

Agency Alert

IMPORTANT INFORMATION FOR MA, ME, NC, NH, VA & VT AGENTS: IPL & PCPL Rule Revisions

Medical Professional Mutual Insurance Company (“ProMutual”) and ProSelect Insurance Company (“ProSelect”) have filed and received approval for rule revisions for Individual Professional Liability (IPL) and Partnership and Corporation Professional Liability (PCPL) policies in Maine, Massachusetts, New Hampshire, North Carolina, Vermont and Virginia. These changes are **effective immediately in Vermont** and starting **May 1, 2011, in Maine, Massachusetts, New Hampshire, North Carolina and Virginia** for new and renewal business. The corresponding rule revisions include:

Limited Practice Credit

The Limited Practice Credit maximum has been increased to 75 percent from 50 percent. In addition, practitioners classified as OB/GYN that perform 65 or fewer deliveries annually are now eligible for a 25 percent premium credit. *Please see Chart 1 below for details.*

Moonlighting Credit

The Moonlighting Credit maximum has been increased to 75 percent from 50 percent. *Please see Chart 2 below for details.*

FTCA Credit

The FTCA Credit maximum has been increased to 75 percent from 50 percent. *Please see Chart 3 below for details.*

In addition, the Credits and Discounts Grid has been revised and is attached below. It is also located on the Agent Online Services website under the “Underwriting” section.

If you have questions or concerns regarding the information presented in this Alert, please contact your marketing representative or underwriter.

All the best,



Michael Kubik
Vice President, Marketing

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Enc. Limited Practice, Moonlighting & FTCA Credits Charts
Revised Credits & Discounts Grid



**Individual Professional Liability (IPL) and Partnership and Corporation Professional Liability (PCPL)
Rule Revisions**

Chart 1: Limited Practice Credit

Claims Made Maturity	Years of Limited Practice	Credit 1-10 Hours per Week	Credit 11-15 Hours per Week	Credit 16-20 Hours per Week
First Year	0	75%	60%	50%
Second Year	6 months or more	75%	60%	50%
	0 to < 6 months	75%	60%	50%
Third Year	1 ½ years or more	75%	60%	50%
	6 months to < 1 ½ years	67.50%	54%	45%
	0 to < 6 months	56.25%	45%	37.50%
Fourth Year	2 ½ years or more	75%	60%	50%
	1 ½ years to < 2 ½ years	67.50%	54%	45%
	6 months to < 1 ½ years	56.25%	45%	37.50%
	0 to < 6 months	37.50%	30%	25%
Mature	3 ½ years or more	75%	60%	50%
	2 ½ years < 3 ½ years	67.50%	54%	45%
	1 ½ years to < 2 ½ years	56.25%	45%	37.50%
	6 months to < 1 ½ years	37.50%	30%	25%
	0 to < 6 months	22.50%	18%	15%

Occurrence		
Credit 1-10 Hours per Week	Credit 11-15 Hours per Week	Credit 16-20 Hours per Week
75%	60%	50%

Chart 2: Moonlighting Credit

Hours per Week	Amount of Credit
1 to < 11 hours	75%
11 to < 16 hours	60%
16 to < 21 hours	50%
21 to < 31 hours	25%
31+ hours	0% (considered full practice)

Chart 3: FTCA Credit

Non-FTCA Hours per Week	Amount of Credit
0 to < 11 hours	75%
11 to < 16 hours	60%
16 to < 21 hours	50%
21 to < 31 hours	25%
31+ hours	0% (considered full practice)

CREDITS & DISCOUNTS AVAILABLE TO INSUREDS¹

Listed Alphabetically by Credit/Discount Name

Name of Credit/Discount	Description	Amount of Credit/Discount Offered	Application/Documentation Required
Claims Free Credit <i>Available in all states</i>	<ul style="list-style-type: none"> Applied automatically for non-experience rated ProMutual Group insureds Based upon closed claims with indemnity payments of \$10,000 or higher Automatically adjusted each year at renewal based upon closed claim date 	<ul style="list-style-type: none"> Starts at 3% for 3 years claims free Maximum of 15% for 15 years claims free 	No application required; loss history required from prior carrier(s) for new business applicants to verify claims free status
Emergency Physician Credit <i>Available in all states</i>	<ul style="list-style-type: none"> Physician must take and pass <u>MACEP</u> test with minimum score of 90% Physician must have full-time (<i>greater than 21 hours per week</i>) employment in an Emergency Department Emergency Department must be approved by a ProMutual Group risk management on-site assessment 	<ul style="list-style-type: none"> 20% per year for 4 years 	<u>APP 006 Emergency Physician Risk Management Credit</u> (<i>required every year</i>)
Experience Rating Plan <i>Available in all states</i>	<ul style="list-style-type: none"> Applies to physician groups (<i>with minimum of 3 physicians</i>), hospitals and long-term care facilities Applies to hospitals and long-term care facilities that have at least 3 years loss experience Experience modification applied to premium at policy issuance Five-year experience period for each individual used to calculate group's experience modification In no instance will less than 3 years experience be used May result in debit or credit 	<ul style="list-style-type: none"> Credit/debit varies depending on size, exposure and losses No minimum or maximum 	No application required
Federal Tort Claims Act (FTCA) Program Credit <i>Available in all states</i>	<ul style="list-style-type: none"> Eligible practitioners who can demonstrate that a portion of their practice is covered under the FTCA statute Premium credit based on number of hours per week spent performing non-FTCA activities 	<ul style="list-style-type: none"> 0 to <11 hrs. non-FTCA: 75% 11 to <16 hrs. non-FTCA: 60% 16 to <21 hrs. non-FTCA: 50% 31 to <31 hrs. non-FTCA: 25% 31+ hrs. non-FTCA: 0% 	<u>APP 024 FTCA Restricted Coverage Questionnaire</u>
Fetal Heart Monitoring Program Credit² <i>Available in all states</i>	<ul style="list-style-type: none"> Insureds must be practicing OB/GYNs, certified nurse midwives or family practitioners performing deliveries An online course must be completed 90 days prior to the renewal date or prior to binding coverage (<i>for new applicants</i>) Participants should use a PC computer, Internet Explorer and have a wireless Internet connection in order for the course to operate properly 	<ul style="list-style-type: none"> 5% credit at next renewal for 3 years 	Successful completion of course for \$20 at www.pmgcme.com
Limited Practice <i>Available in all states</i>	<ul style="list-style-type: none"> Insured must be working 21 hours or less per week or less than 80 hours per month in direct patient care Direct patient care includes, but is not limited to, reviewing files, examining patients and telephone consultations Only non-surgical physicians and those who perform minor surgery are eligible (<i>volunteer or retired classes are no longer eligible</i>) OB/GYNs that perform 65 or fewer deliveries annually are eligible 	<ul style="list-style-type: none"> 75% per year for occurrence policies Claims made policies 15% to 75% depending on the "maturity" of the policy 	<u>APP 020 Limited Practice Credit Application</u> (or <u>APP 021 Academic Credit Application</u> , if applicable)

¹ Credits and discounts included in this chart are the company's most frequently applied credits and discounts; there may be additional credits and discounts offered by the company that are not included in this chart. Credits and discounts listed may vary by state. Terms and conditions of each credit and discount are in accordance with the company's filing in that state. In the instance of any discrepancy between this chart and our state filing, the state filing will take precedence.

² These credits are applied as part of schedule rating.

Name of Credit/ Discount	Description	Amount of Credit/ Discount Offered	Application/Documentation Required
Moonlighting Credit <i>Available in all states</i>	<ul style="list-style-type: none"> ■ To be eligible, physicians must have primary coverage elsewhere ■ Only non-surgical physicians are eligible (<i>surgical, volunteer and retired physicians are not eligible</i>) ■ Eligibility may also be subject to company's underwriting guidelines 	<ul style="list-style-type: none"> ■ 1 to <11 hrs.: 75% ■ 11 to <16 hrs.: 60% ■ 16 to <21 hrs.: 50% ■ 21 to <31 hrs.: 25% ■ 31+ hrs.: 0% 	APP 017 Moonlighting Credit Application Addendum
New to Practice Credit <i>Available in all states</i>	<ul style="list-style-type: none"> ■ For physicians that have just completed their residency, fellowship or military service following residency 	<ul style="list-style-type: none"> ■ Less than 6 months after completion of residency/fellowship: 50% ■ 6 to 18 months after completion of residency/fellowship: 25% 	No application required
OB Simulation Credit² <i>Available in all states</i>	<ul style="list-style-type: none"> ■ Course offered by the Center for Medical Simulation in Cambridge, MA ■ For obstetricians only ■ Credit given at next renewal following successful completion of course 	<ul style="list-style-type: none"> ■ 3% for 2 years 	For information on the credit program please call 617-768-8900 or email info@harvardmedsim.org ; Submit certificate from the Center for Medical Simulation
Ophthalmology Seminar Discount^{2,3,4} <i>Available in Massachusetts only</i>	<ul style="list-style-type: none"> ■ Subject to availability through annual seminars given by Massachusetts Ophthalmology Association ■ Credit earned by attending seminar 	<ul style="list-style-type: none"> ■ 5% per year for 2 years 	Massachusetts Ophthalmology Society notifies ProMutual Group
Orthopaedic Program Credit⁴ <i>Available in all states</i>	<ul style="list-style-type: none"> ■ Course offered by ProMutual Group in conjunction with the American Academy of Orthopaedic Surgeons (AAOS) ■ Insureds must be practicing orthopaedists ■ Insureds must complete 3 of 4 CME courses, which includes a pre-test, course, post test and course evaluation ■ Courses must be completed 90 days prior to the renewal date or prior to binding coverage (<i>for new applicants</i>) 	<ul style="list-style-type: none"> ■ 5% premium credit at insureds next renewal for 3 years 	Complete the program at www.aaos.org/riskmanagementcme ; cost is free for AAOS members and \$15 for non-members; upon completion of program, insureds must mail, fax or email the certificate to their agent; agent then must forward a copy of certificate to their underwriter in order for the insured to receive credit
Orthopedic Seminar Discount^{2,3} <i>Available in Massachusetts only</i>	<ul style="list-style-type: none"> ■ Subject to availability through annual seminars given by Massachusetts Orthopedic Association ■ Credit earned by attending seminar 	<ul style="list-style-type: none"> ■ 5% per year for 3 years 	Massachusetts Orthopedic Association notifies ProMutual Group
Schedule Rating Plan <i>Available in all states</i>	<ul style="list-style-type: none"> ■ Characteristics evaluated include: risk management program; professional liability loss history; office appraisal; adequacy of staffing; selection, supervision and experience of personnel; qualification and experience of insured; and any unusual risk characteristics ■ May result in debit or credit 	<ul style="list-style-type: none"> ■ Up to 50%, depending on state 	No application required
Shoulder Dystocia Discount² <i>Available in all states</i>	<ul style="list-style-type: none"> ■ Who is eligible: MA: OB/GYNs, family practitioners w/ OB privileges and certified nurse midwives ME, NH & VT: OB/GYNs and family practitioners w/ OB privileges CT, NC, NJ, PA & RI: OB/GYNs only ■ Participants must be insured with ProMutual Group and receive a letter from the Underwriting Department inviting them to participate in course ■ Complete CD-ROM course and pass online exam 90 days before their renewal with a minimum score of 80 ■ Exam must be taken every 2 years to maintain discount 	<ul style="list-style-type: none"> ■ 5% for 2 years 	ProMutual Group notified of eligible physician's online exam score

³ These discounts are only available if the mentioned societies offer the seminars; discounts cannot be provided if societies have not elected to run the seminars.

⁴ Orthopaedists in Massachusetts can only take one orthopaedic program for the 5% credit/discount.