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September 8, 2016

**2015 ANNUAL REPORT ON LOSS-PREVENTION AND CONTROL
PROGRAMS OF MEDICAL PROFESSIONAL LIABILITY INSURERS
PURSUANT TO NRS 690B.370**

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BACKGROUND

Section 690B.370 of the Nevada Revised Statutes mandates the Commissioner of Insurance to produce an annual report on loss-prevention and control programs for medical professional liability insurance. This is the twelfth such annual report. Each authorized insurer that issued a policy of professional liability insurance to a medical doctor (MD) or to a doctor of osteopathic medicine (DO) is required to complete a survey addressing loss-prevention and control programs and submit it to the Commissioner. The survey was sent to all insurers that reported Nevada medical professional liability physician premium on Supplement A to Schedule T of the annual financial statement. The Appendix of this report contains the questions that were sent.

NRS 690B.330 requires authorized medical professional liability insurers to offer qualified risk-management systems. Medical practitioners that implement such programs are eligible for a premium discount. The purpose of this report is to measure the impact of the legislation on program availability and participation.

INTRODUCTION

Twenty surveys were distributed. This figure includes one survey to each company that reported Nevada direct written physician medical professional liability premium to the National Association of Insurance Commissioners (NAIC) for calendar year 2015 and that is either an authorized insurer or a Nevada-domiciled risk-retention group (RRG). One non-Nevada-domiciled RRG was also surveyed and cooperated voluntarily. Pursuant to the federal Liability Risk Retention Act of 1986, Nevada does not have the regulatory authority to require such non-Nevada-domiciled RRGs to fill out this survey. Since NRS 690B.330, the statute mandating risk-management programs, explicitly pertains to medical malpractice insurance of physicians, the 2015 survey was sent only to the physician insurers.

The Division received a total of 20 responses from the following authorized physician insurance underwriters and domestic risk-retention groups, along with one non-Nevada-domiciled risk-retention group. Responses were received from all insurers and RRGs that were required by Nevada law to respond to the survey.

- ACE American Insurance Company (**Note:** ACE American Insurance Company indicated that it did not issue any individual professional liability policies to the practitioners licensed pursuant to chapter 630 or 633 of NRS.)
- American Casualty Company of Reading, PA
- AXIS Insurance Company (**Note:** AXIS Insurance Company indicated that it did not issue any individual professional liability policies to the practitioners licensed pursuant to chapter 630 or 633 of NRS.)
- California Healthcare Insurance Company, a Risk Retention Group (*Not Nevada-domiciled*)
- Capson Physicians Insurance Company
- Darwin National Assurance Company
- Fair American Insurance and Reinsurance Company

- Great Divide Insurance Company (***Note:** Great Divide Insurance Company indicated that it did not issue any individual professional liability policies to the practitioners licensed pursuant to chapter 630 or 633 of NRS.*)
- Hudson Insurance Company
- Lancet Indemnity Risk Retention Group, Inc.
- Mutual Insurance Company of Arizona
- National Union Fire Insurance Company of Pittsburgh, PA (***Note:** National Union Fire Insurance Company of Pittsburgh, PA, indicated that it did not issue any individual professional liability policies to the practitioners licensed pursuant to chapter 630 or 633 of NRS.*)
- Nevada Docs Medical Risk Retention Group, Inc.
- Nevada Mutual Insurance Company
- NORCAL Mutual Insurance Company
- Preferred Professional Insurance Company (***Note:** Preferred Professional Insurance Company indicated that it did not issue any individual professional liability policies to the practitioners licensed pursuant to chapter 630 or 633 of NRS.*)
- Premier Physicians Insurance Company, A Risk Retention Group
- ProAssurance Casualty Company
- SCRUBS Mutual Assurance Company, Risk Retention Group
- The Doctors Company, an InterInsurance Exchange
- The Medical Protective Company

The questions and responses from the physician insurers are provided in the “Insurer Responses” section of this report. When soliciting responses, the Division agreed to keep the identity of each respondent confidential, as expressed in the survey cover page included in Appendix I of this report. To achieve this, the responding companies are identified by number rather than by name. The respondent numbers are independent from the numbers assigned in last year’s survey. The names of the responding companies and other identifying information were redacted.

SUMMARY OF QUANTITATIVE RESULTS

The exhibits in this section are based on insurers’ responses to Question 8 of the survey (see Appendix II for the question and the accompanying data template), as well as data from prior years’ reports.

Exhibit 1 below shows that the number of practitioners receiving risk-management credits has increased every year from 2007 through 2011. In 2012, this trend began to reverse, as the number of practitioners receiving risk-management credits declined from 1741.5 in 2011 to 1526 in 2012 to 1316 in 2013 to 1124 in 2014.¹ For 2015, however, the number of practitioners receiving risk-management credits rebounded sharply to 1537, rising back above 2012 levels.

¹ The one-half practitioner included in the 2011 data set was a practitioner who only worked half of the time in Nevada and half of the time in another state.

EXHIBIT 1: Comparisons of Risk-Management Credit Utilization by Year							
Year	Premium Subject to Risk-Management Credits	% of Premium Subject to Risk-Management Credits	Total Risk-Management Credits	Number of Practitioners Receiving Risk-Management Credits	% of Practitioners Receiving Risk-Management Credits	Average % Savings to Practitioners Who Participate	Average % Savings Overall
2015	\$21,605,346.51	48.58%	\$3,482,741.08	1537	32.10%	13.88%	7.26%
2014	\$18,163,046.83	42.15%	\$2,998,637.71	1124	28.64%	14.17%	6.51%
2013	\$21,004,829.49	45.02%	\$3,001,298.85	1316	32.52%	12.50%	6.04%
2012	\$25,075,945.98	47.86%	\$2,363,267.16	1526	36.59%	8.61%	4.32%
2011	\$30,017,564.65	53.69%	\$2,455,504.15	1741.5	46.32%	7.56%	4.21%
2010	\$32,478,822.35	57.25%	\$2,580,832.44	1733	47.53%	7.36%	4.35%
2009	\$26,406,001.00	46.78%	\$1,476,033.00	1178	34.60%	5.29%	2.55%
2008	\$26,924,987.00	40.52%	\$1,522,878.00	1067	27.48%	5.35%	2.24%
2007	\$27,656,651.34	40.38%	\$1,483,852.81	990	28.72%	5.09%	2.12%

The absolute number of practitioners encompassed by the survey grew between 2011 and 2012, but then declined slightly in 2013 and 2014. In 2011, the survey collected information about 3759.5 practitioners. The 2012 survey collected information about 4171 practitioners. The 2013 survey collected information about 4047 practitioners. The 2014 survey collected information about 3925 practitioners. In 2015, the total number of practitioners encompassed by the survey grew again to 4788 – a record high. One possible explanation for this is that multiple insurers have filed and received approval for new medical malpractice insurance programs – sometimes providing coverage for physicians and physician assistants – starting in 2015. This includes some market-entry filings by new insurers but also a broadening of coverage options by existing insurers in the Nevada market.

The overall impact of risk-management credits upon the market as a whole continues to be significant, and the savings to practitioners who do receive risk-management credits remain close to historical highs. Exhibit 1 also shows that, in absolute dollar terms, the total risk-management credits offered in Nevada reached a record high value of \$3,482,741 in 2015, exceeding the previous record of \$3,001,298 in 2013, more than twice the total credit amount for 2009. Of this amount, \$2,054,632 – or approximately 59% of the total – consists of risk-management credits offered by one Nevada-domiciled risk-retention group that insures many practitioners. This risk-retention group has consistently offered similar amounts of risk-management credit over the preceding several years.

In 2015, the average savings to practitioners who receive risk-management credits remained close to historical highs at 13.88%, only slightly below the record high of 14.17% in 2014 – and more than 2.6 times higher the 2009 average savings of 5.29%. As a general trend, the individual practitioners who do qualify for risk-management credits tend to benefit from such credits to a greater extent than previously. When overall savings to the entire market (both participants and non-participants in risk-management programs) are considered, such savings in 2015 rose to a record high of 7.26%, compared to 2014 overall savings of 6.51%, 2013 overall savings of 6.04%, and 2010-2012 overall savings that ranged between 4.2% and 4.4%.

Overall practitioner participation in risk-management programs that afford premium credits was 32.10% (1537 out of 4788 practitioners) and remains at levels

similar to the end of the previous decade and to 2013. Moreover, participating practitioners continue to benefit significantly from risk-management credits. A high level of risk-management participation and high amounts of credits offered in Nevada indicate significant success in fulfilling the intent of NRS 690B.330 – an observation that has been upheld and strengthened in every annual report that the Division has issued on this subject.

Exhibit 2 below summarizes, by county, the premiums pertaining to policies with and without risk-management credits. Exhibit 3 summarizes practitioners by county, with and without risk-management credits. Significant distributional changes by county have occurred since 2013 in the prevalence of risk-management credits.

EXHIBIT 2: Credits by County								
County	Premium by Presence or Absence of Risk-Management Credit			Percentage of Premium by Presence or Absence of Risk-Management Credit		Dollar Amount of Risk-Management Credit	Average % Savings to Practitioners That Participate	Average % Savings Overall
	Credit Present	Credit Absent	Grand Total	Credit Present	Credit Absent			
Carson City	\$543,306.00	\$864,344.01	\$1,407,650.01	38.60%	61.40%	\$39,154.00	6.72%	2.71%
Churchill	\$0.00	\$925,581.45	\$925,581.45	0.00%	100.00%	\$0.00	N/A	0.00%
Clark	\$17,293,168.90	\$16,655,123.50	\$33,948,292.40	50.94%	49.06%	\$3,102,700.69	15.21%	8.37%
Douglas	\$118,708.00	\$277,542.03	\$396,250.03	29.96%	70.04%	\$9,370.50	7.32%	2.31%
Elko	\$101,221.00	\$314,552.90	\$415,773.90	24.35%	75.65%	\$10,873.00	9.70%	2.55%
Humboldt	\$35,867.00	\$43,461.37	\$79,328.37	45.21%	54.79%	\$1,887.00	5.00%	2.32%
Lander	\$0.00	\$3,518.03	\$3,518.03	0.00%	100.00%	\$0.00	N/A	0.00%
Lincoln	\$0.00	\$15,698.78	\$15,698.78	0.00%	100.00%	\$0.00	N/A	0.00%
Lyon	\$0.00	\$7,774.00	\$7,774.00	0.00%	100.00%	\$0.00	N/A	0.00%
Mineral	\$0.00	\$81.00	\$81.00	0.00%	100.00%	\$0.00	N/A	0.00%
Nye	\$8,202.00	\$125,131.00	\$133,333.00	6.15%	93.85%	\$1,004.00	10.91%	0.75%
Pershing	\$0.00	\$500.00	\$500.00	0.00%	100.00%	\$0.00	N/A	0.00%
Storey	\$12,678.00	\$0.00	\$12,678.00	100.00%	0.00%	\$4,226.00	25.00%	25.00%
Washoe	\$3,492,195.61	\$3,631,315.77	\$7,123,511.38	49.02%	50.98%	\$313,525.89	8.24%	4.22%
Total	\$21,605,346.51	\$22,864,623.84	\$44,469,970.35	48.58%	51.42%	\$3,482,741.08	13.88%	7.26%

In 2015, the total premium subject to risk-management credits rose to 48.58%, compared to the 2014 figure of 42.15%. In Clark County, the majority of premium (50.94%) was subject to risk-management credits in 2015, compared to 45.95% in 2014 and 49.41% in 2013. In Washoe County, nearly a majority of 2015 premium (49.02%) was subject to risk-management credits. By contrast, premium subject to risk-management credits in Carson City declined to 38.60% in 2015, compared to 54.42% of premium in 2014 and 60.63% of premium in 2013.

Average savings in 2015 to practitioners participating in risk-management programs were the highest in Storey County at 25%, but pertained to a single policy. Clark County had the next-highest savings percentage for participating practitioners at 15.21% in 2015, compared to a statewide average savings to participating practitioners of 13.88%.

EXHIBIT 3: Practitioners by County					
	Number of Practitioners by Presence or Absence of Risk-Management Credit			Percentage of Practitioners by Presence or Absence of Risk-Management Credit	
	Credit Present	Credit Absent	Grand Total	Credit Present	Credit Absent
Carson City	81	60	141	57.45%	42.55%
Churchill	0	17	17	0.00%	100.00%
Clark	1056	2296	3352	31.50%	68.50%
Douglas	10	55	65	15.38%	84.62%
Elko	6	57	63	9.52%	90.48%
Humboldt	2	7	9	22.22%	77.78%
Lander	0	6	6	0.00%	100.00%
Lincoln	0	9	9	0.00%	100.00%
Lyon	0	7	7	0.00%	100.00%
Mineral	0	1	1	0.00%	100.00%
Nye	8	28	36	22.22%	77.78%
Pershing	0	1	1	0.00%	100.00%
Storey	1	0	1	100.00%	0.00%
Washoe	373	707	1080	34.54%	65.46%
Total	1537	3251	4788	32.10%	67.90%

The jurisdiction with the greatest percentage of practitioners receiving risk-management credits in 2015 was Storey County (100%, but all reflecting a single practitioner), followed by Carson City (57.45%), Clark County (31.50%), and Washoe and Nye Counties (22.22% each). These percentages tend to be extremely volatile from year to year. For instance, the Clark County percentages of participating practitioners were 49.46% in 2010, 51.01% in 2011, 40.42% in 2012, 35.00% in 2013, 30.92% in 2014, and 31.50% in 2015. For Carson City, these percentages were 64.12% in 2010, 32.20% in 2011, 44.28% in 2012, 54.49% in 2013, 50.00% in 2014, and 57.45% in 2015. For Washoe County, these percentages were 42.73% in 2010, 40.34% in 2011, 29.76% in 2012, 27.10% in 2013, 22.16% in 2014, and 22.22% in 2015. Douglas, Elko, Humboldt, Nye, and Storey Counties saw significant increases in the numbers of practitioners receiving risk-management credits in 2015, but the proportions of such practitioners have been highly volatile by year for these counties, since the total numbers of insured practitioners for these counties are relatively small.

Exhibit 4 below shows the percentage by company of practitioners with and without risk-management credits. As in previous years of the survey, a wide range exists – from no participation in some companies (which may be RRGs or may simply insure a minuscule volume of business in Nevada) to majority participation in others. Typically, insurers that write a larger volume of business in Nevada also tend to have higher proportions of insureds receiving risk-management credits.

EXHIBIT 4: Company Summary		
Company (Randomly Assigned Number)	% of Practitioners With Risk-Management Credit	% of Practitioners Without Risk-Management Credit
2	0.00%	100.00%
6	7.50%	92.50%
9	5.88%	94.12%
10	37.08%	62.92%
11	39.32%	60.68%
13	62.11%	37.89%
14	23.03%	76.97%
16	26.08%	73.92%
17	50.75%	49.25%
18	1.40%	98.60%
19	37.31%	62.69%
20	0.00%	100.00%
TOTAL	32.10%	67.90%
<p>NOTE: Companies 1, 5, and 7 are risk-retention groups that do not offer risk-management credits. Companies 3, 4, 8, 12, and 15 wrote no physicians' professional liability policies in Nevada in 2015.</p>		

SUMMARY OF QUALITATIVE RESULTS

Prior to the legislation requiring physician professional liability insurers to offer risk-management programs, only about half of the authorized insurers offered risk-management programs, and only one offered risk-management credits. Each of the admitted carriers now offers risk-management programs for credit as required by NRS 690B.330. The risk-management programs range from Internet-based training to seminars. Many of the programs qualify for continuing medical education (CME) credit. The discussion in this section is derived from the insurer responses to the qualitative questions in the survey (Questions 2-7 and 9-10). The full compilation of qualitative insurer responses can be found in Appendix III.

From the responses to Question 2, it could be discerned that in 2015, 4 companies offered new self-study courses in risk management or risk-management self-assessments, 4 companies offered new seminars, and 4 companies offered new clinical audits and site assessments. Other risk-management offerings include support by telephone and e-mail to practitioners who inquire about risk-management issues, free newsletters that educate practitioners about risk management, as well as risk-management information, online courses, and webinars available via the insurer's website.

One insurer mentioned offering data reports pertaining to claim outcomes for particular specialties of practitioners, designed to educate practitioners regarding the nature and extent of risks faced by their respective specialties. Many companies continue to take an interest in and actively offer free online education in risk management to their insureds. When evaluated alongside survey responses from prior years, these developments are incremental additions to a largely stable and abundant offering of risk-management opportunities to insured physicians. The use of technology in delivering these opportunities continues to rise, and new entrants into the Nevada market are similarly inclined to offer a broad array of risk-management opportunities, as compared to insurers that have written medical professional liability coverage in Nevada for a long time.

The responses to Question 3 indicate that risk-management programs continue to be readily available for Nevada policyholders. Most companies, including most risk-retention groups, offer some manner of risk-management program (e.g., education and loss control, online courses, newsletters, telephone and e-mail support) without charge, even if (for some of the RRGs) no risk-management credits are offered. Free risk-management programs have been predominant in previous years as well.

Based on the responses to Question 4, there has been little change in whether risk-management programs are voluntary or mandatory for each company. As in previous years, some companies continue to make risk-management participation mandatory for higher-risk practitioners only. In previous years, some companies indicated that certain risk-management programs may be required for new policyholders. Several insurers have stated that risk-management participation was not mandatory, but still encouraged or expected of their policyholders. The more recent entrants into the Nevada medical professional liability insurance market have tended to offer purely voluntary risk-management programs.

The responses to Question 5 also indicated that, for most insurers, there has been little change in the kinds of risk-management credits offered. Most risk-management credits constitute a percentage premium reduction between 5 and 10 percent, while several insurers offer higher credits as well. Some practitioners in specialties with greater claim potential may be offered higher percentages of risk-management credits as an even greater incentive to engage in practices that reduce the frequency and severity of losses. One risk-retention group offered a significantly larger amount of risk-management credits, constituting more approximately 59% of the total dollar amount of risk-management credits reported for 2015 in Nevada.

In response to Question 6, only two insurers stated that the amount of a risk-management credit can vary based on the insured's loss experience. One insurer stated that "Risk Management credits will not be given to an insured who has a loss ratio greater than 75%." Another insurer responded that "If an assessment resulted in risk management recommending changes in certain protocols and/or procedures which were ultimately ignored by the insured which resulted partially or fully in a loss[,] then we would apply a debit to their rating going forward until rectified." For most insurers, however, it remains

the case that risk-management credits in Nevada are based on the *educational and prevention activities* engaged in by the insured (e.g., participation in seminars, online courses, self-assessments, or site audits), rather than on the number and dollar amount of claims filed by that insured. As one company noted in 2013, “history proves an insured can have a loss or loss expense even though he/she gave proper care via office and care risk management protocols.” For instance, a practitioner – particularly in a high-risk field such as obstetrics, neurosurgery, or anesthesiology – may be sued by a dissatisfied patient despite having taken stringent precautions. The insurer has a duty to defend the practitioner in such situations.

Responses to Question 7, a question regarding the percentage of participation in risk-management programs that are voluntary, varied considerably by insurers. Some insurers stated that no Nevada policyholders participated in their risk-management programs, while others experienced participation rates ranging from 15% to 85%. Several companies stated that risk-management participation percentages by their Nevada insureds exceeded participation percentages on a countrywide basis. It is important to note that the percentage of program participation may not be equal to the percentage of practitioners who receive risk-management credits, since some practitioners may participate in the program but fail to meet the criteria required for a credit to be granted. Exhibit 4 earlier in this report provides information about the percentages of practitioners, categorized by insurer, who specifically receive risk-management credits. Some insurers have noted that it is easier to motivate an insured to participate in a risk-management program at the time of a new-business application, since the insured practitioner will often receive a visit from the insurer’s staff in any event. Several insurers have been making proactive efforts to set up appointments related to risk management with their renewal policyholders as well – although one company has cited increasing difficulties in scheduling such appointments.

Question 9 asked how insurers monitor the effectiveness of their risk-management programs. In responses pertaining to 2011 through 2014, various companies indicated that they perform monitoring by requiring evaluations to be completed by insured practitioners, by performing risk-management audits (including on-site visits) of insureds, by testing practitioners’ retention of content learned in educational programs, by reviewing medical records of insured practitioners, and (in a few cases) by tracking loss-ratio and claim data. These fundamental approaches to monitoring have not changed in 2015. Some companies remarked regarding the inherent difficulty of monitoring the effectiveness of risk-management programs, due to the fact that an insured’s actual experience can be affected by a variety of factors unrelated to risk management. Still, those same insurers have also remarked that they have found the information and strategies communicated via their risk-management programs to be relevant and beneficial to their policyholders. One insurer stated that it has experienced a low number of claims for its size and that it has received positive feedback regarding its risk-management program during a claim audit by its reinsurers. Another insurer described an extensive array of monitoring measures – including telephone consultations with insureds, policyholder surveys, analysis of key drivers of losses, publication of claim

reports pertaining to various customer segments, and an internal task force to identify emerging risk exposures.

Question 10 asked regarding the insurers' assessment of the impact of the risk-management programs for the time period covered by the survey. New responses were requested for this question in 2015. Companies' perceptions varied, but many expressed a view that there was a positive impact of risk-management programs, as was the case for prior years' survey responses. Some companies with a limited volume of business or limited risk-management participation by their insureds have stated that they do not have enough information to assess the impact of their risk-management programs. Some companies mentioned favorable trends in claim experience and the ability to resolve risk-management issues that might have led to claims in the future. Other companies have stated that risk-management programs help maintain stability of claim frequency and severity and prevent increases in these measures. Still other companies discussed the high rates of practitioner satisfaction with risk-management offerings, as evaluated through surveys conducted by the insurers, as well as less formal feedback received by practitioners who participated in both organized and self-study courses and seminars. Several companies reiterated the difficulties in isolating the impacts of risk management as compared to other phenomena. Companies with limited risk-management participation or recent entry into the Nevada market stated that it is too early to evaluate the effects of their risk-management programs. Amid the considerable variety in responses, it remains the case that most insurers perceive the existence of actual benefits from risk management or intend for such benefits to be realized in the future.

CONCLUSION

The results of the 2015 survey continue to show that the intent of NRS 690B.330 is being aspired toward and fulfilled by many insurers in the Nevada medical professional liability market. Effective risk management is a complex, multifaceted, and ongoing endeavor. While the number of participating physicians in programs that grant risk-management credits has tended to fluctuate from year to year, this number has increased in 2015, reversing the declines of the two preceding years. Furthermore, the total dollar amount of risk-management credits offered is at a record high, and the total savings to practitioners who participate in risk-management programs are close to the historical high. Insurers vary in their techniques for monitoring the effectiveness of their risk-management programs, and some insurers emphasize the inherent difficulty of such monitoring and of isolating the impact of risk management in particular. However, many insurers continue to state that their programs have resulted in observable positive impacts on claim data and/or physician behavior.

BRIAN SANDOVAL
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APPENDIX I: SURVEY COVER PAGE
STATE OF NEVADA

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March 16, 2016

**2015 ANNUAL REPORT ON LOSS-PREVENTION AND CONTROL
PROGRAMS OF MEDICAL PROFESSIONAL LIABILITY INSURERS**

This is the twelfth annual report on loss-prevention and control programs required pursuant to NRS 690B.370 and NAC 690B.570. **Each authorized insurer and each domestic risk-retention group that issues a policy of professional liability insurance to a practitioner licensed pursuant to [chapter 630](#) or [633](#) of NRS must submit to the Commissioner an annual report on its loss-prevention and control programs.** The legislation requiring such companies to offer risk-management programs was effective July 1, 2003. This report will attempt to measure the impact of the legislation on program availability and participation.

This report is due to the Commissioner no later than May 1, 2016. The Commissioner's staff will compile and analyze the reports. The Commissioner will then submit a summary report to the Director of the Legislative Counsel Bureau for transmittal to members of the Legislature. The summary report may be posted on the Division's web site after it is provided to the Director of the Legislative Counsel Bureau. The Commissioner will make every effort to keep the identity of the particular respondent to a question confidential, but reserves the right to include detailed company responses in the summary without identifying the responding company. Because the number of responding companies will be small, it may be inferred which company authored a particular response even if the name of the company is not disclosed.

Please submit the report using SurveyMonkey, the new survey software utilized by the Division of Insurance. You can find the survey at the following Web page: <https://www.surveymonkey.com/s/7QHLBMB>.

Please contact Mr. Gennady Stolyarov II at gstolyarov@doi.nv.gov or (775) 687-0766 or Ms. Mary Strong at mstrong@doi.nv.gov or (775) 687-0763 if you have any questions regarding the report. Please also note that the company's response to Question 8 should be submitted via e-mail to Mr. Stolyarov and Ms. Strong, utilizing the Excel template that has been e-mailed to you.

APPENDIX II: TEMPLATE FOR QUANTITATIVE DATA (QUESTION 8)

Each company was asked to fill out the following template in Microsoft Excel. The text of Question 8 in SurveyMonkey read as follows:

Summarize risk-management participation and credit activity for policies in force as of December 31, 2015, in the attached spreadsheet format. Exclude any premiums rated on a per-procedure basis or any rating basis other than per-doctor. If any premiums were excluded, disclose the amount and reason for excluding in a footnote. Add additional rows to the table, if necessary.

You should have received an Excel template for responding to this question via e-mail. Please fill out this template and e-mail it to Mr. Gennady Stolyarov II at gstolyarov@doi.nv.gov and Ms. Mary Strong at mstrong@doi.nv.gov upon completion. Before submitting this survey, please confirm that you have sent such an email in the field below.

NOTE: A new response to this question is required for 2015, even if a 2014 response was provided.

STATE OF NEVADA					
DEPARTMENT OF BUSINESS & INDUSTRY					
DIVISION OF INSURANCE					
2015 ANNUAL REPORT ON LOSS-PREVENTION AND CONTROL PROGRAMS OF MEDICAL PROFESSIONAL LIABILITY INSURERS					
Company Name: Enter Company Name Here					
Question # 8					
Policies In Force as of December 31, 2015					
County/City	Number of Practitioners With Risk-Management Participation	Number of Practitioners Without Risk-Management Participation	Total Premium Charged for all Practitioners in the County/City <u>With</u> Risk-Management Participation (\$)	Total Risk-Management Credit for All Practitioners in the County/City (\$)	Total Premium Charged for all Practitioners in the County/City <u>Without</u> Risk-Management Participation (\$)
Carson City					
Churchill					
Clark					
Douglas					
Elko					
Esmeralda					
Eureka					
Humboldt					
Lander					
Lincoln					
Lyon					
Mineral					
Nye					
Pershing					
Storey					
Washoe					
White Pine					
Total					

APPENDIX III: COMPILATION OF QUALITATIVE INSURER RESPONSES

Question 2: What has **changed** with respect to the risk-management activities offered by your company since completing this survey for the year 2014?

Please classify these activities, to the best of your ability, under any of the following categories that apply:

- I. Self-study programs and/or self-assessments
- II. Seminars
- III. Clinical audits and/or site assessments
- IV. Other (any other kind of risk management)

Please note that the above categories are intended simply for information-gathering purposes, and there is no normative expectation that each company have some manner of risk-management initiatives that fit into *each* of the four categories. You may leave your response to any one of the above categories blank if your company does not offer risk-management services of that sort.

SPECIAL INSTRUCTIONS:

If your company is new to the medical professional liability insurance market in Nevada and did not complete the 2014 survey: Please provide a comprehensive description of the risk-management activities offered by the company, utilizing the categories enumerated above.

If your company did complete the 2014 survey and nothing substantial has changed since the company’s completion of the 2014 survey, with respect to the risk-management activities offered by your company: You may respond with the following statement, for *each* category of activity: “Nothing has changed from our response to the 2014 survey.”

<u>Company ID</u>	<u>Company Response</u>
1	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
2	
<i>Self-study programs and/or self-assessments</i>	The only change to the information submitted previously is that new policy holders are no longer required to complete Risk Management CME programs. The CME programs are still available to the insured, it is just no longer required. In addition, we have also added a new CME program from MI Community offering over 100 CME courses for the insureds.
<i>Seminars</i>	Nothing has changed from the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from the 2014 survey.
<i>Others – include descriptions of types of programs</i>	In addition to the offerings discussed in 2013/2014, we have now added monthly Risk Management webinars for the insureds to attend virtually.

3	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
4	
<i>Self-study programs and/or self-assessments</i>	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
<i>Seminars</i>	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
<i>Clinical audits and/or site assessments</i>	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
<i>Others – include descriptions of types of programs</i>	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	
<i>Self-study programs and/or self-assessments</i>	Nothing
<i>Seminars</i>	Nothing
<i>Clinical audits and/or site assessments</i>	Nothing
<i>Others – include descriptions of types of programs</i>	Nothing
6	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	In 2015, we offered 6 national in-person risk management seminars that qualified for AMA PRA Category 1 CME credit, at no charge to our insureds. The content of these seminars was a mock psychiatric malpractice trial. This simulation format addressed treating suicidal patients and psychopharmacology, and other topics applicable to the medical specialty of psychiatry. Insureds were notified of the seminars via direct mail, email, our quarterly risk management newsletters, notices in renewal packages, advertisements on the website, and other mailings.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Our toll-free Risk Management Consultation Service (RMCS) helpline is also available free of charge. This service provides one-on-one risk management advice to insureds as potential liability situations arise in their practice.

7	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
8	
<i>Self-study programs and/or self-assessments</i>	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
<i>Seminars</i>	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
<i>Clinical audits and/or site assessments</i>	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
<i>Others – include descriptions of types of programs</i>	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
10	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
11	
<i>Self-study programs and/or self-assessments</i>	Through ECRI Institute's E-learn on-line CME program we offer internet based Continuing Medical Education programs. Upon successful completion, the policyholder is eligible for CME credits granted by the ACCME through ECRI. There are a total of Eighty three (73) programs addressing the following topics: (See CME List submitted to NV DOI); Self-Assessment Questionnaires (SAQs) are provided as well. There are thirty-four individual SAQs addressing the same areas as were reported in the 2012 survey response.
<i>Seminars</i>	Jan 23-24, “ Update on Nevada Narcotic Tracking System for Hospitals”; April 9-10, “What to Do When Things Go Wrong: Best Practices for Handling ‘Potentially Compensable’”; July 23-24, “Minors and Consent in Nevada, Legislative Update”; Oct. 15-16 “Mental Health Issues in Rural Hospital Settings”
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.

12	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
13	
<i>Self-study programs and/or self-assessments</i>	On behalf of [Company], [Risk-Management Firm] continues to provide office assessment tools to all of the [Company] policyholders. Also includes are patient satisfaction surveys that are available to each insured.
<i>Seminars</i>	[The Company] through [Risk-Management Firm] used to offer seminars and continuing education seminars annually. This is becoming much more difficult to do since hospitals who usually are part of this process are no longer being involved. The trend is for healthcare professionals to get their additional training and continuing education on line.
<i>Clinical audits and/or site assessments</i>	All audits and site assessments are solely conducted by [Risk-Management Firm]. [Risk-Management Firm] can also review policyholder billing policies, record keeping, electronic medical record keeping, HR and backroom safety.
<i>Others – include descriptions of types of programs</i>	Via the [Company] website there are online continuing education (CME) classes for credit that are available to all of [the Company's] insureds and any staff members, too. These courses are offered free of charge.
14	
<i>Self-study programs and/or self-assessments</i>	Although no significant changes were made in 2015, three self-study programs were updated and nine new self-study programs were developed. Self-study programs are accredited to provide CME/CDE.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	In 2015, the following changes were made to [the Company's] risk management offerings: <ol style="list-style-type: none"> 1. Insureds were given the opportunity to earn CME or CDE credit through live and on-demand webinar programs. 2. Protector as a journal CE activity was discontinued. The opportunity to earn CE was replaced with the expansion of self-study programs (noted above). 3. Protector was reinvented as a social media strategy. More dynamic offerings, including risk resources, checklists, case studies, current news/trends, etc. are offered as part of this new digital strategy. 4. [The Company] expanded its series of specialty data reports. These reports are designed to provide insureds with detailed claims data to assist them in purposefully focusing their risk management and patient safety efforts. Reports focusing on dentistry, general surgery, and orthopaedics were made available in 2015. 5. The publication titled Risk Tips was discontinued and replaced with Risk Resources. Risk Resources focuses on various risk and patient safety topics. Each list highlights a number of expert and evidence-based sources that can be used to increase awareness, identify potential areas of risk, and/or determine mitigation strategies.

15	
<i>Self-study programs and/or self-assessments</i>	Complimentary CME courses are available in [the Company's] online Virtual Classroom accessed through our website [at URL]. [The Company] is accredited by the Accreditation Council for Continuing Medical Education (ACCME) to provide continuing medical education to physicians. Complimentary continuing education for our policyholders is also available through our parent company, [Parent Company], and through [Affiliate Company]. Both are ACCME-accredited CME providers and accredited providers of continuing nursing education by the American Nurses Credentialing Center's Commission on Accreditation.
<i>Seminars</i>	In addition to online CME, [the Company] offers a live CME activity titled Anatomy of a Lawsuit. Risk management in-service is available upon coordination with requesting practices. We also put on a Best Practices Seminar with a target audience of corporate risk managers.
<i>Clinical audits and/or site assessments</i>	Primarily clinical in focus, [the Company's] Quality & Risk Assessment (QRA) process comprises extensive medical record review incorporating standards and recommendations of specialty societies, accrediting bodies, and other established entities. In addition to medical record analysis, the QRA includes a limited policy and procedure review and environment of care survey to help recognize best practices, identify opportunities for improvement, and implement changes to strengthen the overall quality and delivery of patient care. The onsite QRA is generally reserved for physicians or practices identified by [the Company] as requiring special attention due to claims or other significant risk management issues, or if a QRA is requested by a physician, practice, or health system.
<i>Others – include descriptions of types of programs</i>	Practice management resources offer guidance in key risk management areas to office managers, administrators, physicians, risk managers, medical staff members, and office staff members. Risk management consultation regarding questions submitted via telephone, email, and website contact.
16	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	We began to offer risk management assessments in Nevada in 2015. We conducted three onsite assessments in 2015.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
17	
<i>Self-study programs and/or self-assessments</i>	No change.
<i>Seminars</i>	No change.
<i>Clinical audits and/or site assessments</i>	No change.
<i>Others – include descriptions of types of programs</i>	No change.
18	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.

19	
<i>Self-study programs and/or self-assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Seminars</i>	Nothing has changed from our response to the 2014 survey.
<i>Clinical audits and/or site assessments</i>	Nothing has changed from our response to the 2014 survey.
<i>Others – include descriptions of types of programs</i>	Nothing has changed from our response to the 2014 survey.
20	
<i>Self-study programs and/or self-assessments</i>	Risk Management Strategies for the Physician Office, published in 2008, may be utilized as a self-study and/or self-assessment tool by physician assistants. A PDF version of this publication is enclosed with our transmittal to the Nevada Division of Insurance. A new revised edition will be available in 2016. In addition, enclosed please find examples of the [Company] publication, inBrief®, which are applicable to physician assistants, respiratory therapists and other healthcare professionals.
<i>Seminars</i>	[The Company] offers seminars through its School of Risk Control Excellence, with webinar classes available on a complimentary basis for [Company] policyholders and their employees. A PDF version of these programs is being provided with this transmittal to the Nevada Division of Insurance. Upon request, [Company] Healthcare Risk Control consultants will develop and deliver tailored services for these healthcare professionals. Our risk control team also provides educational programs at industry association meetings, upon request.
<i>Clinical audits and/or site assessments</i>	[Company] Healthcare Risk Control has the technical skills and competencies to perform onsite assessments and clinical audits on various clinical services. Each member of our risk control team has earned the designation of Certified Professional in Healthcare Risk Management. Many consultants also have earned the designation of Associate in Risk Management (ARM), Certified Professional in Patient Safety (CPPS) and Certified Professional in Healthcare Quality (CPHQ).
<i>Others – include descriptions of types of programs</i>	The company issues publications entitled, Vantage Point®, CareFully Speaking®, inBrief®, and AlertBulletin®. The inBrief publication specifically focuses on allied healthcare professionals and entities, addressing, among other topics, various risk management concepts. The first issue was published and distributed in September 2005 and is published three times per year. Our web site includes risk management information on general liability insurance, professional liability insurance, employment practices liability insurance and directors' and officers' liability insurance. Through our Healthcare Risk Control unit, the web site also addresses healthcare risk management issues, including materials on emergency preparedness, as well as claim studies related to various business segments. Educational programs and telephone consultations are available on client request. All publications and risk management resources are posted to the [Company] web site, with access available at no charge. Finally, the [Company] School of Risk Control Excellence offers risk control educational courses to our insureds and insurance producers as a complimentary service at no additional charge. [Company] Healthcare risk consultants also provide educational services to numerous national, regional, state and local industry associations through faculty appointments and presentations to these organizations.

Question 3: Are programs available to all policyholders? Describe which programs, if any, require policyholders to make any kind of payment, and which, if any, are available without charge.

SPECIAL INSTRUCTIONS:

If your company is new to the medical professional liability insurance market in Nevada and did not complete the 2014 survey: Please provide a comprehensive reply to question 3.

If your company did complete the 2014 survey and nothing substantial has changed since the company’s completion of the 2014 survey, with respect to the risk-management activities offered by your company: You may respond with the following statement: “Nothing has changed from our response to the 2014 survey.”

<u>Company ID</u>	<u>Company Response</u>
1	Nothing has changed from our response to the 2014 survey.
2	Nothing has changed from our response to the 2014 survey.
3	Nothing has changed from our response to the 2014 survey.
4	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	We still do not have any programs available. [Response from an RRG.]
6	Nothing has changed from our response to the 2014 survey.
7	Nothing has changed from our response to the 2014 survey.
8	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	Nothing has changed from our response to the 2014 survey.
10	Nothing has changed from our response to the 2014 survey.
11	Nothing has changed from our response to the 2014 survey.
12	Nothing has changed from our response to the 2014 survey..
13	Yes, all risk management services, tools, assessments, etc. are made to all of [the Company’s] insureds free of charge. No Change.
14	In 2015, insureds were given the opportunity to earn CME or CDE credit through live and on-demand webinar programs. The webinars were available to insureds at no charge. Insureds can go to [Company website] to watch the webinar programs and take the associated test. Upon successful completion of the test (pass with a score of 80% or higher), insureds receive 1 CME/1 CDE credit.
15	All risk management programs are available to all [Company] policyholders free of charge.
16	Nothing has changed from our response to the 2014 survey.
17	Nothing has changed from our response to the 2014 survey.
18	Nothing has changed from our response to the 2014 survey.
19	Nothing has changed from our response to the 2014 survey.
20	Programs are available to all policyholders through the [Company] School of Risk Control Excellence and through our certified healthcare risk control consultants. Upon request, risk control information may be accessed at any time via the [Company] web site. Also attached with our electronic transmittal is a PDF version of the risk control services available through the company, as well as information regarding the [Company] School of Risk Control Excellence.

Question 4: Is participation ever mandatory? If so, under what circumstances is it mandatory?

SPECIAL INSTRUCTIONS:

If your company is new to the medical professional liability insurance market in Nevada and did not complete the 2014 survey: Please provide a comprehensive reply to question 4.

If your company did complete the 2014 survey and nothing substantial has changed since the company’s completion of the 2014 survey, with respect to the risk-management activities offered by your company: You may respond with the following statement: “Nothing has changed from our response to the 2014 survey.”

<u>Company ID</u>	<u>Company Response</u>
1	Nothing has changed from our response to the 2014 survey.
2	Nothing has changed from our response to the 2014 survey.
3	Nothing has changed from our response to the 2014 survey.
4	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	We still do not have any programs available. Therefore we do not require the insured to participate in any 3 rd -party programs.
6	Nothing has changed from our response to the 2014 survey.
7	Nothing has changed from our response to the 2014 survey.
8	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	Nothing has changed from our response to the 2014 survey.
10	Nothing has changed from our response to the 2014 survey.
11	Nothing has changed from our response to the 2014 survey - Not mandatory.
12	Nothing has changed from our response to the 2014 survey.
13	No, participation is never mandatory. Part of [the Company’s] education to current and potential insureds is that participation in such programs will or should lower their risk factors in preventing claims. Since [the Company] is owned by its insureds historically participation in the risk management programs has been excellent. No Change.
14	Nothing has changed from our response to the 2014 survey.
15	Participation is not mandatory unless specifically requested by Underwriting for policy retention purposes.
16	Participation in risk management programs is encouraged, but it was not mandatory for any policyholders in Nevada in 2015.
17	Nothing has changed from our response to the 2014 survey.
18	Nothing has changed from our response to the 2014 survey.
19	Nothing has changed from our response to the 2014 survey.
20	Participation is not mandatory.

Question 5: How much risk-management premium credit is offered? Please specify premium credit by risk-management activity. If possible, specify premium credit by risk-management activity in accordance with the categories of risk management programs listed in Question 2.

SPECIAL INSTRUCTIONS:

If your company is new to the medical professional liability insurance market in Nevada and did not complete the 2014 survey: Please provide a comprehensive reply to question 5.

If your company did complete the 2014 survey and nothing substantial has changed since the company’s completion of the 2014 survey, with respect to the risk-management activities offered by your company: You may respond with the following statement: “Nothing has changed from our response to the 2014 survey.”

<u>Company ID</u>	<u>Company Response</u>
1	Nothing has changed from our response to the 2014 survey.
2	Nothing has changed from our response to the 2014 survey.
3	Nothing has changed from our response to the 2014 survey.
4	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	None.
6	Nothing has changed from our response to the 2014 survey.
7	Nothing has changed from our response to the 2014 survey.
8	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	Nothing has changed from our response to the 2014 survey.
10	Nothing has changed from our response to the 2014 survey.
11	Nothing has changed from our response to the 2014 survey.
12	Nothing has changed from our response to the 2014 survey.
13	Credits are determined by both participation and outcome of the risk assessment. Credits are also based on how many of the recommended risk management tools are utilized in the past and going forward. The more tools utilized from billing reviews, record keeping the use of arbitration forms, etc., can result in credits as much as 10%. No Change.
14	Nothing has changed from our response to the 2014 survey.
15	By completing three courses at [Company-Affiliated Course Provider], a policyholder may be eligible to receive up to a 2.5% premium credit. After completing an additional two courses (for a total of five courses completed) a policyholder may be eligible for an additional 2.5% premium credit (for a total of a 5% premium credit) during the policy year.
16	A 5% loss prevention premium discount is awarded to eligible policyholders who participate in 2 AMA PRA Category 1 Credits™ from the company’s ACCME-accredited risk management-based CME program, or another activity approved by the Risk Management Department.
17	Nothing has changed from our response to the 2014 survey.
18	Nothing has changed from our response to the 2014 survey.
19	Nothing has changed from our response to the 2014 survey.

<p>20</p>	<p>With respect to the Nevada insured physician assistants and respiratory therapists noted on the Nevada Division of Insurance 2015 Annual Report on Loss Prevention and Control Programs of Medical Professional Liability Insurers, our review indicates that these policyholders did not receive the individual risk management credit as we have no documentation:</p> <ol style="list-style-type: none">1) that they attended a [Company] approved loss prevention seminar, workshop, or other loss prevention program; or2) that they provided evidence of [Company] approved, association membership or achievement of healthcare specialization certification, or attendance at course work during an association or healthcare specialty conference/meeting – each intended to promote risk management practice and patient safety. <p>Therefore, the opportunity for the credit is available to these professionals and is included in the [filed Individual Risk Management Credit rule below.]</p> <p>5. Individual Risk Management Credit</p> <p>A credit of 10% will be applied to the annual premium applicable to an individual Healthcare Provider who:</p> <ol style="list-style-type: none">a. attends a [Company] approved loss prevention seminar, workshop, or other loss prevention program. Such credit will be applied for a three year period; orb. provides evidence of [Company] approved; association membership, or achievement of healthcare specialization certification, or attendance at course work during an association or healthcare specialty conference/meeting - each intended to promote enhanced risk management practice and patient safety. Such credit will be eligible for annual application. <p>Please note that the risk management premium credit may be applied in the event that the policyholder fulfills the requirements noted above. However, the Nevada healthcare professional policyholders referenced in the Report did not request the premium credit pursuant to the guidelines of the filing. Therefore, it was not applied to those policyholders.</p>
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Question 6: Is the amount of risk-management credit based on the insured’s loss experience? If so, please explain any modifications or adjustments made to a risk-management credit on the basis of the insured’s frequency and/or severity of losses.

SPECIAL INSTRUCTIONS:

If your company is new to the medical professional liability insurance market in Nevada and did not complete the 2014 survey: Please provide a comprehensive reply to question 6.

If your company did complete the 2014 survey and nothing substantial has changed since the company’s completion of the 2014 survey, with respect to the risk-management activities offered by your company: You may respond with the following statement: “Nothing has changed from our response to the 2014 survey.”

<u>Company ID</u>	<u>Company Response</u>
1	Nothing has changed from our response to the 2014 survey.
2	Nothing has changed from our response to the 2014 survey.
3	Nothing has changed from our response to the 2014 survey.
4	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	None
6	Nothing has changed from our response to the 2014 survey.
7	Nothing has changed from our response to the 2014 survey.
8	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	Nothing has changed from our response to the 2014 survey.
10	Nothing has changed from our response to the 2014 survey.
11	Nothing has changed from our response to the 2014 survey.
12	Nothing has changed from our response to the 2014 survey.
13	Not necessarily since history proves an insured can have a loss, or loss expense, and gave proper care via office and care risk management protocols. If an assessment resulted in risk management recommending changes in certain protocols and/or procedures which were ultimately ignored by the insured which resulted partially or fully in a loss then we would apply a debit to their rating going forward until rectified. No Change.
14	Nothing has changed from our response to the 2014 survey.
15	Yes. Risk Management credits will not be given to an insured who has a loss ratio greater than 75%.
16	Nothing has changed from our response to the 2014 survey.
17	Nothing has changed from our response to the 2014 survey.
18	Nothing has changed from our response to the 2014 survey.
19	Nothing has changed from our response to the 2014 survey.
20	<p>The Individual Risk Management Credit rule filed by [Company] and cited below does not base the amount of the risk-management credit on the insured’s loss experience.</p> <p>5. Individual Risk Management Credit A credit of 10% will be applied to the annual premium applicable to an individual Healthcare Provider who:</p> <ul style="list-style-type: none"> a. attends a [Company] approved loss prevention seminar, workshop, or other loss prevention program. Such credit will be applied for a three year period; or b. provides evidence of [Company] approved; association membership, or achievement of healthcare specialization certification, or attendance at course work during an association or healthcare specialty conference/meeting - each intended to promote enhanced risk management practice and patient safety. Such credit will be eligible for annual application.

Question 7: If participation in your company’s risk-management program is voluntary, what percentage of policyholders request to participate? Provide separate percentages for individual programs, if possible.

SPECIAL INSTRUCTIONS:

If your company is new to the medical professional liability insurance market in Nevada and did not complete the 2014 survey: Please provide a comprehensive reply to question 7.

If your company did complete the 2014 survey and nothing substantial has changed since the company’s completion of the 2014 survey, with respect to the risk-management activities offered by your company: You may respond with the following statement: “Nothing has changed from our response to the 2014 survey.”

<u>Company ID</u>	<u>Company Response</u>
1	Nothing has changed from our response to the 2014 survey.
2	Nothing has changed from our response to the 2014 survey.
3	Nothing has changed from our response to the 2014 survey.
4	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	We still do not have any programs available.
6	Nothing has changed from our response to the 2014 survey.
7	Nothing has changed from our response to the 2014 survey.
8	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	Nothing has changed from our response to the 2014 survey.
10	37% of policyholders request to participate.
11	65% of our insured physicians participated in Risk Management Education activities.
12	Nothing has changed from our response to the 2014 survey.
13	Historically the highest participation in risk management is when we initially visit a new insured. It is about 85% participation. It is really not that an insured is requesting to participate. [The Company] & [Risk-Management Firm] believe in active risk management so we actually contact our insureds to set appointments to go see them. This is becoming more difficult for us to schedule meeting with the insureds since the marketplace is so soft at the present time.
14	[The Company’s] risk management opportunities are voluntary. As of December 2015, [the Company] had more than 1000 policyholders in Nevada. Approximately 15 percent of these policyholders have a risk management premium credit.
15	0. [The Company] does not insure any practitioners licensed pursuant to Chapters 630 or 633 of NRS in Nevada.
16	20% of our overall pool of policyholders participated in our risk management program in 2015. In Nevada exclusively, 36% of policyholders participated.
17	Nothing has changed from our response to the 2014 survey.
18	Nothing has changed from our response to the 2014 survey.
19	Nothing has changed from our response to the 2014 survey.
20	[The Company] does not perform an analysis on the percentage of policyholders who participate in the voluntary risk management programs.

Question 9: Describe how you monitor the effectiveness of your risk-management programs. Discuss any program-specific monitoring techniques.

SPECIAL INSTRUCTIONS:

If your company is new to the medical professional liability insurance market in Nevada and did not complete the 2014 survey: Please provide a comprehensive reply to question 9.

If your company did complete the 2014 survey and nothing substantial has changed since the company’s completion of the 2014 survey, with respect to the risk-management activities offered by your company: You may respond with the following statement: “Nothing has changed from our response to the 2014 survey.”

<u>Company ID</u>	<u>Company Response</u>
1	Nothing has changed from our response to the 2014 survey.
2	Nothing has changed from our response to the 2014 survey.
3	Nothing has changed from our response to the 2014 survey.
4	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	We still do not have any programs available.
6	Nothing has changed from our response to the 2014 survey.
7	Nothing has changed from our response to the 2014 survey.
8	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	Nothing has changed from our response to the 2014 survey.
10	Nothing has changed from our response to the 2014 survey.
11	Nothing has changed from our response to the 2014 survey.
12	Nothing has changed from our response to the 2014 survey.
13	Historically a problem in Risk Management is to accurately assess the effectiveness of a program. We have not seen metrics that make this type of calculation simple. That being said the [Company’s] claims continue to be very positive and the numbers of law suits filed continue to be on a downward trend. Our recent annual claim audit from our reinsurers was very positive and they remarked how the number of claims for a company the size of [Company] is very low and they feel that our active risk management is definitely a reason for this.
14	Nothing has changed from our response to the 2014 survey.
15	Effectiveness is monitored through claims data analysis and responses to select survey questions applied after each CME activity.
16	Nothing has changed from our response to the 2014 survey.
17	Nothing has changed from our response to the 2014 survey.
18	Nothing has changed from our response to the 2014 survey.
19	Nothing has changed from our response to the 2014 survey.

20	<p>The effectiveness of risk management programs is monitored through a review of loss activity and survey evaluations from educational seminars. Following each telephone consultation, the Insured is queried as to whether the information provided in the consultation has responded to the inquiry posed and fulfilled the expectation of the querier.</p> <p>[The Company] also sends a survey designed to measure satisfaction of the policyholder subsequent to telephone consultations and other servicing. The survey asks questions directed to individual needs and inquiries about effectiveness of various resources received by the policyholder.</p> <p>In addition, [Company] strategic initiatives include an analysis of the factors that contribute to loss drivers in the various business segments served. Most recently, the leading loss drivers in the hospital setting has been examined. With this information, we develop products and services to create awareness about these loss drivers.</p> <p>For example, [the Company] publishes claim reports on various healthcare customer segments to assist producers and customers in exploring the risk vulnerabilities that result in liability exposure. We will continue to monitor these factors to determine whether they remain dispositive and require additional resources.</p> <p>We also have a task force to identify emerging exposures in order to predict, prevent and manage future losses. A strategy to monitor this activity is effected in order to determine whether new initiatives must be implemented.</p>
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Question 10: Please discuss the impact of the risk-management programs for the time period covered by the data in Question 8. If the impact of any individual program can be separately identified, please discuss such impact. If participation was mandatory for any providers, separately discuss the impact of the risk-management programs for those providers.

NOTE: A new response to this question is required for 2015, even if a 2014 response was provided.

<u>Company ID</u>	<u>Company Response</u>
1	Our Company is consistently working on getting better participation in its risk management program and is looking to implementing a premium assessment for those not meeting a minimum participation threshold.
2	This is not applicable as none of the physicians insured in Nevada participated in the year 2015.
3	No business was written in 2015.
4	Although the Company is licensed to write Medical Professional Liability insurance, to date the company has written no Medical Professional Liability business.
5	We still do not have any programs available.
6	During 2015, 4 Nevada insureds utilized the RMCS service to resolve 17 risk management issues. A risk management self-audit tool was mailed to all Nevada insureds in December 2015.
7	Participation in RM programs is not mandatory, but is highly encouraged and personalized to the related organization.
8	The Company did not write medical professional liability insurance for physicians and surgeons in 2015.
9	The impact of our risk management program is positive as reflected in the claim data.

10	Thirty-seven percent of our active NV physicians participated in our risk management programs. The overall average discount is 13% during this reporting period. Program evaluations continue to be favorable. Participants enjoy both the on-line program and live seminars. We continue to review and monitor NV claims activity for trends for future programming.																																																								
11	<p>The impact of our risk management programs is evaluated by analyzing the reported claims where indemnity has been paid or is still reserved. This review of claims against Nevada physician policy holders is summarized below:</p> <table border="1" data-bbox="402 449 1377 951"> <thead> <tr> <th>Year Reported</th> <th>Number of Claims</th> <th>Indemnity Reserves</th> <th>Indemnity Paid</th> </tr> </thead> <tbody> <tr><td>2003</td><td>1</td><td>\$0</td><td>\$300,000</td></tr> <tr><td>2004</td><td>7</td><td>\$0</td><td>\$972,348</td></tr> <tr><td>2005</td><td>8</td><td>\$0</td><td>\$1,897,500</td></tr> <tr><td>2006</td><td>6</td><td>\$0</td><td>\$1,000,000</td></tr> <tr><td>2007</td><td>12</td><td>\$0</td><td>\$1,900,000</td></tr> <tr><td>2008</td><td>12</td><td>\$200,000</td><td>\$2,357,614</td></tr> <tr><td>2009</td><td>22</td><td>\$0</td><td>\$1,387,500</td></tr> <tr><td>2010</td><td>9</td><td>\$0</td><td>\$0</td></tr> <tr><td>2011</td><td>3</td><td>\$105,000</td><td>\$1,614,578</td></tr> <tr><td>2012</td><td>11</td><td>\$630,000</td><td>\$27,000</td></tr> <tr><td>2013</td><td>11</td><td>\$270,000</td><td>\$197,059</td></tr> <tr><td>2014</td><td>9</td><td>\$60,000</td><td>\$80,000</td></tr> <tr><td>2015</td><td>0</td><td>\$0</td><td>\$0</td></tr> </tbody> </table> <p>Because it can take three to five years for a claim to be reported, the data for more recent years are preliminary.</p> <p>While most of these physician-related claims allege failures or delays in diagnosis or treatment, there was no overall pattern or trend as to type of diagnosis.</p> <p>The frequency of claims was fairly consistent from 2004 to 2006, and then increased from 2007 to 2009, dropped in 2010 and 2011 and increased again in 2012, 2013 and 2014. We have no reason for the fluctuation in frequency during this time. Severity has remained relatively flat during this time, as reflected in the total indemnity reserves and payments. This reflects the national trend of indemnity awards. Data from 2012 through 2015 are too undeveloped at this point to draw conclusions.</p> <p>The CME programs were first utilized by Nevada insured physicians in August, 2004. It is important to note that [the Company] has responded to those physician claims alleging failures or delays in diagnosis or treatment. We identified and contracted with a new CME vendor in 2011, that offered more diagnosis-related courses for physicians, specifically in the areas where [the Company] has noted claims. In 2012, the vendor also added eleven new diagnosis-related courses. We believe will this expanded curriculum will impact positively the physician claims. In addition, at our request, the vendor added two additional ethics courses in 2013. Two more ethics courses are being developed for use in 2015.</p> <p>As noted above, the data for recent years are still very preliminary and we will continue to monitor these trends; however, it seems initially that [the Company's] risk management programs are having a positive impact on frequency while keeping severity consistent with national trends.</p>	Year Reported	Number of Claims	Indemnity Reserves	Indemnity Paid	2003	1	\$0	\$300,000	2004	7	\$0	\$972,348	2005	8	\$0	\$1,897,500	2006	6	\$0	\$1,000,000	2007	12	\$0	\$1,900,000	2008	12	\$200,000	\$2,357,614	2009	22	\$0	\$1,387,500	2010	9	\$0	\$0	2011	3	\$105,000	\$1,614,578	2012	11	\$630,000	\$27,000	2013	11	\$270,000	\$197,059	2014	9	\$60,000	\$80,000	2015	0	\$0	\$0
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12	In 2015, [the Company] did not issue any individual professional liability policies to the practitioners licensed pursuant to chapter 630 or 633 of NRS, and subject to this report.																																																								

13	The [Company] risk management programs are not mandatory. As stated in question 9 it is difficult to assess the impact of programs. We believe the [Company] programs that are offered will help the insured [Company] physicians reduce risk and improve patient safety. Measuring that change is very difficult.
14	[The Company's] risk management programs provide insureds with (a) a core level of understanding of risk management principles, (b) tools to build more effective relationships with patients and members of the healthcare team, (c) strategies for proactively identifying and responding to risk issues in various practice settings, and (d) data analytics to better understand specific liability exposures and trends in an effort to purposefully focus patient safety and risk-reduction efforts and initiatives. [The Company] monitors the effectiveness of its risk management programs by comparing the experience of insureds who participate in risk management education with those who do not participate. Results show that participants have fewer reported claims and paid claims than those who do not participate. These differences are material (statistically valid), and the company has filed credits that reflect these savings. [The Company] shares with its insureds data that show the difference that risk management makes in the number of claims filed and in the successful defense of claims. In 2015, doctors gave [The Company's] risk management programs an overall satisfaction rating of 97 percent. As of December 31, 2015, no [Company] policyholder in Nevada has been required to complete a risk management program as a condition of renewal.
15	0. [Company] does not insure any practitioners licensed pursuant to Chapters 630 or 633 of NRS in Nevada. There is no risk management impact in the state.
16	36% of Nevada policyholders participated in our risk management program compared to 20% of policyholders nationwide. This indicates to us that the risk management information and strategies presented through our program are applicable and valuable to this segment of our policyholder community. In attestation and evaluation forms, 83% of NV policyholders who participated in the risk management program rated the CME material as applicable to their practice settings. 84% of the same group of policyholders indicated that they plan to implement or continue to utilize the suggested risk management strategies.
17	We provide five high quality risk management seminars each year. We also provide online risk management classes, some of which are tailored to specific specialties. Both our seminars and online classes qualify for continuing medical education credits. We believe that our RM offerings contribute to both improved quality care and reduced litigation, however we have no way of scientifically quantifying that belief.
18	The impact of patient safety and risk management approaches cannot be determined immediately following the completion of the program due to legal system delays. However, the Patient Safety Department of [the Company] monitors both the effectiveness and impact of our programs throughout the policy period and when claims are initially reported. Tangible results of our impact can be realized by the evaluation of claim volume and type over time following our intervention and regular assessments. It should be noted that more immediate impact of improved patient safety and risk management techniques can be seen through fewer clinical incidents, near misses and other undesirable clinical outcomes that may or may not materialize into a claim.
19	The only impact is that we are continuing to add to our number of practitioners in Nevada; increasing our total premium charged with or without risk management participation, and credits awarded.
20	The impact of the risk-management programs for the time period covered by Question 8 is measured through our surveys, as well as through the aggregate analysis conducted with respect to our claim reports. The impact of an individual program cannot be separately identified, and participation was not mandatory for any providers.