

<p>Name of Policy: <u>Underwriting Committee</u></p> <p>Policy Number: 3364-10-05</p> <p>Approving Officer: Executive Vice President For Clinical Affairs and Dean, College of Medicine and Life Sciences</p> <p>Responsible Agent: Administrator for Risk Management and Executive Director, University of Toledo Physicians, LLC</p> <p>Scope: All University of Toledo Campuses The University of Toledo Physicians</p>	 <p>Effective date: January 16, 2020</p> <p>Original effective date: December 6, 2007</p>
<input type="checkbox"/> New policy proposal	<input type="checkbox"/> Minor/technical revision of existing policy
<input type="checkbox"/> Major revision of existing policy	<input checked="" type="checkbox"/> Reaffirmation of existing policy

(A) Policy Statement

The University of Toledo (“UT”) will create and maintain an Underwriting Committee (“Committee”) as part of its medical professional liability insurance underwriting process, which will establish a standardized process with guidelines for approving the insured practitioners of the UT professional liability insurance program (“Insurance Program”).

(B) Purpose of Policy

To establish the Committee responsible for the underwriting process of the Insurance Program.

(C) Committee Functions

- (1) The Committee establishes an underwriting process for the Insurance Program and all items necessary for insurance underwriting purposes including Underwriting Guidelines (Appendix A) and a Risk Rating Schedule (Appendix B) based on specialty class and other risk elements.
- (2) The Administrator for Risk Management gathers and assesses each applicant in accordance with the Underwriting Guidelines and determines a risk rating. Applicants with a risk rating of “A” and with no Risk Issues per the Underwriting Guidelines are approved for participation in the Insurance Program. Action regarding the “A” rated applicants will be reported to the Committee at their next meeting.
- (3) Any applicant assessed by the Administrator for Risk Management who has a risk rating of “B” or lower, or has Risk Issues identified by the Underwriting Guidelines is presented to the Committee for review and action.
- (4) The Administrator for Risk Management reports underwriting action to the Credentials Committee when applicants are presented for medical staff appointments.

(D) Committee Membership

Members of the Underwriting Committee will be:

- o UT Physicians President or Vice President;
- o UT Physicians Executive Director;
- o UT Administrator for Risk Management.

The Chair will be the UT Physicians Executive Director. In the absence of the Chair, the UT Physician President will act as Chair.

(E) Meetings

The Underwriting Committee will meet quarterly. Special meetings may be called by the Chair to address applicants needing Committee review as per Section (C)(3) above. Confidential minutes will be maintained by the Administrator for Risk Management that includes Committee actions and recommendations.

A quorum of two members is required to approve any Committee action, including changes to the Underwriting Committee Guidelines and Risk Rating Schedule (Attachments A & B).

(F) Protected Information

The Underwriting Committee is a peer review Committee as set forth in the Ohio Revised Code. The Committee’s proceedings and records will be in confidence.

<p>Approved by:</p> <p><u>/c/</u> Christopher J. Cooper, Executive Vice President for Clinical Affairs and Dean, College of Medicine and Life Sciences</p> <p><u>January 17, 2020</u> Date</p> <p><i>Review/Revision Completed by: Office of Legal Affairs – Health Science Campus, Administrator for Risk Management Executive Director, UTP, SLT</i></p>	<p>Policies Superseded by This Policy:</p> <ul style="list-style-type: none"> • <i>Previous 3364-10-05, prior effective date January 1, 2010</i> • <i>3364-10-05.1 added as Attachments to 3364-10-05, effective July 1, 2016</i> <p>Original effective date: December 6, 2007</p> <p>Review/Revision Date: December 1, 2010 December 1, 2012 July 1, 2012 (rescinded) May 1, 2016 (re-instituted) January 2020</p> <p>Next review date: January 16, 2023</p>
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ATTACHMENT A UNDERWRITING GUIDELINES

(A) Purpose of guidelines

These underwriting guidelines establish the procedures used to conduct underwriting activities for the physicians and certain clinical associates of the University of Toledo Physicians, LLC (“UTP”) and The University of Toledo (“UT”) (collectively “Applicants”) wishing to participate in The University of Toledo Professional Liability Insurance Program (“Program”)

(B) Frequency of review

The initial underwriting review occurs when the Applicant is applying for Medical Staff credentialing. Bi-annual reviews for policy renewal will be conducted on covered individuals concurrently with their reappointment action by the Credentials Committee.

The Underwriting Committee may review any previously approved insured for continued participation in the Program at any time during the policy period.

(C) False or fraudulent application

If the Underwriting Committee is presented with information that suggests a false or fraudulent application was submitted, they may immediately suspend coverage temporarily. Written notification to the Applicant by the Administrator for Risk Management of coverage suspension will take place within 48 hours of the decision. Final coverage determinations will be made following investigation and notice of policy status will be provided in writing.

(D) Application, forms and verification

The application and supplemental information forms used by the Credentials Committee of the UT Medical Center are also used for underwriting purposes. When the Central Verification Office receives an application from the Applicant and posts it to the credentialing database, they will advise the Administrator for Risk Management who will review the application for completeness. If the application is deemed incomplete for underwriting purposes, the Administrator for Risk Management will notify the Applicant of the need to complete the information prior to underwriting consideration.

At a minimum, the following application information and addendums must be provided so underwriting consideration can be made:

- Current and prior hospital affiliations;
- Relevant training history;
- Board certification information;
- Professional liability insurance history – minimum 5 years;
- Loss run/claims history report – minimum 5 years;

- Ohio State Medical Board or other applicable Ohio State board licensure verification.
- Application attestation and supplemental questions; and
- Signed Insurance Attestation and Agreement.

Additional information requested but not needed prior to consideration:

- Practice location fact sheets;

(E) Underwriting review process

The Administrator for Risk Management will review applications for each Applicant. The underwriting review requirements include the following:

(1) Claim history review

Frequency of claims is checked to determine whether a high number of claims occur within a short period of time. The severity of claims is reviewed by evaluating the amount of settlement, or judgment, and the relationship of Applicant to claimant/plaintiff and the event (whether the Applicant had direct involvement or a peripheral relationship). A Risk Rating is given based on the criteria presented in Appendix B.

(2) Other risk issues

Answers on the application are reviewed for responses that cause concern, are outside the norm or otherwise increase the risk to the Program. "Risk Issues" include, but are not limited to:

- Substance abuse;
- Mental illness;
- Whether insurance coverage has ever been denied;
- If the Applicant has practiced without insurance at any time over last 10 years;
- Non-renewal of insurance coverage except where carrier no longer writes professional liability insurance;
- State or federal investigations, including any action against a state issued medical license or DEA certificate;
- Denial or removal of privileges from any hospital or other healthcare institution;
- Felony convictions;
- Denial or termination as a provider in any private, state or federal health plan;
- Change in specialty within the last 5 years or not practicing in specialty for more than 5 years;
- Family practitioners practicing obstetrics will be classed as obstetricians;
- Elective abortions;
- Failure of foreign trained practitioners to hold ECFMG certificate;
- Failure to comply with continuing medical education requirements;
- Material violations of any ethical standards imposed by a medical board;

- Work within a correctional institution;
- Any other issues that cause concern regarding risk to the Program.

Details of these responses in the application are reviewed to determine whether or not those circumstances substantially increase the risk to the Program in providing insurance. If risk is substantially increased, coverage in the Program may be denied or special conditions may be imposed by the Underwriting Committee in accordance to Paragraph (F) below.

(3) Applicant who already has UTMC medical staff privileges

If an Applicant has privileges and is on the UTMC medical staff at the time they are seeking coverage in the Program, the Applicant will complete an updated application for appointment.

(4) Applicant who will not be applying for medical staff privileges at UTMC

If an Applicant will not be applying for medical staff privileges at UTMC and will not be using the application of the Credentials Committee process, the Administrator for Risk Management will forward the Applicant an “Insurance Only” application form that will then be reviewed in accordance to this procedure.

(5) Applicant interview

During its deliberations, the Underwriting Committee may interview any Applicant. Additionally, an Applicant may request an interview with the Underwriting Committee to explain items contained in the application.

(6) Notice of approval or disapproval for insurance

The Administrator for Risk Management will report approval or disapproval of insurance to the Credentials Committee and will send the UT or UTP hiring departments a written communication through electronic mail or inter-university memo. The UT or UTP hiring department will be responsible to communicate the action to the Applicant.

(F) Underwriting actions

Following the underwriting review, the Administrator for Risk Management will assign the Applicant an insurance classification code and determine an underwriting risk rating based on Appendix B.

The determination of whether the applicant should be granted coverage by the Program will be in the form of one of the following three options:

- (1) Applicants with a risk rating of “A” and no other Risk Issues, as identified in Section (E)(2) above will, be approved by the Administrator for Risk Management. The

Administrator for Risk Management will report all such actions at the next Underwriting Committee meeting.

(2) Applicants with a risk rating other than “A” or with a Risk Issue will be presented to the Underwriting Committee. The Committee may take the following actions:

- Request further information;
- Approve the Applicant;
- Disapprove the Applicant and deny participation in the Program;
- Approve the Applicant with a different risk rating based upon the criteria of Appendix B or impose a premium surcharge to reflect the added risk to the Program;
- Approve the Applicant with conditions, such as Risk Intervention, which may involve Risk Management educational programs; or
- Take other actions they deem appropriate.

(G) Appeals

The Applicant may request a decision to be reconsidered. This request must be made in writing to the Administrator for Risk Management no more than thirty days from receipt of the notice. The request must include a written explanation as to why the Applicant believes the decision should be changed. Subsequent documentation may be submitted for consideration. The Administrator for Risk Management, UTP Executive Director and Executive Vice President for Clinical Affairs will review the file and the written explanation. A final decision will be issued in writing and sent via certified mail to the Applicant.

(H) Additional requirements for continued participation in the Program

- (1) Remain an employee of UT or UTP during the coverage period;
- (2) Remain in compliance with the terms and conditions of the applicable professional liability insurance policy issued by the Program; and
- (3) Comply with required risk intervention and management processes, if any.

**ATTACHMENT B
UNDERWRITING GUIDELINES**

RISK RATING SCHEDULE

This Risk Rating Schedule is a guideline only and is to be used by the Committee to assist in consistency, but is not meant to direct all decisions. The Committee has the ability, using its discretion, to deviate as circumstances dictate. Suggested underwriting guidelines for risk rating and declinations are as follows:

- Indemnity Payments mean: indemnity payments greater than \$5,000 made during the last three years for alleged occurrences that happened within the last ten years; defense costs are not included; and
- Claims mean: lawsuits that were open at any time during the last three years for alleged occurrences that happened within the last ten years; does not include 180-day letters or lawsuits involving instances of mistaken identity, blanket defendant listings, improper inclusion or non-meritorious or frivolous claims,

Class	Indemnity Payments or Number of Claims	Suggested Risk Rating
0 – 3	Indemnity Payments < \$50,000; or 0 to 1 Claims	A
	Indemnity Payments of \$50,000 to \$149,000; or 2 Claims	B
	Indemnity Payments of \$150,000 to \$249,000; or ≥ 3 Claims	C
	Indemnity Payments of ≥ \$250,000	D

Class	Indemnity Payments or Number of Claims	Suggested Risk Rating
≥ 4	Indemnity Payments of < \$100,000: ; 0 to 2 Claims	A
	Indemnity Payments of \$100,000 to \$299,999; or 3 to 4 Claims	B
	Indemnity Payments of > \$300,000 to \$499,999; or ≥5 Claims	C
	Indemnity Payments of > \$500,000	D
