



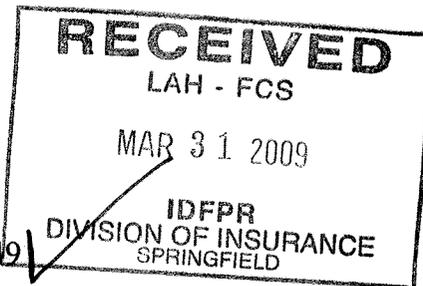
FILED

**7165 Delmar Blvd.
Suite 215
St. Louis, MO 63130
314-721-2366**

APR 01 2009

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

30 March 2009



Property and Casualty Department
Division of Insurance
Illinois Department of Financial
and Professional Regulation
320 W. Washington Street
Springfield, Illinois 62767-0001

re: Rate Filing
Galen 2009-2
Galen tax id: 86-1123749

Dear Sir or Madam:

RATE/RULE PHYSICIAN/SURGEON INITIAL SUBM.

Galen Insurance Company, an admitted professional liability carrier domiciled in Missouri and licensed to write business in Illinois under clause c of Class 2 of Section 4 of the Illinois Insurance Code, hereby submits its initial rates.

Enclosed please find the following:

Premium Rating Plan, Illinois State Rules. The classes to which this filing applies are contained in the Rating Plan. We do not feel that there is any unfair discrimination inherent in the rates filed.

Actuarial Memorandum in support of the rates contained in the Rating Plan.

Illinois Certification of Compliance Form

Galen intends to collect its own medical liability statistics, in consultation with the actuarial firm of Towers Perrin Tillinghast.

We also enclose a duplicate copy of this letter and a self-addressed stamped envelope. Please indicate receipt of this letter on the copy and return it to us in the envelope provided.

We intend to begin using the filed rates on 1 April 2009. Do not hesitate to call if there are any questions.

Very truly yours,

Matthew P. McCauley
Matthew P. McCauley

*1-0
MEM
RAT
glw
Jeh*

*I received filing on
4-9-09*

ILLINOIS CERTIFICATION OF COMPLIANCE FORM

I, _____ Matthew P. McCauley _____, a duly authorized officer of _____ Galen Insurance Company _____, do hereby certify that I am authorized to certify on behalf of the Company making this filing, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy forms that are the subject of this filing, and that, to the best of my knowledge and belief, this filing is complete, and said policy forms, as presented, are in compliance with applicable filing standards, Illinois laws, regulations, and bulletins, and applicable checklists on the Illinois Department of Insurance website dated 30 March 2009.

I understand that the Illinois Department of Insurance will rely on this certification to expedite review of this filing, and should it be determined that the policy forms do not comply with the applicable laws, regulations, bulletins, or checklists, or that this certification is materially false, misleading, or incorrect, appropriate corrective and disciplinary action, as authorized by law, will be taken by the Department against the insurer or advisory organization and the officer completing this certification.



Signature of Authorized Officer

30 March 2009
Date

Name of Authorized Officer (print): Matthew P. McCauley
Title of Officer: President
Insurer Name: Galen Insurance Company
FEIN: 89-1123749

Address of Insurer: 7165 Delmar Boulevard, suite 215,
City: St. Louis
State: Missouri
Zip: 63130-4320
Direct Telephone Number: 314) 721-2366
Fax Number: (314) 721-2377
Email Address: mpmccauley@galeninsurance.com

Filing Number that Applies to this Filing: Galen 2009-2



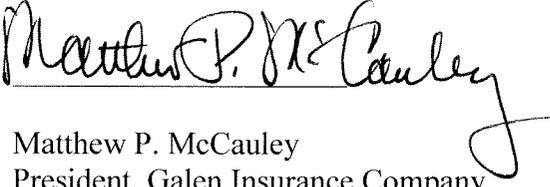
7165 Delmar Blvd.
Suite 215
St. Louis, MO 63130
314-721-2366

Certificate

To: The Illinois Department of Insurance

This is to certify that, to the best of my knowledge and belief, the rates being filed by Galen Insurance Company contained in the document entitled Premium Rating Plan, Illinois State Rules, dated March 2009 and given filing number 2009-2, are based on sound actuarial principles and not inconsistent with Galen's experience.

Signed this 23rd day of June 2009 by me as an officer of Galen Insurance Company.


Matthew P. McCauley
President, Galen Insurance Company

**STATEMENT OF ACTUARIAL OPINION
REGARDING GALEN INSURANCE COMPANY
RATE FILING
(Effective April 1, 2009)**

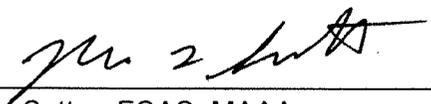
I, Russel L. Sutter, am associated with the Tillinghast business of Towers Perrin, and am a Member of the American Academy of Actuaries. I have been retained by Galen Insurance Company of St. Louis, Missouri, with regard to the projection of the proposed claims-made rate level and rating schedules effective April 1, 2009.

In making my rate projections, I have relied upon competitive information along with expense provisions prepared by Galen. I performed no independent verification as to the accuracy of these data, other than checks for reasonableness. In other respects, my study included the formulation of the actuarial assumptions, methods, and actuarial calculations as I considered necessary in the circumstances.

In my opinion, the rate level projections for April, 2009 have been computed in accordance with accepted actuarial principles and are not inconsistent with Galen's experience. I believe that the proposed rates meet the requirements of the insurance laws of the State of Illinois.

We have maintained complete documentations of our rate development in our office and it will be maintained for a period of seven years.

Towers Perrin
101 South Hanley Rd
Suite 900
St. Louis, MO 63105



Russel L. Sutter, FCAS, MAAA

June 17, 2009

Neuman, Gayle

From: Neuman, Gayle
Sent: Thursday, June 11, 2009 10:14 AM
To: 'Pat McCauley'
Subject: Galen Insurance Company - Rate/Rule Filing #Galen 2009-2

Mr. McCauley,

I am currently reviewing the above referenced filing submitted by your letter dated March 30, 2009. The submission is not acceptable for filing in Illinois due to the following issue(s):

1. 215 ILCS 5/155.18 states it shall be certified in this filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience. This information is required in every rate/rule filing for medical malpractice.
2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?
3. Pursuant to 50 Ill. Adm. Code 929, all companies writing medical liability insurance shall file with the Secretary or Director a plan to offer each medical liability insured the option to make premium payments, in at least quarterly installments. For purposes of this requirement, insurers may, but are not required to, offer such premium installment plans to insureds whose annual premiums are less than \$500, or for premium for any extension of a reporting period. Quarterly installment premium payment plans subject to this Section shall be included in the initial offer of the policy, or in the first policy renewal occurring after January 1, 2006. Thereafter, the insurer may, but need not re-offer such payment plan, but if an insured requests such payment plan at a later date, the insurer must make it available. All quarterly installment premium payment plan provisions shall be contained in the filed rate and/or rule manual in a section entitled, "Quarterly Installment Option" or a substantially similar title. If the company uses a substantially similar title, the Rule Submission Letter must indicate the name of the section that complies with this requirement. All quarterly installment premium payment plans shall include the minimum standards listed below. Insurers may provide for quarterly installment premium payment plans that differ from these minimum standards, as long as such plans have terms that are at least as or more favorable than those listed below.
 - i) An initial payment of no more than 40% of the estimated total premium due at policy inception;
 - ii) The remaining premium spread equally among the second, third, and fourth installments, with the maximum for such installments set at 30% of the estimated total premium, and due 3, 6, and 9 months from policy inception, respectively;
 - iii) No interest charges;
 - iv) Installment charges or fees of no more than 1% of the total premium or \$25.00, whichever is less;
 - v) A provision stating that additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy may be billed immediately as a separate transaction.
4. Please confirm that no occurrence coverage is written. Do you offer locum tenens coverage?
5. From the calculations I performed, it appears the step factors listed for maturity years 1 through 5 are incorrect – or most of the rates provided are incorrect. It appears the step factors are .27, .50, .77, .92 and 1.00. Please advise.
6. From the calculation I performed, it appears the increased limit factor for \$500,000/\$1,500,000 should be .78. Please advise.

6/11/2009

7. There is no mention of Cook County in any of your territories. This is odd for an Illinois filing. Please advise which territory it is a part of .

8. Extended reporting period (tail coverage) premium must be priced as a factor of one of the following: (1) the last twelve months premium; (2) the premium in effect at policy issuance; or (3) the expiring annual premium. Please advise.

9. Because defense costs are to be paid as a supplement to the limits of liability (at the insurer's expense), the note in the Deductible Credits section should be corrected.

Please provide a response by no later than June 25, 2009.

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

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

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.

6/11/2009

Neuman, Gayle

From: Emily Davis [edavis@galeninsurance.com]
Sent: Thursday, June 25, 2009 12:17 PM
To: Neuman, Gayle
Cc: 'Pat McCauley'
Subject: Illinois Forms-Revised
Attachments: Rate filing cover letter.pdf; Illinois Premium Rating Master v2 - 6.24.09.pdf; Certificate. McCauley.pdf; Statement of Actuarial Opinion.pdf

Dear Ms. Neuman,

Attached are the final documents that have been revised per your request.

Again, if anything further is needed in regards to this matter, please let us know.

Thank you,
Emily Davis
Administrative Assistant
edavis@galeninsurance.com
Galen Insurance Company
www.galeninsurance.com
(314)721-2366
(314)721-2377 Facsimile

6/25/2009

**Galen Insurance Company
Physician Professional Liability
Premium Rating Plan
Illinois State Rules**

March 09

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Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability

Class Definitions

Specialty Code	Class	Specialty Code	Class	Specialty Code	Class
80101	5	80225	1	80274	3
80102	6	80229	1	80276	3
80103	5	80230	2	80277	3
80104	5	80231	2	80278	3
80105	5	80232	1	80279	3
80106	5	80233	1	80280	3
80107	5	80234	2	80281	3
80108	7	80235	2	80282	3
80114	3	80236	1	80283	3
80115	5	80237	2	80284	3
80117	6	80238	2	80285	3
80141	8	80240	1	80286	3
80143	7	80241	2	80287	3
80144	8	80243	2	80288	3
80145	5	80244	2	80289	3
80146	8	80245	2	80290	3
80148	9	80246	2	80291	3
80150	8	80247	2	80292	3
80151	4	80248	2	80293	3
80152	10	80249	1	80294	3
80153	9	80250	2	80354	7
80154	8	80251	2	80420	2
80155	7	80252	2	80421	5
80156	7	80253	3	80422	5
80157	7	80254	1	80423	3
80158	5	80255	2	80424	2
80159	5	80256	1	80425	3
80162	3	80257	2	80428	3
80164	7	80258	2	80431	2
80166	8	80259	2	80434	3
80167	6	80260	2	80437	4
80168	9	80261	3	80440	5
80169	7	80262	2	80443	5
80170	7	80263	2	80446	3
80171	8	80264	2	80449	2
80178	1	80265	2	80469	2
80190	9	80266	1	80471	3
80194	5	80267	2	80473	2
80195	5	80268	2	80474	7
80211	5	80269	1	80476	9
80220	1	80270	3	80491	6
80222	2	80271	3	80501	7
80224	1	80272	5		

For other specialties refer to Company

For Doctors of Osteopathy (DO) exposures (class codes 84xxx), use same class as shown above and same rate as displayed in Exhibit 1.

Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability

Specialty Codes and Descriptions

Specialty Code	Specialty/Description
80229	Addictionology
80178	Administrative Medicine
80230	Aerospace Medicine
80254	Allergy
80151	Anesthesiology including Pain Medicine
80101	Broncho - Esophagology
80281	Cardiovascular Disease - Minor Surgery
80255	Cardiovascular Disease - No Surgery
80282	Dermatology - Minor Surgery
80256	Dermatology - No Surgery
80195	Dermatology - Surgery with Liposuction
80271	Diabetes - Minor Surgery
80237	Diabetes - No Surgery
80157	Emergency Medicine - Including Major Surgery
80102	Emergency Medicine - No Major Surgery
80272	Endocrinology - Minor Surgery
80238	Endocrinology - No Surgery
80420	Family or General Practice (excl. OB) - No Surgery
80421	Family or General Practice (incl. OB) - Minor Surgery
80423	Family or General Practice (non ER) - Minor Surgery
80240	Forensic Medicine; Legal Medicine
80274	Gastroenterology - Minor Surgery
80241	Gastroenterology - No Surgery
80231	General Preventive Medicine - No Surgery
80276	Geriatrics - Minor Surgery
80243	Geriatrics - No Surgery
80277	Gynecology - Minor Surgery
80244	Gynecology - No Surgery
80278	Hematology - Minor Surgery
80245	Hematology - No Surgery
80222	Hospitalists
80232	Hypnosis
80279	Infectious Diseases - Minor Surgery
80246	Infectious Diseases - No Surgery
80283	Intensive Care Medicine
80284	Internal Medicine - Minor Surgery
80257	Internal Medicine - No Surgery
80440	Laparoscopy
80285	Laryngology - Minor Surgery
80258	Laryngology - No Surgery
80434	Lymphangiography/Phlebography w/o Catheters
80211	Maxiofacial Surgery
80446	Needle Biopsy
80471	Neonatology

Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability

Specialty Codes and Descriptions

Specialty Code	Specialty/Description
80286	Neoplastic Diseases - Minor Surgery
80259	Neoplastic Diseases - No Surgery
80287	Nephrology - Minor Surgery
80260	Nephrology - No Surgery
80288	Neurology - Including Child - Minor Surgery
80261	Neurology - Including Child - No Surgery
80262	Nuclear Medicine
80248	Nutrition
80233	Occupational Medicine
80473	Oncology - No Surgery
80289	Ophthalmology - Minor Surgery
80263	Ophthalmology - No Surgery
80354	Orthopedic - Minor Surgery
80469	Orthopedics - No Surgery
80290	Otology - Minor Surgery
80264	Otology - No Surgery
80291	Otorhinolaryngology - Minor Surgery
80265	Otorhinolaryngology - No Surgery
80437	Pain Management - No Major Surgery
80292	Pathology - Minor Surgery
80266	Pathology - No Surgery
80474	Pediatrics - Major Surgery
80293	Pediatrics - Minor Surgery
80267	Pediatrics - No Surgery
80220	Peer Review
80234	Pharmacology - Clinical
80235	Physiatry - No Surgery; Physical Medicine and Rehabilitation
80443	Physician - Minor Invasive; Colonoscopy/Esophageal
80422	Physicians - Major Invasive Procedures - No Surgery
80294	Physicians - Minor Surgery - Not Otherwise Classified
80268	Physicians - No Surgery - Not Otherwise Classified
80428	Pneumoencephalography
80194	Pneumoencephalography with Surgery
80249	Psychiatry - Including Child
80431	Psychiatry - Including Shock Therapy
80250	Psychoanalysis
80251	Psychosomatic Medicine
80236	Public Health
80269	Pulmonary Diseases - No Surgery
80425	Radiation Therapy
80280	Radiology - Diagnostic - Minor Surgery
80253	Radiology - Diagnostic - No Surgery

Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability

Specialty Codes and Descriptions

Specialty Code	Specialty/Description
80491	Radiology - Major Invasive
80449	Radiopaque Dye Injections
80252	Rheumatology - No Surgery
80270	Rhinology - Minor Surgery
80247	Rhinology - No Surgery
80162	Shock Therapy
80166	Surgery - Abdominal
80476	Surgery - Bariatrics
80141	Surgery - Cardiac
80150	Surgery - Cardiovascular Disease
80115	Surgery - Colon and Rectal
80103	Surgery - Endocrinology
80104	Surgery - Gastroenterology
80117	Surgery - General Practice or Family Practice
80105	Surgery - Geriatrics
80167	Surgery - Gynecology
80169	Surgery - Hand
80170	Surgery - Head and Neck
80106	Surgery - Laryngology
80107	Surgery - Neoplastic
80108	Surgery - Nephrology
80152	Surgery - Neurology - Including Child
80190	Surgery - Neurology - Limited to Surgery of Back
80143	Surgery - Not Otherwise Classified
80153	Surgery - OB/GYN
80168	Surgery - Obstetrics
80164	Surgery - Oncology
80114	Surgery - Ophthalmology
80154	Surgery - Orthopedic
80501	Surgery - Orthopedic - No Spine or Knee
80158	Surgery - Otolaryngology (no plastic surgery)
80159	Surgery - Otorhinolaryngology (no plastic surgery)
80156	Surgery - Plastic - Not Otherwise Classified
80155	Surgery - Plastic - Otorhinolaryngology
80144	Surgery - Thoracic
80171	Surgery - Traumatic
80145	Surgery - Urological
80146	Surgery - Vascular
80148	Surgery - Weight Reduction
80224	Utilization Management
80225	Utilization Review with or without Peer Review
80424	Urgent Care Physicians (non ER) - No Surgery

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Relativities for Miscellaneous Medical Professionals

Specialty	Relativity versus Class 2
Audiologist/Speech Pathologist	0.100
Cardiology Technician	0.025
Case Manager	0.015
Certified Nurse Midwife	3.000
Chiropractor	0.300
Clinical Laboratory Technician	0.025
Counselor	0.045
Dietitian	0.025
EKG Technician	0.015
Electroneurodiagnostic Technician	0.025
Licensed Practicing Nurse	0.015
Medical Laboratory Technician	0.025
Medical Office Assistant	0.030
Medical Records Technician	0.030
Nuclear Medicine Technician	0.025
Nurse Anesthetist/CRNA	0.700
Nurse Midwife Assistant	0.200
Nurse Practitioner	0.015
Nurse Surgical Assistant	0.200
Occupational Therapist	0.025
Occupational Therapy Assistant	0.015
Ophthalmology Technician	0.025
Optician	0.050
Optometrist	0.125
Paramedic/ emergency medical technician	0.150
Perfusionist	0.500
Pharmacist	0.020
Physical Therapist - Non Owner	0.025
Physical Therapist - Owner	0.015
Physical Therapy Assistant	0.015
Physician Assistant	0.200
Podiatrist - No Surgery	1.000
Podiatrist - with Surgery	1.500
Psychologist	0.100
Radiation Therapy Assistant	0.020
Registered Nurse	0.018
Respiratory Therapist	0.050
Respiratory Therapy Assistant	0.030
Social Worker	0.050
Surgeon Assistant	0.200
Surgical Technician	0.100
X-Ray Technician with Therapy	0.020
X-Ray Technician without Therapy	0.015

Premiums determined by multiplying the relativity to the otherwise applicable premium for a class 2 physician.

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability
 Annual Base Rates - Effective April 1, 2009
Territory 1

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,256	\$7,882	\$12,139	\$14,503	\$15,764
2	6,081	11,260	17,341	20,719	22,521
3	8,513	15,764	24,277	29,007	31,529
4	8,513	15,764	24,277	29,007	31,529
5	10,945	20,269	31,214	37,294	40,537
6	13,377	24,773	38,150	45,582	49,546
7	20,066	37,159	57,225	68,373	74,318
8	21,890	40,537	62,427	74,589	81,075
9	37,092	68,688	105,780	126,386	137,376
10	49,861	92,335	142,196	169,896	184,670

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,825	\$10,786	\$16,611	\$19,847	\$21,572
2	8,321	15,409	23,730	28,352	30,818
3	11,649	21,572	33,222	39,693	43,145
4	11,649	21,572	33,222	39,693	43,145
5	14,977	27,736	42,713	51,034	55,472
6	18,306	33,900	52,205	62,375	67,799
7	27,459	50,849	78,308	93,563	101,699
8	29,955	55,472	85,427	102,069	110,944
9	50,757	93,994	144,751	172,949	187,989
10	68,231	126,353	194,584	232,489	252,706

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$7,467	\$13,829	\$21,296	\$25,444	\$27,657
2	10,668	19,755	30,423	36,349	39,510
3	14,935	27,657	42,592	50,889	55,314
4	14,935	27,657	42,592	50,889	55,314
5	19,202	35,559	54,761	65,429	71,118
6	23,469	43,461	66,930	79,968	86,922
7	35,203	65,192	100,395	119,952	130,383
8	38,404	71,118	109,522	130,857	142,236
9	65,073	120,506	185,578	221,730	241,011
10	87,475	161,991	249,466	298,063	323,982

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability
 Annual Base Rates - Effective April 1, 2009
Territory 2

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,044	\$7,488	\$11,532	\$13,778	\$14,976
2	5,777	10,697	16,474	19,683	21,395
3	8,087	14,976	23,063	27,556	29,953
4	8,087	14,976	23,063	27,556	29,953
5	10,398	19,255	29,653	35,430	38,510
6	12,708	23,534	36,243	43,303	47,068
7	19,063	35,301	54,364	64,954	70,602
8	20,796	38,510	59,306	70,859	77,021
9	35,237	65,254	100,491	120,067	130,507
10	47,368	87,718	135,086	161,401	175,436

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,533	\$10,247	\$15,780	\$18,854	\$20,494
2	7,905	14,638	22,543	26,935	29,277
3	11,067	20,494	31,561	37,709	40,988
4	11,067	20,494	31,561	37,709	40,988
5	14,229	26,349	40,578	48,483	52,698
6	17,390	32,205	49,595	59,256	64,409
7	26,086	48,307	74,393	88,885	96,614
8	28,457	52,698	81,156	96,965	105,397
9	48,219	89,295	137,514	164,302	178,589
10	64,819	120,035	184,854	220,865	240,071

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$7,094	\$13,137	\$20,231	\$24,172	\$26,274
2	10,134	18,767	28,902	34,532	37,535
3	14,188	26,274	40,462	48,344	52,548
4	14,188	26,274	40,462	48,344	52,548
5	18,242	33,781	52,023	62,157	67,562
6	22,295	41,288	63,583	75,970	82,576
7	33,443	61,932	95,375	113,955	123,864
8	36,484	67,562	104,046	124,314	135,124
9	61,819	114,480	176,300	210,644	228,960
10	83,101	153,891	236,993	283,160	307,783

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability
 Annual Base Rates - Effective April 1, 2009
Territory 3

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$2,979	\$5,518	\$8,497	\$10,152	\$11,035
2	4,256	7,882	12,139	14,503	15,764
3	5,959	11,035	16,994	20,305	22,070
4	5,959	11,035	16,994	20,305	22,070
5	7,662	14,188	21,850	26,106	28,376
6	9,364	17,341	26,705	31,907	34,682
7	14,046	26,011	40,058	47,861	52,023
8	15,323	28,376	43,699	52,212	56,752
9	25,964	48,082	74,046	88,470	96,163
10	34,903	64,634	99,537	118,927	129,269

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,077	\$7,550	\$11,628	\$13,893	\$15,101
2	5,825	10,786	16,611	19,847	21,572
3	8,154	15,101	23,255	27,785	30,201
4	8,154	15,101	23,255	27,785	30,201
5	10,484	19,415	29,899	35,724	38,830
6	12,814	23,730	36,544	43,663	47,459
7	19,221	35,595	54,816	65,494	71,189
8	20,968	38,830	59,799	71,448	77,661
9	35,530	65,796	101,326	121,065	131,592
10	47,761	88,447	136,209	162,743	176,894

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,227	\$9,680	\$14,907	\$17,811	\$19,360
2	7,467	13,829	21,296	25,444	27,657
3	10,454	19,360	29,814	35,622	38,720
4	10,454	19,360	29,814	35,622	38,720
5	13,441	24,891	38,333	45,800	49,783
6	16,428	30,423	46,851	55,978	60,845
7	24,642	45,634	70,276	83,967	91,268
8	26,883	49,783	76,665	91,600	99,565
9	45,551	84,354	129,905	155,211	168,708
10	61,233	113,394	174,626	208,644	226,787

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability
Annual Base Rates - Effective April 1, 2009
Territory 4

A. \$200,000/\$600,000 Limits
Claims-Made Maturity

Class	1	2	3	4	5+
1	\$2,682	\$4,966	\$7,647	\$9,137	\$9,932
2	3,831	7,094	10,925	13,053	14,188
3	5,363	9,932	15,295	18,274	19,863
4	5,363	9,932	15,295	18,274	19,863
5	6,895	12,769	19,665	23,495	25,538
6	8,428	15,607	24,035	28,717	31,214
7	12,642	23,410	36,052	43,075	46,821
8	13,791	25,538	39,329	46,991	51,077
9	23,368	43,274	66,641	79,623	86,547
10	31,412	58,171	89,583	107,035	116,342

B. \$500,000/\$1,500,000 Limits
Claims-Made Maturity

Class	1	2	3	4	5+
1	\$3,669	\$6,795	\$10,465	\$12,503	\$13,591
2	5,242	9,708	14,950	17,862	19,415
3	7,339	13,591	20,930	25,007	27,181
4	7,339	13,591	20,930	25,007	27,181
5	9,436	17,474	26,909	32,152	34,947
6	11,533	21,357	32,889	39,296	42,713
7	17,299	32,035	49,334	58,945	64,070
8	18,872	34,947	53,819	64,303	69,895
9	31,977	59,216	91,193	108,958	118,433
10	42,985	79,602	122,588	146,468	159,205

C. \$1,000,000/\$3,000,000 Limits
Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,704	\$8,712	\$13,416	\$16,030	\$17,424
2	6,721	12,446	19,166	22,900	24,891
3	9,409	17,424	26,833	32,060	34,848
4	9,409	17,424	26,833	32,060	34,848
5	12,097	22,402	34,499	41,220	44,804
6	14,785	27,380	42,166	50,380	54,761
7	22,178	41,071	63,249	75,570	82,141
8	24,194	44,804	68,999	82,440	89,609
9	40,996	75,918	116,914	139,690	151,837
10	55,109	102,054	157,164	187,780	204,109

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability
 Annual Base Rates - Effective April 1, 2009
Territory 5

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$3,150	\$5,833	\$8,983	\$10,732	\$11,666
2	4,500	8,333	12,832	15,332	16,665
3	6,299	11,666	17,965	21,465	23,331
4	6,299	11,666	17,965	21,465	23,331
5	8,099	14,999	23,098	27,598	29,998
6	9,899	18,332	28,231	33,731	36,664
7	14,849	27,498	42,347	50,596	54,996
8	16,199	29,998	46,196	55,196	59,995
9	27,448	50,829	78,277	93,526	101,658
10	36,897	68,328	105,225	125,723	136,656

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,310	\$7,982	\$12,292	\$14,687	\$15,964
2	6,157	11,403	17,560	20,981	22,805
3	8,620	15,964	24,584	29,373	31,927
4	8,620	15,964	24,584	29,373	31,927
5	11,083	20,525	31,608	37,765	41,049
6	13,546	25,086	38,632	46,158	50,171
7	20,319	37,629	57,948	69,237	75,257
8	22,167	41,049	63,216	75,531	82,099
9	37,560	69,556	107,116	127,983	139,112
10	50,491	93,501	143,992	172,042	187,002

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,526	\$10,233	\$15,759	\$18,829	\$20,466
2	7,894	14,619	22,513	26,898	29,237
3	11,052	20,466	31,518	37,658	40,932
4	11,052	20,466	31,518	37,658	40,932
5	14,209	26,314	40,523	48,417	52,627
6	17,367	32,161	49,528	59,176	64,322
7	26,051	48,242	74,292	88,765	96,483
8	28,419	52,627	81,046	96,834	105,255
9	48,154	89,174	137,328	164,080	178,348
10	64,732	119,873	184,605	220,567	239,747

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability
 Annual Base Rates - Effective April 1, 2009
Territory 6

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$2,298	\$4,256	\$6,555	\$7,832	\$8,513
2	3,284	6,081	9,364	11,188	12,161
3	4,597	8,513	13,110	15,664	17,026
4	4,597	8,513	13,110	15,664	17,026
5	5,910	10,945	16,855	20,139	21,890
6	7,224	13,377	20,601	24,614	26,755
7	10,836	20,066	30,902	36,921	40,132
8	11,821	21,890	33,711	40,278	43,780
9	20,029	37,092	57,121	68,249	74,183
10	26,925	49,861	76,786	91,744	99,722

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$3,145	\$5,825	\$8,970	\$10,717	\$11,649
2	4,493	8,321	12,814	15,310	16,642
3	6,291	11,649	17,940	21,434	23,298
4	6,291	11,649	17,940	21,434	23,298
5	8,088	14,977	23,065	27,559	29,955
6	9,885	18,306	28,191	33,683	36,612
7	14,828	27,459	42,286	50,524	54,917
8	16,176	29,955	46,131	55,117	59,910
9	27,409	50,757	78,166	93,393	101,514
10	36,845	68,231	105,075	125,544	136,461

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,032	\$7,467	\$11,500	\$13,740	\$14,935
2	5,761	10,668	16,428	19,629	21,335
3	8,065	14,935	23,000	27,480	29,870
4	8,065	14,935	23,000	27,480	29,870
5	10,369	19,202	29,571	35,331	38,404
6	12,673	23,469	36,142	43,183	46,938
7	19,010	35,203	54,213	64,774	70,407
8	20,738	38,404	59,142	70,663	76,807
9	35,139	65,073	100,212	119,734	130,146
10	47,237	87,475	134,712	160,954	174,950

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

3. Claims Made Step Factors

The year of maturity is determined by the number of years from the retroactive date until the effective date of coverage.

<u>Year of Maturity</u>	<u>Step Factor</u>
1	.35
2	.63
3	.87
4	.95
5	1.00

4. Increased Limits Factors

<u>Limits</u>	<u>ILF</u>
\$ 200,000/\$ 600,000	.57
\$ 500,000/\$1,500,000	.80
\$1,000,000/\$3,000,000	1.00

5. Territory Factors

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Illinois Territory Definitions and Relativities

<u>Territory</u>	<u>Description</u>	<u>Territory Relativity</u>
1	St. Clair and Madison Counties	1.00
2	Jackson County	0.95
3	Effingham and Randolph Counties	0.70
4	Sangamon County	0.63
5	Kankakee County	0.74
6	Counties south of Adams, Brown, Cass, Menard, Logan, DeWitt, Piatt, Champaign, and Vermillion counties, with the exception of counties specifically noted herein	0.54
7	Upstate Illinois	NA

6. Policy Writing Minimum Premium

The minimum premium applicable to any one policy is \$1,000

7. Extended Reporting Period Coverage Factors

A. Unlimited Reporting Period

<u>Years of Prior Claims Made Coverage</u>	<u>Factor</u>
1	1.2
2	1.8
3	2.1
4+	2.5

B. Three Year Reporting Period

<u>Years of Prior Claims Made Coverage</u>	<u>Factor</u>
1	.65
2	1.15
3	1.45
4+	1.75

8. Premium Modifiers

A. Part-time Practice

<u>Number of Hours Worked Per Year</u>	<u>Modifier</u>
> 1500	None
1250 to 1500	.90
1000 to 1249	.80
750 to 999	.70
500 to 749	.60
Up to 499	.50

B. Leave of Absence

In the event of a leave of absence, a 50% credit applies unless the leave is due to an absence required by the military, in which case a 100% credit will apply.

C. Loss Free Credit

<u>Years Loss Free at Renewal</u>	<u>Credit</u>
Up to:	
1	5%
2	6%
3	7%
4	8%
5	9%
6 +	10%

D. Deductible Credits

Illinois Physicians and Surgeons Professional Liability

<u>Policy Limits</u>	<u>Deductible</u>	<u>Premium Credit</u>
\$200,000/\$600,000	\$1,000	1.6%
	\$2,000	3.0%
	\$3,000	4.2%
	\$4,000	5.4%
	\$5,000	6.7%
	\$6,000	7.7%
	\$7,000	8.8%
	\$8,000	9.8%
	\$9,000	10.9%
	\$10,000	11.9%
\$500,000/\$1,500,000	\$1,000	1.2%
	\$2,000	2.2%
	\$3,000	3.1%
	\$4,000	4.0%
	\$5,000	4.9%
	\$6,000	5.6%
	\$7,000	6.4%
	\$8,000	7.2%
	\$9,000	7.9%
	\$10,000	8.7%
\$1,000,000/\$3,000,000	\$1,000	0.9%
	\$2,000	1.7%
	\$3,000	2.4%
	\$4,000	3.1%
	\$5,000	3.8%
	\$6,000	4.4%
	\$7,000	5.0%
	\$8,000	5.6%
	\$9,000	6.2%
	\$10,000	6.8%

Notes: The deductible applies to indemnity and defense costs combined. The premium credit applies after all other premium calculations have been made.

E. Consent to Settle Waiver

When the "Consent to Settle" provision is waived, a credit of 10% applies.

F. Schedule Rating for Individuals

The maximum total of credits or debits under this section is 35%.

Risk Characteristic	Credit	Debit
Qualifications / Training/ Continuing Education including: Board Eligibility or Board Certification; Hospital Affiliations or Staff Privileges; Experience in Specialty; Accreditation; Participation in Risk Management Programs	7.5%	7.5%
Practice Patterns including patient load, patient territory, and support staff	7.5%	7.5%
Patient Documentation and Follow-up	5%	5%
Compliance with applicable regulations (OSHA, CLIA, etc)	5%	5%
Cooperation with Underwriting / Claims / Defense Counsel	5%	5%
Employee selection, supervision, training and experience	Up to 5%	5%

G. Experience Rating Schedule for Groups

The Company will offer a credit or a debit of up to 50% of the filed rate to a medical group that develops an annual premium of more than \$100,000 before the application of any credits or debits; provided that the group presents exposure that differs from that contemplated by the filed rates. In determining the extent of a credit or debit the Company will consider the following criteria:

Criterion	Maximum Credit	Maximum Debit
Administrative economies of scale	10%	10%
Incurred loss experience	5%	5%
Nature of medical practice	5%	5%
Number of claims	5%	5%
Paid loss experience	5%	5%
Physician selection and review practices	10%	10%
Record keeping practices	10%	10%
Risk management procedures in place	10%	10%

Such credits or debits would be applied to the annual premium. Prior to renewal the Company will review each case having such a credit or debit to see if this experience rating credit or debit would still apply. The Company will keep in its files a record of how it determined the rate for any experienced-rated risk.

9. Entity Coverage

Coverage can be provided for entities associated with covered physicians, at an additional premium calculated by using percentages of the total premium for all the physicians in the group.

Shared Limits: 4% of the total premium charged the physicians.

Separate Limits:

If an Entity has fewer than 9 physicians: no lower than 8% and no more than 20%.

Factors Galen will take into consideration when considering what entity premium to charge are:

- Specialty of the physicians associated with the Entity.
- Location/Locations of the Entity.
- Number of Claims filed against the physicians associated with the Entity.
- Actual Losses Paid by the physicians associated with the Entity.
- Size of the Entity.
- Total Premium generated by the physicians from the Entity.

If the Entity has over 10 physicians: no lower than 5% and no more than 20%.

The same factors listed above will be used to determine what percentage of the total physicians' premium will be charged as the entity premium.

Class code 80999.

10. Medical Facilities

Coverage can be provided for associated facilities using the following additional charges:

<u>Facility</u>	<u>Class Code</u>	<u>Ratings Base</u>	<u>Charge</u>
Cardiac Rehabilitation	88501	per 100 visits	\$126.95
Cardiology Testing Center	88528	per 100 visits	\$79.46
Medical Laboratory	88516	per \$1,000 receipts	\$6.01
Mental Health Counseling	88517	per 100 visits	\$132.58
Pharmacy	88521	per \$1,000 receipts	\$5.28
Physical/Occupational Rehab	88522	per 100 visits	\$82.33
Routine Clinical Path. Lab	88523	per \$1,000 receipts	\$5.29
Surgicenter, Type A	88524	per 100 visits	\$597.13
Surgicenter, Type B	88524	per 100 visits	\$1,314.84
Urgent Care Center	88525	per 100 visits	\$591.73
X-Ray /Imaging Lab	88526	per \$1,000 receipts	\$5.05

11. Maturity Schedule for Medical Facilities

The company will use the following three-year maturity schedule when rating new medical facilities or facilities that do not need prior acts coverage.

<u>Year of Maturity</u>	<u>Factor</u>
1	.40
2	.80
3	1.00

12. Short-Rates

The company reserves the right to charge 10% of unearned premium, treating it as earned in the event of cancellation by the Policyholder prior to the normal expiration date of the policy.



RECEIVED

JUN 30 2009

**STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD**

7165 Delmar Blvd.
Suite 215
St. Louis, MO 63130
314-721-2366

25 June 2009

Gayle Neuman
Illinois Department of Insurance
Property and Casualty Compliance
320 W. Washington Street
Springfield, Illinois 62767-0001

Re: Rate filing 2009-2
Galen tax id: 86-1123749

Dear Ms Neuman:

In this cover letter we hope to respond to the comments on Galen's filing of 30 March 2009 contained in your note of 11 June 09. We plan to send this letter by mail as well as electronically, accompanied by a revised Illinois Premium Rating Plan..

1. Enclosed please find separate letters from me, as an officer of the Company, and from Russel Sutter, Galen's actuary, certifying that Galen's rates are based on sound actuarial principles and not inconsistent with Galen's experience. These letters were called for in your note.
2. At the present time Galen has no plans to report statistics to any agency other than as required by those that regulate the company. We shall, of course, gather data, including statistics, about our business in order to manage it effectively.
3. Since it began to do business Galen has offered its insureds the option of paying their premium in one sum or in four quarterly installments. We have added a description of this practice to the Premium Rating Plan being filed herewith.
4. Galen does not offer any occurrence coverages. Locum tenens coverage is available.
- 5 & 6. We modified the step factors for increased maturity and increased limits. Your calculations are correct. The incorrect figures were carried over from a similar document filed in Missouri. We have also, at the suggestion of our actuary, modified the factors relating to extended reporting coverage, so they differ from those in the prior filing.
7. When we applied for admission to Illinois we told the Department that we were not interested in doing business in Cook County in the near term, and it is for this reason that we did not develop rates for that area.

8. We plan to price extended reporting coverage based on the expiring annual premium. This is made explicit in the policy forms, including revised form 2020. It is the explicit recognition of this that prompted our actuary to revise the factors relating to years of prior claims made coverage.

9. Defense costs are not supplemental to the limits of liability in the Facilities Policy, and so we have not revised the section of Deductible Credits as you suggested. You will have noted this comment prompted us to make the status of Claim Expenses more explicit in the revised Facility Policy filed recently, where we added them as being subject to the limit of liability as well as Damages.

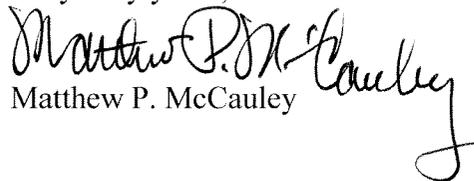
At the same time, at your suggestion, we revised the policy for physicians and allied professionals to make it clearer that Claim Expenses are outside of the limits of liability in that policy, and that the limits of liability are not affected by a deductible..

We do not think that the application of the deductible to Claim Expenses lowers the limits of liability in either policy. Galen remains liable for payment of Claim Expenses and Damages up to the policy limits in every case, but the deductible gives the insurer a right for reimbursement from an insured up to the amount of the deductible. The value of the deductible credits is enhanced if the cost of defense costs is to be paid, indirectly and perhaps just in part, by the insured who elects a deductible.

The attention you have given to Galen's policy forms and rates is appreciated.

Please let us know if there are any further questions about the Illinois Premium Rating Plan, as revised.

Very truly yours,


Matthew P. McCauley

Neuman, Gayle

From: Pat McCauley [mpmccauley@galeninsurance.com]
Sent: Tuesday, July 21, 2009 11:10 AM
To: Neuman, Gayle
Cc: 'Emily Davis'
Subject: RE: Rate/Rule Filing #Galen 2009-2

Dear Ms. Neuman,

We shall look forward to hearing from the Actuarial Reviewers. Thank you for your attention to our filing.

I am working on making the revisions to the policy forms we discussed, and making them easy to see, and you should hear from us on that topic shortly.

Pat McCauley

Matthew P. McCauley
 President and CEO
 Galen Insurance Management Company, Inc.
 7165 Delmar Boulevard, Suite 215
 St. Louis, Mo. 63130
 (314) 721-2366; mpmccauley@galeninsurance.com

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, July 21, 2009 10:57 AM
To: Pat McCauley
Subject: RE: Rate/Rule Filing #Galen 2009-2

Mr. McCauley,

I apologize as I saw the territory "Upstate Illinois" without noticing the relativity was n/a.

At this time, I believe I am ready to route this filing for the Actuarial Review. Unfortunately, that area has about a two year back up of files to review.

Gayle Neuman
 Department of Insurance

From: Pat McCauley [mailto:mpmccauley@galeninsurance.com]
Sent: Monday, July 20, 2009 3:42 PM
To: Neuman, Gayle
Cc: 'Scott Perhacs'; 'Russ Sutter'; 'Emily Davis'
Subject: RE: Rate/Rule Filing #Galen 2009-2

Dear Ms. Neuman:

Our secretary is out today but I hope to send you a note confirming our discussions about the policy forms, complete with revised policies showing the changes, in the next few days.

In response to your note of today (below) I can say this:

1. We have not provided a time limit for the period during which we would insure a doctor who is holding the place of one of Galen's insureds. (Locum tenens.) The endorsement calls for a start date and an end date and we would adjust the premium to reflect the time coverage is sought.
2. We do not have any present plan to insure doctors in the counties named as the northern boundary of

7/21/2009

Territory 6. That means, for example, we would not seek to insure a doctor in Adams County, but we would insure a doctor in Pike County. As time goes by and we gain experience we may modify our rate filing to include additional counties.

By saying that there is no relativity factor for "Upstate Illinois" we mean to say that we shall not be seeking business in the counties north of those named as the boundary of Territory 6. Naming all of the counties where we do not intend to seek business would make our manual much longer and it would be hard to be certain just which counties are included without careful scrutiny of the list. We do not have any interest in Cook County at this time.

If you think it would make the manual more clear we can modify "Territory 7" to say

7. "We do not intend at this time to write business in any county named as forming part of the boundary of Territory 6, nor in any county north of those counties, except for Kankakee County. For that reason we have not developed a relativity factor for those counties."

Let us know if this change seems worthwhile.

Matthew P. McCauley
President and CEO
Galen Insurance Management Company, Inc.
7165 Delmar Boulevard, Suite 215
St. Louis, Mo. 63130
(314) 721-2366; mpmccauley@galeninsurance.com

From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Monday, July 20, 2009 2:32 PM
To: Pat McCauley
Subject: Rate/Rule Filing #Galen 2009-2

Mr. McCauley,

Your June 25, 2009 response indicating locum tenans coverage is available however it is not mentioned in the manual. Are there any time restrictions?

Your territory definitions are not perfectly clear. Upstate Illinois could be interpreted as including Cook County. In territory 6, are you excluding all of the counties named in 6 or in 1 through 6?

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.

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7/21/2009

**Galen Insurance Company
Physician Professional Liability
Premium Rating Plan
Illinois State Rules**

FILED

APR 01 2009

IL Rate Filing Form 2073 - Revised 06/24/09

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

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Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Class Definitions

Specialty Code	Class	Specialty Code	Class	Specialty Code	Class
80101	5	80225	1	80274	3
80102	6	80229	1	80276	3
80103	5	80230	2	80277	3
80104	5	80231	2	80278	3
80105	5	80232	1	80279	3
80106	5	80233	1	80280	3
80107	5	80234	2	80281	3
80108	7	80235	2	80282	3
80114	3	80236	1	80283	3
80115	5	80237	2	80284	3
80117	6	80238	2	80285	3
80141	8	80240	1	80286	3
80143	7	80241	2	80287	3
80144	8	80243	2	80288	3
80145	5	80244	2	80289	3
80146	8	80245	2	80290	3
80148	9	80246	2	80291	3
80150	8	80247	2	80292	3
80151	4	80248	2	80293	3
80152	10	80249	1	80294	3
80153	9	80250	2	80354	7
80154	8	80251	2	80420	2
80155	7	80252	2	80421	5
80156	7	80253	3	80422	5
80157	7	80254	1	80423	3
80158	5	80255	2	80424	2
80159	5	80256	1	80425	3
80162	3	80257	2	80428	3
80164	7	80258	2	80431	2
80166	8	80259	2	80434	3
80167	6	80260	2	80437	4
80168	9	80261	3	80440	5
80169	7	80262	2	80443	5
80170	7	80263	2	80446	3
80171	8	80264	2	80449	2
80178	1	80265	2	80469	2
80190	9	80266	1	80471	3
80194	5	80267	2	80473	2
80195	5	80268	2	80474	7
80211	5	80269	1	80476	9
80220	1	80270	3	80491	6
80222	2	80271	3	80501	7
80224	1	80272	5		

For other specialties refer to Company

For Doctors of Osteopathy (DO) exposures (class codes 84xxx), use same class as shown above and same rate as displayed in Exhibit I.

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Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability

Specialty Codes and Descriptions

Specialty Code	Specialty/Description
80229	Addictionology
80178	Administrative Medicine
80230	Aerospace Medicine
80254	Allergy
80151	Anesthesiology including Pain Medicine
80101	Broncho - Esophagology
80281	Cardiovascular Disease - Minor Surgery
80255	Cardiovascular Disease - No Surgery
80282	Dermatology - Minor Surgery
80256	Dermatology - No Surgery
80195	Dermatology - Surgery with Liposuction
80271	Diabetes - Minor Surgery
80237	Diabetes - No Surgery
80157	Emergency Medicine - Including Major Surgery
80102	Emergency Medicine - No Major Surgery
80272	Endocrinology - Minor Surgery
80238	Endocrinology - No Surgery
80420	Family or General Practice (excl. OB) - No Surgery
80421	Family or General Practice (incl. OB) - Minor Surgery
80423	Family or General Practice (non ER) - Minor Surgery
80240	Forensic Medicine; Legal Medicine
80274	Gastroenterology - Minor Surgery
80241	Gastroenterology - No Surgery
80231	General Preventive Medicine - No Surgery
80276	Geriatrics - Minor Surgery
80243	Geriatrics - No Surgery
80277	Gynecology - Minor Surgery
80244	Gynecology - No Surgery
80278	Hematology - Minor Surgery
80245	Hematology - No Surgery
80222	Hospitalists
80232	Hypnosis
80279	Infectious Diseases - Minor Surgery
80246	Infectious Diseases - No Surgery
80283	Intensive Care Medicine
80284	Internal Medicine - Minor Surgery
80257	Internal Medicine - No Surgery
80440	Laparoscopy
80285	Laryngology - Minor Surgery
80258	Laryngology - No Surgery
80434	Lymphangography/Phlebography w/o Catheters
80211	Maxiofacial Surgery
80446	Needle Biopsy
80471	Neonatology
80286	Neoplastic Diseases - Minor Surgery
80259	Neoplastic Diseases - No Surgery

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Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability

Specialty Codes and Descriptions

Specialty Code	Specialty/Description
80287	Nephrology - Minor Surgery
80260	Nephrology - No Surgery
80288	Neurology - Including Child - Minor Surgery
80261	Neurology - Including Child - No Surgery
80262	Nuclear Medicine
80248	Nutrition
80233	Occupational Medicine
80473	Oncology - No Surgery
80289	Ophthalmology - Minor Surgery
80263	Ophthalmology - No Surgery
80354	Orthopedic - Minor Surgery
80469	Orthopedics - No Surgery
80290	Otology - Minor Surgery
80264	Otology - No Surgery
80291	Otorhinolaryngology - Minor Surgery
80265	Otorhinolaryngology - No Surgery
80437	Pain Management - No Major Surgery
80292	Pathology - Minor Surgery
80266	Pathology - No Surgery
80474	Pediatrics - Major Surgery
80293	Pediatrics - Minor Surgery
80267	Pediatrics - No Surgery
80220	Peer Review
80234	Pharmacology - Clinical
80235	Physiatry - No Surgery; Physical Medicine and Rehabilitation
80443	Physician - Minor Invasive; Colonoscopy/Esophageal
80422	Physicians - Major Invasive Procedures - No Surgery
80294	Physicians - Minor Surgery - Not Otherwise Classified
80268	Physicians - No Surgery - Not Otherwise Classified
80428	Pneumoencephalagraphy
80194	Pneumoencephalagraphy with Surgery
80249	Psychiatry - Including Child
80431	Psychiatry - Including Shock Therapy
80250	Psychoanalysis
80251	Psychosomatic Medicine
80236	Public Health
80269	Pulmonary Diseases - No Surgery
80425	Radiation Therapy
80280	Radiology - Diagnostic - Minor Surgery
80253	Radiology - Diagnostic - No Surgery
80491	Radiology - Major Invasive
80449	Radiopaque Dye Injections
80252	Rheumatology - No Surgery
80270	Rhinology - Minor Surgery
80247	Rhinology - No Surgery
80162	Shock Therapy
80166	Surgery - Abdominal

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Galen Insurance Company
Illinois Physicians and Surgeons Professional Liability

Specialty Codes and Descriptions

Specialty Code	Specialty/Description
80476	Surgery - Bariatrics
80141	Surgery - Cardiac
80150	Surgery - Cardiovascular Disease
80115	Surgery - Colon and Rectal
80103	Surgery - Endocrinology
80104	Surgery - Gastroenterology
80117	Surgery - General Practice or Family Practice
80105	Surgery - Geriatrics
80167	Surgery - Gynecology
80169	Surgery - Hand
80170	Surgery - Head and Neck
80106	Surgery - Laryngology
80107	Surgery - Neoplastic
80108	Surgery - Nephrology
80152	Surgery - Neurology - Including Child
80190	Surgery - Neurology - Limited to Surgery of Back
80143	Surgery - Not Otherwise Classified
80153	Surgery - OB/GYN
80168	Surgery - Obstetrics
80164	Surgery - Oncology
80114	Surgery - Ophthalmology
80154	Surgery - Orthopedic
80501	Surgery - Orthopedic - No Spine or Knee
80158	Surgery - Otolaryngology (no plastic surgery)
80159	Surgery - Otorhinolaryngology (no plastic surgery)
80156	Surgery - Plastic - Not Otherwise Classified
80155	Surgery - Plastic - Otorhinolaryngology
80144	Surgery - Thoracic
80171	Surgery - Traumatic
80145	Surgery - Urological
80146	Surgery - Vascular
80148	Surgery - Weight Reduction
80224	Utilization Management
80225	Utilization Review with or without Peer Review
80424	Urgent Care Physicians (non ER) - No Surgery

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Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Relativities for Miscellaneous Medical Professionals

Specialty	Relativity versus Class 2
Audiologist/Speech Pathologist	0.100
Cardiology Technician	0.025
Case Manager	0.015
Certified Nurse Midwife	3.000
Chiropractor	0.300
Clinical Laboratory Technician	0.025
Counselor	0.045
Dietitian	0.025
EKG Technician	0.015
Electroneurodiagnostic Technician	0.025
Licensed Practicing Nurse	0.015
Medical Laboratory Technician	0.025
Medical Office Assistant	0.030
Medical Records Technician	0.030
Nuclear Medicine Technician	0.025
Nurse Anesthetist/CRNA	0.700
Nurse Midwife Assistant	0.200
Nurse Practitioner	0.015
Nurse Surgical Assistant	0.200
Occupational Therapist	0.025
Occupational Therapy Assistant	0.015
Ophthalmology Technician	0.025
Optician	0.050
Optometrist	0.125
Paramedic/ emergency medical technician	0.150
Perfusionist	0.500
Pharmacist	0.020
Physical Therapist - Non Owner	0.025
Physical Therapist - Owner	0.015
Physical Therapy Assistant	0.015
Physician Assistant	0.200
Podiatrist - No Surgery	1.000
Podiatrist - with Surgery	1.500
Psychologist	0.100
Radiation Therapy Assistant	0.020
Registered Nurse	0.018
Respiratory Therapist	0.050
Respiratory Therapy Assistant	0.030
Social Worker	0.050
Surgeon Assistant	0.200
Surgical Technician	0.100
X-Ray Technician with Therapy	0.020
X-Ray Technician without Therapy	0.015

Premiums determined by multiplying the relativity to the otherwise applicable premium for a class 2 physician.

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APR 01 2009

STATE OF ILLINOIS
 DEPARTMENT OF INSURANCE
 SPRINGFIELD ILLINOIS

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Annual Base Rates - Effective April 1, 2009

Territory 1

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,256	\$7,882	\$12,139	\$14,503	\$15,764
2	6,081	11,260	17,341	20,719	22,521
3	8,513	15,764	24,277	29,007	31,529
4	8,513	15,764	24,277	29,007	31,529
5	10,945	20,269	31,214	37,294	40,537
6	13,377	24,773	38,150	45,582	49,546
7	20,066	37,159	57,225	68,373	74,318
8	21,890	40,537	62,427	74,589	81,075
9	37,092	68,688	105,780	126,386	137,376
10	49,861	92,335	142,196	169,896	184,670

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,825	\$10,786	\$16,611	\$19,847	\$21,572
2	8,321	15,409	23,730	28,352	30,818
3	11,649	21,572	33,222	39,693	43,145
4	11,649	21,572	33,222	39,693	43,145
5	14,977	27,736	42,713	51,034	55,472
6	18,306	33,900	52,205	62,375	67,799
7	27,459	50,849	78,308	93,563	101,699
8	29,955	55,472	85,427	102,069	110,944
9	50,757	93,994	144,751	172,949	187,989
10	68,231	126,353	194,584	232,489	252,706

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$7,467	\$13,829	\$21,296	\$25,444	\$27,657
2	10,668	19,755	30,423	36,349	39,510
3	14,935	27,657	42,592	50,889	55,314
4	14,935	27,657	42,592	50,889	55,314
5	19,202	35,559	54,761	65,429	71,118
6	23,469	43,461	66,930	79,968	86,922
7	35,203	65,192	100,395	119,952	130,383
8	38,404	71,118	109,522	130,857	142,236
9	65,073	120,506	185,578	221,730	241,011
10	87,475	161,991	249,466	298,063	323,982

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

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Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Territory 2

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,044	\$7,488	\$11,532	\$13,778	\$14,976
2	5,777	10,697	16,474	19,683	21,395
3	8,087	14,976	23,063	27,556	29,953
4	8,087	14,976	23,063	27,556	29,953
5	10,398	19,255	29,653	35,430	38,510
6	12,708	23,534	36,243	43,303	47,068
7	19,063	35,301	54,364	64,954	70,602
8	20,796	38,510	59,306	70,859	77,021
9	35,237	65,254	100,491	120,067	130,507
10	47,368	87,718	135,086	161,401	175,436

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,533	\$10,247	\$15,780	\$18,854	\$20,494
2	7,905	14,638	22,543	26,935	29,277
3	11,067	20,494	31,561	37,709	40,988
4	11,067	20,494	31,561	37,709	40,988
5	14,229	26,349	40,578	48,483	52,698
6	17,390	32,205	49,595	59,256	64,409
7	26,086	48,307	74,393	88,885	96,614
8	28,457	52,698	81,156	96,965	105,397
9	48,219	89,295	137,514	164,302	178,589
10	64,819	120,035	184,854	220,865	240,071

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$7,094	\$13,137	\$20,231	\$24,172	\$26,274
2	10,134	18,767	28,902	34,532	37,535
3	14,188	26,274	40,462	48,344	52,548
4	14,188	26,274	40,462	48,344	52,548
5	18,242	33,781	52,023	62,157	67,562
6	22,295	41,288	63,583	75,970	82,576
7	33,443	61,932	95,375	113,955	123,864
8	36,484	67,562	104,046	124,314	135,124
9	61,819	114,480	176,300	210,644	228,960
10	83,101	153,891	236,993	283,160	307,783

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

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STATE OF ILLINOIS
 DEPARTMENT OF INSURANCE
 SPRINGFIELD, ILLINOIS

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Territory 3

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$2,979	\$5,518	\$8,497	\$10,152	\$11,035
2	4,256	7,882	12,139	14,503	15,764
3	5,959	11,035	16,994	20,305	22,070
4	5,959	11,035	16,994	20,305	22,070
5	7,662	14,188	21,850	26,106	28,376
6	9,364	17,341	26,705	31,907	34,682
7	14,046	26,011	40,058	47,861	52,023
8	15,323	28,376	43,699	52,212	56,752
9	25,964	48,082	74,046	88,470	96,163
10	34,903	64,634	99,537	118,927	129,269

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,077	\$7,550	\$11,628	\$13,893	\$15,101
2	5,825	10,786	16,611	19,847	21,572
3	8,154	15,101	23,255	27,785	30,201
4	8,154	15,101	23,255	27,785	30,201
5	10,484	19,415	29,899	35,724	38,830
6	12,814	23,730	36,544	43,663	47,459
7	19,221	35,595	54,816	65,494	71,189
8	20,968	38,830	59,799	71,448	77,661
9	35,530	65,796	101,326	121,065	131,592
10	47,761	88,447	136,209	162,743	176,894

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,227	\$9,680	\$14,907	\$17,811	\$19,360
2	7,467	13,829	21,296	25,444	27,657
3	10,454	19,360	29,814	35,622	38,720
4	10,454	19,360	29,814	35,622	38,720
5	13,441	24,891	38,333	45,800	49,783
6	16,428	30,423	46,851	55,978	60,845
7	24,642	45,634	70,276	83,967	91,268
8	26,883	49,783	76,665	91,600	99,565
9	45,551	84,354	129,905	155,211	168,708
10	61,233	113,394	174,626	208,644	226,787

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

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Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Territory 4

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$2,682	\$4,966	\$7,647	\$9,137	\$9,932
2	3,831	7,094	10,925	13,053	14,188
3	5,363	9,932	15,295	18,274	19,863
4	5,363	9,932	15,295	18,274	19,863
5	6,895	12,769	19,665	23,495	25,538
6	8,428	15,607	24,035	28,717	31,214
7	12,642	23,410	36,052	43,075	46,821
8	13,791	25,538	39,329	46,991	51,077
9	23,368	43,274	66,641	79,623	86,547
10	31,412	58,171	89,583	107,035	116,342

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$3,669	\$6,795	\$10,465	\$12,503	\$13,591
2	5,242	9,708	14,950	17,862	19,415
3	7,339	13,591	20,930	25,007	27,181
4	7,339	13,591	20,930	25,007	27,181
5	9,436	17,474	26,909	32,152	34,947
6	11,533	21,357	32,889	39,296	42,713
7	17,299	32,035	49,334	58,945	64,070
8	18,872	34,947	53,819	64,303	69,895
9	31,977	59,216	91,193	108,958	118,433
10	42,985	79,602	122,588	146,468	159,205

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,704	\$8,712	\$13,416	\$16,030	\$17,424
2	6,721	12,446	19,166	22,900	24,891
3	9,409	17,424	26,833	32,060	34,848
4	9,409	17,424	26,833	32,060	34,848
5	12,097	22,402	34,499	41,220	44,804
6	14,785	27,380	42,166	50,380	54,761
7	22,178	41,071	63,249	75,570	82,141
8	24,194	44,804	68,999	82,440	89,609
9	40,996	75,918	116,914	139,690	151,837
10	55,109	102,054	157,164	187,780	204,109

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

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Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Territory 5

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$3,150	\$5,833	\$8,983	\$10,732	\$11,666
2	4,500	8,333	12,832	15,332	16,665
3	6,299	11,666	17,965	21,465	23,331
4	6,299	11,666	17,965	21,465	23,331
5	8,099	14,999	23,098	27,598	29,998
6	9,899	18,332	28,231	33,731	36,664
7	14,849	27,498	42,347	50,596	54,996
8	16,199	29,998	46,196	55,196	59,995
9	27,448	50,829	78,277	93,526	101,658
10	36,897	68,328	105,225	125,723	136,656

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,310	\$7,982	\$12,292	\$14,687	\$15,964
2	6,157	11,403	17,560	20,981	22,805
3	8,620	15,964	24,584	29,373	31,927
4	8,620	15,964	24,584	29,373	31,927
5	11,083	20,525	31,608	37,765	41,049
6	13,546	25,086	38,632	46,158	50,171
7	20,319	37,629	57,948	69,237	75,257
8	22,167	41,049	63,216	75,531	82,099
9	37,560	69,556	107,116	127,983	139,112
10	50,491	93,501	143,992	172,042	187,002

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$5,526	\$10,233	\$15,759	\$18,829	\$20,466
2	7,894	14,619	22,513	26,898	29,237
3	11,052	20,466	31,518	37,658	40,932
4	11,052	20,466	31,518	37,658	40,932
5	14,209	26,314	40,523	48,417	52,627
6	17,367	32,161	49,528	59,176	64,322
7	26,051	48,242	74,292	88,765	96,483
8	28,419	52,627	81,046	96,834	105,255
9	48,154	89,174	137,328	164,080	178,348
10	64,732	119,873	184,605	220,567	239,747

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

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APR 01 2009

STATE OF ILLINOIS
 DEPARTMENT OF INSURANCE
 SPRINGFIELD, ILLINOIS

Galen Insurance Company
 Illinois Physicians and Surgeons Professional Liability

Territory 6

A. \$200,000/\$600,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$2,298	\$4,256	\$6,555	\$7,832	\$8,513
2	3,284	6,081	9,364	11,188	12,161
3	4,597	8,513	13,110	15,664	17,026
4	4,597	8,513	13,110	15,664	17,026
5	5,910	10,945	16,855	20,139	21,890
6	7,224	13,377	20,601	24,614	26,755
7	10,836	20,066	30,902	36,921	40,132
8	11,821	21,890	33,711	40,278	43,780
9	20,029	37,092	57,121	68,249	74,183
10	26,925	49,861	76,786	91,744	99,722

B. \$500,000/\$1,500,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$3,145	\$5,825	\$8,970	\$10,717	\$11,649
2	4,493	8,321	12,814	15,310	16,642
3	6,291	11,649	17,940	21,434	23,298
4	6,291	11,649	17,940	21,434	23,298
5	8,088	14,977	23,065	27,559	29,955
6	9,885	18,306	28,191	33,683	36,612
7	14,828	27,459	42,286	50,524	54,917
8	16,176	29,955	46,131	55,117	59,910
9	27,409	50,757	78,166	93,393	101,514
10	36,845	68,231	105,075	125,544	136,461

C. \$1,000,000/\$3,000,000 Limits
 Claims-Made Maturity

Class	1	2	3	4	5+
1	\$4,032	\$7,467	\$11,500	\$13,740	\$14,935
2	5,761	10,668	16,428	19,629	21,335
3	8,065	14,935	23,000	27,480	29,870
4	8,065	14,935	23,000	27,480	29,870
5	10,369	19,202	29,571	35,331	38,404
6	12,673	23,469	36,142	43,183	46,938
7	19,010	35,203	54,213	64,774	70,407
8	20,738	38,404	59,142	70,663	76,807
9	35,139	65,073	100,212	119,734	130,146
10	47,237	87,475	134,712	160,954	174,950

All base rates assume direct selling. For agent/broker selling, commission costs need to be added to these rates.

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3. Claims Made Step Factors

The year of maturity is determined by the number of years from the retroactive date until the effective date of coverage.

<u>Year of Maturity</u>	<u>Step Factor</u>
1	.27
2	.50
3	.77
4	.92
5	1.00

4. Increased Limits Factors

<u>Limits</u>	<u>ILF</u>
\$ 200,000/\$ 600,000	.57
\$ 500,000/\$1,500,000	.78
\$1,000,000/\$3,000,000	1.00

5. Territory Factors

Illinois Territory Definitions and Relativities

<u>Territory</u>	<u>Description</u>	<u>Territory Relativity</u>
1	St. Clair and Madison Counties	1.00
2	Jackson County	0.95
3	Effingham and Randolph Counties	0.70
4	Sangamon County	0.63
5	Kankakee County	0.74
6	Counties south of Adams, Brown, Cass, Menard, Logan, DeWitt, Piatt, Champaign, and Vermillion counties, with the exception of counties specifically noted herein	0.54
7	Upstate Illinois	NA

6. Policy Writing Minimum Premium

The minimum premium applicable to any one policy is \$1,000

7. Quarterly Installment Option

The Insured may elect to pay the annual premium in four quarterly installments. If this mode of payment is elected the first quarter payment will be 40 % of the annual premium and the other three quarters will be 20% of the annual premium. No interest will be charged on the unpaid balance. Increases resulting from policy changes will be spread equally over any remaining installments.

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8. Extended Reporting Period Coverage Factors

A. Unlimited Reporting Period

Years of Prior Claims Made <u>Coverage</u>	<u>Factor</u>
1	3.0
2	2.5
3	2.1
4+	2.0

B. Three Year Reporting Period

Years of Prior Claims Made <u>Coverage</u>	<u>Factor</u>
1	2.70
2	2.25
3	1.95
4+	1.85

9. Premium Modifiers

A. Part-time Practice

Number of Hours Worked <u>Per Year</u>	<u>Modifier</u>
> 1500	None
1250 to 1500	.90
1000 to 1249	.80
750 to 999	.70
500 to 749	.60
Up to 499	.50

B. Leave of Absence

In the event of a leave of absence, a 50% credit applies unless the leave is due to an absence required by the military, in which case a 100% credit will apply.

C. Loss Free Credit

<u>Years Loss Free at Renewal</u>	<u>Credit</u>
Up to:	
1	5%
2	6%
3	7%
4	8%
5	9%
6 +	10%

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D. Deductible Credits

Policy Limits	Deductible	Premium Credit
\$200,000/\$600,000	\$1,000	1.6%
	\$2,000	3.0%
	\$3,000	4.2%
	\$4,000	5.4%
	\$5,000	6.7%
	\$6,000	7.7%
	\$7,000	8.8%
	\$8,000	9.8%
	\$9,000	10.9%
	\$10,000	11.9%
\$500,000/\$1,500,000	\$1,000	1.2%
	\$2,000	2.2%
	\$3,000	3.1%
	\$4,000	4.0%
	\$5,000	4.9%
	\$6,000	5.6%
	\$7,000	6.4%
	\$8,000	7.2%
	\$9,000	7.9%
	\$10,000	8.7%
\$1,000,000/\$3,000,000	\$1,000	0.9%
	\$2,000	1.7%
	\$3,000	2.4%
	\$4,000	3.1%
	\$5,000	3.8%
	\$6,000	4.4%
	\$7,000	5.0%
	\$8,000	5.6%
	\$9,000	6.2%
	\$10,000	6.8%

Notes: The deductible applies to indemnity and defense costs combined. The premium credit applies after all other premium calculations have been made.

E. Consent to Settle Waiver

When the "Consent to Settle" provision is waived, a credit of 10% applies.

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F. Schedule Rating for Individuals

The maximum total of credits or debits under this section is 35%.

Risk Characteristic	Credit	Debit
Qualifications / Training/ Continuing Education including: Board Eligibility or Board Certification; Hospital Affiliations or Staff Privileges; Experience in Specialty; Accreditation; Participation in Risk Management Programs	7.5%	7.5%
Practice Patterns including patient load, patient territory, and support staff	7.5%	7.5%
Patient Documentation and Follow-up	5%	5%
Compliance with applicable regulations (OSHA, CLIA, etc)	5%	5%
Cooperation with Underwriting / Claims / Defense Counsel	5%	5%
Employee selection, supervision, training and experience	Up to 5%	5%

G. Experience Rating Schedule for Groups

The Company will offer a credit or a debit of up to 50% of the filed rate to a medical group that develops an annual premium of more than \$100,000 before the application of any credits or debits; provided that the group presents exposure that differs from that contemplated by the filed rates. In determining the extent of a credit or debit the Company will consider the following criteria:

Criterion	Maximum Credit	Maximum Debit
Administrative economies of scale	10%	10%
Incurred loss experience	5%	5%
Nature of medical practice	5%	5%
Number of claims	5%	5%
Paid loss experience	5%	5%
Physician selection and review practices	10%	10%
Record keeping practices	10%	10%
Risk management procedures in place	10%	10%

Such credits or debits would be applied to the annual premium. Prior to renewal the Company will review each case having such a credit or debit to see if this experience rating credit or debit would still apply. The Company will keep in its files a record of how it determined the rate for any experienced-rated risk.

10. Entity Coverage

Coverage can be provided for entities associated with covered physicians, at an additional premium calculated by using percentages of the total premium for all the physicians in the group.

Shared Limits: 4% of the total premium charged the physicians.

Separate Limits:

If an Entity has fewer than 9 physicians: no lower than 8% and no more than 20%.

Factors Galen will take into consideration when considering what entity premium to charge are:

- Specialty of the physicians associated with the Entity.
- Location/Locations of the Entity.
- Number of Claims filed against the physicians associated with the Entity.
- Actual Losses Paid by the physicians associated with the Entity.
- Size of the Entity.
- Total Premium generated by the physicians from the Entity.

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If the Entity has over 10 physicians: no lower than 5% and no more than 20%.

The same factors listed above will be used to determine what percentage of the total physicians' premium will be charged as the entity premium.

Class code 80999.

11. Medical Facilities

Coverage can be provided for associated facilities using the following additional charges:

<u>Facility</u>	<u>Class Code</u>	<u>Ratings Base</u>	<u>Charge</u>
Cardiac Rehabilitation	88501	per 100 visits	\$126.95
Cardiology Testing Center	88528	per 100 visits	\$79.46
Medical Laboratory	88516	per \$1,000 receipts	\$6.01
Mental Health Counseling	88517	per 100 visits	\$132.58
Pharmacy	88521	per \$1,000 receipts	\$5.28
Physical/Occupational Rehab	88522	per 100 visits	\$82.33
Routine Clinical Path. Lab	88523	per \$1,000 receipts	\$5.29
Surgicenter, Type A	88524	per 100 visits	\$597.13
Surgicenter, Type B	88524	per 100 visits	\$1,314.84
Urgent Care Center	88525	per 100 visits	\$591.73
X-Ray /Imaging Lab	88526	per \$1,000 receipts	\$5.05

The company will require insured facilities to demonstrate that all physicians and allied medical professionals using the facility have adequate professional liability insurance.

12. Maturity Schedule for Medical Facilities

The company will use the following three-year maturity schedule when rating new medical facilities or facilities that do not need prior acts coverage.

<u>Year of Maturity</u>	<u>Factor</u>
1	.40
2	.80
3	1.00

13. Short-Rates

The company reserves the right to charge 10% of unearned premium, treating it as earned in the event of cancellation by the Policyholder prior to the normal expiration date of the policy.

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