

Philadelphia Indemnity Insurance Company

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004

610-617-7900 Fax: 610-617-7600

RECEIVED

FEB 22 2011

February 15, 2011

Director of Insurance
Illinois Department of Insurance
320 W. Washington Street
Springfield, Illinois 62767

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

Attn: Mr. Frank Weaver
Supervising Insurance Analyst

FILED

Subject: Philadelphia Indemnity Insurance Company
NAIC# 677-18058 FEIN# 23-1738402 ✓
Physician/Dentists Professional Liability Coverage
Rates/Rules
Filing Number: IL003660200013

AUG 23 2011

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Dear Sir:

Philadelphia Indemnity Insurance Company is introducing independent professional liability endorsements to be available for human services or religious organization risks. This forms filing is being filed separately via Serff filing # PHLX-G127036898. Also, please note, in a previous submission (PHLX-125823045) we were advised to submit this filing as medical malpractice. This filing includes the rate and rules for the endorsements below

Please be advised that the insurer, in offering, administering, or applying the filed rate/rule manual and/or any amended provisions, does not unfairly discriminate.

1. Physicians and Dentists Professional PI-HS-013 IL (01/11)
2. Contingent Physician Coverage PI-HS-014 (08/08)
3. Locum Tenens Coverage PI-HS-017 (11/10)

This filing is intended for employed health care professionals associated with our Human Services and Religious Organizations program. This is coverage for the entity where the healthcare professionals are employees of the entity and is for coverage during the course of their employment.

The rates for this program are based on the SafeCo's correction filing for approved filing #A64866001 in Pennsylvania. Despite an extensive search, the corresponding competitor filing for Illinois could not be located. Relativity factors were developed based on the various specialties / exposures. As this competitor does not consider coverage for dentists or optometrists, the rates for these specialties are based on the Fortress Dentist approved in Illinois. A corresponding filing number could not be located for Fortress but the approved manual pages have been attached for your reference.

All base rates are at a \$100k / \$200k limit for occurrence coverage with alternate limits available using ISO Prem / Ops Tables 2. Retroactive credits are available for policies with less than 5 years prior coverage. Other rating factors include a discount factor for employees with current malpractice insurance, and a territory multiplier which is developed based on Fortress rating.

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LAH - FCS

FEB 18 2011

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

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Jeh

Philadelphia Indemnity Insurance Company

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004

610-617-7900 Fax: 610-617-7600

February 15, 2011

Page 2

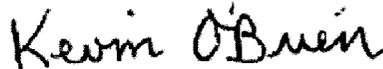
In addition for commercial excess liability risks the following endorsements were submitted for human services or religious organization risks.

1. Physicians and Dentists Exclusion PI-CXL-047 (08/08)
2. Physicians and Dentists Sublimit PI-CXL-048 (08/08)

To determine the premium charge for this endorsement, we will use our currently filed Commercial Excess rating with attached rule page.

We would like to implement this filing to policies all policies effective on or after April 1, 2011. Your acknowledgement will be appreciated.

Sincerely,



Kevin O'Brien
Compliance Analyst II
315-488-5098
email - kobrien@phlyins.com

Neuman, Gayle

From: O'Brien, Kevin [kobrien@phlyins.com]
Sent: Tuesday, August 23, 2011 8:17 AM
To: Neuman, Gayle
Subject: RE: Philadelphia Indemnity Ins Co - Rate/Rule Filing #IL003660200013

We have been waiting for your and the separate forms review to be completed. This is new coverage so our intent is to use ASAP after receiving acceptance. I suppose today's date could be use for your acceptance.
Kevin O'Brien
315-488-5098

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, August 23, 2011 9:08 AM
To: O'Brien, Kevin
Subject: Philadelphia Indemnity Ins Co - Rate/Rule Filing #IL003660200013

Mr. O'Brien,

The Department of Insurance has now completed its review of the filing referenced above. Originally, Philadelphia Indemnity requested the filing be effective April 1, 2011. Was the filing put in effect on April 1, 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.

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ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Cole Henry, a duly authorized officer of Philadelphia Indemnity Insurance Company, 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, John Ferraro, a duly authorized actuary of Philadelphia Indemnity Insurance Company, am authorized to certify on behalf of Philadelphia Indemnity Insurance 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.

Coleman V. Henry _____ 4-5-11
Signature and Title of Authorized Insurance Company Officer Date

John Ferraro FCAS VP & Pricing Actuary 4/8/11
Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 23-1738402 Filing Number IL003660200013

Insurer's Address One Bala Plaza, Suite 100

City Bala Cynwyd State PA Zip Code 19004

Contact Person's:

-Name and E-mail Kevin O'Brien kobrien@phlyins.com

-Direct Telephone and Fax Number 315-488-5098 – Fax 866-282-7495

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, John Ferraro, a duly authorized officer of Philadelphia Indemnity Insurance Company, 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, _____, a duly authorized actuary of _____ am authorized to certify on behalf of _____ making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

John Ferraro FCAS, MAAA, VP & Pricing Actuary 2/15/2011
Signature and Title of Authorized Insurance Company Officer Date

FCAS, MAAA, VP & Pricing Actuary
Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 23 - 1738402 Filing Number IL003660200013

Insurer's Address 1 Bala Plaza, Suite 100

City Bala Cynwyd State Pennsylvania Zip Code 19004

Contact Person's:

-Name and E-mail Kevin O'Brien kobrien@phlyins.com

-Direct Telephone and Fax Number 315-488-5098 866-282-7495 Fax

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Form (RF-3)

SUMMARY SHEET

**STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD**

Change in Company's premium or rate level produced by rate revision effective N/ new coverage.

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

Does filing only apply to certain territory (territories) or certain classes?

If so, specify: Physicians and dentists under Human Services and Religious org

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): Philadelphia Indemnity Insurance Company (PIIC) is filing to introduce rates for a new Physicians and Dentists Professional Liability coverage. The program is intended for employed health care professionals associated with our Human Services and Religious Organizations program.

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

Philadelphia Indemnity Insurance Company
Name of Company

Kevin W. O'Brien - Compliance Analyst II
Official - Title

H29219D

Neuman, Gayle

From: DOI.MedMal
Sent: Tuesday, August 30, 2011 12:59 PM
To: O'Brien, Kevin
Cc: Neuman, Gayle; Gatlin, John; Mamoottile, Neetha
Subject: FW: Rate Filing IL003660200013
Attachments: Form Rate Rule HS-RO - IL edit.doc; Form Rate Rule HS-RO - IL 8-11.doc

Mr. O'Brien,

I misspoke on the phone today. These documents were received in the actuarial department after we had completed our review. They never got to the appropriate filing manager – John Gatlin and Gayle Neuman.

By way of cc'ing them, I am notifying them of this documentation. They will need to advise you on how to properly move forward.

Caryn

*Caryn C. Cavamean
Assistant Casualty Actuary
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
217-524-5420*

From: O'Brien, Kevin [mailto:kobrien@phlyins.com]
Sent: Friday, August 12, 2011 1:36 PM
To: DOI.MedMal
Subject: RE: Rate Filing IL003660200013

We have just submitted some revisions to the pending forms filing under serf PHLX-G127036898. These revisions included revised names of endorsements listed on the manual pages pending in the captioned Rate/Rule filing. Some other editorial type changes were also made. Attached is a copy of the revised pages and also an edit copy of the manual pages which shows the changes. We have not changed any rates or rating factors. If you have any questions regarding this please let me know. Your further consideration is appreciated.

From: O'Brien, Kevin
Sent: Friday, July 01, 2011 6:33 AM
To: 'DOI.MedMal'
Subject: RE: Rate Filing IL003660200013

Attached is the Expense Comparison Exhibit. Your further consideration is appreciated.
Kevin O'Brien
315-488-5098

From: DOI.MedMal [mailto:DOI.MedMal@Illinois.gov]
Sent: Wednesday, June 29, 2011 5:52 PM
To: O'Brien, Kevin
Subject: RE: Rate Filing IL003660200013

Mr. O'Brien,

I have discussed further with Rob Walling, FCAS. We are comfortable with the benchmark analysis of Cincinnati for the base rate comparison. This with the other information provided, is adequate for the base rate analysis. We still need the underwriting expense comparison.

Thank you for your time today to discuss.

Caryn

*Caryn E. Carmean
Assistant Casualty Actuary
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
217-524-5420*

From: O'Brien, Kevin [mailto:kobrien@phlyins.com]
Sent: Friday, June 24, 2011 11:02 AM
To: DOI.MedMal
Subject: RE: Rate Filing IL003660200013
Importance: High

Ms. Carmean:

We have scanned through the information that was located on the DOI website and found that it generally does not apply to the type of program we are filing. Specifically our program addresses medical professionals that perform their duties exclusively for either our insured Human Services entity or Religious Organization. Many of the competitor filings that were provided were related to true medical malpractice providers offering coverages to physicians and surgeons that potentially serve in varied settings and capacities. Of those filings that were specific to Human Services (ACE), only allied health professionals were addressed; not physicians or dentists.

One filing that we thought had potential was from an insurer that we do not believe is typically known to be a med mal writer - Cincinnati Insurance Companies. While not specific to Human Services/Religious Organizations, they had a rating manual that covered many different types of PL exposures, including physicians and surgeons and dentists. Attached is an exhibit outlining the common exposures and comparable rate levels. This is being provided as a basis for discussion.

Would you kindly advise times that are convenient for you? Our Actuarial staff will call to set up a conference call.

From: DOI.MedMal [mailto:DOI.MedMal@Illinois.gov]
Sent: Monday, June 20, 2011 3:50 PM
To: O'Brien, Kevin
Subject: RE: Rate Filing IL003660200013

Mr. O'Brien,

Per our phone conversation, the company has not provided adequate actuarial analysis in support of using rates developed using Pennsylvania experience for use in the state of Illinois.

When can we expect an appropriate response? We normally give 5 business days to respond to such inquiries.

I would be willing to set up a meeting to discuss with you and your actuarial staff to discuss the issues outlined.

Caryn

*Caryn C. Carmean
Assistant Casualty Actuary
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
217-524-5420*

From: O'Brien, Kevin [mailto:kobrien@phlyins.com]
Sent: Monday, June 06, 2011 3:42 PM
To: DOI.MedMal
Cc: Walling, Robert
Subject: RE: Rate Filing IL003660200013

Please see attached is response to questions from your May 27th inquiry. Your further consideration is appreciated.
Sincerely,
Kevin O'Brien

From: DOI.MedMal [mailto:DOI.MedMal@Illinois.gov]
Sent: Friday, May 27, 2011 5:13 PM
To: O'Brien, Kevin
Cc: Walling, Robert
Subject: Rate Filing IL003660200013

Attached please find questions regarding IL Rate Filing IL003660200013. We expect a response to this inquiry no later than June 6, 2011.

Thank you.
Caryn.

*Caryn C. Carmean
Assistant Casualty Actuary
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
217-524-5420*

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****We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the previously submitted pages****

**Philadelphia Indemnity Insurance Company
Independent Professional Liability Forms/ Rates/ Rules
Human Services Organizations and Religious Organizations
State Exception**

The following independent professional liability coverages are available for human services or religious organization risks.

A. Additional Coverage Premium Determination

1. ~~Contingent Physician and Dentist~~ Vicarious Medical Professional Liability Coverage

- a. Description: This optional endorsement provides coverage to the Entity for services performed by ~~specialists~~ medical professionals. For coverage to be valid: (1) the specialist's medical professional's license must be in force at the time of loss; and (2) the insured must have current written confirmation of malpractice insurance covering such medical professional with limits of at least \$1,000,000.
 - b. Form: PI-HS-014
 - c. Agency Charge Determination:
 - (1) Select the **Base Rate** from Section C. **RATES, Table 1 – Base Rate.**
 - (2) Select the **Agency Relativity** from Section C. **RATES, Table 2 – Agency Relativity.**
 - (3) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (4) Select the **Territory Multiplier** from Section C. **RATES, Table 3 – Territory Multipliers.**
 - (5) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section C. **RATES, Table 4 – Claims-Made Factors.**
 - (6) Multiply the values in (1) through (5) above to determine the **Agency Charge.**
 - d. Client Risk Exposure Determination:
 - (1) Select the Client Risk Exposure for the exposure from Section B. **ADDITIONAL RULES, Exposure Grades.** If exposure is Incidental, then do not proceed and skip to 1.f. Vicarious Coverage Premium Determination.
 - (2) Determine the total units associated with the Client Risk Exposure.
 - (3) Use the Client Risk Exposure selected in (1) above to select the **Client Risk Relativity** from Section C. **RATES, Table 5 – Client Risk Relativities.**
 - (4) Select the **Base Rate** from Section C. **RATES, Table 1 – Base Rate.**

- (5) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (6) Select the **Territory Multiplier** from Section C. **RATES, Table 3 – Territory Multipliers**.
 - (7) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section C. **RATES, Table 4 – Claims-Made Factors**.
 - (8) Multiply the values in (2) through (7) to determine the **Client Risk Charge**.
- e. For each Specialist:
- (1) Select the **Base Rate** from Section C. **RATES, Table 1 – Base Rate**.
 - (2) Select the **Specialist Relativity** from Section C. **RATES, Table 6 – Specialist Relativities**.
 - (3) Select the **Employment Relativity** from Section C. **RATES, Table 7 – Employment Relativities**.
 - (4) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (5) Select the **Territory Multipliers** from Section C. **RATES, Table 3 – Territory Multipliers**.
 - (6) Select the **Medical Malpractice Relativity** from Section C. **RATES, Table 8 – Medical Malpractice Relativities**.
 - (7) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section C. **RATES, Table 4 – Claims-Made Factors**.
 - (8) Multiply the values in (1) through (7) to determine the **Specialist Charge**.
 - (9) For each Specialist rated, sum the **Specialist Charge** to determine the **Specialist Premium**.
- f. ~~Contingent~~ Vicarious Coverage Premium Determination:
- Sum the **Agency Charge, Client Risk Charge** and **Specialist Premium** to determine ~~Contingent~~ Vicarious Premium.

2. ~~Physicians and Dentists~~ Medical Professional Liability Coverage

- a. Description: This optional ~~coverage~~ endorsement provides coverage for ~~specialists~~ medical professionals listed in the endorsement Schedule: (1) while performing acts within the scope of their employment for the insured; ~~or~~ (2) while performing duties related to the conduct of the insured’s organization; or (3) for employed ~~physicians~~ medical professionals, while performing acts that meet the policy definition of a Good Samaritan act.

Limits of insurance do not apply separately to each medical professional listed in the Schedule.

- b. Form: PI-HS-013 IL

c. ~~[Physicians and Dentists]~~ Medical Professional Premium Determination:

For each Specialist:

- (1) Select the **Base Rate** from Section **C. RATES, Table 1 – Base Rate**.
- (2) Select the **Specialist Relativity** from Section **C. RATES, Table 6 – Specialist Relativities**.
- (3) Select the **Employment Relativity** from Section **C. RATES, Table 7 – Employment Relativities**.
- (4) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
- (5) Select the **Territory Multipliers** from Section **C. RATES, Table 3 – Territory Multipliers**.
- (6) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section **C. RATES, Table 4 – Claims-Made Factors**.
- (7) Multiply the values in (1) through (6) to determine the **Specialist Charge**.
- (8) For each specialist rated, sum the **Specialist Charge** to determine the ~~[Physicians and Dentists]~~ Medical Professional Premium.

Note 1: ~~[Physicians and Dentists]~~ Medical Professional Liability Coverage is available contingent upon the selection of ~~[Contingent Physician and Dentist]~~ Vicarious Medical Professional Liability Coverage.

3. Locum Tenens Coverage

- a. Description: This optional endorsement provides coverage for a ~~[physician or dentist]~~ medical professional who the insured utilizes as a temporary substitute or in relief for a staff ~~[physician or dentist]~~ medical professional.

It is intended to be used whenever the need arises for an insured risk, due to circumstances that affect a staff ~~[physician or dentist]~~ medical professional, such as vacation leave, sabbatical, or injury, that requires such locum tenens professional to fill in.

- b. Form: PI-HS-017
- c. Premium Determination: There is no **Locum Tenens Premium**.

4. Illinois Extended Reporting Period Endorsement

- a. Description: This mandatory endorsement sets forth the applicable Extended Reporting Period provisions applicable to Claims Made Coverage forms for Illinois risks.

The insured will receive an automatic Five Year Extended Reporting Period, unless the Unlimited Extended Reporting Period is purchased and other conditions outlined in the endorsement are met.

- b. Form: PI-HS-ERP-IL 1
- c. Premium Determination: **ERP Premium** equals:

Automatic Five Year Extended Reporting Period	No premium charge
Unlimited Extended Reporting Period	200% of the expiring annual premium

5. Additional Coverage Determination

- a. Add the [~~Contingent~~] Vicarious Premium, [~~Physicians and Dentists~~] Medical Professional Premium, Locum Tenens Premium and ERP Premium to determine the **Additional Coverage Premium**.
- b. Add the **Additional Coverage Premium** to the Policy Premium.

B. ADDITIONAL RULES

Exposure Grades

1. Incidental Professional Liability Exposure

The minimum premium for incidental professional risks is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include:

Incidental Professional Liability Risks

- Administrative offices
- Art/music institutions
- Client advocacy (no individual clients)
- Fund-raising organizations
- Information services
- Meals on Wheels
- Nutritional and recreational programs
- Thrift stores
- Volunteer recruitment

2. Low Professional Liability Exposure

The minimum premium for risks with low professional liability exposure only is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include:

Low Professional Liability Risks

Client Risk Exposure

Alcoholism Councils	N/A
Bereavement Counseling	N/A
Chore Services (Homemaker Assistance / Home Repair)	N/A
Cultural/ Linguistic Assimilation Programs	N/A
Day Care or In-Home Assistance to Elderly	N/A
Day Care/Nursery School (except Head Start & handicapped)	N/A
Family Planning/Pregnancy (counseling only)	N/A
Financial Counseling and Education	N/A
Health Education Workshops	N/A
Homeless Counseling/Shelters – Independent Living	Per Resident
Housing Referral	N/A
Independent Living (aged only)	Per Resident

Individual Counseling (stress, career, etc.)	N/A
Marriage and Family Counseling	N/A
Peer Counseling with Professional Supervision	N/A
Religious Youth & Outreach Groups	N/A
Resource Referral	N/A
Retirement Communities, Independent Living	Per Resident
Schools (Day)	N/A
Vocational Education/Sheltered Workshops	N/A

3. Moderate Professional Liability Exposure

The minimum premium for risks with moderate professional liability exposure is \$1,500, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>Moderate Professional Liability Risks</u>	<u>Client Risk Exposure</u>
AIDS Counseling & Case Management	N/A
Big Brothers/Big Sisters	N/A
Counseling Developmentally Disabled	N/A
Counseling for Emotionally Disturbed (non-violent)	Per 100 Outpatient Visits
Day Care Centers/Schools (Head Start & handicapped)	N/A
Developmentally Disabled Residence (no medical care)	Per Bed (Low)
Disease Control Clinics	Per 100 Outpatient Visits
Family Planning/Pregnancy (counseling & exams)	Per 100 Outpatient Visits
Group Homes – Abused Children – Supervised Living	Per Bed (Medium)
Group Homes – Battered Women – Supervised Living	Per Bed (Low)
Group Homes – Drug Abusers – Supervised Living	Per Bed (Low)
Groups Homes – Miscellaneous – Supervised Living	Per Bed (Low)
Home Health Agency	Per 100 Outpatient Visits
Homeless Counseling/Shelters – Supervised Living	Per Bed (Low)
Hotlines (not crisis intervention)	Per 100 Outpatient Visits
Immunization Clinics	Per 100 Outpatient Visits
Infant Health Assessment Programs	Per 100 Outpatient Visits
Methadone Maintenance	Per 100 Outpatient Visits
Parenting Classes	N/A
Physically Handicapped Residence Programs (no medical care)	Per Bed (Low)
Respite Care	Per Bed (Low)
Retirement Communities, Residential care (no medical facilities)	Per Bed (Low)
Schools, Residential (academic)	Per Bed (Low)
Schools, Residential (excl. emotionally disturbed or handicapped)	Per Bed (Low)
Senior Health Assessment Clinics	Per 100 Outpatient Visits
Sexually Transmitted Disease Clinics	Per 100 Outpatient Visits
Shelters – Indigent (overnight only)	Per Bed (Low)
Visiting Nurse	Per 100 Outpatient Visits

4. High Professional Liability Exposure

The minimum premium for risks with high professional liability exposure is \$2,500, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>High Professional Liability Risks</u>	<u>Client Risk Exposure</u>
Adoption	Placements
Community Homes for the Aged	Per Bed (Medium)

Crisis Intervention	Per 100 Outpatient Visits
Family Planning/Pregnancy (counseling, exams & prenatal care)	Per 100 Outpatient Visits
Foster Care	Placements
Foster Care, Residential	Per Bed (High)
Foster Grandparents	Placements
Group Home for Mentally or Physically Handicapped (including intermediate nursing care)	Per Bed (High)
Halfway House – Intermediate Care	Per Bed (Medium)
<u>High Professional Liability Risks (Continued)</u>	<u>Client Risk Exposure</u>

HIV Testing	Per 100 Outpatient Visits
Hospice	Per Bed (Medium)
Needle Exchange Programs	Per 100 Outpatient Visits
Physical Rehabilitation (outpatient)	Per 100 Outpatient Visits
Physical Rehabilitation (residential)	Per Bed (Medium)
Residential Care for Children (including intermediate care)	Per Bed (High)
Retirement Communities, Intermediate Care	Per Bed (High)
Schools, Residential (including severely disturbed or handicapped)	Per Bed (Medium)
Substance Abuse Facility (no detox)	Per Bed (Medium)
Supportive Living Facility	Per Bed (Medium)
Treatment Centers – Drug & Alcohol Abuse (no detox)	Per Bed (Medium)
Well Child Clinics	Per 100 Outpatient Visits
Alzheimer’s Residences	Per Bed (Very High)
Group Home for Mentally or Physically Handicapped (skilled nursing care)	Per Bed (Very High)
Hotlines (Crisis Intervention)	Per 100 Outpatient Visits
Hotlines (Suicide Prevention)	Per 100 Outpatient Visits
Retirement Communities (skilled nursing care)	Per Bed (High)
Substance Abuse Facility (including detox)	Per Bed (Very High)

C. RATES

Table 1 – Base Rate (Occurrence) at \$100,000 / \$200,000 Limits

Base Rate	3,792
------------------	-------

Table 2 – Agency Relativity

Agency Relativity	.245
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Table 3 – Territory Multipliers

Territory	Territory Description	Multiplier
1	Cook County	1.000
2	Remainder of State	0.491

Table 4 – Claims-Made Factors

Year in Claims Made	Factor
0	0.450
1	0.700

2	0.850
3	0.900
4	0.950
5+	1.000

Table 5 – Client Risk Relativities

Client Risk Exposure	Relativity
Per Resident	0.001
Per Bed (Low)	0.006
Per Bed (Medium)	0.023
Per Bed (High)	0.037
Per Bed (Very High)	0.056
Per Placement	0.023
Per 100 Outpatient Visits	0.012

Table 6 – Specialist Relativities

Specialties	Relativity
Physicians (no surgery)	1.000
Pediatrics (no surgery)	1.000
Medical Directors	0.059
Pharmacists	0.079
Physical Therapists	0.103
Nurse Practitioners	0.222
Physicians Assistants	0.222
Paramedic EMT's	0.222
Psychiatrists	0.426
Dentists	0.247
Optometrists	0.200

Table 7 – Employment Relativities

Employment Type	Relativity
Full-time (≥ 20 hours / week)	1.000
Part-time (< 20 hours / week)	0.500

Table 8 – Medical Malpractice Relativities

Specialist Personal Insurance	Relativity
Primary Medical Malpractice below \$1,000,000	1.000
Primary Medical Malpractice equal to or greater than \$1,000,000	0.300

D. PREMIUM INSTALLMENT PLAN OPTIONS

The following payment plans are available, subject to a minimum per payment amount of \$500:

1. 25% deposit + 3 equal installments the following 3 months (\$2,000 minimum premium)
2. 25% deposit + 5 equal installments the following 5 months (\$3,334 minimum premium)
3. 25% deposit + 9 equal installments the following 9 months (\$6,000 minimum premium)
4. 50% deposit + 2 equal installments the following 2 months (\$2,000 minimum premium)

Mamoottile, Neetha

From: O'Brien, Kevin [kobrien@phlyins.com]
Sent: Friday, April 15, 2011 1:42 PM
To: DOI.MedMal
Subject: RE: ILDOI - Philadelphia Indemnity Insurance Company - Rate Filing #IL003660200013
Attachments: Certification 4-8.pdf; Form Rate Rule Page HS-RO - IL 4-11.doc

Categories: Philadelphia Indemnity 003660200013

Attached is the completed Certification. In addition we have amended the manual pages. Section A1 on pages 1 and 2 were revised to clarify the steps for premium determination. Your further consideration is appreciated.

Kevin O'Brien
315-488-5098

From: DOI.MedMal [mailto:DOI.MedMal@Illinois.gov]
Sent: Wednesday, April 06, 2011 4:46 PM
To: O'Brien, Kevin
Subject: RE: ILDOI - Philadelphia Indemnity Insurance Company - Rate Filing #IL003660200013

Mr. O'Brien,

Please refer to the attached document regarding the certification form. We expect to receive appropriate documentation no later than April 21, 2011.

If you have any questions, you can email me at DOI.MedMal@illinois.gov or call at 217-557-1397

Sincerely,

Neetha M. Mamoottile
Actuarial Analyst
Illinois Department of Insurance
DOI.MedMal@illinois.gov
217-557-1397

From: O'Brien, Kevin [mailto:kobrien@phlyins.com]
Sent: Tuesday, April 05, 2011 5:07 PM
To: DOI.MedMal
Subject: RE: ILDOI - Philadelphia Indemnity Insurance Company - Rate Filing #IL003660200013

I was told earlier that this would be ready today but then our actuary advised that some type revision would be necessary to our manual pages before he would sign the certification. I once again apologize for the delay as it appears this will not be ready today.

From: DOI.MedMal [mailto:DOI.MedMal@Illinois.gov]
Sent: Friday, April 01, 2011 1:41 PM
To: O'Brien, Kevin
Cc: Carmean, Caryn; Mottar, Judy P; Mamoottile, Neetha
Subject: RE: ILDOI - Philadelphia Indemnity Insurance Company - Rate Filing #IL003660200013

Mr. O'Brien,

The subject filing is considered incomplete until a proper certification form is submitted. Any further delay in submitting a certification form will delay the rate filing review and its routing process. Failure to comply with the abovementioned requirements could result in regulatory action. We expect to receive a proper certification form no later than April 5th, 2011.

Thank You,
Neetha Mamoottile

From: O'Brien, Kevin [mailto:kobrien@phlyins.com]
Sent: Friday, April 01, 2011 9:01 AM
To: DOI.MedMal
Subject: RE: ILDOI - Philadelphia Indemnity Insurance Company - Rate Filing #IL003660200013

Yes I did receive. I once again requested from parties involved and hope to be able to send this by later today. Sorry for the delay.

From: DOI.MedMal [mailto:DOI.MedMal@Illinois.gov]
Sent: Friday, April 01, 2011 9:36 AM
To: O'Brien, Kevin
Subject: FW: ILDOI - Philadelphia Indemnity Insurance Company - Rate Filing #IL003660200013
Importance: High

Mr. O'Brien,

I expected a response by yesterday in regards to the incomplete certification form. Could you confirm receipt and give me a status?

Neetha

From: DOI.MedMal
Sent: Wednesday, March 23, 2011 3:53 PM
To: 'kobrien@phlyins.com'
Subject: ILDOI - Philadelphia Indemnity Insurance Company - Rate Filing #IL003660200013

Mr. O'Brien,

Please refer to the attached document regarding the incomplete certification form. We expect a response no later than March 31, 2011.

If you have any questions, you can email me at DOI.MedMal@illinois.gov or call at 217-557-1397

Sincerely,

Neetha M. Mamoottile
Actuarial Analyst
Illinois Department of Insurance
DOI.MedMal@illinois.gov
217-557-1397

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Illinois Department of Insurance

PAT QUINN
Governor

MICHAEL T. McRAITH
Director

April 6, 2011

Kevin O'Brien
Philadelphia Insurance Companies
1 Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
[Delivered via email to kobrien@phlyins.com]

Subject: ILDOI – Philadelphia Indemnity Insurance Company – Rate Filing #IL003660200013

Mr. O'Brien,

Per our previous requests, we are in need of a proper certification form. The appropriate documents need to be received by April 21, 2011 or the subject filing will be returned to the company as an incomplete filing. The Department cannot continue with its review until proper certification forms are submitted.

Sincerely,

A handwritten signature in black ink, appearing to read "Neetha M. Mamoottille".

Neetha M. Mamoottille
Illinois Department of Insurance
Casualty Actuarial Section
217-557-1397



Illinois Department of Insurance

PAT QUINN
Governor

MICHAEL T. McRAITH
Director

March 23, 2011

Kevin O'Brien
Philadelphia Insurance Companies
1 Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
[Delivered via email to kobrien@phlyins.com]

Subject: ILDOI – Philadelphia Indemnity Insurance Company – Rate Filing #IL003660200013

Mr. O'Brien,

According to Section 155.18(c)(3) of Illinois Insurance Code (215 ILCS 5/155.18(c)(3)), medical malpractice rate filings "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."

Mr. John Ferraro, has signed the certification accompanying the subject filing as both the Actuary and Vice President of Philadelphia Indemnity Insurance Company. The intent of the law is to have two separate people certify a rate filing.

In addition, pursuant to Section 155.04(2) of the Illinois Insurance Code (215 ILCS 5/155.04(2)), all companies licensed to transact insurance business in Illinois must notify the Director within 30 days of the appointment or election of any new officers or directors. Section 915.40 of the Illinois Administrative Code (50 Ill. Adm. Code 915.40) further stipulates biographical affidavits of newly elected or appointed officers must be filed within 30 days after the person's election or appointment.

We have had a similar situation with a recent filing (#IL004650200022) from the company. If the officer (Mr. Coleman Henry) from the previous filing will be certifying this rate filing, please submit an amended certification form with the appropriate signatures. If a different officer is certifying the rate filing, then follow the instructions given below;

1. Two separate individuals certify the rate filing.
2. An authorized officer certify the rate filing with proper biographical affidavit documentation.

The subject filing is considered incomplete until the above requirements are met. We expect to receive a response no later than March 31, 2011.

Sincerely,

Neetha M. Mamootile
Illinois Department of Insurance
Casualty Actuarial Section
217-557-1397

Neuman, Gayle

From: O'Brien, Kevin [kobrien@phlyins.com]
Sent: Tuesday, March 22, 2011 6:10 AM
To: Neuman, Gayle
Subject: RE: Philadelphia Indemnity Ins Co - Rate/Rule Filing #IL003660200013
Attachments: Form Rate Rule Page HS-RO - IL 3-11.doc; IL Objection (Rates) response.doc

Please see attached responses and amended manual pages.
Your further consideration is appreciated.
Kevin O'Brien
315-488-5098

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, March 08, 2011 2:49 PM
To: O'Brien, Kevin
Subject: Philadelphia Indemnity Ins Co - Rate/Rule Filing #IL003660200013

Mr. O'Brien,

I am in receipt of the above referenced filing submitted with your cover letter dated February 15, 2011. Please respond to the following issues/questions I have in regard to the referenced filing:

1. 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?
2. Does Philadelphia Indemnity offer any deductible plans, payment plans, schedule rating plans, or offer additional coverage limits? If yes to any of these items, information about such plan must be added to the manual.
3. Please explain the "Agency Relativity" charge?
4. Please explain the "Discount Factor for Employees with Current Malpractice Insurance". Why would someone who already had a medical malpractice policy need to buy this coverage?

I request receipt of your response by March 22, 2011.

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.

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the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that it is strictly prohibited (a) to disseminate, distribute or copy this communication or any of the information contained in it, or (b) to take any action based on the information in it. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer.

In response to your recent correspondence:

1. 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

The company is presently building a statistical reporting plan organically and will be doing said reporting in-house with existing technologies and resources.

2. Does Philadelphia Indemnity offer any deductible plans, payment plans, schedule rating plans, or offer additional coverage limits? If yes to any of these items, information about such plan must be added to the manual.

Response

No deductible plan exists, no schedule rating applies and the only coverage limits available are those referenced in the Rule Pages. With respect to payment plans, those that we offer have been added to the Rule Page as requested. An updated rule page is attached.

3. Please explain the "Agency Relativity" charge?

Response

These endorsements provide coverages for entities and facilities, in contrast to coverage for an independent individual provider.

For each entity or facility, the Agency Charge is determined by applying the Agency Relativity factor to the Base Rate from Table 1. The Agency Charge is then added to the calculated Provider charges and Client Risk charges, when applicable.

4. Please explain the "Discount Factor for Employees with Current Malpractice Insurance". Why would someone who already had a medical malpractice policy need to buy this coverage?

Response

Coverage is provided to the entity.

An example would be a dentist who volunteers to provide check-up services at a local substance abuse facility. The dentist would already have coverage and the entity would have exposure excess of the dentist's limit.

PHILADELPHIA INDEMNITY INSURANCE COMPANY
PHYSICIANS AND DENTISTS PROFESSIONAL LIABILITY
FILING MEMORANDUM
ILLINOIS

Philadelphia Indemnity Insurance Company (PIIC) is filing to introduce rates for a new Physicians and Dentists Professional Liability coverage. The program is intended for employed health care professionals associated with our Human Services and Religious Organizations program. This is coverage for the entity where the healthcare professionals are employees of the entity and is for coverage during the course of their employment.

The rates for this program are based on the SafeCo's correction filing for approved filing #A64866001 in Pennsylvania. Despite an extensive search, the corresponding competitor filing for Illinois could not be located. Relativity factors were developed based on the various specialties / exposures. As this competitor does not consider coverage for dentists or optometrists, the rates for these specialties are based on the Fortress Dentist approved in Illinois. A corresponding filing number could not be located for Fortress but the approved manual pages have been attached for your reference.

All base rates are at a \$100k / \$200k limit for occurrence coverage with alternate limits available using ISO Prem / Ops Tables 2. Retroactive credits are available for policies with less than 5 years prior coverage. Other rating factors include a discount factor for employees with current malpractice insurance, and a territory multiplier which is developed based on Fortress rating.

**Philadelphia Indemnity Insurance Company
Independent Professional Liability Forms/ Rates/ Rules
Human Services Organizations and Religious Organizations
State Exception**

The following independent professional liability endorsements are available for human services or religious organization risks.

A. FORMS

1. Physicians and Dentists Professional Liability Coverage

- a. Description: This optional endorsement provides coverage for physicians or dentists: (1) while performing acts within the scope of their employment for the insured; or (2) while performing duties related to the conduct of the insured's organization, or (3) for employed physicians, while performing acts that meet the policy definition of a Good Samaritan act.
- b. Form: PI-HS-013 IL
- c. Premium Determination:

Select the exposure grade for the risk from the Incidental, Low, Moderate or High Professional Liability Exposure lists in Section **B. 1, 2, 3** or **4** below.

Then:

- (1) To develop the Agency Charge, multiply the base rate in Table C.1. x the Agency Relativity factor in Table C.2.a.
- (2) To develop the Provider Charge (for Low, Moderate or High Professional Liability Exposures); multiply the base rate in Table C.1. x the appropriate Provider Relativity in Table C.2.b. for a given specialty. The resulting rate is multiplied x the number of individuals practicing that specialty; repeating this step for each specialty represented by the risk. **Note:** For any part-time or volunteer practitioners (working less than 20 hours per week) the Provider Charge is multiplied by a factor of .50.

All results are then added together to arrive at the risk's total Provider Charge.

- (3) To develop the Client Risk Charge (for Low, Moderate or High Professional Liability Exposures, and provided that "N/A" is not shown in Section **B. 2, 3** or **4** below); multiply the base rate in Table C.1. x the appropriate Client Risk Relativity from Table C.2.c. The resulting rate is multiplied x the # of residents, beds, placements, or outpatient visits per 100.
- (4) To develop the final premium charge for Physicians and Dentists Professional Liability coverage written on an occurrence basis, add together the rates in Steps (1), (2) and (3). Multiply the result x the appropriate Territory Multiplier in Table C.3.

For limits higher than \$100,000/\$200,000, apply the appropriate Increased Limits Factor from ISO Premises/Operations – Table 2 before applying the Territory Multiplier.

- (5) To develop the final premium charge for Physicians and Dentists Professional Liability coverage written on a claims-made basis, the rate in Step (4) is multiplied x the applicable Claims Made factor from Table C.4.

Note 1: When PI-HS-013 IL is attached to a policy, PI-HS-014 must also be attached and rated.

Note 2: If both Primary Coverage for the physician/dentist (via PI-HS-013 IL) and Contingent Coverage for the entity (via PI-HS-014), are afforded, the premium result for both coverages are added together for the total premium.

Note 3: When a risk is considered to be in the Incidental Professional Liability Exposure category (in **B.1.** below), only the Agency Charge applies. The total premium is then developed by following Step (1), and Step (4) or Step (5).

2. Contingent Physician and Dentist Professional Liability Coverage

- a. Description: This optional endorsement provides coverage to the Entity for services performed by physicians, dentists or optometrists. Additionally, their license must be valid at the time of loss.
- b. Form: PI-HS-014
- c. Premium Determination:

Select the exposure grade for the risk from the Incidental, Low, Moderate or High Professional Liability Exposure lists in Section **B. 1, 2, 3** or **4** below.

Then:

- (1) Follow Steps (1) through Step (4) or Step (5) above.
- (2) Multiply the resulting rate x the Medical Malpractice Coverage Discount factor in Table C.5. to arrive at the premium charge for the Entity as provided under the Contingent Physician Coverage Professional Liability endorsement.

3. Locum Tenens Coverage

- a. Description: This optional endorsement provides coverage for a physician or dentist who the insured utilizes as a temporary substitute or in relief for a staff physician or dentist.

It is intended to be used whenever the need arises for an insured risk, due to circumstances that affect a staff physician or dentist, such as vacation leave, sabbatical, or injury, that requires such locum tenens professional to fill in.

- b. Form: PI-HS-017
- c. Premium Determination: There is no premium charge.

4. Illinois Extended Reporting Period Endorsement

- a. Description: This mandatory endorsement sets forth the applicable Extended Reporting Period provisions applicable to Claims Made Coverage forms for Illinois risks.

The insured will receive an automatic Five Year Extended Reporting Period, unless the Unlimited Extended Reporting Period is purchased and other conditions outlined in the endorsement are met.

b. Form: PI-HS-ERP-IL 1

c. Premium Determination:

Automatic Five Year Extended Reporting Period	No premium charge
Unlimited Extended Reporting Period	200% of the expiring annual premium

B. ADDITIONAL RULES

Exposure Grades

1. Incidental Professional Liability Exposure

The minimum premium for incidental professional risks is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include: administrative offices, art/music institutions, client advocacy (no individual clients), fund-raising organizations, information services, Meals on Wheels, nutritional and recreational programs, thrift stores and volunteer recruitment.

2. Low Professional Liability Exposure

The minimum premium for risks with low professional liability exposure only is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>Low Professional Liability Risks</u>	<u>Client Risk Charge</u>
Alcoholism Councils	N/A
Bereavement Counseling	N/A
Chore Services (Homemaker Assistance / Home Repair)	N/A
Cultural/ Linguistic Assimilation Programs	N/A
Day Care or In-Home Assistance to Elderly	N/A
Day Care/Nursery School (except Head Start & handicapped)	N/A
Family Planning/Pregnancy (counseling only)	N/A
Financial Counseling and Education	N/A
Health Education Workshops	N/A
Homeless Counseling/Shelters – Independent Living	Per Resident
Housing Referral	N/A
Independent Living (aged only)	Per Resident
Individual Counseling (stress, career, etc.)	N/A
Marriage and Family Counseling	N/A
Peer Counseling with Professional Supervision	N/A
Religious Youth & Outreach Groups	N/A
Resource Referral	N/A
Retirement Communities, Independent Living	Per Resident
Schools (Day)	N/A
Vocational Education/Sheltered Workshops	N/A

3. Moderate Professional Liability Exposure

The minimum premium for risks with moderate professional liability exposure is \$1,500, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>Moderate Professional Liability Risks</u>	<u>Client Risk Charge</u>
AIDS Counseling & Case Management	N/A
Big Brothers/Big Sisters	N/A
Counseling Developmentally Disabled	N/A
Counseling for Emotionally Disturbed (non-violent)	Per 100 Outpatient Visits
Day Care Centers/Schools (Head Start & handicapped)	N/A
Developmentally Disabled Residence (no medical care)	Per Bed (Low)

Disease Control Clinics	Per 100 Outpatient Visits
Family Planning/Pregnancy (counseling & exams)	Per 100 Outpatient Visits
Group Homes – Abused Children – Supervised Living	Per Bed (Medium)
Group Homes – Battered Women – Supervised Living	Per Bed (Low)
Group Homes – Drug Abusers – Supervised Living	Per Bed (Low)
Groups Homes – Miscellaneous – Supervised Living	Per Bed (Low)
Home Health Agency	Per 100 Outpatient Visits
Homeless Counseling/Shelters – Supervised Living	Per Bed (Low)
Hotlines (not crisis intervention)	Per 100 Outpatient Visits
Immunization Clinics	Per 100 Outpatient Visits
Infant Health Assessment Programs	Per 100 Outpatient Visits
Methadone Maintenance	Per 100 Outpatient Visits
Parenting Classes	N/A
Physically Handicapped Residence Programs (no medical care)	Per Bed (Low)
Respite Care	Per Bed (Low)
Retirement Communities, Residential care (no medical facilities)	Per Bed (Low)
Schools, Residential (academic)	Per Bed (Low)
Schools, Residential (excl. emotionally disturbed or handicapped)	Per Bed (Low)
Senior Health Assessment Clinics	Per 100 Outpatient Visits
Sexually Transmitted Disease Clinics	Per 100 Outpatient Visits
Shelters – Indigent (overnight only)	Per Bed (Low)
Visiting Nurse	Per 100 Outpatient Visits

4. High Professional Liability Exposure

The minimum premium for risks with high professional liability exposure is \$2,500, which is not subject to any other rating factor.

Risks that fall within this category include:

High Professional Liability Risks

- Adoption
- Community Homes for the Aged
- Crisis Intervention
- Family Planning/Pregnancy (counseling, exams & prenatal care)
- Foster Care
- Foster Care, Residential
- Foster Grandparents
- Group Home for Mentally or Physically Handicapped (including intermediate nursing care)
- Halfway House – Intermediate Care
- HIV Testing
- Hospice
- Needle Exchange Programs
- Physical Rehabilitation (outpatient)
- Physical Rehabilitation (residential)
- Residential Care for Children (including intermediate care)
- Retirement Communities, Intermediate Care
- Schools, Residential (including severely disturbed or handicapped)
- Substance Abuse Facility (no detox)
- Supportive Living Facility
- Treatment Centers – Drug & Alcohol Abuse (no detox)
- Well Child Clinics
- Alzheimer’s Residences
- Group Home for Mentally or Physically Handicapped (skilled nursing care)

Client Risk Charge

- Placements
- Per Bed (Medium)
- Per 100 Outpatient Visits
- Per 100 Outpatient Visits
- Placements
- Per Bed (High)
- Placements
- Per Bed (High)
- Per Bed (Medium)
- Per 100 Outpatient Visits
- Per Bed (Medium)
- Per 100 Outpatient Visits
- Per 100 Outpatient Visits
- Per Bed (Medium)
- Per Bed (High)
- Per Bed (High)
- Per Bed (Medium)
- Per Bed (Medium)
- Per Bed (Medium)
- Per Bed (Medium)
- Per 100 Outpatient Visits
- Per Bed (Very High)
- Per Bed (Very High)

Hotlines (Crisis Intervention)
 Hotlines (Suicide Prevention)
 Retirement Communities (skilled nursing care)
 Substance Abuse Facility (including detox)

Per 100 Outpatient Visits
 Per 100 Outpatient Visits
 Per Bed (High)
 Per Bed (Very High)

C. RATES

1. Base Rate

Table 1 – Base Rate (Occurrence) at \$100,000 / \$200,000 Limits

Base Rate	3,792
------------------	-------

2. Relativities

a. Agency Charge

Table 2.a. – Agency Relativity

Agency Relativity	.245
--------------------------	------

b. Provider Charge (when applicable)

Table 2.b. – Provider Relativities

Specialties	Relativity
Physicians (no surgery)	1.000
Pediatrics (no surgery)	1.000
Medical Directors	0.059
Pharmacists	0.079
Physical Therapists	0.103
Nurse Practitioners	0.222
Physicians Assistants	0.222
Paramedic EMT's	0.222
Psychiatrists	0.426
Dentists	0.247
Optometrists	0.200

c. Client Risk Charge (when applicable)

Table 2. c. – Client Risk Relativities

Client Risk Exposure	Relativity
Per Resident	0.001
Per Bed (Low)	0.006
Per Bed (Medium)	0.023
Per Bed (High)	0.037
Per Bed (Very High)	0.056
Per Placement	0.023
Per 100 Outpatient Visits	0.012

3. Territory Relativities

Table 3 – Territory Relativities

Territory	Territory Description	Multiplier
1	Cook County	1.000
2	Remainder of State	0.491

4. Claims-Made Multipliers

Table 4 – Claims-Made Multipliers

Year in Claims Made	Factor
0	0.450
1	0.700
2	0.850
3	0.900
4+	0.950

Medical Malpractice Coverage Discount

5. Medical Malpractice Coverage Discount

Table 5 – Medical Malpractice Coverage Discount

Discount Factor for Employees with Current Malpractice Insurance	0.300
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D. PREMIUM INSTALLMENT PLAN OPTIONS

The following payment plans are available, subject to a minimum per payment amount of \$500:

1. 25% deposit + 3 equal installments the following 3 months (\$2,000 minimum premium)
2. 25% deposit + 5 equal installments the following 5 months (\$3,334 minimum premium)
3. 25% deposit + 9 equal installments the following 9 months (\$6,000 minimum premium)
4. 50% deposit + 2 equal installments the following 2 months (\$2,000 minimum premium)

**Philadelphia Indemnity Insurance Company
Independent Commercial Excess Liability Forms
Human Services Organizations and Religious Organizations**

The following independent Commercial Excess endorsements are available for human services or religious organization risks.

1. Physicians and Dentists Exclusion

a. Description:

This optional endorsement excludes coverage for damages arising out of any professional incident by any physician or dentist other than a psychiatrist.

b. Form: PI-CXL-047

c. Premium Determination: There is no premium charge.

2. Physicians and Dentists Sublimit

a. Description:

This optional endorsement provides coverage for physicians and dentists for a professional incident up to the sublimits shown in the endorsement.

b. Form: PI-CXL-048

c. Premium Determination: For the first \$1,000,000 limit, multiply the General Liability excess factor x the primary physicians and dentists Professional Liability premium x any judgment factor. For higher sub limits, charge 50% of the premium for the preceding layer subject to any applicable minimum premium for each layer.

FILED

AUG 23 2011

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

**Philadelphia Indemnity Insurance Company
Independent Professional Liability Forms/ Rates/ Rules
Human Services Organizations and Religious Organizations
State Exception**

The following independent professional liability coverages are available for human services or religious organization risks.

A. Additional Coverage Premium Determination

1. Contingent Physician and Dentist Professional Liability Coverage

- a. Description: This optional coverage provides coverage to the Entity for services performed by specialists. For coverage to be valid, the specialist's license must be in force at the time of loss.
- b. Form: PI-HS-014
- c. Agency Charge Determination:
 - (1) Select the **Base Rate** from Section **C. RATES, Table 1 – Base Rate**.
 - (2) Select the **Agency Relativity** from Section **C. RATES, Table 2 – Agency Relativity**.
 - (3) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (4) Select the **Territory Multiplier** from Section **C. RATES, Table 3 – Territory Multipliers**.
 - (5) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section **C. RATES, Table 4 – Claims-Made Factors**.
 - (6) Multiply the values in (1) through (5) above to determine the **Agency Charge**.
- d. Client Risk Exposure Determination:
 - (1) Select the Client Risk Exposure for the exposure from Section **B. ADDITIONAL RULES, Exposure Grades**. If exposure is Incidental, then do not proceed and skip to 1.f. Contingent Coverage Premium Determination.
 - (2) Determine the total units associated with the Client Risk Exposure.
 - (3) Use the Client Risk Exposure selected in (1) above to select the **Client Risk Relativity** from Section **C. RATES, Table 5 – Client Risk Relativities**.
 - (4) Select the **Base Rate** from Section **C. RATES, Table 1 – Base Rate**.
 - (5) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (6) Select the **Territory Multiplier** from Section **C. RATES, Table 3 – Territory Multipliers**.
 - (7) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section **C. RATES, Table 4 – Claims-Made Factors**.

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- (8) Multiply the values in (2) through (7) to determine the **Client Risk Charge**.
- e. For each Specialist:
- (1) Select the **Base Rate** from Section C. **RATES, Table 1 – Base Rate**.
 - (2) Select the **Specialist Relativity** from Section C. **RATES, Table 6 – Specialist Relativities**.
 - (3) Select the **Employment Relativity** from Section C. **RATES, Table 7 – Employment Relativities**.
 - (4) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (5) Select the **Territory Multipliers** from Section C. **RATES, Table 3 – Territory Multipliers**.
 - (6) Select the **Medical Malpractice Relativity** from Section C. **RATES, Table 8 – Medical Malpractice Relativities**.
 - (7) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section C. **RATES, Table 4 – Claims-Made Factors**.
 - (8) Multiply the values in (1) through (7) to determine the **Specialist Charge**.
 - (9) For each Specialist rated, sum the **Specialist Charge** to determine the **Specialist Premium**.
- f. Contingent Coverage Premium Determination:
- Sum the **Agency Charge, Client Risk Charge** and **Specialist Premium** to determine **Contingent Premium**.

2. Physicians and Dentists Professional Liability Coverage

- a. Description: This optional coverage provides coverage for specialists: (1) while performing acts within the scope of their employment for the insured; or (2) while performing duties related to the conduct of the insured’s organization, or (3) for employed physicians, while performing acts that meet the policy definition of a Good Samaritan act.
- b. Form: PI-HS-013 IL
- c. Physicians and Dentists Premium Determination:
- For each Specialist:
- (1) Select the **Base Rate** from Section C. **RATES, Table 1 – Base Rate**.
 - (2) Select the **Specialist Relativity** from Section C. **RATES, Table 6 – Specialist Relativities**.
 - (3) Select the **Employment Relativity** from Section C. **RATES, Table 7 – Employment Relativities**.

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- (4) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
- (5) Select the **Territory Multipliers** from Section C. **RATES, Table 3 – Territory Multipliers.**
- (6) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section C. **RATES, Table 4 – Claims-Made Factors.**
- (7) Multiply the values in (1) through (6) to determine the **Specialist Charge.**
- (8) For each specialist rated, sum the **Specialist Charge** to determine the **Physicians and Dentists Premium.**

Note 1: Physicians and Dentists Professional Liability Coverage is available contingent upon the selection of **Contingent Physician and Dentist Professional Liability Coverage.**

3. Locum Tenens Coverage

- a. Description: This optional endorsement provides coverage for a physician or dentist who the insured utilizes as a temporary substitute or in relief for a staff physician or dentist.

It is intended to be used whenever the need arises for an insured risk, due to circumstances that affect a staff physician or dentist, such as vacation leave, sabbatical, or injury, that requires such locum tenens professional to fill in.

- b. Form: PI-HS-017
- c. Premium Determination: There is no **Locum Tenens Premium.**

4. Illinois Extended Reporting Period Endorsement

- a. Description: This mandatory endorsement sets forth the applicable Extended Reporting Period provisions applicable to Claims Made Coverage forms for Illinois risks.

The insured will receive an automatic Five Year Extended Reporting Period, unless the Unlimited Extended Reporting Period is purchased and other conditions outlined in the endorsement are met.

- b. Form: PI-HS-ERP-IL 1
- c. Premium Determination: **ERP Premium** equals:

Automatic Five Year Extended Reporting Period	No premium charge
Unlimited Extended Reporting Period	200% of the expiring annual premium

5. Additional Coverage Determination

- a. Add the **Contingent Premium, Physicians and Dentists Premium, Locum Tenens Premium** and **ERP Premium** to determine the **Additional Coverage Premium.**
- b. Add the **Additional Coverage Premium** to the Policy Premium.

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B. ADDITIONAL RULES**Exposure Grades****1. Incidental Professional Liability Exposure**

The minimum premium for incidental professional risks is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include:

Incidental Professional Liability Risks

Administrative offices
 Art/music institutions
 Client advocacy (no individual clients)
 Fund-raising organizations
 Information services
 Meals on Wheels
 Nutritional and recreational programs
 Thrift stores
 Volunteer recruitment

2. Low Professional Liability Exposure

The minimum premium for risks with low professional liability exposure only is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include:

Low Professional Liability Risks**Client Risk Exposure**

Alcoholism Councils	N/A
Bereavement Counseling	N/A
Chore Services (Homemaker Assistance / Home Repair)	N/A
Cultural/ Linguistic Assimilation Programs	N/A
Day Care or In-Home Assistance to Elderly	N/A
Day Care/Nursery School (except Head Start & handicapped)	N/A
Family Planning/Pregnancy (counseling only)	N/A
Financial Counseling and Education	N/A
Health Education Workshops	N/A
Homeless Counseling/Shelters – Independent Living	Per Resident
Housing Referral	N/A
Independent Living (aged only)	Per Resident
Individual Counseling (stress, career, etc.)	N/A
Marriage and Family Counseling	N/A
Peer Counseling with Professional Supervision	N/A
Religious Youth & Outreach Groups	N/A
Resource Referral	N/A
Retirement Communities, Independent Living	Per Resident
Schools (Day)	N/A
Vocational Education/Sheltered Workshops	N/A

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3. Moderate Professional Liability Exposure

The minimum premium for risks with moderate professional liability exposure is \$1,500, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>Moderate Professional Liability Risks</u>	<u>Client Risk Exposure</u>
AIDS Counseling & Case Management	N/A
Big Brothers/Big Sisters	N/A
Counseling Developmentally Disabled	N/A
Counseling for Emotionally Disturbed (non-violent)	Per 100 Outpatient Visits
Day Care Centers/Schools (Head Start & handicapped)	N/A
Developmentally Disabled Residence (no medical care)	Per Bed (Low)
Disease Control Clinics	Per 100 Outpatient Visits
Family Planning/Pregnancy (counseling & exams)	Per 100 Outpatient Visits
Group Homes – Abused Children – Supervised Living	Per Bed (Medium)
Group Homes – Battered Women – Supervised Living	Per Bed (Low)
Group Homes – Drug Abusers – Supervised Living	Per Bed (Low)
Groups Homes – Miscellaneous – Supervised Living	Per Bed (Low)
Home Health Agency	Per 100 Outpatient Visits
Homeless Counseling/Shelters – Supervised Living	Per Bed (Low)
Hotlines (not crisis intervention)	Per 100 Outpatient Visits
Immunization Clinics	Per 100 Outpatient Visits
Infant Health Assessment Programs	Per 100 Outpatient Visits
Methadone Maintenance	Per 100 Outpatient Visits
Parenting Classes	N/A
Physically Handicapped Residence Programs (no medical care)	Per Bed (Low)
Respite Care	Per Bed (Low)
Retirement Communities, Residential care (no medical facilities)	Per Bed (Low)
Schools, Residential (academic)	Per Bed (Low)
Schools, Residential (excl. emotionally disturbed or handicapped)	Per Bed (Low)
Senior Health Assessment Clinics	Per 100 Outpatient Visits
Sexually Transmitted Disease Clinics	Per 100 Outpatient Visits
Shelters – Indigent (overnight only)	Per Bed (Low)
Visiting Nurse	Per 100 Outpatient Visits

4. High Professional Liability Exposure

The minimum premium for risks with high professional liability exposure is \$2,500, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>High Professional Liability Risks</u>	<u>Client Risk Exposure</u>
Adoption	Placements
Community Homes for the Aged	Per Bed (Medium)
Crisis Intervention	Per 100 Outpatient Visits
Family Planning/Pregnancy (counseling, exams & prenatal care)	Per 100 Outpatient Visits
Foster Care	Placements
Foster Care, Residential	Per Bed (High)
Foster Grandparents	Placements
Group Home for Mentally or Physically Handicapped (including intermediate nursing care)	Per Bed (High)
Halfway House – Intermediate Care	Per Bed (Medium)

High Professional Liability Risks (Continued)

Client Risk Exposure

HIV Testing	Per 100 Outpatient Visits
Hospice	Per Bed (Medium)
Needle Exchange Programs	Per 100 Outpatient Visits
Physical Rehabilitation (outpatient)	Per 100 Outpatient Visits
Physical Rehabilitation (residential)	Per Bed (Medium)
Residential Care for Children (including intermediate care)	Per Bed (High)
Retirement Communities, Intermediate Care	Per Bed (High)
Schools, Residential (including severely disturbed or handicapped)	Per Bed (Medium)
Substance Abuse Facility (no detox)	Per Bed (Medium)
Supportive Living Facility	Per Bed (Medium)
Treatment Centers – Drug & Alcohol Abuse (no detox)	Per Bed (Medium)
Well Child Clinics	Per 100 Outpatient Visits
Alzheimer's Residences	Per Bed (Very High)
Group Home for Mentally or Physically Handicapped (skilled nursing care)	Per Bed (Very High)
Hotlines (Crisis Intervention)	Per 100 Outpatient Visits
Hotlines (Suicide Prevention)	Per 100 Outpatient Visits
Retirement Communities (skilled nursing care)	Per Bed (High)
Substance Abuse Facility (including detox)	Per Bed (Very High)

C. RATES

Table 1 – Base Rate (Occurrence) at \$100,000 / \$200,000 Limits

Base Rate	3,792
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Table 2 – Agency Relativity

Agency Relativity	.245
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Table 3 – Territory Multipliers

Territory	Territory Description	Multiplier
1	Cook County	1.000
2	Remainder of State	0.491

Table 4 – Claims-Made Factors

Year in Claims Made	Factor
0	0.450
1	0.700
2	0.850
3	0.900
4	0.950
5+	1.000

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Table 5 – Client Risk Relativities

Client Risk Exposure	Relativity
Per Resident	0.001
Per Bed (Low)	0.006
Per Bed (Medium)	0.023
Per Bed (High)	0.037
Per Bed (Very High)	0.056
Per Placement	0.023
Per 100 Outpatient Visits	0.012

Table 6 – Specialist Relativities

Specialties	Relativity
Physicians (no surgery)	1.000
Pediatrics (no surgery)	1.000
Medical Directors	0.059
Pharmacists	0.079
Physical Therapists	0.103
Nurse Practitioners	0.222
Physicians Assistants	0.222
Paramedic EMT's	0.222
Psychiatrists	0.426
Dentists	0.247
Optometrists	0.200

Table 7 – Employment Relativities

Employment Type	Relativity
Full-time (≥ 20 hours / week)	1.000
Part-time (< 20 hours / week)	0.500

Table 8 – Medical Malpractice Relativities

Specialist Personal Insurance	Relativity
Primary Medical Malpractice below \$1,000,000	1.000
Primary Medical Malpractice equal to or greater than \$1,000,000	0.300

D. PREMIUM INSTALLMENT PLAN OPTIONS

The following payment plans are available, subject to a minimum per payment amount of \$500:

1. 25% deposit + 3 equal installments the following 3 months (\$2,000 minimum premium)
2. 25% deposit + 5 equal installments the following 5 months (\$3,334 minimum premium)
3. 25% deposit + 9 equal installments the following 9 months (\$6,000 minimum premium)
4. 50% deposit + 2 equal installments the following 2 months (\$2,000 minimum premium)

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**Philadelphia Indemnity Insurance Company
Independent Professional Liability Forms/ Rates/ Rules
Human Services Organizations and Religious Organizations
State Exception**

The following independent professional liability coverages are available for human services or religious organization risks.

A. Additional Coverage Premium Determination

1. Vicarious Medical Professional Liability Coverage

- a. Description: This optional endorsement provides coverage to the Entity for services performed by medical professionals. For coverage to be valid: (1) the medical professional's license must be in force at the time of loss; and (2) the insured must have current written confirmation of malpractice insurance covering such medical professional with limits of at least \$1,000,000.
- b. Form: PI-HS-014
- c. Agency Charge Determination:
 - (1) Select the **Base Rate** from Section **C. RATES, Table 1 – Base Rate**.
 - (2) Select the **Agency Relativity** from Section **C. RATES, Table 2 – Agency Relativity**.
 - (3) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (4) Select the **Territory Multiplier** from Section **C. RATES, Table 3 – Territory Multipliers**.
 - (5) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section **C. RATES, Table 4 – Claims-Made Factors**.
 - (6) Multiply the values in (1) through (5) above to determine the **Agency Charge**.
- d. Client Risk Exposure Determination:
 - (1) Select the Client Risk Exposure for the exposure from Section **B. ADDITIONAL RULES, Exposure Grades**. If exposure is Incidental, then do not proceed and skip to **1.f. Vicarious Coverage Premium Determination**.
 - (2) Determine the total units associated with the Client Risk Exposure.
 - (3) Use the Client Risk Exposure selected in (1) above to select the **Client Risk Relativity** from Section **C. RATES, Table 5 – Client Risk Relativities**.
 - (4) Select the **Base Rate** from Section **C. RATES, Table 1 – Base Rate**.
 - (5) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (6) Select the **Territory Multiplier** from Section **C. RATES, Table 3 – Territory Multipliers**.

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- (7) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section **C. RATES, Table 4 – Claims-Made Factors**.
- (8) Multiply the values in (2) through (7) to determine the **Client Risk Charge**.
- e. For each Specialist:
 - (1) Select the **Base Rate** from Section **C. RATES, Table 1 – Base Rate**.
 - (2) Select the **Specialist Relativity** from Section **C. RATES, Table 6 – Specialist Relativities**.
 - (3) Select the **Employment Relativity** from Section **C. RATES, Table 7 – Employment Relativities**.
 - (4) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
 - (5) Select the **Territory Multipliers** from Section **C. RATES, Table 3 – Territory Multipliers**.
 - (6) Select the **Medical Malpractice Relativity** from Section **C. RATES, Table 8 – Medical Malpractice Relativities**.
 - (7) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section **C. RATES, Table 4 – Claims-Made Factors**.
 - (8) Multiply the values in (1) through (7) to determine the **Specialist Charge**.
 - (9) For each Specialist rated, sum the **Specialist Charge** to determine the **Specialist Premium**.
- f. Vicarious Coverage Premium Determination:

Sum the **Agency Charge, Client Risk Charge** and **Specialist Premium** to determine **Vicarious Premium**.

2. Medical Professional Liability Coverage

- a. Description: This optional endorsement provides coverage for medical professionals listed in the endorsement Schedule: (1) while performing acts within the scope of their employment for the insured; (2) while performing duties related to the conduct of the insured’s organization; or (3) for employed medical professionals, while performing acts that meet the policy definition of a Good Samaritan act.

Limits of insurance do not apply separately to each medical professional listed in the Schedule.

- b. Form: PI-HS-013 IL
- c. Medical Professional Premium Determination:

For each Specialist:

- (1) Select the **Base Rate** from Section **C. RATES, Table 1 – Base Rate**.

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- (2) Select the **Specialist Relativity** from Section C. **RATES, Table 6 – Specialist Relativities**.
- (3) Select the **Employment Relativity** from Section C. **RATES, Table 7 – Employment Relativities**.
- (4) Select the **Increased Limit Factor (“ILF”)** from ISO General Liability ILF Premises/Operations – Table 2.
- (5) Select the **Territory Multipliers** from Section C. **RATES, Table 3 – Territory Multipliers**.
- (6) If Claims-made is selected, then select the appropriate **Claims-Made Factor** from Section C. **RATES, Table 4 – Claims-Made Factors**.
- (7) Multiply the values in (1) through (6) to determine the **Specialist Charge**.
- (8) For each specialist rated, sum the **Specialist Charge** to determine the **Medical Professional Premium**.

Note 1: Medical Professional Liability Coverage is available contingent upon the selection of **Vicarious Medical Professional Liability Coverage**.

3. Locum Tenens Coverage

- a. Description: This optional endorsement provides coverage for a medical professional who the insured utilizes as a temporary substitute or in relief for a staff medical professional.

It is intended to be used whenever the need arises for an insured risk, due to circumstances that affect a staff medical professional, such as vacation leave, sabbatical, or injury, that requires such locum tenens professional to fill in.

- b. Form: PI-HS-017
- c. Premium Determination: There is no **Locum Tenens Premium**.

4. Illinois Extended Reporting Period Endorsement

- a. Description: This mandatory endorsement sets forth the applicable Extended Reporting Period provisions applicable to Claims Made Coverage forms for Illinois risks.

The insured will receive an automatic Five Year Extended Reporting Period, unless the Unlimited Extended Reporting Period is purchased and other conditions outlined in the endorsement are met.

- b. Form: PI-HS-ERP-IL 1
- c. Premium Determination: **ERP Premium** equals:

Automatic Five Year Extended Reporting Period	No premium charge
Unlimited Extended Reporting Period	200% of the expiring annual premium

5. Additional Coverage Determination

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- a. Add the **Vicarious Premium, Medical Professional Premium, Locum Tenens Premium** and **ERP Premium** to determine the **Additional Coverage Premium**.
- b. Add the **Additional Coverage Premium** to the Policy Premium.

B. ADDITIONAL RULES

Exposure Grades

1. Incidental Professional Liability Exposure

The minimum premium for incidental professional risks is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include:

Incidental Professional Liability Risks

- Administrative offices
- Art/music institutions
- Client advocacy (no individual clients)
- Fund-raising organizations
- Information services
- Meals on Wheels
- Nutritional and recreational programs
- Thrift stores
- Volunteer recruitment

2. Low Professional Liability Exposure

The minimum premium for risks with low professional liability exposure only is \$1,000, which is not subject to any other rating factor.

Risks that fall within this category include:

Low Professional Liability Risks

Client Risk Exposure

Alcoholism Councils	N/A
Bereavement Counseling	N/A
Chore Services (Homemaker Assistance / Home Repair)	N/A
Cultural/ Linguistic Assimilation Programs	N/A
Day Care or In-Home Assistance to Elderly	N/A
Day Care/Nursery School (except Head Start & handicapped)	N/A
Family Planning/Pregnancy (counseling only)	N/A
Financial Counseling and Education	N/A
Health Education Workshops	N/A
Homeless Counseling/Shelters – Independent Living	Per Resident
Housing Referral	N/A
Independent Living (aged only)	Per Resident
Individual Counseling (stress, career, etc.)	N/A
Marriage and Family Counseling	N/A
Peer Counseling with Professional Supervision	N/A
Religious Youth & Outreach Groups	N/A
Resource Referral	N/A
Retirement Communities, Independent Living	Per Resident
Schools (Day)	N/A
Vocational Education/Sheltered Workshops	N/A

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3. Moderate Professional Liability Exposure

The minimum premium for risks with moderate professional liability exposure is \$1,500, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>Moderate Professional Liability Risks</u>	<u>Client Risk Exposure</u>
AIDS Counseling & Case Management	N/A
Big Brothers/Big Sisters	N/A
Counseling Developmentally Disabled	N/A
Counseling for Emotionally Disturbed (non-violent)	Per 100 Outpatient Visits
Day Care Centers/Schools (Head Start & handicapped)	N/A
Developmentally Disabled Residence (no medical care)	Per Bed (Low)
Disease Control Clinics	Per 100 Outpatient Visits
Family Planning/Pregnancy (counseling & exams)	Per 100 Outpatient Visits
Group Homes – Abused Children – Supervised Living	Per Bed (Medium)
Group Homes – Battered Women – Supervised Living	Per Bed (Low)
Group Homes – Drug Abusers – Supervised Living	Per Bed (Low)
Groups Homes – Miscellaneous – Supervised Living	Per Bed (Low)
Home Health Agency	Per 100 Outpatient Visits
Homeless Counseling/Shelters – Supervised Living	Per Bed (Low)
Hotlines (not crisis intervention)	Per 100 Outpatient Visits
Immunization Clinics	Per 100 Outpatient Visits
Infant Health Assessment Programs	Per 100 Outpatient Visits
Methadone Maintenance	Per 100 Outpatient Visits
Parenting Classes	N/A
Physically Handicapped Residence Programs (no medical care)	Per Bed (Low)
Respite Care	Per Bed (Low)
Retirement Communities, Residential care (no medical facilities)	Per Bed (Low)
Schools, Residential (academic)	Per Bed (Low)
Schools, Residential (excl. emotionally disturbed or handicapped)	Per Bed (Low)
Senior Health Assessment Clinics	Per 100 Outpatient Visits
Sexually Transmitted Disease Clinics	Per 100 Outpatient Visits
Shelters – Indigent (overnight only)	Per Bed (Low)
Visiting Nurse	Per 100 Outpatient Visits

4. High Professional Liability Exposure

The minimum premium for risks with high professional liability exposure is \$2,500, which is not subject to any other rating factor.

Risks that fall within this category include:

<u>High Professional Liability Risks</u>	<u>Client Risk Exposure</u>
Adoption	Placements
Community Homes for the Aged	Per Bed (Medium)
Crisis Intervention	Per 100 Outpatient Visits
Family Planning/Pregnancy (counseling, exams & prenatal care)	Per 100 Outpatient Visits
Foster Care	Placements
Foster Care, Residential	Per Bed (High)
Foster Grandparents	Placements
Group Home for Mentally or Physically Handicapped (including intermediate nursing care)	Per Bed (High)
Halfway House – Intermediate Care	Per Bed (Medium)

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High Professional Liability Risks (Continued)

Client Risk Exposure

HIV Testing	Per 100 Outpatient Visits
Hospice	Per Bed (Medium)
Needle Exchange Programs	Per 100 Outpatient Visits
Physical Rehabilitation (outpatient)	Per 100 Outpatient Visits
Physical Rehabilitation (residential)	Per Bed (Medium)
Residential Care for Children (including intermediate care)	Per Bed (High)
Retirement Communities, Intermediate Care	Per Bed (High)
Schools, Residential (including severely disturbed or handicapped)	Per Bed (Medium)
Substance Abuse Facility (no detox)	Per Bed (Medium)
Supportive Living Facility	Per Bed (Medium)
Treatment Centers – Drug & Alcohol Abuse (no detox)	Per Bed (Medium)
Well Child Clinics	Per 100 Outpatient Visits
Alzheimer's Residences	Per Bed (Very High)
Group Home for Mentally or Physically Handicapped (skilled nursing care)	Per Bed (Very High)
Hotlines (Crisis Intervention)	Per 100 Outpatient Visits
Hotlines (Suicide Prevention)	Per 100 Outpatient Visits
Retirement Communities (skilled nursing care)	Per Bed (High)
Substance Abuse Facility (including detox)	Per Bed (Very High)

C. RATES

Table 1 – Base Rate (Occurrence) at \$100,000 / \$200,000 Limits

Base Rate	3,792
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Table 2 – Agency Relativity

Agency Relativity	.245
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Table 3 – Territory Multipliers

Territory	Territory Description	Multiplier
1	Cook County	1.000
2	Remainder of State	0.491

Table 4 – Claims-Made Factors

Year in Claims Made	Factor
0	0.450
1	0.700
2	0.850
3	0.900
4	0.950
5+	1.000

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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Table 5 – Client Risk Relativities

Client Risk Exposure	Relativity
Per Resident	0.001
Per Bed (Low)	0.006
Per Bed (Medium)	0.023
Per Bed (High)	0.037
Per Bed (Very High)	0.056
Per Placement	0.023
Per 100 Outpatient Visits	0.012

Table 6 – Specialist Relativities

Specialties	Relativity
Physicians (no surgery)	1.000
Pediatrics (no surgery)	1.000
Medical Directors	0.059
Pharmacists	0.079
Physical Therapists	0.103
Nurse Practitioners	0.222
Physicians Assistants	0.222
Paramedic EMT's	0.222
Psychiatrists	0.426
Dentists	0.247
Optometrists	0.200

Table 7 – Employment Relativities

Employment Type	Relativity
Full-time (≥ 20 hours / week)	1.000
Part-time (< 20 hours / week)	0.500

Table 8 – Medical Malpractice Relativities

Specialist Personal Insurance	Relativity
Primary Medical Malpractice below \$1,000,000	1.000
Primary Medical Malpractice equal to or greater than \$1,000,000	0.300

D. PREMIUM INSTALLMENT PLAN OPTIONS

The following payment plans are available, subject to a minimum per payment amount of \$500:

1. 25% deposit + 3 equal installments the following 3 months (\$2,000 minimum premium)
2. 25% deposit + 5 equal installments the following 5 months (\$3,334 minimum premium)
3. 25% deposit + 9 equal installments the following 9 months (\$6,000 minimum premium)
4. 50% deposit + 2 equal installments the following 2 months (\$2,000 minimum premium)

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