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Bulletin 2021-3

To: Professional Liability Insurance Companies
From: Clark Shultz, Executive Director
Date: September 21, 2021
Subject: Surcharge Rates, effective January 1, 2022

On May 19, 2021, Governor Laura Kelly signed into law, House Substitute for SENATE BILL No. 78. This new statute requires defined health care providers to obtain a base policy from an insurer of not less than \$500,000 per claim, subject to not less than a \$1,500,000 annual aggregate. This includes all new policies issued, and all policies renewed on and after January 1, 2022.

The new statute also requires defined health care providers to obtain coverage from the Health Care Stabilization Fund in the amount of \$500,000 single judgment or settlement, subject to a \$1,500,000 aggregate limitation. The new statute allowed but did not require a second option to be offered. All defined health care providers will elect the \$500,000/\$1,500,000 coverage when they obtain a new policy from an insurer or when they renew their basic coverage on or after January 1, 2022.

The Board of Governors of the Health Care Stabilization Fund approved the following Surcharge Rate Table for defined health care providers effective January 1, 2022.

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 Table for Fund Class Groups 1 through 24: Insurers must utilize the HCSF surcharge rate table appended to this bulletin for purposes of determining the surcharge payment for health care providers that have been issued basic professional liability insurance policies with effective dates on or after January 1, 2022. Please note that this rate table reflects a compression of the years of compliance factors from previously two categories into only one category.

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Health Care Stabilization Fund Surcharge Rates (Effective January 1, 2022 - December 31, 2022)

Per Kansas Statutes Annotated 40-3404

\$500,000 per claim subject to \$1,500,000 annual aggregate limit

Fund Class Group	General Description	2021
		All years of Fund Compliance
1	Physicians	\$ 396
2	Physicians	\$ 851
3	Physicians	\$ 1,112
4	Physicians	\$ 1,310
5	Physicians	\$ 1,505
6	Physicians	\$ 1,790
7	Physicians	\$ 1,337
8	Physicians	\$ 3,032
9	Physicians	\$ 3,434
10	Physicians	\$ 4,459
11	Physicians	\$ 10,006
12	Chiropractors	\$ 229
13	Nurse Anesthetists	\$ 393
14	Podiatrists	\$ 872
15	Availability Plan Insureds	20%
16	Business Entities	15%
17	Medical Care Facilities	16%
18	Community Mental Health Centers	15%
19	Psychiatric Hospital	15%
20	Residents in Training	15%
21	Physician Assistants	15%
22	Nurse-Midwives	17%
23	Assisted Living & Residential Health Care Facilities	15%
24	Nursing Facilities	15%

* 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 \$200.