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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD



ZURICH

FILED

APR 01 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

December 17, 2009

Illinois Division of Insurance
320 West Washington
Springfield, IL 62767

ATTN: Gayle Neuman

Zurich North America

Reference: Illinois Med Mal Rules Manual
American Guarantee & Liability Ins. Co. NAIC# 212 26247, FEIN 36-6071400
Company Filing # CW PR 29310



Head Office
1400 American Lane
Schaumburg, Illinois
60196-1056

Telephone (847)413-5235
www.carole.amato@zurichna.com

Dear Ms Neuman:

RATE/RULE

In accordance with the filing requirements of your state, we would like to begin marketing an Ambulance program in a new additional company. We are submitting our Med Mal Rules Manual that includes ISO rules and proprietary rates and exceptions to ISO rules. This program falls under Medical Malpractice/Ambulance Services code 11.002.

This program has been "Filed for Use" and is pending state approval for Empire Fire and Marine Ins. Company (company filing# CW PR 26894).

Our statistical agent for reporting the medical liability statistics for the Zurich Companies is ISO. We have reviewed the required filing checklist and believe that we are compliant with state regulations.

We request that the form become effective April 1, 2010 for new and renewal business.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Carole Amato

Carole Amato
Product Analyst
Regulatory Services
(847) 413-5235
(847) 605-7768 (FAX)
carole.amato@zurichna.com

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December 17, 2009

Illinois Division of Insurance
320 West Washington
Springfield, IL 62767

ATTN: Gayle Neuman

Zurich North America

Reference: Illinois Med Mal Rules Manual
American Zurich Ins. Co. NAIC# 212 40142, FEIN 36-3141762
Company Filing # CW PR 29310

Head Office
1400 American Lane
Schaumburg, Illinois
60196-1056

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

December 17, 2009

Illinois Division of Insurance
320 West Washington
Springfield, IL 62767

ATTN: Gayle Neuman

Reference: Illinois Med Mal Rules Manual
Zurich American Ins. Co. NAIC# 212 16535, FEIN 36-4233459
Company Filing # CW PR 29310

Zurich North America

Head Office
1400 American Lane
Schaumburg, Illinois
60196-1056

Telephone (847)413-5235
www.carole.amato@zurichna.com

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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Illinois Division of Insurance
320 West Washington
Springfield, IL 62767

ATTN: Gayle Neuman

Zurich North America

Reference: Illinois Med Mal Rules Manual
Zurich American Ins. Co. of IL NAIC# 212 27855, FEIN 36-2781080
Company Filing # CW PR 29310

Head Office
1400 American Lane
Schaumburg, Illinois
60196-1056

Telephone (847)413-5235
www.carole.amato@zurichna.com

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(847) 413-5235
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carole.amato@zurichna.com

*1-0
MEM
KAT
John*
Jeh

ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.10)(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, Gary Shook, a duly authorized officer of Zurich North America, 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, Cheung Kwan, a duly authorized actuary of Zurich North America am authorized to certify on behalf of Zurich North America 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.

 Gary Shook, Vice President 12/16/2009
Signature and Title of Authorized Insurance Company Officer Date

 Cheung Kwan, Actuarial Director 12/16/2009
Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 36- 6071400 Filing Number CW PR 29310

Insurer's Address 1400 American Lane

City Schaumburg State IL Zip Code 60118

Contact Person's:

-Name and E-mail Carole Amato
carole.amato@zurichna.com

-Direct Telephone and Fax Number Phone - 847-413-5235,
FAX - 847-605-7768

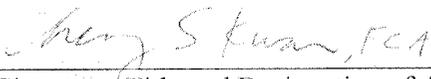
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 Gary Shook, Vice President _ 12/16/2009
Signature and Title of Authorized Insurance Company Officer Date

 Cheung Kwan, Actuarial Director _ 12/16/2009
Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 36-3141762 Filing Number CW PR 29310

Insurer's Address 1400 American Lane

City Schaumburg State IL Zip Code 60118

Contact Person's:

-Name and E-mail Carole Amato
carole.amato@zurichna.com

-Direct Telephone and Fax Number Phone - 847-413-5235,
FAX - 847-605-7768

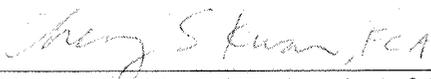
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I, Cheung Kwan, a duly authorized actuary of Zurich North America am authorized to certify on behalf of Zurich North America making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

 Gary Shook, Vice President 12/16/2009
Signature and Title of Authorized Insurance Company Officer Date

 Cheung Kwan, Actuarial Director 12/16/2009
Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 36-4233459 Filing Number CW PR 29310

Insurer's Address 1400 American Lane

City Schaumburg State IL Zip Code 60118

Contact Person's:

-Name and E-mail Carole Amato
carole.amato@zurichna.com

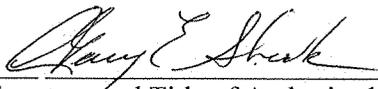
-Direct Telephone and Fax Number Phone - 847-413-5235,
FAX - 847-605-7768

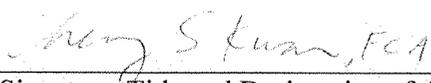
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I, Cheung Kwan, a duly authorized actuary of Zurich North America am authorized to certify on behalf of Zurich North America making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.


Signature and Title of Authorized Insurance Company Officer Gary Shook, Vice President Date 12/16/2009


Signature, Title and Designation of Authorized Actuary Cheung Kwan, Actuarial Director Date 12/16/2009

Insurance Company FEIN 36-2781080 Filing Number CW PR 29310

Insurer's Address 1400 American Lane

City Schaumburg State IL Zip Code 60118

Contact Person's:

-Name and E-mail Carole Amato
carole.amato@zurichna.com

-Direct Telephone and Fax Number Phone - 847-413-5235,
FAX - 847-605-7768

Neuman, Gayle

From: Carole Amato [carole.amato@zurichna.com]
Sent: Monday, May 24, 2010 6:49 AM
To: Neuman, Gayle
Subject: Re: Medical Malpractice Rate/Rule Filing #CW PR 29310

Please keep the 4/1/10 effective date.

Carole

"Neuman, Gayle"
<Gayle.Neuman@illinois.gov>
"Carole Amato"
05/20/2010 01:41 PM
To
<carole.amato@zurichna.com>
cc
Subject
Medical Malpractice Rate/Rule
Filing #CW PR 29310

Re: American Guarantee & Liability Ins Co
American Zurich Ins Co
Zurich American Ins Co
Zurich American Ins Co of Illinois

Ms. Amato,

The Department of Insurance has now completed its review of the filing referenced above. Originally, the companies had requested the filing be effective April 1, 2010. Was the filing put in effect on April 1, 2010 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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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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Zurich North America
Medical Professional Liability
FILING MEMORANDUM
ILLINOIS

Zurich is filing to add a new program. We would like to begin marketing a Medical Professional Liability policy as part of our Ambulance program. This new program will use proprietary rates and proprietary rules. The Rules are based on the ISO Medical Professional Liability filing.

We are filing rates, with volume discounts as the number of units on an account increases. This reflects expense savings on our end and the expectation that larger fleets are more likely to implement formal loss control programs. Size considerations prompted a grading of the unit rate by number of units. Larger accounts will receive a discount off the per unit base rate. Schedule rating will be used to more accurately rate accounts with slightly better or slightly worse risk than the average account.

In determining our proposed rate, we used Empire Fire and Marine's filed rates (our affiliated company).

We request an effective date of 4/01/2010.

Please let us know if you have any questions.

Neuman, Gayle

From: Carole Amato [carole.amato@zurichna.com]
Sent: Tuesday, February 02, 2010 3:32 PM
To: Neuman, Gayle
Subject: RE: Filing #CW PR 29310

Ms. Neuman:

Yes, an insured/account would receive a non-renewal notice mailed at least 60 days prior to the nonrenewal date if risk characteristics change for an insured/account causing such tiering change. That is what is required by Illinois statutes and we comply with their regulations.

Sincerely,
Carole Amato

"Neuman, Gayle"
<Gayle.Neuman@illinois.gov>
02/02/2010 02:36 PM
"Carole Amato"
<carole.amato@zurichna.com>
cc
To
Subject
RE: Filing #CW PR 29310

Ms. Amato,

Please confirm before an insured/account is placed in a different company that an insured/account would receive a non-renewal notice mailed at least 60 days prior to the nonrenewal date if risk characteristics change for an insured/account causing such tiering change.

Gayle Neuman
Department of Insurance

-----Original Message-----

From: Carole Amato [mailto:carole.amato@zurichna.com]
Sent: Tuesday, February 02, 2010 2:21 PM
To: Neuman, Gayle
Subject: Re: Filing #CW PR 29310

Ms. Neuman:

In response to your concerns please note our response below:

1. Rule 17 - please see the section labeled Zurich North America

Exceptions to ISO General Rules: Rule 17.A

A. All limits are expressed in thousands of dollars

2. In regard to the Company Deviation Rule, is this a tiering plan?

Yes, this is a Company tiering plan. The company selection guidelines are specified in the attached file.

(See attached file: MPL company selection guides.doc)

3. Rule 28 mentions occurrence and claims-made coverage.

We only have an occurrence Coverage form on file and will only be writing occurrence policies. Therefore, an extended reporting period is not necessary. PR 00 05

(See attached file: PR0005 0908.pdf)

Please let me know if you have any further questions or concerns.

Sincerely,

Carole Amato
847-413-5235

"Neuman, Gayle"

<Gayle.Neuman@ill

inois.gov>

To

"Carole Amato"

02/02/2010 11:14 <carole.amato@zurichna.com>

AM

cc

Subject

Filing #CW PR 29310

Ms. Amato,

I am in receipt of the above referenced filings submitted for American Guarantee and Liability, American Zurich, Zurich American, and Zurich American of Illinois submitted with your letters dated December 17,

2009.

Please address the followings questions/concerns/issues:

1. Unfortunately, I can not reference a certain page number. Under Rule 17 Increased Limits Tables - I don't see where these tables reference that the limits listed are multiplied by 1,000.
2. In regard to the Company Deviation rule, is this a tiering plan? Does an insured get based in the company with the lowest factor based on something like credit? Please explain.
3. Rule 28 mentions occurrence and claims-made coverage. Section I General Rules - Base Rates does not clarify if \$1148 is for occurrence or claims-made. Additionally, if coverage is written on a claims-made basis, you would need to include extended reporting period rules and factors. Please explain.

I request receipt of your response by no later than February 9, 2010.

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

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**Zurich North America
Illinois
Proposed Rates**

Rates at 100/300 Limits FOR IL

Number of Units	Fact or	Base
First 4	1	700
5 th to 19 th	0.9	609
20 th +	0.8	546



Adjusting for new ISO Limits

Rates at 500/1500 Limits FOR CA

Number of Units	Fact or	Base
First 4	1	1148
5 th to 19 th	0.9	999
20 th +	0.8	895

In determining Zurich's proposed rate, we used Empire Fire and Marine's filed rates (our affiliated company). We adjusted Empires filed rates for ISO's new base rate of 500/1500 by applying an ILF.

Zurich North America
Illinois Med Mal Rules Manual

Edition 4-01-2010

FILED

APR 01 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

INDEX
Zurich North America

- ISO General Rules
 - o Company Exceptions to ISO General Rules

- ISO Coverage Rules
 - o Company exceptions to ISO Coverage Rules

- Company Schedule Rating Plan

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APR 01 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

General Rules:

- Rule 1-Application of This Division
- Rule 2-Referrals to Company
- Rule 3-Effective Date
- Rule 4-Policy Term
- Rule 5-Premium Computation
- Rule 6-Factors or Multipliers
- Rule 7-Rounding Procedure
- Rule 9-Additional Premium Changes
- Rule 10-Return Premium Changes
- Rule 11-Policy Cancellations
- Rule 12-Forms Portfolio Reference
- Rule 14-Resident Agent Countersignature
- Rule 15-Special Rule for Individual Risk Situations
- Rule 16-Basic Limits
- Rule 17-Increased Limits Tables
- Rule 18-Deductibles
- Rule 19-Premium Determination
- Rule 20-Description of Additional Optional Endorsements

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APR 01 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

ISO | Medical Professional Liability Loss Cost | 09/01/08

**COMMERCIAL LINES MANUAL
DIVISION SEVEN
MEDICAL PROFESSIONAL LIABILITY**

RULE 1. APPLICATION OF THIS DIVISION

A. Contents

Division Seven contains the rules, rating procedures, state exceptions and may contain individual company rates for the following liability coverages:

1. Hospital Professional Liability Coverage
2. Physicians, Surgeons And Dentists Professional Liability Coverage
3. Allied Health Care Providers Professional Liability Coverage
4. Blood Banks Professional Liability Coverage
5. Diagnostic Testing Laboratories Professional Liability Coverage
6. Optometrists Professional Liability Coverage
7. Veterinarian Professional Liability Coverage

B. Sections

This Division is divided into separate Sections for:

1. Section I – General Rules
2. Section II – Coverage Rules
3. Rating Relativities And Factors
4. Classification Table

C. Rule Exceptions

Refer to state exceptions for any exception to the rules in this division.

D. Company Rates/ISO Loss Costs

1. ISO does not distribute either rates or loss costs for this division. Insurers will individually distribute either loss costs with their own adjustment factors or their individual company rates. A loss cost is that portion of the premium which covers only losses and the costs associated with settling losses.
2. All rules in this division are designed to be utilized with rates. All references in the rules and examples to rates and/or premiums (including base premiums) shall be interpreted to mean those established by the individual insurance company. Refer to company for specific instructions and procedures and rates.

E. Statistical Codes

Most statistical codes are shown with the state company rates or in the specific rules. For statistical codes not shown, refer to the General Liability module of the Commercial Statistical Plan, using the Medical Professional Liability subline.

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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

ISO | Medical Professional Liability Loss Cost | 09/01/08

**COMMERCIAL LINES MANUAL
DIVISION SEVEN
MEDICAL PROFESSIONAL LIABILITY**

RULE 2. REFERRALS TO COMPANY

Refer to company for:

A. Any applicable rating plan modification.

B. Rating or classifying any risk or exposure for which there is no manual rate or applicable classification.

Rates shall not be inadequate, excessive or unfairly discriminatory. (For other refer-to-company situations, see Rule 15. Special Rule For Individual Risk Situations.)

Companies should maintain complete files, including all details of the factors used in determining the rate or classification for a particular risk and make these files available to state regulators on request. Such rates or classifications need not be filed with the state regulator.

The second paragraph of Paragraph B. shall not apply when a company has developed or prepared a manual or schedule of rates which includes a classification applicable to a risk being written. To the extent that filing requirements apply to such a manual or schedule of rates, they must be followed.

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

ISO | Medical Professional Liability Loss Cost | 09/01/08

**COMMERCIAL LINES MANUAL
DIVISION SEVEN
MEDICAL PROFESSIONAL LIABILITY**

RULE 3. EFFECTIVE DATE

The date shown on the bottom of the manual page is a printing date and not necessarily the effective date. The effective date, if any, will be announced on the Notice to Manualholders accompanying new or revised manual pages.

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

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**COMMERCIAL LINES MANUAL
DIVISION SEVEN
MEDICAL PROFESSIONAL LIABILITY**

RULE 4. POLICY TERM

A. Policies may be written for a specific term up to three years or on a continuous basis.

B. A policy may be renewed by renewal certificates. When renewal certificates are used, they must conform in every respect to current rules, rates and forms at the time of renewal.

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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

ISO | Medical Professional Liability Loss Cost | 09/01/08

**COMMERCIAL LINES MANUAL
DIVISION SEVEN
MEDICAL PROFESSIONAL LIABILITY**

RULE 5. PREMIUM COMPUTATION

A. Prepaid Policies

1. Compute the premium using the annual rates in effect at policy inception multiplied by the policy term expressed in years (term factor). Refer to Table 5.A.1.(RF) for the appropriate term factor.
2. If the term of the policy is less than one year, multiply the premium determined in Paragraph 1. by the factor shown in Table 5.A.2.(RF) unless the policy is issued to obtain anniversary dates common with other policies.

B. Continuous And Annual Premium Payment Plan Policies

1. Compute the premium for each annual payment on the basis of the annual rates in effect on each anniversary date of the policy.
If the estimated annual premium is less than \$500, the rate and premium adjustment for a policy written for a period of more than one year may be deferred until termination of the policy.
2. Prorate the premium in Paragraph 1. when the policy is issued for other than a whole number of years.

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

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**COMMERCIAL LINES MANUAL
DIVISION SEVEN
MEDICAL PROFESSIONAL LIABILITY**

RULE 6. FACTORS OR MULTIPLIERS

Factors or multipliers are to be applied consecutively and not added together, unless otherwise specified.

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STATE OF ILLINOIS
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RULE 7. ROUNDING PROCEDURE

A. Rates

Round rates, factors and multipliers after the final calculation to three decimal places. Five-tenths or more of a mill shall be considered one mill. For example, .1245 = .125.

B. Premium

Round the premium for each coverage for which a separate premium is calculated to the nearest whole dollar. Round a premium involving \$.50 or over to the next higher whole dollar.

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RULE 9. ADDITIONAL PREMIUM CHANGES

A. Calculation Of Premium

1. Prorate all changes requiring additional premium.
2. Apply the rates and rules in effect on the effective date of the policy, or, if the change is made after an anniversary date of the policy, apply the rates and rules in effect on that anniversary date. The additional premium developed is in addition to any applicable policywriting minimum premium.

B. Waiver Of Premium

1. Additional premiums at or below a specified amount may be waived. Refer to company for the maximum amount to be waived.
2. This waiver applies only to that portion of the premium due on the effective date of the policy change.

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RULE 10. RETURN PREMIUM CHANGES

A. Premium Computation

1. Compute return premium at the rates used to calculate the policy premium.
2. Compute return premium pro rata and round to the next higher whole dollar when any coverage or exposure is deleted or an amount of insurance is reduced. Retain the policywriting minimum premium.

B. Waiver Of Premium

1. Return premiums at or below a specified amount may be waived. Refer to company for the maximum amount to be waived.
2. This waiver applies only to that portion of the return premium due on the effective date of the policy change.
3. Any return premium due the insured must be granted if the insured requests it.

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RULE 11. POLICY CANCELLATIONS

A. Pro Rata Calculation

Compute return premium pro rata and round to the next higher whole dollar when a policy is cancelled:

1. At the company's request.
2. Because the insured no longer has a financial or insurable interest in the business operation that is the subject of insurance.
3. And rewritten in the same company or company group.
4. After the first year for a prepaid policy written for a term of more than one year.

B. Other Calculations

If Paragraph A. does not apply, compute the return premium as follows:

1. Continuous And Annual Premium Payment Policies

Compute return premium by applying the factor shown in Table 11.B.(RF) to the pro rata unearned premium for the one year or annual installment period and round to the next higher whole dollar.

2. Prepaid Policies

If cancelled during the first year, compute the return premium by applying the factor shown in Table 11.B.(RF) to the pro rata unearned premium for the first year, plus the full annual premium for the subsequent years and round to the next higher whole dollar.

3. Policies With Term Less Than One Year

Compute return premium by applying the factor shown in Table 11.B.(RF) to the pro rata unearned premium and round to the next higher whole dollar.

C. Retention Of Policywriting Minimum Premium

Retain the policywriting minimum premium when return premium is calculated under Paragraph B. except when a policy is cancelled as of the inception date.

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**RULE 12.
FORMS PORTFOLIO REFERENCE**

Refer to the forms portfolio for information on:

- A. Sample forms; and
- B. Applicability and edition dates of forms.

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**RULE 14.
RESIDENT AGENT COUNTERSIGNATURE**

This rule does not apply.

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RULE 16. SPECIAL RULE FOR INDIVIDUAL RISK SITUATIONS

A. Refer To The Company

1. For rating or classifying any risk or exposure for which:

- a. The manual rate or applicable classification is clearly demonstrated to be inappropriate because of a unique or unusual feature of the risk; or

Note

To the extent that consent-to-rate procedures apply, they must be followed.

- b. The coverage to be written is broader than that contained in the applicable standard coverage part; or

Note

To the extent that forms filing requirements apply, they must be followed.

- c. There is proof that, for a specified medical professional liability coverage, the named risk is qualified in this jurisdiction for placement of such insurance with an unauthorized insurer, and the insured agrees to the proposed rate or premium to be charged; or

- d. Excess insurance is being provided. Excess insurance means liability insurance provided in an amount not less than \$1,000,000 in excess of a specified retained limit provided that such retained limit is not less than:

(1) \$350,000 per claim, as respects those exposures covered by underlying insurance; and

(2) \$10,000 per claim, as respects those exposures not covered by underlying insurance; or

- e. Increased limits are provided and the annual increased limits written premium determined by the customary rating procedures is \$5,000 or more.

Note

Refer to company only for that portion of the premium in excess of the basic limit written premium.

2. If a coverage part providing the insurance contemplated by an applicable classification and rate is endorsed to restrict coverage for hazards not common to all risks within the class.

Note

To the extent that forms filing requirements apply, they must be followed.

3. Where liability increased limits are provided and the risk is reinsured on a facultative basis.

The following rating procedure is available for the determination of the applicable premium:

- a. Manual rules and rates shall apply to the portion of the limits of liability retained by the company.

- b. For limits of liability obtained by means of facultative reinsurance, the premium shall be the facultative cost for such insurance increased by a charge up to but not exceeding 50%.

4. If an aggregate limit of medical professional liability insurance is adjusted at any time during the policy period.

B. Filing Obligations

When a particular risk is modified in accordance with Paragraph A., companies should maintain a complete file, including all details of the factors used in determining the modification and make the file available to state regulators on request. Such modifications need not be filed with the state regulator.

Note

Rates shall not be inadequate, excessive or unfairly discriminatory.

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RULE 16. BASIC LIMITS

A. Basic limits is an amount of insurance upon which company rates are based. Basic limits may be adjusted by the appropriate increased limits factors.

B. For basic limits, refer to the appropriate coverage rule in Section II of this manual.

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RULE 17. INCREASED LIMITS TABLES

Aggregate	Per Medical Incident						
	\$ 100	200	250	300	500	750	1,000
\$ 300	0.56	0.65	0.68	0.70			
400	0.57	0.68	0.72	0.74			
500	0.58	0.70	0.74	0.78	0.85		
600	0.59	0.72	0.76	0.80	0.88		
750			0.78	0.82	0.92	0.97	
900			0.80	0.84	0.95	1.02	
1,000			0.81	0.85	0.97	1.05	1.10
1,500			0.82	0.86	1.00	1.13	1.20
2,000				0.87	1.01	1.16	1.25
2,500						1.17	1.27
3,000							1.29

The following factors MUST be referred to company before using.

Aggregate	Per Medical Incident				
	\$ 1,500	2,000	2,500	3,000	
\$ 1,500	1.28				
2,000	1.36	1.41			
2,500	1.40	1.47	1.51		
3,000	1.42	1.50	1.56	1.59	
4,000	1.44	1.53	1.60	1.66	
5,000	1.45	1.55	1.62	1.68	

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Table 17.E.#1(RF) Convalescent Or Nursing Homes, Rehabilitation Hospitals And Skilled Nursing Facilities - Short Term

Aggregate	Per Medical Incident						
	\$ 100	200	250	300	500	750	1,000
\$ 300	0.78	0.82	0.83	0.84			
400	0.79	0.84	0.85	0.86			
500	0.80	0.86	0.87	0.88	0.92		
600	0.81	0.88	0.89	0.90	0.94		
750			0.91	0.92	0.96	0.99	
900			0.93	0.94	0.98	1.01	
1,000			0.94	0.95	0.99	1.02	1.03
1,500			0.95	0.96	1.00	1.03	1.04
2,000				0.97	1.01	1.04	1.05
2,500						1.05	1.06
3,000							1.07

The following factors MUST be referred to company before using.

Aggregate	Per Medical Incident			
	\$ 1,500	2,000	2,500	3,000
\$ 1,500	1.06			
2,000	1.07	1.09		
2,500	1.08	1.10	1.12	
3,000	1.09	1.11	1.13	1.14
4,000	1.10	1.12	1.14	1.15
5,000	1.11	1.13	1.15	1.16

Table 17.E.#2(RF) Dentists

Aggregate	Per Medical Incident						
	\$ 100	200	250	300	500	750	1,000
\$ 300	0.58	0.64	0.66	0.67			
400	0.60	0.68	0.70	0.72			
500	0.61	0.70	0.73	0.75	0.80		

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600	0.62	0.72	0.76	0.78	0.84		
750		0.74	0.78	0.81	0.89	0.90	
900		0.76	0.80	0.83	0.93	0.96	
1,000		0.77	0.81	0.84	0.95	1.00	1.03
1,500		0.78	0.82	0.86	1.00	1.12	1.19
2,000				0.87	1.03	1.18	1.28
2,500						1.21	1.33
3,000							1.36

The following factors MUST be referred to company before using.

Aggregate	Per Medical Incident			
	\$ 1,500	2,000	2,500	3,000
\$ 1,500	1.27			
2,000	1.40	1.46		
2,500	1.48	1.57	1.62	
3,000	1.54	1.65	1.72	1.76
4,000	1.60	1.75	1.84	1.92
5,000	1.63	1.79	1.91	2.00

Table 17.E.#3(RF) Hospitals

Aggregate	Per Medical Incident						
	\$ 100	200	250	300	500	750	1,000
\$ 300	0.50	0.61	0.65	0.68			
400	0.51	0.63	0.68	0.72			
500	0.52	0.65	0.70	0.74	0.86		
600	0.53	0.67	0.72	0.76	0.89		
750		0.69	0.74	0.78	0.93	1.02	
900		0.71	0.76	0.80	0.96	1.07	
1,000		0.72	0.77	0.81	0.97	1.10	1.18

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1,500	0.73	0.78	0.83	1.00	1.18	1.29
2,000			0.84	1.01	1.21	1.34
2,500					1.22	1.37
3,000						1.38

The following factors MUST be referred to company before using.

Aggregate	Per Medical Incident			
	\$ 1,500	2,000	2,500	3,000
\$ 1,500	1.41			
2,000	1.50	1.58		
2,500	1.55	1.65	1.71	
3,000	1.58	1.69	1.76	1.81
4,000	1.60	1.73	1.82	1.88
5,000	1.61	1.74	1.84	1.91

Table 17.E.#4(RF) Physicians

Aggregate	Per Medical Incident						
	\$ 100	200	250	300	500	750	1,000
\$ 300	0.47	0.58	0.62	0.65			
400	0.48	0.60	0.65	0.69			
500	0.49	0.62	0.67	0.72	0.84		
600	0.50	0.64	0.69	0.74	0.88		
750		0.66	0.71	0.76	0.92	1.03	
900		0.68	0.73	0.78	0.95	1.08	
1,000		0.69	0.74	0.79	0.97	1.11	1.20
1,500		0.70	0.75	0.80	1.00	1.20	1.32
2,000				0.81	1.01	1.24	1.39
2,500						1.25	1.42
3,000							1.43

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The following factors MUST be referred to company before using.

Aggregate	Per Medical Incident			
	\$ 1,500	2,000	2,500	3,000
\$ 1,500	1.47			
2,000	1.57	1.67		
2,500	1.63	1.75	1.83	
3,000	1.67	1.81	1.90	1.96
4,000	1.70	1.86	1.97	2.06
5,000	1.71	1.88	2.01	2.11

Table 17.E.#5(RF) Surgeons

Aggregate	Per Medical Incident						
	\$ 100	200	250	300	500	750	1,000
\$ 300	0.61	0.70	0.73	0.76			
400	0.62	0.72	0.75	0.78			
500	0.63	0.74	0.77	0.80	0.92		
600	0.64	0.76	0.79	0.82	0.94		
750			0.81	0.84	0.96	1.06	
900			0.83	0.86	0.98	1.08	
1,000			0.84	0.87	0.99	1.09	1.15
1,500			0.85	0.88	1.00	1.12	1.18
2,000				0.89	1.01	1.13	1.19
2,500						1.14	1.20
3,000							1.21

The following factors MUST be referred to company before using.

Aggregate	Per Medical Incident*			
	\$ 1,500	2,000	2,500	3,000
\$ 1,500	1.27			
2,000	1.28	1.34		
2,500	1.29	1.35	1.40	

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3,000	1.30	1.36	1.41	1.45
4,000	1.31	1.37	1.42	1.46
5,000	1.32	1.38	1.43	1.47
* Per Optometric Incident for Optometrists				

Table 17.E.#6(RF) Allied Health Care And Optometrists

Aggregate	Per Medical Incident						
	\$ 100	200	250	300	500	750	1,000
\$ 300	0.83	0.85	0.86	0.87			
400	0.84	0.87	0.88	0.89			
500	0.85	0.89	0.90	0.91	0.92		
600	0.86	0.91	0.92	0.93	0.94		
750		0.93	0.94	0.95	0.96	0.97	
900		0.95	0.96	0.97	0.98	0.99	
1,000		0.96	0.97	0.98	0.99	1.00	1.01
1,500		0.97	0.98	0.99	1.00	1.01	1.02
2,000				1.00	1.01	1.02	1.03
2,500						1.03	1.04
3,000							1.05

The following factors MUST be referred to company before using.

Aggregate	Per Medical Incident			
	\$ 1,500	2,000	2,500	3,000
\$ 1,500	1.03			
2,000	1.04	1.05		
2,500	1.05	1.06	1.07	
3,000	1.06	1.07	1.08	1.09
4,000	1.07	1.08	1.09	1.10
5,000	1.08	1.09	1.10	1.11

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Table 17.E.#7(RF) Veterinarians

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RULE 18. DEDUCTIBLES

A. Definition

This is a method of coverage under which the insured agrees to contribute up to a specific sum towards the amount paid to claimants as damages.

B. Application

When deductible insurance is selected by the insured, the company's obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of any deductible amount stated as applicable to such coverage.

C. Deductible Discount Factors

A discount is available to the insured when insurance is provided on a deductible basis. Determine the applicable discount by referring to Tables 18.C.#1(RF) through 18.C.#7(RF).

D. Endorsement

Refer to applicable Coverage Rules.

E. Procedures

Where deductibles are purchased, utilize the following procedure in determining the final rate:

1. Subtract the deductible factor from the applicable increased limits factor to determine an adjusted limits factor.
2. Determine the applicable rate by multiplying the basic limits rate by the adjusted limits factor determined in 1.

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RULE 19. PREMIUM DETERMINATION

The premium for a risk is calculated as follows:

- A. Determine the applicable classification(s).
- B. Determine the premium base applicable to the classification(s).
- C. Select the basic limit rate(s) for the classification(s) from the appropriate company state rates.
- D. Adjust the basic limits rate(s) to reflect any coverage change (other than deductibles). Refer to Tables 21.C.#1(RF) through 21.C.#3(RF) for claims-made multipliers. When physicians, surgeons and dentists are written on a Hospital policy, refer to Rule 3 3. Classification Procedures.
- E. Adjust the resulting basic limits rate(s) by the appropriate increased limit factors and any other applicable rate modification(s). Adjust for coverage written on a deductible basis; refer to Tables 18.C.#1(RF) through 18.C.#7(RF).
- F. Multiply the number of units of exposure developed under the premium base for each classification by the corresponding adjusted rate(s) developed in Paragraph E.
- G. Determine the application of any minimum premiums.
- H. Determine any other additional premiums.
- I. Add the premium determined in Paragraph F. or G., whichever is greater, to the premium determined in Paragraph H. to obtain the total policy premium.
- J. Use the premium developed in Paragraph I. or the policywriting minimum premium, whichever is greater.

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RULE 20. DESCRIPTION OF ADDITIONAL OPTIONAL ENDORSEMENTS

Paragraph B. does not apply.

Paragraph G.2. is replaced by the following:

G. Interline Endorsements

2. To change the following items of a policy:

- a. Insured's Name
 - b. Insured's Mailing Address
 - c. Policy Number
 - d. Company
 - e. Effective/Expiration Date
 - f. Insured's Legal Status/Business of Insured
 - g. Payment Plan
 - h. Premium Determination
 - i. Additional Interested Parties
 - j. Coverage Forms and Endorsements
 - k. Limits/Exposures
 - l. Deductibles
 - m. Covered Property/Located Description
 - n. Classification/Class Codes
 - o. Rates
 - p. Underlying Insurance,
- use Illinois Policy Changes Endorsement IL 12 04.

This endorsement applies to all Medical Professional Liability Coverage Parts.

Do not attach Policy Changes Endorsement IL 12 01 to any Medical Professional Liability policy of insurance issued in the State of Illinois.

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RULE 20. DESCRIPTION OF ADDITIONAL OPTIONAL ENDORSEMENTS

A. Additional Optional Endorsements

In addition to endorsements referenced in other rules under Division Seven – Medical Professional Liability, including the Classification Table Section, the endorsements in this rule may be used with the indicated Medical Professional Liability Coverage Part(s). The endorsements are listed in numerical sequence under the line of insurance identification and category identification. The descriptions are for ease of identification. Refer to each endorsement to determine its contents. With regard to these optional endorsements, refer to company for rating.

B. Termination And Suspension Endorsements

The number of days' notice required for cancellation for any statutory permitted reason (other than nonpayment of premium) may be increased to an amount that is mutually agreed upon by the insurer and the insured by attaching Earlier Notice Of Cancellation Provided By Us Endorsement PR 02 00. Any applicable state cancellation endorsement must still be attached to the policy.

This endorsement applies to all Medical Professional Liability Coverage Parts.

C. Exclusion Endorsements

1. Liability arising out of the rendering of or failure to render professional services by a specific physician while engaged in activities other than those within the scope of his or her duties as a teaching physician or surgeon may be excluded under the Physicians, Surgeons And Dentists Professional Liability Coverage Part by attaching Exclusion – Non-Teaching Activities Of Teaching Physicians And Surgeons Endorsement PR 21 00.

2. Coverage for employees may be deleted by attaching Exclusion – Employees As Insureds Endorsement PR 21 01 to the:

- a. Hospital Professional Liability Coverage Part;
- b. Blood Banks Professional Liability Coverage Part; or
- c. Diagnostic Testing Laboratories Professional Liability Coverage Part.

3. Coverage for partnership, limited liability company, association or corporation medical professional liability may be deleted by attaching Exclusion – Partnership, Limited Liability Company, Association Or Corporation (Coverage B) Endorsement PR 21 02 to either the:

- a. Physicians, Surgeons And Dentists Professional Liability Coverage Part;
- b. Allied Health Care Providers Professional Liability Coverage Part;
- c. Optometrists Professional Liability Coverage Part; or
- d. Veterinarians Professional Liability Coverage Part.

D. Coverage Amendment Endorsements

1. To state that the company will not settle any claim or suit without the insured's consent and to set forth the most the company will pay if the insured does not consent to a settlement which is acceptable to the claimant, use Consent To Settle Endorsement PR 24 00.

This endorsement applies to all Medical Professional Liability Coverage Parts, except Hospital Professional, Blood Bank Professional, and Diagnostic Testing Laboratories Professional Liability Coverage Parts.

2. Coverage disputes between the company and an insured may be submitted to arbitrators by mutual agreement between the parties. When there is prior agreement that arbitration of a dispute will be binding on both parties, attach Binding Arbitration Endorsement PR 24 02. When, by prior agreement, the decision of the arbitrators may be appealed to a court, attach Non-binding Arbitration Endorsement PR 24 01.

This endorsement applies to all Medical Professional Liability Coverage Parts.

3. The company agrees that its right to use charitable immunity, where applicable as a defense for liability suits, will be waived, unless the insured requests otherwise, by attaching Waiver Of Charitable Immunity Endorsement PR 24 03.

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This endorsement applies to all Medical Professional Liability Coverage Parts.

4. The company agrees that its right to use governmental immunity, where applicable as a defense for liability against an insured governmental entity, will be waived, unless the insured requests otherwise, by attaching Waiver Of Governmental Immunity Endorsement PR 24 04.

This endorsement applies to all Medical Professional Liability Coverage Parts.

E. Additional Coverage Endorsements

1. To provide products liability coverage for diagnostic testing laboratories use Products Liability Coverage For Diagnostic Testing Laboratories Endorsement PR 04 00.

This endorsement applies to all Medical Professional Liability Coverage Parts.

2. To provide for the payment of defense expenses on behalf of the named insured, when the named insured has assumed the tort liability of another under a contract or agreement pertaining to the named insured's business, use Contractual Liability Coverage Extension Endorsement:

- a. PR 04 01 for use with the Hospital Professional Liability Coverage Part.
- b. PR 04 02 for use with the Allied Health Care Providers and Physicians, Surgeons And Dentists Professional Liability Coverage Parts .
- c. PR 04 03 for use with the Blood Banks Professional Liability Coverage Part.
- d. PR 04 04 for use with the Diagnostic Testing Laboratories Professional Liability Coverage Part.
- e. PR 04 05 for use with the Optometrists Professional Liability Coverage Part.
- f. PR 04 06 for use with the Veterinarians Professional Liability Coverage Part.

F. Amendment Of Limits Of Insurance Endorsements

1. For hospitals, blood banks and diagnostic testing laboratories, the policy Aggregate Limit may be changed for certain medical or laboratory incidents from a per-policy basis to a per-location basis. The policy Aggregate Limit, with respect to certain medical or laboratory incidents, may be replaced for each designated location with a Designated Location Aggregate Limit which is equal to the amount of the Aggregate Limit shown in the Declarations of the policy, by attaching Amendment – Aggregate Limits Of Insurance (Designated Locations) Endorsement:

- a. PR 25 00 for use with the Blood Banks and Hospital Professional Liability Coverage Parts.
- b. PR 25 01 for use with the Diagnostic Testing Laboratories Professional Liability Coverage Part.

2. The limits of insurance may be amended to combine the aggregate limits when individual liability and partnership, limited liability company, association or corporation professional liability is provided. Use Amendment – Combined Aggregate Limit Of Insurance Endorsement:

- a. PR 25 02 for use with the Physicians, Surgeons And Dentists Professional Liability Coverage Part .
- b. PR 25 03 for use with the Allied Health Care Providers Professional Liability Coverage Part.
- c. PR 25 04 for use with the Optometrists Professional Liability Coverage Part.
- d. PR 25 05 for use with the Veterinarians Professional Liability Coverage Part.

G. Interline Endorsements

1. To state that the company will use the rules and rates in effect at the time of renewal or anniversary date of the policy, attach Calculation Of Premium Endorsement IL 00 03.

This endorsement applies to all Medical Professional Liability Coverage Parts.

2. To amend various Declarations and endorsement schedule elements, such as the Named Insured, mailing address, policy period, deductible amounts and limits of insurance, use Policy Changes Endorsement IL 12 01.

This endorsement applies to all Medical Professional Liability Coverage Parts.

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Zurich North America Exceptions to ISO
General Rules:

Rule 1-Application of This Division
Rule 5-Premium Computation
Rule 9-Additional Premium Changes
Rule 10-Return Premium Changes
Rule 11-Policy Cancellations
Rule 16-Basic Limits
Rule 17-Increased Limits Tables
Rule 18-Deductibles
Rule 19-Premium Determination
Rule 20- Description of Additional Optional Endorsements
Additional Rule Base Rates
Additional Rule Other Premium Modifications
Additional Rule Agency Bill – Premium Installment Payments
Additional Rule - Company Deviation

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SECTION I
GENERAL RULES

**RULE 1.
APPLICATION OF THIS DIVISION**

Rule 1 is replaced by the following:

A. Contents

This manual contains the rules, rating procedures and rates for Allied Health Care Providers Professional Liability Coverage.

B. Sections

This manual is divided into separate Sections for:

1. Section I – General Rules
2. Section II – Coverage Rules

C. Company Rates

All rules in this manual are designed to be utilized with company specific rates.

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SECTION I
GENERAL RULES

RULE 5. PREMIUM COMPUTATION
Rule 5 is replaced by the following:
Compute the premium for each annual payment on the basis of the annual rates in effect on each anniversary date of the policy.

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SECTION I
GENERAL RULES

RULE 9.	
ADDITIONAL PREMIUM CHANGES	
Paragraph 9.B.1. Waiver of Premium is replaced with the following:	
B.	Waiver Of Premium
1.	Additional premiums at or below \$25.00 may be waived.

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SECTION I
GENERAL RULES

RULE 10.		
RETURN PREMIUM CHANGES		
Paragraph 1. of section B. Waiver of Premium is replaced by the following:		
B.	Waiver Of Premium	
1.	Return premiums at or below \$25.00 may be waived.	

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SECTION I
GENERAL RULES

**RULE 11.
POLICY CANCELLATIONS**

Rule 11 is replaced by the following:

A. Pro Rata Calculation

Compute return premium pro rata and round to the next higher whole dollar when a policy is cancelled:

1. At the Company's request.
2. Because the insured no longer has a financial or insurable interest in the business operation that is the subject of insurance.
3. And rewritten in the same company or company group.

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SECTION I
GENERAL RULES

RULE 16. BASIC LIMITS	
Paragraph 16.B. is replaced by the following:	
B.	For basic limits, refer to company Additional Rule - Base Rates.

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SECTION I
 GENERAL RULES

**RULE 17.
 INCREASED LIMITS**

Rule 17. Increased Limits Tables is replaced by the following:

A. All limits are expressed in thousands of dollars.

B. The following interpolation procedure shall be used in determining increased limits factors or combinations of limits not shown in the tables:

1. Determine the factor in the increased limits table for the next lower and for the next higher limit or combination of limits.
2. The factor for the limit or combination of limits desired shall be determined by interpolation. All fractions in the third decimal place shall be considered as an additional unit in the second decimal place.
3. Where neither limit required appears in the table, refer to company.

C. Increased Limits Table

The factors below are to be applied to the \$500/\$1500 base rate.

Aggregate Limit	Per Medical Incident Limit												
	100	200	250	300	500	750	1000	1500	2000	2500	3000	4000	5000
200	.60	.68											
300	.61	.70	.73	.76									
400	.62	.72	.75	.78									
500	.63	.74	.77	.80	.92								
600	.64	.76	.79	.82	.94								
750			.81	.84	.96	1.06							
900			.83	.86	.98	1.08							
1,000			.84	.87	.99	1.09	1.15						
1,500			.85	.88	1.00	1.12	1.18	1.27					
2,000				.89	1.01	1.13	1.19	1.28	1.34				
2,500						1.14	1.20	1.29	1.35	1.40			
3,000							1.21	1.30	1.36	1.41	1.45		
4,000							1.22	1.31	1.37	1.42	1.46	1.53	
5,000								1.32	1.38	1.43	1.47	1.54	1.59
6,000									1.39	1.44	1.48	1.55	1.60
7,000											1.49	1.56	1.61
8,000											1.50	1.57	1.62
9,000											1.51	1.58	1.63
10,000													1.64

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SECTION I
GENERAL RULES

**RULE 18.
DEDUCTIBLES**

Rule 18 is replaced by the following:

A. Definition

This is a method of coverage under which the insured agrees to contribute up to a specific sum towards the amount paid to claimants as damages.

B. Application

When deductible insurance is selected by the insured, the company's obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of any deductible amount stated as applicable to such coverage.

C. Deductible Discount Factors

A discount is available to the insured when insurance is provided on a deductible basis. Determine the applicable discount from the following tables:

Deductible Amount	Discount Factor
\$ 250	0.001
500	0.002
750	0.003
1,000	0.004
2,000	0.008
3,000	0.012
4,000	0.015
5,000	0.019
10,000	0.035
15,000	0.051
20,000	0.065
25,000	0.079
50,000	0.139
75,000	0.188
100,000	0.229
150,000	0.293
200,000	0.341
250,000	0.381
500,000	0.510
750,000	0.580
1,000,000	0.620

D. Endorsement

Refer to applicable coverage rule.

E. Procedures

Where deductibles are purchased, utilize the following procedure in determining the final rate:

1. Subtract the deductible factor from the applicable increased limits factor to determine an adjusted limits factor.
2. Determine the applicable rate by multiplying the basic limits rate by the adjusted limits factor determined in 1.

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SECTION I
GENERAL RULES

**RULE 19.
PREMIUM DETERMINATION**

Rule 19 is replaced by the following:

The premium for a risk is calculated as follows:

- A. Obtain the basic limit rate from Additional Rule – Base Rates in the appropriate company state rates.
- B. Adjust the basic limits rate(s) to reflect any coverage change (other than deductibles).
- C. Adjust the resulting basic limits rate(s) by the appropriate increased limit factors and any other applicable rate modification(s). Adjust for coverage written on a deductible basis; refer to Rule 18. Deductibles.
- D. Multiply the number of units of exposure developed under the premium base for each classification by the corresponding adjusted rate(s) developed in Paragraph E.
- E. Determine any other additional premiums.
- F. Add the premium determined in Paragraph D. to the premium determined in Paragraph E. to obtain the total policy premium.

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SECTION I
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RULE 20.	
DESCRIPTION OF ADDITIONAL OPTIONAL ENDORSEMENTS	
The following is added to paragraph E. Additional Coverage Endorsements	
E.	The following endorsements are for use when providing Medical Professional Liability Coverage for Emergency Medical Technicians under the Allied Health Care Providers Professional Liability Coverage form.
1.	Coverage for medical directors may be provided when the medical director is an independent contractor and not an employee. Use U-PL-1402 Additional Insured – Medical Director. There is no charge for this endorsement.
2.	Coverage for Employees must be provided. Use mandatory endorsement, U-PL-1403-A.
3.	Coverage for volunteer workers may be provided. Use U-PL-1404 Volunteer Worker(s) Professional Liability Coverage. There is no charge for this endorsement.
4.	When a risk is contractually required to include a specific entity as an additional insured, use U-PL-1405 Additional Insured – Entity. There is no charge for this endorsement.

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SECTION I
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ADDITIONAL RULE			
BASE RATES			
Base Rates Per Power Unit at 500/1500 Base Rate			
a.	Rate per Unit: \$1148		
b.	Discount factor applied to each unit		
	Number of Units	Factor	
	First 4	1.00	
	5 th to 19 th	0.87	
	20 th +	0.78	
Example:			
Policy with 25 power units			
	Units	Base	Total Premium
	First 4	\$1148	\$4,592
	5 th to 19 th	\$999	\$14,985
	20 th +	\$895	\$5,370
	Total	--	\$24,947

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SECTION I
GENERAL RULES

ADDITIONAL RULE OTHER PREMIUM MODIFICATIONS	
Surcharge	Description
25%	More than 50% of calls are dispatched as emergency
10%	Hospital based but not hospital owned
25%	Advanced life support services provided

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SECTION I
 GENERAL RULES

ADDITIONAL RULE AGENCY BILL – PREMIUM INSTALLMENT PAYMENTS					
I.	The premium for any policy is due and payable at the beginning of the policy period, unless the policy is issued on an installment payment basis in accordance with the following rule:				
	A.	An initial payment is due at inception, with the remainder payable in no more than nine equal installment(s).			
	B.	These payment plan options are available to medical liability insureds whose annual premiums total \$500 or more.			
	C.	No fees or interest charges of any kind can be charged.			
	D.	Total of installments must match premium charged.			
II.	A. Agency Bill - Payment Plan Options				
		Billing Frequency	Down Payment	Installments	Total # of Payments
		Monthly	25%	9 equal installments	10
		Quarterly	40%	3 equal installments	4
		Annual	100%	No installments	1
	B. Rules for Calculating Installment Plans				
		Option	Down Payment	Equal Installments	Maximum # of Installments
		Monthly	25%	9.44%	10
		Quarterly	40%	20.00%	4
		Annual	100%	N/A	1
III.	Additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy may be billed immediately as a separate transaction.				
IV.	This rule does not apply to captives.				

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SECTION I
GENERAL RULES

ADDITIONAL RULE COMPANY DEVIATION	
Company	Factor
Zurich American Insurance Company	1.0
American Guarantee & Liability Insurance Company	0.8
American Zurich Insurance Company	0.6
Zurich American Insurance Company of Illinois	1.2

Final rates are to be determined by multiplying the company base premiums by the company deviation factors shown above.

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Coverage Rules:

Rule 28-Allied Health Care Providers Professional Liability Coverage

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EXCEPTION PAGES

ILLINOIS (12)

RULE 28. ALLIED HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY COVERAGE

Paragraph A.4.c. is replaced by the following:

c. Refer to mandatory state endorsements:

- (1) Illinois Changes – Cancellation And Nonrenewal PR 02 05.
- (2) Illinois Changes PR 01 55.
- (3) Illinois Changes – Defense Costs Endorsement IL 01 62.

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RULE 28. ALLIED HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY COVERAGE

A. Description Of Allied Health Care Providers Professional Liability Coverage

1. Two standard coverage forms are available for Allied Health Care Providers risks. One coverage form provides coverage on an occurrence basis and one coverage form provides coverage on a claims-made basis.

2. These coverage forms provide coverage against claims for injuries arising out of acts or omissions:

- a. In the providing of or failure to provide professional health care services; or
- b. Arising out of the insured's involvement with a formal accreditation, standards review or equivalent professional board or committee.

3. Allied Health Care Providers risks are those health care professionals that are not licensed physicians or surgeons. This group includes nurses, chiropractors, chiropodists, podiatrists, lab or x-ray technicians and physiotherapists. For a description of the risks for which this coverage form may be used, refer to the Classification Section.

4. For details of coverage:

a. Refer to coverage forms:

(1) Allied Health Care Providers Professional Liability Coverage Form (Occurrence Version) PR 00 05.

(2) Allied Health Care Providers Professional Liability Coverage Form (Claims-made Version) PR 00 06.

b. Refer to mandatory multistate endorsements:

(1) Broad Form Nuclear Exclusion Endorsement IL 00 21.

(2) Common Policy Conditions Endorsement IL 00 17.

c. Refer to mandatory state endorsements listed in the state exceptions.

5. The appropriate:

- a. Coverage form;
- b. Mandatory endorsements (including those required for use in a particular jurisdiction);
- c. Other applicable endorsements; and
- d. Declarations

make up a Coverage Part.

B. Basic Limits

1. Company rates are shown at a \$500,000 limit:

a. For each Medical Incident, subject to a \$1,500,000 Individual Professional Liability Aggregate Limit; or

b. For each Business Entity Incident, subject to a \$1,500,000 Partnership, Limited Liability Company, Association Or Corporation Professional Liability Aggregate Limit.

2. The limits described in Paragraph 1. apply separately to individual and partnership liability. For individual liability, the limits also apply separately to each individual named insured. For partnership liability, only one set of limits applies regardless of the number of insureds.

3. The Aggregate Limit applies separately to each year of the policy or any applicable policy period less than one year (other than an extension of less than one year after the policy is issued).

4. The Aggregate Limit may be reinstated when exhausted. Refer to company.

C. Increased Limits

For increased limits tables, refer to state tables in accordance with Rule 17.

D. Additional Interests

Policies may be written to cover the following additional interests:

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1. No Additional Charge

- a. Additional Insured – Controlling Interest Endorsement PR 20 11.
 - b. Additional Insured – Executors, Administrators, Trustees Or Beneficiaries Endorsement PR 20 12.
- 2. Additional Charge – Refer To Company**

For the named insured's employees, use Additional Insured – Employees Endorsement PR 20 02(For Occurrence Version) or PR 20 03 (For Claims-made Version) .

E. Deductible Endorsement

When deductible insurance is selected by the insured, the deductible applies on a per medical incident and/or per business entity incident basis. Use Deductible Liability Insurance Endorsement PR 03 02.

F. Partnership Or Limited Liability Company Professional Liability

When both partnership, or limited liability company, professional liability and individual liability are covered, compute the premium using:

1. The partnership liability rate for each partner (or member of a limited liability company); and
2. The appropriate rate for each employee of the partnership or limited liability company, if any.

G. Professional Association Or Corporation Professional Liability

1. Classify and rate such risks which practice medicine or dentistry the same as partnerships; that is, classify the stockholders in the same manner as partners and the association or corporation in the same manner as partnerships.

2. Professional corporations consisting of a single individual must be treated as additional insureds.

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**Zurich North America Exceptions to
ISO Coverage Rules**

Rule 28-Allied Health Care Providers Professional Liability Coverage

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SECTION II
COVERAGE RULES

RULE 28. ALLIED HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY COVERAGE
Paragraph 28.B.4. Basic Limits is deleted in its entirety.

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Zurich North America
Schedule Rating Plan
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The risk may be further modified in accordance with the following schedule rating tables to reflect such characteristics of the risk as are not reflected in the experience.			
SCHEDULE RATING TABLE			
Risk Characteristics		Range of Modification	
		Maximum Credit	Maximum Debit
A.	Management:		
	Superior senior management as evidenced by professional designations, post-graduate academic degrees, etc.	10%	
	Lack of expected procedures and processes regarding medical reviews, reviews of patient care and safety, and incident report.		25%
B.	Employees		
	Lower than normal turnover of professional staff and higher than normal average years of experience for professional staff.	10%	
	Higher than normal turnover of professional staff and lower than normal average years of experience for professional staff.		10%
C.	Professional Procedures		
	Documentation of required professional procedures that go beyond normal standards.	10%	
	Lack of documentation for professional procedural standards.		25%
D.	Education and Training:		
	Existence of a continuing education program for professional employees that exceeds state requirements.	10%	
	Lack of a continuing education program that meets state requirements.		25%
E.	Accreditations:		
	Accreditation by Commission On Accreditation of Ambulance Services	5%	0%
F.	Equipment:		
	Use of superior quality equipment and adherence to manufacturers suggested maintenance program.	10%	
	Use of lower quality equipment and lack of preventive maintenance program.		10%
G.	Loss Prevention:		
	Compliance with any insurance company loss prevention recommendations when made.	5%	
	Failure to comply with insurance company recommendations.		10%
H.	Nonstandard Professional Exposures		
	Regular operation under circumstances which are unusual for an ambulance operation which increase professional exposure.	0%	15%
Maximum Credit/Debit is 25%			

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**Zurich North America
Company Selection Criteria
Medical Professional Liability Policies**

1. Purpose

The purpose of this supplement is to provide Zurich North America underwriters with the criteria that must be followed for determining company selection for Medical Professional Liability business.

1.1 New and Renewal Business

Company selection criteria must be used when considering both new and renewal policies. If risk characteristics have changed at renewal, the account must be placed in the appropriate company, even if different from the expiring company.

1.2 File Documentation

File documentation must support the company selected and the underwriter's justification for that selection. File documentation must support the required number of elements of a risk characteristic to be eligible for the grading in the applicable category.

2. Available Companies

2.1 Tiers and Companies

Available companies by tier are listed below:

Tier	Company
Tier 1: Surcharge	Zurich American Insurance Company of Illinois
Tier 2: Standard	Zurich American Insurance Company
Tier 3: Preferred	American Guarantee and Liability Insurance Company
Tier 4: Superior	American Zurich Insurance Company

2.2 Qualifications for Each Tier

Tier #	Criteria
Tier 1	If an account matches two of the criteria listed in the Tier 1 company, it should be placed in the Tier 1 company.
Tier 2	Any account that does not qualify for any of the other companies.
Tier 3	To qualify for the preferred company, an account must meet the loss ratio requirement and at least two of the other criteria:
Tier 4	To qualify for the superior company, the account must meet the loss ratio requirement and at least two of the other criteria

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**Zurich North America
Company Selection Criteria
Medical Professional Liability Policies**

3. Risk Acceptability/Company Selection Guidelines

Risk Characteristic	Tier 1- Surcharge	Tier 2- Standard	Tier 3- Preferred	Tier 4 Superior
Loss Ratio	Greater than 50% Refer to Note 3 below	Greater than or equal to 25% or less than 50% Refer to Note 3 below	Greater than or equal to 10% but less than 25% Refer to Note 3 below	Loss Ratio less than 10% Refer to Note 3 below
Years in business	In business for three years or less.	In business more than 3 years but less than 7 years	In business for more than 7 years but less than 10 years	In business for 10 years or more
Financial Condition of Account	No financial information due to new in business, inconsistent financial condition over time or poor financial condition, including but not limited to decreasing revenues, less than prompt bill payment, poor financial ratios, negative net worth. (Refer to note 2 below)	Average financial condition that does not qualify for another company. (Refer to Note: 2 below)	Good financial condition, including but not limited to predominately increasing revenues over time, on time bill payment, positive key financial ratios, positive net worth or the equivalent. (Refer to Note: 2 below)	Excellent and consistently stable financial condition, including but not limited to pattern of increasing revenues, on time bill payment, positive key financial ratios, positive net worth or the equivalent. (Refer to Note: 2 below)

Note 1: A risk must meet the criteria required in order to qualify for the company. The risk will be placed in the lowest tier for which it qualifies.

Note 2: Financial Condition will be determined by the using information obtained from the customer, Dun & Bradstreet, insurance company payment history, or other financial rating organizations.

Note 3: If less than 4 years currently valued Medical Professional Liability loss information is available, the risk is to be placed in the Surcharge company. However, if the risk is in business less than 4 years, the risk is to be placed in the Standard company.

3.1 Methodology for Loss Ratio Calculation

Loss Ratio will be calculated as follows:

The loss ratio is calculated as follows: the actual loss ratio for 4 years currently valued losses / total Medical Professional Liability Premium. For new and renewal business, use actual expiring Medical Professional Liability premium if available. If prior year(s) premiums are not available use the following table to determine premium calculation of the loss ratio:

1. 1st Previous Year - 95% of estimated MPL current year policy premium
2. 2nd Previous Year - 90% of estimated MPL current year policy premium
3. 3rd Previous Year - 85% of estimated MPL current policy year premium
4. 4th Previous Year – 80% of estimated MPL current policy year premium

Loss Ratio Criteria - Requires 4 years currently valued Medical Professional Liability loss information. Incurred/Actual Losses are defined as paid losses plus outstanding/reserve losses including allocated claim expense.

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**Zurich North America
Company Selection Criteria
Medical Professional Liability Policies**

4. Exceptions

1. Group/Captive programs will be rated and placed in the company offering the respective Group/Captive program.
2. Predominately (a) rated business.
3. Wrap-ups. Wrap-ups have unique underwriting characteristics which commonly involve multiple lines and Insureds that have no prior collective history and are of limited time duration. Wrap-ups will be rated and placed in the company offering the respective Wrap-up Program.
4. This criterion will not be used for company placement for those accounts written under a SIR, Retrospectively Rated, Large Deductible, Guarantee Cost Large Risk Rating Option or a risk eligible for exempt commercial policyholder status. Rather the company selection criteria will be determined according to the appropriate plan previously filed for the respective company in which the business is written with full supporting documentation.
5. Underwriting Exceptions. Underwriting exceptions to the Company Selection Criteria will occur but be considered to be an extremely infrequent occurrence. Any exception to the Company Selection Criteria requires full supporting documentation providing justification for the exception. Exceptions and must be approved in accordance with Business Unit authority guidelines.
6. Zurich Specialties Unit (Environmental BU and Rail Road Unit) - All accounts underwritten in Zurich Specialties, either Environmental BU or Rail Road BU will be written in Zurich American Insurance Co. 'All accounts' is defined as any entity that has current or future environmental or railroad exposures which require Specialty Environmental or Specialty Rail Road and/or Commercial Casualty insurance products.
7. Zurich North America Small Business. Programs filed separately for Small Business liability coverage for accounts that are domiciled in California and/or have a predominate amount of California exposure and qualify under the Small Business programs for our filed and approved Small Contractors, Premier, or America products are considered exceptions. Company use is determined by program selected.
8. Cross Border or Directed Business. Policies issued as part of an international program originating outside the United States.
9. A technology or financial enterprise risk may upgrade the hazard grade 1 level, if it meets the loss ratio requirement and at least one of the other criteria for that company.

FILED

APR 01 2010

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DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS