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Bulletin 2020-1

To: Companies Authorized by the Commissioner of Insurance to Offer Professional Liability Insurance to Kansas Health Care Providers
From: Clark Shultz, Executive Director, Health Care Stabilization Fund
Date: July 31, 2020
Subject: Surcharge Rates effective January 1, 2021

The Board of Governors of the Health Care Stabilization Fund has approved surcharge rates for all categories of health care providers effective January 1, 2021. Please review the following important information.

A. HCSF Class Groups for Chiropractors, Nurse Anesthetists, Physicians, and Podiatrists: Insurers are to identify the HCSF rate classification number for each health care provider based on profession and medical specialty. These are described on pages 4 – 6 of the Notice of Basic Coverage Instructions which can be found on our website. The classification number of the individual health care provider will determine the corresponding HCSF classification group. There are detailed instructions on pages 6 – 7 for health care providers who are in HCSF classification group 3. General descriptions of each HCSF classification group for all categories of defined health care providers are listed on page 8 of the instructions.

B. Annual Surcharge Rate Tables for Fund Class Groups 1 through 24: Insurers must utilize the HCSF surcharge rate tables appended to this bulletin for purposes of determining the surcharge payment for health care providers issued basic professional liability insurance policies with effective dates on or after January 1, 2021. Please note that these rate tables reflect a compression of the years of compliance factors from previously three categories into just two categories. There is now a First Year of Compliance category and a category for more than one year of compliance.

C. Notice of Termination: The provisions of K.S.A. 40-3402(a)(2) require that notice of termination be provided to the HCSF Board of Governors 30 days prior to the cancellation date if the termination is initiated by the insurer. If the cancellation is initiated by the insured health care provider, the notice of termination must be provided to the HCSF Board of Governors within ten days after termination of coverage. If it is known that a health care provider will be purchasing another professional liability insurance policy upon cancellation of existing coverage, please inform the HCSF Board of Governors in the notice of cancellation. Your assistance is greatly appreciated.

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Health Care Stabilization Fund Surcharge Rates (Effective January 1, 2021 - December 31, 2021)

OPTION 1, per Kansas Statutes Annotated 40-3404

[\$100,000 per claim subject to \$300,000 annual aggregate limit]

Fund Class Group	General Description	2021	2021
		1st Year of Fund Compliance	>1 Year of Fund Compliance
1	Physicians	\$ 191	\$ 348
2	Physicians	\$ 411	\$ 747
3	Physicians	\$ 536	\$ 975
4	Physicians	\$ 632	\$ 1,149
5	Physicians	\$ 726	\$ 1,320
6	Physicians	\$ 863	\$ 1,569
7	Physicians	\$ 645	\$ 1,172
8	Physicians	\$ 1,461	\$ 2,656
9	Physicians	\$ 1,656	\$ 3,011
10	Physicians	\$ 2,150	\$ 3,909
11	Physicians	\$ 4,824	\$ 8,771
12	Chiropractors	\$ 111	\$ 201
13	Nurse Anesthetists	\$ 191	\$ 347
14	Podiatrists	\$ 420	\$ 763
15	Availability Plan Insureds	28%	28%
16	Business Entities	22%	22%
17	Medical Care Facilities	23%	23%
18	Community Mental Health Centers	22%	22%
19	Psychiatric Hospital	22%	22%
20	Residents in Training	22%	22%
21	Physician Assistants	22%	22%
22	Nurse-Midwives	24%	24%
23	Assisted Living & Residential Health Care Facilities	22%	22%
24	Nursing Facilities	22%	22%

* The additional surcharge for Kansas resident health care providers with an active Missouri license is +30%.

* The minimum surcharge for any category of health care provider for any period of compliance is \$100.

Health Care Stabilization Fund Surcharge Rates (Effective January 1, 2021 - December 31, 2021)

OPTION 2, per Kansas Statutes Annotated 40-3404

[\$300,000 per claim subject to \$900,000 annual aggregate limit]

Fund Class Group	General Description	2021	2021
		1st Year of Fund Compliance	>1 Year of Fund Compliance
1	Physicians	\$ 335	\$ 609
2	Physicians	\$ 719	\$ 1,308
3	Physicians	\$ 939	\$ 1,708
4	Physicians	\$ 1,104	\$ 2,008
5	Physicians	\$ 1,271	\$ 2,310
6	Physicians	\$ 1,509	\$ 2,743
7	Physicians	\$ 1,129	\$ 2,052
8	Physicians	\$ 2,559	\$ 4,652
9	Physicians	\$ 2,898	\$ 5,269
10	Physicians	\$ 3,761	\$ 6,839
11	Physicians	\$ 8,443	\$ 15,351
12	Chiropractors	\$ 194	\$ 352
13	Nurse Anesthetists	\$ 332	\$ 604
14	Podiatrists	\$ 735	\$ 1,337
15	Availability Plan Insureds	43%	43%
16	Business Entities	33%	33%
17	Medical Care Facilities	35%	35%
18	Community Mental Health Centers	33%	33%
19	Psychiatric Hospital	33%	33%
20	Residents in Training	33%	33%
21	Physician Assistants	33%	33%
22	Nurse-Midwives	37%	37%
23	Assisted Living & Residential Health Care Facilities	33%	33%
24	Nursing Facilities	33%	33%

- * The additional surcharge for Kansas resident health care providers with an active Missouri license is +30%.
- * The minimum surcharge for any category of health care provider for any period of compliance is \$100.

Health Care Stabilization Fund Surcharge Rates (Effective January 1, 2021 - December 31, 2021)

OPTION 3, per Kansas Statutes Annotated 40-3404

[\$800,000 per claim subject to \$2,400,000 annual aggregate limit]

Fund Class Group	General Description	2021	2021
		1st Year of Fund Compliance	>1 Year of Fund Compliance
1	Physicians	\$ 420	\$ 763
2	Physicians	\$ 903	\$ 1,641
3	Physicians	\$ 1,179	\$ 2,144
4	Physicians	\$ 1,390	\$ 2,527
5	Physicians	\$ 1,596	\$ 2,902
6	Physicians	\$ 1,898	\$ 3,451
7	Physicians	\$ 1,418	\$ 2,578
8	Physicians	\$ 3,216	\$ 5,847
9	Physicians	\$ 3,643	\$ 6,623
10	Physicians	\$ 4,729	\$ 8,598
11	Physicians	\$ 10,612	\$ 19,295
12	Chiropractors	\$ 243	\$ 441
13	Nurse Anesthetists	\$ 417	\$ 758
14	Podiatrists	\$ 925	\$ 1,681
15	Availability Plan Insureds	49%	49%
16	Business Entities	38%	38%
17	Medical Care Facilities	40%	40%
18	Community Mental Health Centers	38%	38%
19	Psychiatric Hospital	38%	38%
20	Residents in Training	38%	38%
21	Physician Assistants	38%	38%
22	Nurse-midwives	42%	42%
23	Assisted Living & Residential Health Care Facilities	38%	38%
24	Nursing Facilities	38%	38%

* The additional surcharge for Kansas resident health care providers with an active Missouri license is +30%.

* The minimum surcharge for any category of health care provider for any period of compliance is \$100.