORY 1
(Cook (Greater Chicago), Lake, DuPage)

<u>LIMIT OF LIABILITY</u>	<u>CLASS 1</u>	<u>CLASS 2</u>	<u>CLASS 3</u>	<u>CLASS 4</u>	<u>CLASS 5</u>	<u>CLASS 6</u>
\$100,000/\$300,000	\$1,395	\$1,694	\$1,993	\$3,388	\$997	\$199
\$200,000/\$600,000	\$1,814	\$2,202	\$2,591	\$4,405	\$1,295	\$259
\$500,000/\$1,000,000	\$2,232	\$2,710	\$3,189	\$5,421	\$1,594	\$319
\$1,000,000/\$1,000,000	\$2,511	\$3,049	\$3,587	\$6,099	\$1,794	\$359
\$1,000,000/\$3,000,000	\$2,651	\$3,219	\$3,787	\$6,437	\$1,893	\$379

OPTIONAL CLAIMS MADE COVERAGE FACTORS:

(If Claims made coverage is desired, the following factors should be applied to the appropriate occurrence rate)

<u>No. of Years Claims-Made</u>	<u>Factor</u>
1	0.35
2	0.60
3	0.85
4	0.90
5+	0.95

DEDUCTIBLE FACTORS:

<u>Deductible</u>	<u>Credit</u>
\$5,000	5.0%
\$1,000	7.5%
\$15,000	10.0%

SCHEDULE OF DEBITS & CREDITS:

<u>Debit</u>	<u>Credit</u>
-5% Written Patient Safety Policy/Chiropractic Standards	+5%
-5% Terms of Acceptance Forms used	+5%
-10% Attended Risk Management Seminar in last 12 months or Participate in Continuing Education Program	+10%
-10% No Claims/Incidents in last five years	+10%

MAXIMUM DEBIT/CREDIT NOT TO EXCEED +/- 25%

(No credits may be given if debits due to claims history have been applied)

PREMIUM MODIFIERS:

<u>Circumstance</u>	<u>Discount</u>
Chiropractors in first year of practice after residency	45%
Chiropractors in second year of practice after residency	25%
Intern/Extern (Group V) practice under 20 hours/week	50%
Chiropractors practicing less than 20 hours/week	50%

MAXIMUM DISCOUNT FOR ANY INSURED

50%

Charge for Corporate Entity Coverage: 10% (without additional limits)

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTS., PA.
CHIROPRACT. JRS PROFESSIONAL LIABILITY
RATE PLAN**

ILLINOIS TERRITORY 2
(Rest of State)

<u>LIMIT OF LIABILITY</u>	<u>CLASS 1</u>	<u>CLASS 2</u>	<u>CLASS 3</u>	<u>CLASS 4</u>	<u>CLASS 5</u>	<u>CLASS 6</u>
\$100,000/\$300,000	\$1,186	\$1,440	\$1,694	\$2,880	\$847	\$169
\$200,000/\$600,000	\$1,542	\$1,872	\$2,202	\$3,744	\$1,101	\$220
\$500,000/\$1,000,000	\$1,897	\$2,304	\$2,710	\$4,608	\$1,355	\$271
\$1,000,000/\$1,000,000	\$2,134	\$2,592	\$3,049	\$5,184	\$1,525	\$305
\$1,000,000/\$3,000,000	\$2,253	\$2,736	\$3,219	\$5,472	\$1,609	\$322

OPTIONAL CLAIMS MADE COVERAGE FACTORS:

(If Claims made coverage is desired, the following factors should be applied to the appropriate occurrence rate)

<u>No. of Years Claims-Made</u>	<u>Factor</u>
1	0.35
2	0.60
3	0.85
4	0.90
5+	0.95

DEDUCTIBLE FACTORS:

<u>Deductible</u>	<u>Credit</u>
\$5,000	5.0%
\$1,000	7.5%
\$15,000	10.0%

SCHEDULE OF DEBITS & CREDITS:

<u>Debit</u>	<u>Credit</u>
-5% Written Patient Safety Policy/Chiropractic Standards	+5%
-5% Terms of Acceptance Forms used	+5%
-10% Attended Risk Management Seminar in last 12 months or Participate in Continuing Education Program	+10%
-10% No Claims/Incidents in last five years	+10%

MAXIMUM DEBIT/CREDIT NOT TO EXCEED +/- 25%

(No credits may be given if debits due to claims history have been applied)

PREMIUM MODIFIERS:

<u>Circumstance</u>	<u>Discount</u>
Chiropractors in first year of practice after residency	45%
Chiropractors in second year of practice after residency	25%
Intern/Extern (Group V) practice under 20 hours/week	50%
Chiropractors practicing less than 20 hours/week	50%

MAXIMUM DISCOUNT FOR ANY INSURED

50%

Charge for Corporate Entity Coverage: 10% (without additional limits)

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

CHIROPRACTORS PROFESSIONAL LIABILITY Occurrence Rating Rules

- 1. Coverage:** All coverages are written on an occurrence basis. For details of coverage, please refer to the policy jacket.
- 2. Limits of Liability:** Manual rates provide a basic limit of \$100,000 each occurrence and \$300,000 aggregate. The standard coverage provides for one limit to apply to all persons listed under a single policy. When a corporation or partnership is also covered, the organization shares in the limit of liability with the individuals.

A separate limit of liability for partnership or corporation liability may be purchased in accordance with Section 4. However, only one set of limits applies regardless of the number of partnerships or corporations added.

- 3. Classification Procedure:** Classifications are as follows:

Class I	Straight Chiropractors
Class II	Modified Straight Chiropractors
Class III	Mixer Chiropractors
Class IV	Liberal Mixer Chiropractors
Class V	Interns, Externs and/or Postceptors
Class VI	Physical Therapists and X-Ray Technicians

Class I

Straight chiropractic consists solely of analyzing and adjusting vertebral subluxation (adjustment to the spinal column). Straight chiropractors do not engage in the medical procedure of diagnosing and treatment of disease by medical methods. Therefore they represent the lowest risk classification of chiropractor.

Class II

Modified straights are also a very low risk category. However, they do engage in some higher tech modalities that a straight chiropractor will not use, such as low voltage stimulation, ultrasound and hydrotherapy. Like straight chiropractors, they do not engage in the medical procedure of diagnosing and treatment of disease by medical methods.

Class III

Mixers encompass all of the elements of the straight practices as well as using modalities for treatment and to cure diseases rather than simply as aids or enhancements to vertebral subluxation adjustments. Such modalities may include more advanced neurologic or orthopedic exams for screening purposes such as EMG or EKG. They may also draw blood and perform urinalysis for the detection of vitamin or nutritional deficiencies and under certain circumstances, they may perform manipulation under anesthesia.

Class IV

Liberal mixers present a greater risk because patient expectations have been elevated to expect a cure" and they are much more likely to incur "failure to diagnose" claims because they have assumed the role of a primary healthcare provider. This class uses medical testing procedures for the purpose of diagnosing and treating disease in addition to vertebral subluxation.

Class V

Interns, Externs and/or Postceptors

Class VI

Physical Therapists and X-Ray Technicians, Physical Therapists and X-Ray Technicians

4. Rating Procedure:

- Individual** Each individual receives a basic rate which is derived from the individuals classification as shown in Section 3 above location of practice and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 9)
- Partnership** Each partner receives a basic rate which is derived from the partners classification as shown in Section 3 above and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 9)
- Employees** Each chiropractor professional employee will receive a basic rate as an individual. Employed Physical Therapists, and X-Ray Technicians will be covered at the Class VI basic rate. Employed Nurses, Chiropractic Assistants, Chiropractic Technicians and Chiropractic Therapists will be covered with no additional premium charge but must be listed on the policy.
- Intern/Extern** When purchasing a separate policy the Class V rate shall apply. When an Intern, Extern or Postceptor is employed by a licensed chiropractor, an additional charge of 10% of the chiropractors rate shall apply, to include them for coverage under the chiropractors policy.
- Independent Contractors** 1099 form independent Contractors will be covered at no additional charge but must be listed on the policy.
- Corporation/Partnership** Inclusive limits coverage, within the same individual insured's limits of liability. This is included at the Insured's request. Separate limits for Corporation/Partnership coverage can be added for a charge of 10% of the total policy premium.
- Additional Insured** Landlord - Flat \$15 charge

NOTE: A primary chiropractors policy can be issued with limits up to \$1,000,000/\$3,000,000. The total policy limit cannot exceed \$3,000,000.

5. Student/School Rates: The following rates shall apply for students and/or schools.

- Individual Student** Each individual student can purchase his/her own policy for 10% of the base \$1MM/\$3MM rate. The applicable rate shall be based on the state in which the school is located.
- School** A school may purchase coverage for their students for 10% of the base \$1MM/\$3MM rate per student, based on the state in which the school is located. The School can be added as an insured for 25% of the total developed base premium of all the students. A minimum premium for the student/school policy shall apply of \$1,000.

6. Deductibles: Deductibles apply on a per occurrence basis. The deductibles apply as follows:

\$ 5,000	-050
\$10,000	-075
\$15,000	-100

7. Group Policy Discount:

A single group practice policy issued to three or more insured's may be eligible for a premium discount determined by the following table:

Premium Before Discount	Discount	Multiplicative factor
\$8,000 - \$15,000	12.0%	.880
\$15,001 - \$25,000	15.0%	.850
\$25,001 - 100,000	18.0%	.820
\$100,001 - or more	Submit to Company	Submit to Company

8. Temporary Leave Of Absence:

An insured that becomes Temporarily Disabled or is on a Leave Of Absence for a period of 45 days up to 12 months may be eligible for restricted coverage, at the written request of the insured.

A premium rate of 15% of the insured's current premium calculated on a pro-rata basis will apply.

When the insured resumes practice he/she will be charged the current premium he/she would have been charged had he/she not taken the Leave of Absence. Coverage will not apply to any claim that occurs during the Leave of Absence. Coverage is provided for any claims or incidents reported during the Leave of Absence period that occurred subsequent to retroactive date and prior to the Leave of Absence period.

The insured will be required to complete a certificate acknowledging the time period of the Leave and the reason(s) for the request.

9. Premium Modifiers: The manual rates for insureds may be modified by the following credits/debits:

<u>Circumstance</u>	<u>Discount</u>
<i>Chiropractors in First Year of Practice after Residency</i>	45%
<i>Chiropractor in 2nd year of practicing after Residency</i>	25%
<i>Intern/extern (Class V) practicing 20 hours or less/week</i>	50%
<i>Chiropractor practicing 20 hours or less/week</i>	50%
MAXIMUM DISCOUNT FOR ANY INSURED	50%

SCHEDULE OF DEBITS/CREDITS

-5.0%	Written Patient Safety Policy/Chiropractic Standards	+5.0%
-5.0%	Use Of Terms Of Acceptance Forms	+50%
-10%	Attended Risk Management Seminar in Last 12 Months or Participate in Continuing Education Program	+10%
-10%	No Claims/Incidents in the Last Five Years	+10%

MAXIMUM CREDIT/DEBIT EQUALS 25% -- NO CREDITS MAY BE GIVEN IF DEBITS DUE TO CLAIMS HISTORY HAVE BEEN APPLIED

10. Administrative Hearing Coverage:

Additional coverage is available for administrative hearing. A flat annual rate of \$200 will apply for an administrative hearing limit of \$5,000 each administrative hearing \$5,000 aggregate for defense only. The administrative hearing limit of liability is in addition to the basic policy limits.

11. Rating Modifications:

Membership in a State Chiropractic Association - A 5% discount applies to chiropractors who are members of a State Chiropractic Association. (See explanatory memorandum for criteria description.)

12. Exposure Reporting Bases: The exposure reporting bases for chiropractors is per person per 12 month period.

13. Premium Adjustment For Risk Change: Changes to higher or lower rated territories will be calculated on a pro rata basis.

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

**CHIROPRACTORS PROFESSIONAL LIABILITY
Claims-Made Rating Rules**

- 1. Coverage:** All coverages are written on a claims-made basis. For details of coverage, please refer to the policy jacket.
- 2. Limits of Liability:** Manual rates provide a basic limit of \$100,000 each occurrence and \$300,000 aggregate. The standard coverage provides for one limit to apply to all persons listed under a single policy. When a corporation or partnership is also covered, the organization shares in the limit of liability with the First Named Insured.

A separate limit of liability for partnership or corporation liability may be purchased in accordance with Section 4. However, only one set of limits applies regardless of the number of partnerships or corporations added.

- 3. Classification Procedure:** Classifications are as follows:

Class I	Straight Chiropractors
Class II	Modified Straight Chiropractors
Class III	Mixer Chiropractors
Class IV	Liberal Mixer Chiropractors
Class V	Interns, Externs and/or Postceptors
Class VI	Physical Therapists and X-Ray Technicians

Class I

Straight chiropractic consists solely of analyzing and adjusting vertebral subluxation (adjustment to the spinal column). Straight chiropractors do not engage in the medical procedure of diagnosing and treatment of disease by medical methods. Therefore they represent the lowest risk classification of chiropractor.

Class II

Modified straights are also a very low risk category. However, they do engage in some higher tech modalities that a straight chiropractor will not use, such as low voltage stimulation, ultrasound and hydrotherapy . Like straight chiropractors, they do not engage in the medical procedure of diagnosing and treatment of disease by medical methods.

Class III

Mixers encompass all of the elements of the straight practices as well as using modalities for treatment and to cure diseases rather than simply as aids or enhancements to vertebral subluxation adjustments. Such modalities may include more advanced neurologic or orthopedic exams for screening purposes such as EMG or EKO. They may also draw blood and perform urinalysis for the detection of vitamin or nutritional deficiencies and under certain circumstances, they may perform manipulation under anesthesia.

Class IV

Liberal mixers present a greater risk because patient expectations have been elevated to expect a cure" and they are much more likely to incur "failure to diagnose" claims because the have assumed the role of a primary healthcare provider. This class uses medical testing procedures for the purpose of diagnosing and treating disease in addition to vertebral subluxation.

Class V

Interns, Externs and/or Postceptors.

Class VI

Physical Therapists and X-Ray Technicians, Physical Therapists and X-Ray Technicians

4. Rating Procedure: Individuals	Each individual receives a basic rate which is derived from the individuals classification as shown in Section 3 above location of practice and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 10)
Partnership	Each partner receives a basic rate which is derived from the partners classification as shown in Section 3 above and the limit of liability chosen. Credits or debits may apply according to practice situation. (See Section 10)
Employees	Each chiropractor professional employee will receive a basic rate as an individual. Employed Physical Therapists, and X-Ray Technicians will be covered at the Class VI basic rate. Employed Nurses, Chiropractic Assistants, Chiropractic Technicians and Chiropractic Therapists will be covered with no additional premium charge but must be listed on the policy.
Intern/Extern	When purchasing a separate policy the Class V rate shall apply. When an Intern, Extern or Postceptor is employed by a licensed chiropractor, an additional charge of 10% of the chiropractors rate shall apply, to include them for coverage under the chiropractors policy.
Independent Contractors	1099 form independent Contractors will be covered at no additional charge but must be listed on the policy.
Corporation/Partnership	Inclusive limits coverage, within the same individual insured's limits of liability. This is included at the Insured's request. Separate limits for Corporation/Partnership coverage can be added for a charge of 10% of the total policy premium.
Additional Insured	Landlord - Flat \$15 charge

NOTE: A primary chiropractors policy can be issued with limits up to \$1,000,000/\$3,000,000. The total policy limit cannot exceed \$3,000,000

5. Student/School Rates: The following rates shall apply for students and/or schools.

Individual Student	Each individual student can purchase his/her own policy for 10% of the base \$1MM/\$3MM rate. The applicable rate shall be based on the state in which the school is located.
School	A school may purchase coverage for their students for 10% of the base \$1MM/\$3MM rate per student, based on the state in which the school is located. The School can be added as an insured for 25% of the total developed base premium of all the students. A minimum premium for the student/school policy shall apply of \$1,000.

6. Extended Reporting Period:

The reporting endorsement provides coverage for claims arising from professional services which occur subsequent to the Retroactive Date and prior to the end of the policy period.

<u>Options</u>	<u>Factor*</u>
1 Year Option	55% of mature claims made rate
2 Year Option	85% of mature claims made rate
3 Year Option	100% of mature claims made rate
Unlimited Option	110% of mature claims made rate

*Factor to apply to mature claims made rate in the year the tail policy is written.

The extended reporting endorsement is provided at no cost if:

- a) A chiropractor has been with the program more than 10 consecutive years, or
- b) A chiropractor retires at age 55 and has been with the program for 10 years, or
- c) A chiropractor retires at age 60 and has been with the program for 5 years, or
- d) A chiropractor is permanently disabled or dies.

With the free option, the existing limits of liability of the policy will remain in effect minus any existing claims.

7. **Deductibles:** Deductibles apply on a per occurrence basis. The deductible credits apply as follows:

\$5,000	-.050
\$10,000	-.075
\$15,000	-.100

8. **Group Policy Discount:**

A single group practice policy issued to three or more insured's may be eligible for a premium discount determined by the following table:

Premium Before Discount	Discount	Multiplicative factor
\$8,000 - \$15,000	12.0%	.880
\$15,001 - \$25,000	15.0%	.850
\$25,001 - 100,000	18.0%	.820
\$100,001 - or more	Submit to Company	Submit to Company

9. **Temporary Leave Of Absence**

An insured who becomes Temporarily Disabled or is on a Leave Of Absence for a period of 45 days up to 12 months may be eligible for restricted coverage, at the written request of the insured.

A premium rate of 15% of the insured's current premium calculated on a pro-rata basis will apply.

When the insured resumes practice he/she will be charged the current premium he/she would have been charged had he/she not taken the Leave of Absence. Coverage will not apply to any claim that occurs during the Leave of Absence. Coverage is provided for any claims or incidents reported during the Leave of Absence period that occurred subsequent to retroactive date and prior to the Leave of Absence period.

The insured will be required to complete a certificate acknowledging the time period of the Leave and the reason(s) for the request.

10. **Premium Modifier:** The manual rates for insureds may be modified by the following credits/debits:

<u>Circumstance</u>	<u>Discount</u>
<i>Chiropractors in First Year of Practice after Residency</i>	45%
<i>Chiropractors in 2nd Year of Practice after Residency</i>	25%
<i>Intern/Extern (Class V) practicing 20 hours or less/week</i>	50%
<i>Chiropractors practicing 20 hours or less/week</i>	50%
MAXIMUM DISCOUNT FOR ANY INSURED	50%

SCHEDULE OF DEBITS/CREDITS

-5.0%	Written patient Safety policy/Chiropractic Standards	+5.0%
-5.0%	Use of terms of Acceptance Forms	+5.0%
-10%	Attended Risk Management Seminar in last 12 Months or Participate in Continuing Education Program	+10%
-10%	No Claims/Incidents in the Last five Years	+10%

MAXIMUM CREDIT/DEBIT EQUALS 25% - NO CREDITS MAY BE GIVEN IF DEBITS DUE TO CLAIMS HISTORY HAVE BEEN APPLIED

11. Administrative Hearing Coverage:

Additional coverage is available for administrative hearing. A flat annual rate of \$200 will apply for an administrative hearing limit of \$5,000 each administrative hearing \$5,000 aggregate for defense only. The administrative hearing limit of liability is in addition to the basic policy limits.

12. Rating Modifications:

Membership in a State Chiropractic Association - A 5% discount applies to chiropractors who are members of a State Chiropractic Association. (See explanatory memorandum for criteria description.)

13. Exposure Reporting Bases: The exposure reporting bases for chiropractors is per person per 12 month period.

14. Premium Adjustment For Risk Change:

Insureds changing their practice to a lower rating territory continue to have an exposure to loss from their previous practice. To recognize this exposure change, the following procedure shall be used and a one time premium adjustment shall apply:

Determine current reporting endorsement premium from previous rating territory.	\$ _____
Subtract current reporting endorsement premium from new rating territory.	\$ _____
Difference shall be premium adjustment (code premium adjustment to new rating territory.)	\$ _____

The premium adjustment shall be in addition to the premium for the new rating territory. The insured's original retroactive date shall be maintained. Upon termination of the current policy or its renewal, the reporting endorsement premium applicable to the new territory shall apply.

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTS., PA.

**CHIROPRACTORS PROFESSIONAL LIABILITY
RATE PLAN**

ILLINOIS

Territory 1 (Cook-~~Greater Chicago~~, Lake, DuPage)

LIMIT OF LIABILITY	CLASS 1	CLASS 2	CLASS 3	CLASS 4
\$1,000,000/\$3,000,000	2,651	3,219	3,787	6,437

Territory 2 (Rest of State)

LIMIT OF LIABILITY	CLASS 1	CLASS 2	CLASS 3	CLASS 4
\$1,000,000/\$3,000,000	2,253	2,736	3,219	5,472

Base Rates above are for \$1,000,000/\$3,000,000 limit of liability occurrence coverage

POLICY LIMIT FACTORS:

<u>Policy Limit Factors</u>	<u>Decreased Limit Factor (DLF) & Increased Limit Factor (ILF)</u>
\$100,000/\$300,000	.526
\$200,000/\$600,000	.684
\$250,000/\$750,000	.753
\$500,000/\$1,000,000	.842
\$1,000,000/\$1,000,000	.947
\$1,000,000/\$3,000,000	1.000
\$2,000,000/\$4,000,000	1.291

OPTIONAL CLAIMS MADE COVERAGE FACTORS:

(If Claims made coverage is desired, the following factors should be applied to the appropriate occurrence rate)

<u>No. of Years Claims-Made:</u>	<u>Factor</u>
1	0.35
2	0.60
3	0.85
4	0.90
5+	0.95

DEDUCTIBLE FACTORS:

<u>Deductible</u>	<u>Credit</u>
\$5,000	5.0%
\$10,000	7.5%
\$15,000	10.0%

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

SCHEDULE OF DEBITS & CREDITS:

<u>Debit</u>		<u>Credit</u>
-5%	Written Patient Safety Policy/Chiropractic Standards	+5%
-5%	Utilization of Informed Consent Forms	+5%
-10%	Risk Management Seminar/Continuing Education Involving Risk Management	+10%
-15%	Claims/Incidents History in last four (4) years	+15%
	Association Membership	+5%
-10%	Classification Anomalies	+10%
-15%	Cumulative years of Patient Experience	+15%
-10%	Number/Type of Patient Demographics	+10%
-10%	Unusual or Unique Risk Characteristics	+10%

MAXIMUM DEBIT/CREDIT NOT TO EXCEED +/-25%
 (No credits may be given if debits due to claims history have been applied)

PREMIUM MODIFIERS:

<u>Circumstance</u>	<u>Discount</u>
Chiropractors in first year of practice after residency	75%
Chiropractors in second year of practice after residency	40%
Chiropractors in third year of practice after residency	25%
Chiropractors in fourth year of practice after residency	15%
Chiropractors practicing 20 hours/week or less	50%

MAXIMUM DISCOUNT FOR ANY INSURED 75%

Charge for Corporate Entity Coverage: 10% (with additional separate limit for the entity)

DEFENSE COSTS AND OTHER EXPENSES OPTIONS:

Basic limits - no A/P:

Administrative Hearings Defense Costs - \$10,000
 HIPAA Defense Costs - \$10,000
 Billing E&O - \$10,000

Increased Limit Option 1 - A/P of 5% of premium:

Administrative Hearings Defense Costs - \$30,000
 HIPAA Defense Costs - \$30,000
 Billing E&O - \$30,000

Increased Limit Option 2 - A/P of 8% of premium:

Administrative Hearings Defense Costs - \$50,000
 HIPAA Defense Costs - \$50,000
 Billing E&O - \$50,000

EXTENDED REPORTING PERIOD (ERP) ENDORSEMENT OPTIONS:

<u>Options</u>	<u>Factor</u>
1 Year Option	55% of mature claims made rate
2 Year Option	85% of mature claims made rate
3 Year Option	100% of mature claims made rate
Unlimited Option	110% of mature claims made rate

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STATE OF ILLINOIS
 DEPARTMENT OF INSURANCE
 SPRINGFIELD, ILLINOIS

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

CHIROPRACTOR PROFESSIONAL LIABILITY PLUS INSURANCE PROGRAM
Occurrence & Claims Made Rating Rules

1. **Coverage:** All coverages are written on an occurrence or claims made basis. For details of coverage, please refer to the policy.
2. **Limits of Liability:** Manual rates provide a basic limit of \$1,000,000 each occurrence and \$3,000,000 aggregate. The standard coverage provides for one limit to apply to all persons listed under a single policy. When a corporation or partnership is also covered, the organization shares in the limit of liability with the individuals.
- A separate limit of liability for partnership or corporation liability may be purchased in accordance with Section 4. However, only one set of limits applies regardless of the number of partnerships or corporations added.
3. **Classification Procedure:** Classifications are as follows:

Class I	Straight Chiropractors
Class II	Modified Straight Chiropractors
Class III	Mixer Chiropractors
Class IV	Liberal Mixer Chiropractors

Class I. Straight Chiropractor

- A. "Hands on" adjusting of vertebral subluxation only, but may also use some adjusting instruments such as a Toffness Instrument, but for adjustment ONLY.
- B. Non-Invasive Electromyography (EMG). Use only in paraspinal area to measure temperature and determine if subluxation exists. This procedure is used to determine neuro-musculo-skeletal conditions for manipulation purposes.
- C. Electric Stimulation – An electric muscle stimulation that produces therapeutic changes in muscle tone. The Class I. Chiropractor will only use those modalities and currents that relate to subluxation related conditions.
NOTE: Electric stimulation differs from "Non-Invasive" in that it is a treatment modality and not a diagnostic work-up such as in the case of Electromyography.
- D. Use of instruments for the purpose of taking paraspinal temperature readings for the analysis of vertebral subluxation (e.g. Neuro Calligraph, Derma Therna Graph, Chirometer, Accolade, Thermascribe, Nerveoscope).
- E. Refers out for Medical Diagnosis/Treatment if necessary for anything other than Vertebral Subluxation and does not provide Disease/Symptom tracking in office.
- F. Nutritional Supplement/Counseling – No special licensure or registration is required, as recommendations are made as a part of general nutrition counseling and vitamins are readily available at health food stores without prescription.
- G. Extremity Adjusting – Adjustments to the extremities.
- H. Mechanical traction.
- I. Exercise.

Class II. Modified Straight Chiropractors

- A. Ultrasound – Ultrasonic frequencies produce a vibration of the crystal in the transducer of the instrument which is directed into the tissue and produces "deep heat" through vibration and internal friction.
- B. Diathermy – Diathermy is the utilization of high frequency currents to heat body tissues. The heat is the result of resistance of the body's tissue to the passage of electrical currents.
- C. Acupuncture (Meridian Therapy) – Insertion of needles into tissue to stimulate certain nerves to "restore harmony" in the body.

Class III. Mixer Chiropractor

- A. Diagnosis and treatment of both symptoms and disease. Main area of interest is Neuro-Musculo-Skeletal problems.
- B. Colon Irrigation – Used for constipation, autointoxication and high blood pressure as indicated and when acute symptoms of vertigo, nausea, headache, irritability, insomnia and over-excitement exist.
- C. Laboratory work involving urinalysis and blood work (finger puncture and venipuncture).
- D. Sports Chiropractic (treatment of injuries of high profile athletes or as a team doctor for organized amateur and professional sports teams).

Class IV. Liberal Mixer Chiropractor (Diagnosis/Medical)

- A. Diagnosis and treatment of all conditions without limitation, including casting of broken bones.
- B. Invasive needle Electromyography (EMG) – EMG procedures penetrate the skin (full body diagnosis).
- C. Magnetic Resonance Imaging (MRI), CT Scans and EKG's performed by the insured.
- D. Manipulation under Anesthesia.
- E. Minor Surgery.
- F. Breast/Gynecological Exams.
- G. Animal Adjusting.

4. Rating Procedure:

Individual	Each individual receives a basic rate which is derived from the individual's classification as shown in Section 3. above, location of practice and the limit of liability chosen. Credits or debits may apply according to practice situation.
Partnership	Each partner receives a basic rate which is derived from the partner's classification as shown in Section 3. above and the limit of liability chosen. Credits or debits may apply according to practice situation.
Corporation/Partnership	Corporation/Partnership coverage can be added with separate limits for an additional premium of 10% of the total professional liability premium of all insured Chiropractors. There is no premium charge for adding the Corporation/Partnership on a shared limit basis.
Additional Insured	Additional Insureds may be added for a premium charge of 5% of the total professional liability premium. Landlord - Flat \$15 charge

NOTE: A primary chiropractor's policy can be issued with limits up to \$2,000,000/\$4,000,000. The total policy limit cannot exceed \$4,000,000.

5. Student/School Rates: The following rates shall apply for students and/or schools.

Individual Student	Each individual student can purchase his/her own policy for 10% of the base \$1MM/\$3MM rate. Higher or lower rates are not available for student policies. The applicable rate shall be based on the state in which the school is located.
School	A school may purchase coverage for their students for 10% of the base \$1MM/\$3MM rate per student, based on the state in which the school is located. The School can be added as an insured for 25% of the total developed base premium of all the students. A minimum premium for the student/school policy shall apply of \$1,000.

6. Extended Reporting Period:

The reporting endorsement provides coverage for claims arising from professional services which occur subsequent to the Retroactive Date and prior to the end of the policy period.

<u>Options</u>	<u>Factor*</u>
1 Year Option	55% of mature claims made rate
2 Year Option	85% of mature claims made rate
3 Year Option	100% of mature claims made rate
Unlimited Option	110% of mature claims made rate

*Factor to apply to mature claims made rate in the year the tail policy is written.

*All insureds previously covered through the ACE American Insurance Company will be grandfathered into the current program

The extended reporting endorsement is provided at no cost if:

- a) A chiropractor has been with the program more than 10 consecutive years, or
- b) A chiropractor retires at age fifty (50) and has been with the program for 5 years, or
- c) A chiropractor is permanently disabled or dies.

The aggregate limits of liability applicable to the policy shall not be increased or reinstated under the extended reporting period offered under a), b), and c) above.

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7. Group Policy Discount:

A single group practice policy issued to three or more insureds may be eligible for a premium discount determined by the following table:

Premium Before Discount	Discount	Multiplicative factor
\$8,000 - \$15,000	12.0%	.880
\$15,001 - \$25,000	15.0%	.850
\$25,001 - 100,000	18.0%	.820
\$100,001 - or more	Submit to Company	Submit to Company

8. Temporary Leave Of Absence:

A Chiropractor who becomes Temporarily Disabled or is on a Leave of Absence for a period of 45 days up to 180 days may be eligible for restricted coverage, at the written request of the Chiropractor.

A premium rate of 25% of the applicable full time rate for the period of disability or leave of absence will apply.

When the Chiropractor resumes practice he/she will be charged the current premium he/she would have been charged had he/she not taken the Leave of Absence. Coverage will not apply to any claim that occurs during the Leave of Absence. Coverage is provided for any claims or incidents reported during the Leave of Absence period that occurred subsequent to the retroactive date and prior to the Leave of Absence period.

The Chiropractor will be required to complete a certificate acknowledging the time period of the Leave and the reason(s) for the request. Leave of absence may include professional education, but does not include vacation.

9. Part Time Practice:

A Chiropractor who practices twenty (20) hours or less per week during the term of an annual policy will be considered a Part Time Chiropractor and will be eligible for a reduction in the otherwise applicable rate by a 50% discount. No other discounts or credits are to apply concurrent with this rule.

10. Premium Modifiers:

The manual rates for Chiropractors may be modified by the following credits/debits, subject to a maximum modification of -25% / +25%, to recognize risk characteristics that are not reflected in the otherwise applicable rate. All modifications applied under this schedule rating are subject to periodic review. No credits may be applied if a debit has been applied for claims/incidents. The modifications shall be based on one or more of the following considerations:

SCHEDULE OF DEBITS(-)/CREDITS(+)

- Written Patient Safety Policy/Practice Standards +/-5.0%
- Utilization of Informed Consent Forms +/-5.0%
- Risk Management Seminar/Continuing Education involving Risk Management +/-10.0%
- Claims/Incidents History in the Last Four (4) Years +/-15.0%

(The frequency/severity of claims for the Chiropractor is greater/less than the expected experience for a Chiropractor of the same class or recognition of unusual circumstances of claims in the Chiropractor's loss history).

- Association Membership +5.0%
- Classification Anomalies +/-10.0%
(Applicable to the Chiropractor whose procedures or practices are primarily concentrated in areas other than their practice classification. This would differentiate the Chiropractor to have greater/less liability exposure than other members of the same class, or recognize recent developments within a classification or jurisdiction that are anticipated to impact future loss experience).
- Cumulative Years of Patient Experience +/-15%
(The Chiropractor demonstrates a greater/less than stable longstanding practice and/or significant degree of experience in their current area of chiropractic).
- Number/Type of Patient Demographics +/-10%
(Size and/or demographics of the patient population which negatively or positively influences the liability exposure).
- Unusual or Unique Risk Characteristics +/-10%

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11. Manipulation under Anesthesia

Deletes the policy exclusion to allow for manipulation treatment under anesthesia, subject to underwriting, which includes the training, history and experience of the practitioner. A separate application must be completed if coverage is requested. A Chiropractor with this exposure is an automatic Class IV. risk.

12. Animal Adjusting

A separate application must be completed if coverage is requested. An insured with this exposure is an automatic Class IV. risk.

Percentage of Practice	Debit
10% of Practice	15%
25% of Practice	20%
50% of Practice	25%
Over 50%	Declination

13. New Practitioner Discounts

License Date: Use the license date as the reference date to be eligible for discounts. The license date is defined as the first date the chiropractor is eligible to practice chiropractic. Only one date is used as the license date to reference discounts. The license date used to reference discounts is the first time a chiropractor ever becomes licensed to practice.

1. First year Licensure Discount

Chiropractors who become licensed and are eligible to practice chiropractic for the first time shall be given a first year licensure discount of 75% of the filed and approved base premium. The insured's first licensure date must fall within 18 months of the insured's graduation date. The discount applies only to the first year of coverage with this company.

2. Second year Licensure Discount

Chiropractors in their second year of practice after becoming licensed for the first time shall be given a second year licensure discount of 40% of the filed and approved base premium. The insured's first licensure date must fall within 30 months of the insured's graduation date. This discount applies only to the second year of coverage with this company.

3. Third Year Licensure Discount

Chiropractors in their third year of practice after becoming licensed for the first time shall be given a third year licensure discount of 25% of the filed and approved base premium. The insured's first licensure date must fall within 42 months of the insured's graduation date. This discount applies only to the third year of coverage with this company.

4. Fourth Year Licensure Discount

Chiropractors in their fourth year of practice after becoming licensed for the first time shall be given a fourth year licensure discount of 15% of the filed and approved base premium. The insured's first licensure date must fall within 54 months of the insured's graduation date. This discount applies only to the fourth year of coverage with this company.

14. Independent Contractors – Additional Insured – Vicarious Liability

1099 form independent contractors who carry their own professional liability insurance may be added but must be listed on the policy and certify coverage of at least equal limits from an insurance carrier with at least A.M. Best rating of B+. A 10% charge of the applicable professional liability rate at policy limits will be charged to cover the vicarious liability exposure assumed in such arrangement.

15. Locum Tenens

A Locum Tenens endorsement may be provided for chiropractors who temporarily replace an insured chiropractor for a period up to 60 days each policy year. The Locum Tenens will share in the insured chiropractor's limit of liability. As a result, there will be no additional premium charge. Coverage is only issued when the replacement chiropractor does not have medical professional liability insurance. A separate application must be completed if coverage is requested.

16. Exposure Reporting Basis: The exposure reporting basis for chiropractors is per Chiropractor per 12 month period.

17. Rounding Rule:

- A. Compute the premium using the rates in effect at the time of policy issuance
- B. Premiums are calculated as specified for their respective coverage. Rounding to the nearest whole dollar amount (i.e. .50 and greater rounds up; .49 and below rounds down) is done after the computation of the final premium.

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