



Physicians

Medical Professional Liability

Specimen Policy

The following is a medical professional liability specimen policy issued by Curi underwriting companies* for physicians. It includes standard coverage offerings and is not intended to reflect the coverage available to any specific policyholder. The actual terms and conditions of the policy issued will govern the coverages provided. State amendatory endorsements are not included. By providing this summary, Curi underwriting companies do not waive any rights or provisions established in the policies issued.

* Curi underwriting companies include Arkansas Mutual Insurance Company, Medical Mutual Insurance Company of North Carolina, MMIC Insurance, Inc., MMIC Risk Retention Group, Inc., Medical Security Insurance Company and UMIA Insurance, Inc.



Medical Professional Liability Insurance Policy – Claims-Made and Reported

This insurance policy applies to **Claims** that are first made and reported during the **Policy Period** or any applicable Extended Reporting Period. In this policy, the words we, our, or us refer to the insurance company identified on the Declarations Page. The meaning of words or phrases that are bolded are found in section XI. DEFINITIONS.

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I. INSURING AGREEMENT

Under this policy:

- A. We will pay on behalf of an **Insured** all **Damages** that an **Insured** becomes legally obligated to pay, up to the applicable limits of liability, for a **Claim**:
 1. Alleged to have resulted from a **Medical Incident** that takes place on or after the Prior Acts Date and before the end of the **Policy Period**; and
 2. Which was first made and reported either during the **Policy Period** or during any applicable Extended Reporting Period.
- B. We will pay **Legal Expenses** we incur in the investigation or defense of a **Claim** covered by this policy.
- C. We have the right at our sole discretion to control the defense of and retain an attorney to defend any **Claim** covered by this policy.

II. REPORTING A CLAIM

- A. A **Claim** will be considered to have been first made on the date an **Insured** receives notice of a **Claim**.
- B. An **Insured**, or an authorized representative of an **Insured**, must promptly give written notice to us of any **Claim** during the **Policy Period** or any Extended Reporting Period. Notice of a **Claim** will be deemed first reported to us on the earliest date that we receive in writing:
 - 1. A report of a **Medical Incident** that may result in a **Claim** against an **Insured**;
 - 2. A request for medical records related to a **Medical Incident** that may result in a **Claim**;
 - 3. Any notice of a demand for money or for services indicating that a **Claim** may be or has been made against an **Insured** resulting from a **Medical Incident**; or
 - 4. A **Legal Action** naming an **Insured** resulting from a **Medical Incident**.
- C. Written notice of any of the above must contain or be accompanied by:
 - 1. The name(s) of the **Insured(s)** involved;
 - 2. The name(s) of the patient(s) involved;
 - 3. The date and location of the **Medical Incident**; and
 - 4. A description of the **Professional Services** rendered giving rise to the **Medical Incident**.
- D. All **Claims** arising out of or in connection with the same **Medical Incident** will be deemed to have been made and reported at the time the first **Claim** is made and reported.

III. LIMITS OF LIABILITY

- A. The Each Medical Incident Limit of Liability stated on the Declarations Page is the most we will pay as **Damages** resulting from any one **Medical Incident** to which this policy applies. In addition, the following rules apply:
 - 1. The Each Medical Incident Limit of Liability will apply separately to each **Insured** identified on the Schedule of Insureds or an endorsement, unless stated otherwise on the Schedule of Insureds or an endorsement.
 - 2. Anyone providing **Locum Tenens** coverage for an **Insured** will share in the Each Medical Incident Limit of Liability of the **Insured** in whose place the substituting healthcare provider is temporarily working.
 - 3. An **Individual Insured** or **Insured Entity** shares the Each Medical Incident Limit of Liability with their employees and/or volunteers provided the employee and/or volunteer qualifies as an **Insured** and is not specifically identified on the Schedule of Insureds or an endorsement.
- B. The Each Medical Incident Limit of Liability applies regardless of the number of claimants seeking **Damages** resulting from one **Medical Incident**.

- C. The Aggregate Limit of Liability stated on the Declarations Page is the most we will pay as **Damages** resulting from all **Medical Incidents** to which this policy applies.
1. The Aggregate Limit of Liability will apply separately to each **Insured** identified on the Schedule of Insureds or an endorsement, unless stated otherwise on the Schedule of Insureds or an endorsement.
 2. An **Individual Insured** or **Insured Entity** shares the Aggregate Limit of Liability with their employees and/or volunteers provided the employee and/or volunteer qualifies as an **Insured** and is not specifically identified on the Schedule of Insureds or an endorsement.
- D. **Legal Expenses** are paid in addition to the limits of liability in this section. We will not be obligated to pay any **Legal Expenses** or to continue to defend any **Claim**, including an appeal, after the applicable limits of liability of this policy have been exhausted by the payment of settlements of judgments, even if the payment is not sufficient to satisfy the full amount of any such settlement or judgment.

IV. SUPPLEMENTAL PAYMENTS

- A. We will pay reasonable expenses, including lost income, that an **Insured** incurs in complying with our specific request to attend a deposition or appear at a trial or similar formal proceeding. The most we will pay under this benefit for expenses incurred by an **Insured** is \$1,000 per day.
- B. During the **Policy Period** and at our discretion, we may provide an **Insured** assistance related to requests for depositions or interviews, or for subpoenas for documents or testimony, arising out of **Professional Services**.

V. INSUREDS

- A. The following are **Insureds** under this policy:
1. The **Policyholder**, if identified as an **Insured** on the Schedule of Insureds or an endorsement;
 2. An **Insured Entity**;
 3. An **Individual Insured**;
 4. An **Insured's** employees or volunteers for liability resulting from **Professional Services** while acting within the course and scope of their duties for an **Insured**; and
 5. A **Locum Tenens**.
- B. Notwithstanding the provisions of paragraph A, the following are not **Insureds** under this policy, even if they are employees or volunteers of an **Insured**, unless identified on the Schedule of Insureds or an endorsement as an **Individual Insured**:

1. Anyone working for an **Insured** as an independent contractor or under an agreement with a staffing agency or other entity;
2. Interns and externs;
3. Residents;
4. Osteopathic or medical doctors;
5. Certified registered nurse anesthetists;
6. Certified nurse midwives;
7. Podiatrists;
8. Chiropractors; or
9. Dentists.

VI. EXCLUSIONS

This policy does not apply to:

- A. Any act, error, or omission of or by an **Insured** prior to the effective date of this policy if:
 1. An **Insured** knew or reasonably should have known that said act, error, or omission, by its nature or for any other reason, may result in a **Claim**; or
 2. Said act, error, or omission, or any **Damages** resulting therefrom, has been reported to or is covered by **Other Insurance**.
- B. **Damages** awarded or costs taxed against an **Insured** caused or exacerbated by any act or omission that:
 1. Constitutes a breach of any term or condition of this policy, including but not limited to the duty to cooperate in defense of a **Claim**;
 2. Is a misrepresentation or concealment of a material fact or circumstance relating to a **Claim**; or
 3. Involves the alteration, falsification, or failure to preserve medical records or other evidence.
- C. Any **Claim** or potential **Claim** we were unable to timely investigate or defend due to the acts, errors, or omissions of an **Insured**, including any entry of default or default judgment obtained against an **Insured**.
- D. Any **Claim** against an **Insured** in that **Insured's** capacity as administrator, director, medical director, or officer of any entity not covered by this policy.
- E. Any **Claim** arising out of the failure of any **Insured** to perform any contract, or out of any agreement to indemnify any party. This exclusion does not apply to any liability the **Insured** would have under this policy absent the contract.
- F. An **Insured's** services as an expert witness or litigation consultant.
- G. Any **Claim** arising out of allegations of willful, fraudulent, malicious, reckless, or intentional act or omission committed by or with the knowledge of an **Insured**.

- H. Any **Claim** arising out of any allegations of or acts constituting an **Insured's** violation of law, statute, ordinance, rule, or regulation whether or not there is an investigation, criminal charge, prosecution, or conviction.
- I. Any **Claim** arising out of an **Insured's** employment-related practices.
- J. Any **Claim** arising out of an **Insured's** billing practices.
- K. Any **Claim** for **Damages** other than actual compensatory damages. This includes punitive, exemplary, or multiple damages, fines, penalties, and sanctions.
- L. Any **Claim** arising out of or caused, enhanced, exacerbated, or aggravated by an **Insured's** use of alcohol or drugs.
- M. Any **Claim** arising out of discrimination by an **Insured** on the basis of age, ancestry, color, disability, ethnicity, gender, gender identity or expression, genetic information, HIV/AIDS status, military status, national origin, pregnancy, race, religion, sex, sexual orientation, or veteran status, or any other basis under federal or state law.
- N. Any **Claim** arising out of invasion of privacy, slander, libel, or defamation.
- O. Any **Claim** arising out of a data, protected health information, or personally identifiable information breach.
- P. Any **Claim** arising out of unfair or deceptive acts or practices, anti-trust, unfair competition, anti-competitive conduct, or restraint of trade, commerce, or services.
- Q. Any **Claim** arising out of any nuclear reaction, radiation, radioactive contamination, or the discharge, dispersal, release, or escape of pollutants, or any consequence of these.
- R. Any **Claim** arising out of **Sexual Misconduct** made against an **Individual Insured**.
- S. Any **Claim** arising out of **Sexual Misconduct** made against an **Insured Entity**. However, we will pay **Legal Expenses**, but not indemnity, for any **Claim** arising out of **Sexual Misconduct** against an **Insured Entity** that is alleged to have occurred during medical treatment rendered to a patient by the **Insured Entity** or one of the **Insured Entity's** employees. We will be entitled to terminate defense and seek reimbursement from the **Insured Entity** for all **Legal Expenses** paid under this paragraph if it is determined that the **Insured Entity** or any employee of the **Insured Entity** knew of the **Sexual Misconduct**, or the potential for **Sexual Misconduct**, and failed to investigate it, report it, or stop it.
- T. Any **Claim** arising out of any **Insured's Professional Services** rendered that are different from representations made to us in the most recent application, renewal

documentation, or similar information in support of issuance of this policy unless we have agreed in writing to extend coverage to the **Insured** after being notified of the differences. This exclusion does not apply to medical or healthcare services rendered as Good Samaritan aid in a sudden and unforeseen emergency for which no remuneration is expected or received.

VII. INSUREDS' DUTIES

An **Insured** must:

- A. Assist in the investigation and defense of **Claims** by, among other things, attending hearings and trials, assisting in securing and giving evidence, cooperating with counsel and our representatives, and assisting in identifying and securing the attendance of witnesses.
- B. Cooperate with us in pursuing any right of contribution or subrogation against a person or entity that is or may be liable to an **Insured**. The **Insured** will make any assignment necessary to assist in enforcing any right to contribution or subrogation.
- C. Neither admit negligence nor accept any liability for any **Medical Incident** without our prior written consent.
- D. Neither make any payment nor assume any obligation, except at an **Insured's** own expense, relating to a **Medical Incident** without our prior written consent.
- E. Not attempt to or destroy, alter, modify, or delete any evidence or potential evidence related to any **Claim** or **Medical Incident**.
- F. Immediately notify us if an **Insured** receives notice to preserve any evidence or potential evidence related to any **Claim** or **Medical Incident** and preserve all information covered by the notice.
- G. Notify us as soon as practicable and in writing of any material change in an **Insured's** practice including changes in specialty, scope of practice, location of services, medical licensing status, addition or deletion of **Insureds**, and change in ownership.
- H. Notify us as soon as practicable and in writing of any investigation, arrest, indictment, or conviction of any **Insured** for any crime; any **Insured's** involuntary treatment for alcohol or drug abuse or dependency; or any investigation by a state medical licensing agency, a hospital or healthcare facility, or a medical review board.

VIII. CONSENT TO SETTLE

- A. We will not settle a **Claim** or make any indemnity payment to settle a **Claim** without prior written consent from an **Insured** identified on the Schedule of Insureds or an endorsement. Once written consent is obtained from an **Insured**, we may, in our sole discretion, negotiate the terms of and settle the **Claim**.
- B. Written consent will not be required if:
 - 1. The **Insured** is deceased or has been adjudicated incompetent;
 - 2. The **Insured** cannot be located, does not respond to reasonable attempts to communicate, or is not able to assist in the defense;
 - 3. The **Insured's** license to practice medicine has been suspended, revoked, or surrendered; or
 - 4. A verdict or judgment has been entered against the **Insured**.

IX. OTHER INSURANCE

- A. If an **Insured** is covered by **Other Insurance**, either primary or excess, with limits at least equal to that **Insured's** limits of liability provided by this policy, for a **Claim** also covered by this policy, then we have no duty to defend or indemnify that **Insured**.
- B. If paragraph A above does not apply to a **Claim** against any **Insured** because either (i) the **Other Insurance** available to the **Insured** does not have limits at least equal to the **Insured's** limits of liability, or (ii) the **Other Insurance** has a provision substantially similar to paragraph A above, then this insurance is excess over such **Other Insurance**, unless such **Other Insurance** is specifically written as only excess over the **Insured's** limits of liability. When this insurance is excess, we have no duty to defend an **Insured** if any other insurer has a duty to defend the **Insured** against that **Claim**. If no other insurer defends the **Insured**, then we will undertake the defense but will be entitled to be subrogated to the **Insured's** rights against all other insurers.
- C. In no event will this insurance participate with **Other Insurance** on any basis greater than either equal shares, or on a pro-rata basis, unless such **Other Insurance** is specifically written to apply in excess of the **Insured's** limits of liability. However:
 - 1. If the **Insured** has **Other Insurance** which applies to a **Claim** on the same basis as this policy, and the **Other Insurance** permits contribution by equal shares, then both we and the **Other Insurance** will contribute equal amounts for **Damages** and **Legal Expenses** until our applicable limits of liability have been paid, the applicable limits have been exhausted, or the entire **Claim** has been paid, whichever comes first; or
 - 2. If any **Other Insurance** does not permit contribution by equal shares, then both we and the **Other Insurance** will contribute on a pro-rata basis with each insurer's share of **Damages** and **Legal Expenses** based on the ratio of the **Insured's** applicable limits of liability under this policy to the total limits of liability under all applicable policies.

- D. If more than one policy issued by us applies to the liability of an **Insured** for a **Claim**, multiple policy limits will not be combined to increase the total amount of limits available.
- E. If more than one Insuring Agreement under this policy applies to the liability of an **Insured** for a **Claim**, multiple coverage limits will not be combined to increase the total amount of limits available.

X. CONDITIONS

- A. No legal action may be brought against us unless and until there has been full compliance by the **Insured** with all of the terms of this policy. No legal action may be brought against us for reimbursement of monies payable by an **Insured** unless and until the amount of the **Insured's** obligation to pay has been determined by a judgment after trial, by arbitration, or by written agreement among the claimant, the **Insured**, and us.
- B. We have no duty to appeal any judgment. If we in our sole discretion elect to appeal a judgment, or if an **Insured** becomes party to an appeal pursued by another party, we will pay **Legal Expenses** incurred in the appeal proceeding.
- C. By accepting this policy, the **Policyholder**, on behalf of all **Insureds**, agrees that:
 - 1. All of the information and statements made in the application, renewal documentation, or similar information in support of issuance of this policy are accurate and complete;
 - 2. We issued the policy in reliance on the accuracy and completeness of the representations;
 - 3. The applications are part of this policy; and
 - 4. A misrepresentation or omission of material information will render this policy rescinded or void as allowed by state law.
- D. The terms of this policy cannot be altered, modified, or waived except through a written endorsement issued by us and attached to this policy.
- E. This policy will be interpreted under state law where it is delivered. The terms of this policy will be automatically amended to comply with the requirements of controlling state law.
- F. An **Insured** cannot transfer or assign this policy.
- G. This policy does not apply to any **Claim** against an **Insured** for which the **Insured** is immune from liability due to the provisions of any statute, or for which the **Insured's** liability exceeds any statutory limits or damages cap. An **Insured** accepting coverage under this policy does not waive those statutory immunities, limits, or damage caps. We will not be liable for **Damages** in excess of statutory immunities, limits, or damage caps unless the limitation is found by a court not to

apply, and in any event, we will not be liable for **Damages** above the applicable limits of liability in this policy.

- H. All premiums for this policy will be computed based on our rules, rates, and rating plans in effect with respect to the period for which the premiums are due. The premium is due either on the first day of the **Policy Period**, or as invoiced by us. If any premium is not paid when due, then this policy may be cancelled. The **Policyholder** is responsible for paying all premiums. The **Policyholder** must maintain records of such information as is necessary for premium computation and send copies of such records to us during and after the **Policy Period** as we request.
- I. We have the right but are not obligated to:
 - 1. Review any **Insured's** books and records;
 - 2. Inspect any **Insured's** premises; and
 - 3. Conduct other risk control or risk prevention activities.Any inspections, surveys, reports, or recommendations are for risk management purposes only. We do not warrant the safety of any **Insured's** premises or the quality of any **Insured's** services.
- J. It is agreed that the **Policyholder** has the right and obligation to act on behalf of all other **Insureds** in:
 - 1. Requesting and agreeing to changes to the policy;
 - 2. Requesting cancellation and receiving our notice of cancellation;
 - 3. Paying the premium and receiving any refund; and
 - 4. Maintaining and providing the documents and information we request in order to establish the premium or investigate or defend a **Claim** or **Medical Incident**.
- K. If the **Policyholder** cancels, earned premium will be computed in accordance with the customary short-rate table and procedure, but will not be less than the minimum premium. The unearned premium will be returned to the **Policyholder** within thirty (30) days after the effective date of cancellation. If we cancel, earned premium will be computed pro rata. The unearned premium will be returned to the **Policyholder** within ten (10) business days after the effective date of cancellation. However, in either event, payment or tender of unearned premium is not a condition of cancellation.
- L. This policy applies to **Professional Services** performed anywhere in the world but only if any **Legal Action** against the **Insured** is filed in the United States of America or in one of its territories or possessions.
- M. We have the right to allocate **Damages** between **Insureds**, whether covered by this policy or any other policy issued by us.

XI. DEFINITIONS

- A. **Claim** means a demand for money or services resulting from a **Medical Incident**.
- B. **Damages** means amounts that an **Insured** is legally obligated to pay to compensate another for **Injury** resulting from a **Medical Incident**. **Damages** do not include punitive, exemplary, multiple, or other form of damages above actual compensatory damages.
- C. **Individual Insured** means a person identified on the Schedule of Insureds or an endorsement as an **Individual Insured**.
- D. **Injury** means (1) physical harm or (2) mental or emotional harm if accompanied by physical manifestation of said harm, caused by the conduct of an **Insured**.
- E. **Insured** means any entity or person qualifying as an **Insured** under section V. INSUREDS.
- F. **Insured Entity** means an organization, corporation, partnership, professional association, or limited liability company identified on the Schedule of Insureds or an endorsement as an **Insured Entity**.
- G. **Legal Action** means a civil proceeding that seeks compensation which, if awarded, would be covered under this policy and includes: (i) a civil summons and/or complaint, including an order extending the time for filing a complaint, (ii) a demand for arbitration or any other alternative dispute resolution proceeding, (iii) a pre-suit, screening panel, or similar proceeding mandated by the laws of the state, or (iv) the equivalent of any of the above, naming an **Insured** as a party thereto and initiating a civil action for the recovery of compensation against an **Insured**.
- H. **Legal Expenses** means fees charged by an attorney retained by us to investigate or defend a **Claim** covered by this policy, other costs and expenses incurred by us that we determine to be reasonably related to the investigation or defense, and interest and appeal bonds on the portion of any judgment that is within the limits of liability.
- I. **Locum Tenens** means a healthcare provider providing **Professional Services** in the place of an **Insured** due to that **Insured's** vacation, illness, or other non-routine absence, subject to a limitation of sixty (60) days per **Policy Period**. The substituting person working in this temporary capacity must:
1. Have equivalent training, certification, and appropriate site approval as necessary;
 2. Be appropriately licensed by the state regulatory agency responsible for licensing in the specific U.S. state of the substituted **Insured** in whose place the substituting person is working;
 3. Have substantially similar qualifications to those of the **Insured** in whose place the substituting person is working;

4. Act only within the scope of duties for which the substituting person was retained by the **Insured**; and
 5. Have a written agreement in advance of providing **Professional Services** under which the **Insured** agrees to provide professional liability insurance coverage for the **Locum Tenens**.
- J. **Medical Incident** means an act, error, or omission, or a series of related acts, errors, or omissions resulting from the rendering of or failure to render **Professional Services**. In addition:
1. A continuing course of treatment of a patient will be considered one **Medical Incident**; and
 2. The prenatal care, labor, delivery, and birth of a child(ren) will be considered one **Medical Incident** regardless of the number of claimants alleging **Injury**.
- K. **Other Insurance** means any insurance or risk transfer policy or agreement including deductibles, self-insured retentions, self-insurance, patient compensation funds, risk sharing programs, alternative arrangements, or indemnity contracts, whether primary, pro-rata, contributory, excess, contingent, or on any other basis, even if such policy or agreement is not provided by a licensed insurer.
- L. **Policy Period** means the period of time stated on the Declarations Page commencing with the effective date and ending with the expiration date, or earlier termination of this policy, if any, in accordance with this policy's cancellation condition in section X. CONDITIONS. The **Policy Period** does not include any Extended Reporting Period.
- M. **Policyholder** means the person or entity identified as the "Policyholder" on the Declarations Page.
- N. **Professional Services** means medical or healthcare services provided to a patient that the **Insured** is licensed, trained, and qualified to perform. This includes medical or healthcare services rendered as Good Samaritan aid in a sudden and unforeseen emergency for which no remuneration is expected or received.
- O. **Sexual Misconduct** means any physical, emotional, or mental assault, harassment, or conduct of any sexual nature.

XII. EXTENDED REPORTING PERIOD

- A. An Extended Reporting Period extends the period for reporting a **Claim** pursuant to the terms of this policy. Coverage under this section is only provided for:
1. **Claims** resulting from a **Medical Incident** that takes place on or after the Prior Acts Date and before the cancellation of coverage or non-renewal of this policy; and

2. **Claims** that are first made and reported during the Extended Reporting Period.
- B. If this policy is non-renewed or cancelled for any reason other than non-payment of premium, the **Policyholder** has the right to purchase an unlimited Extended Reporting Period that would apply to all **Insureds**. If the coverage provided by this policy ends for any one **Insured**, that **Insured** has the right to purchase an unlimited Extended Reporting Period applicable to that **Insured**.
- C. The right to purchase an Extended Reporting Period must be requested and paid for within sixty (60) days of the coverage ending.
- D. We will determine the premium for the Extended Reporting Period in accordance with the rules and rates in place on the effective date of the Extended Reporting Period. The premium for the Extended Reporting Period will be considered fully earned on the effective date of the Extended Reporting Period.
- E. An Extended Reporting Period does not apply to a **Claim** that is covered by a policy that goes into effect on or after the date of cancellation of coverage or non-renewal of this policy.
- F. The applicable limits of liability will be reflected on the Extended Reporting Period endorsement.
- G. While this policy is in force, we will provide an **Individual Insured** an Extended Reporting Period for no additional premium in the event of:
1. **DEATH**: If an **Individual Insured** dies during the **Policy Period**, we will issue an Extended Reporting Period upon written request and proof of death. Notwithstanding any provisions in the policy or in the Extended Reporting Period, the time for reporting **Claims** ends upon the closing of a deceased **Individual Insured's** estate, but no longer than five (5) years from the date of death.
 2. **DISABILITY**: If an **Individual Insured** becomes permanently disabled and unable to practice medicine during the **Policy Period**, we will issue an Extended Reporting Period upon written request and proof of permanent disability. We reserve the right to require that the **Individual Insured** undertake an independent medical examination by a physician of our choice to confirm the diagnosis of any disability.
 3. **RETIREMENT**: If an **Individual Insured** chooses during the **Policy Period** to retire permanently from the practice of medicine and terminate coverage, we will issue an Extended Reporting Period upon written request within thirty (30) days of the coverage ending if the **Individual Insured**:
 - a. Is fifty (50) years of age or older and has been continuously insured by us for a minimum of one year immediately preceding retirement; or

- b. Has been continuously insured by us for a minimum of seven (7) years immediately preceding retirement.

We reserve the right to require proof of retirement. If the retired **Individual Insured** resumes the practice of medicine, the Extended Reporting Period will be deemed cancelled effective the date the **Individual Insured** resumes the practice of medicine.

- 4. AGE AND YEARS INSURED: If an **Individual Insured** chooses during the **Policy Period** to terminate coverage, we will issue an Extended Reporting Period upon written request within thirty (30) days of the coverage ending if the **Individual Insured** is fifty-nine (59) years of age or older and has been continuously insured by us for a minimum of ten (10) years.

Authorized Representative

Issue Date:



Policy Number:

Effective Date:

12:01 am standard time at the address of the Policyholder

Regulatory Protection Endorsement

The Medical Professional Liability Insurance Policy ("the policy") is amended to add the following:

Coverage under this endorsement applies to **Insured Events** described in section II. INSURED EVENTS below. Coverage under this endorsement does not apply to **Claims** that are covered under other coverage parts of the policy.

It is agreed that the following sections contained in the policy, V. INSUREDS, VI. EXCLUSIONS, VII. INSUREDS' DUTIES, IX. OTHER INSURANCE, X. CONDITIONS, and XI. DEFINITIONS, are incorporated herein by reference and apply to **Insured Events** in this endorsement in the same manner they apply to **Claims** and **Medical Incidents** in the policy.

I. COVERAGE BENEFIT

Under this endorsement:

- A. We will reimburse an **Insured** for **Covered Costs** to the extent insurable by law, resulting from an **Insured Event** which is:
 - 1. **Instituted** during the **Policy Period**, and
 - 2. Reported to us during the **Policy Period** or within one year of termination of the policy.
- B. We have no duty to defend under this endorsement, but only to make appropriate reimbursements to the **Insured**.

II. INSURED EVENTS

An **Insured Event** includes the following:

- A. Formal disciplinary or enforcement proceedings **Instituted** against an **Insured** by a **Governmental Entity** alleging that, in connection with rendering **Professional Services**, an **Insured** violated federal, state, or local laws related to:
 - 1. The disposal of medical waste materials;
 - 2. Workplace and occupational safety ("OSHA");

3. The Americans with Disability Act (“ADA”);
 4. The Emergency Medical Treatment and Labor Act (“EMTALA”); and
 5. Self-referral laws including “Stark” laws.
- B. Professional review or disciplinary proceedings **Instituted** against an **Insured** alleging competency, clinical performance, or professional conduct issues that:
1. Are brought for purposes that may adversely affect privileges, licensure, or membership as a provider of **Professional Services**; and
 2. Are brought by a professional review body of a health care entity, a state licensing authority, a medical specialty board, or professional or other peer review organization.
- Coverage under this section does not include any initial application for privileges, licensure, or membership or any application for renewal, reactivation, or reinstatement.
- C. Formal proceedings **Instituted** against an **Insured** seeking recovery for the **Insured’s** actual or alleged erroneous billing for **Professional Services**. These actions must be brought by a “Qui Tam Plaintiff” (a private plaintiff under the U.S. False Claims Act), a **Governmental Entity**, or a commercial health insurance payer.
- D. An **Insured’s** self-reporting to the appropriate medical board and any ensuing investigation related to:
1. Sexual acts, behavior, or conduct, or personal, romantic, or other non-professional relationships;
 2. Substance misuse or abuse including driving while impaired; or
 3. Wrongful prescribing of controlled substances.
- E. An unannounced on-site investigation by a **Governmental Entity**.

III. REPORTING AN INSURED EVENT

- A. An **Insured**, or an authorized representative of an **Insured**, must promptly give written notice to us of any **Insured Event** during the **Policy Period** or within one year of termination of the policy, including copies of any notice or documents indicating that an **Insured Event** is being **Instituted**.
- B. An **Insured**, or an authorized representative of an **Insured**, must promptly give written notice to us of any **Insured’s** intent to self-report any **Insured Event** during the **Policy Period** or within one year of termination of the policy.

IV. LIMITS OF LIABILITY

- A. The Limits of Liability applicable to this endorsement are in addition to, and will not erode, the limits applicable to other coverage parts of this policy.
- B. The Each Regulatory Protection Insured Event Limit of Liability stated on the Declarations Page is the most we will reimburse per **Insured** for one **Insured Event**.
- C. The Aggregate Regulatory Protection Limit of Liability stated on the Declarations Page is the most we will reimburse for all **Insureds** and all **Insured Events**. The Aggregate Regulatory Protection Limit of Liability is shared between all **Insureds**.

V. CHOICE OF COUNSEL

- A. The **Insured** has freedom of choice with respect to the selection of counsel to represent the **Insured** in an **Insured Event**.
- B. Upon written notice to us of an **Insured Event**, we will provide the **Insured** with names of panel counsel. If the **Insured** retains panel counsel to represent the **Insured** in the **Insured Event**, then we will, subject to the provisions of this endorsement, reimburse 100% of **Covered Costs** up to the limits of liability. If the **Insured** retains non-panel counsel, then we will reimburse 50% of **Covered Costs**, and the **Insured** must pay a co-insurance of 50% of these costs.
- C. We will not infringe on the professional judgment of the individuals providing legal or audit services reimbursable under this coverage. No individual providing legal or audit services under this coverage shall be required to act by us in derogation of his/her professional responsibilities to the **Insured**.

VI. EXCLUSIONS

For purposes of coverage for **Insured Events** under this endorsement, the following exclusions in the Medical Professional Liability Policy are deleted: H, I, K, M, Q, R, and S. Additional exclusions pertaining to this endorsement are listed below. This endorsement does not apply to:

- A. Disputes with respect to this endorsement, including questions as to whether **Covered Costs** are reimbursable.
- B. Any matter that an **Insured** conspired with another to have **Instituted**. However, this exclusion does not apply where federal or state law requires action by an **Insured** that may result in an **Insured Event**.

- C. Any formal disciplinary or enforcement proceeding related to criminal prosecution, indictment, or other action to enforce criminal laws, including those offenses for which conviction could result in imprisonment and/or criminal fine.
- D. Implementation of any compliance program, integrity agreement, policies, procedures, practices, or modifications to premises.
- E. Any violations of the Americans with Disabilities Act alleged by employees or agents of an **Insured**.
- F. Costs or expenses associated with mental, psychiatric, or psychological treatment of an **Insured**.
- G. Costs or expenses associated with continuing education or professional development.
- H. Costs or expenses associated with routine reporting, audits, reviews, or accountings that do not arise out of an **Insured Event**.
- I. Any action or proceeding initiated by an individual, representative of an individual(s), or group or class of individuals other than a Qui Tam Plaintiff.
- J. Any cyber risk, crime, extortion, or terrorism including damage, destruction, alteration, misuse, or theft of digital protected health information.
- K. Any action or proceeding initiated by an **Insured** except with our prior written consent.
- L. Any violation of an order or directive from a **Governmental Entity**.
- M. Civil fines, taxes, penalties, interest, restitution, repayment, reimbursement obligations, or expenses taxed against an **Insured** arising from a covered **Insured Event**.

VII. DEFINITIONS

Additional definitions pertaining to this endorsement are listed below:

- A. **Covered Costs** mean:
 - 1. Reasonable and necessary fees for services of a qualified attorney to assist in the defense of an **Insured Event**, subject to section V. CHOICE OF COUNSEL, and customary legal costs such as expert witnesses and transcripts.
 - 2. Reasonable and necessary fees for services of a qualified audit professional

to examine records related to coding, billing, or reimbursement for **Professional Services**. Expert services, audits, or opinions that are not in response to an **Insured Event** (such as "Shadow Audits") will not be covered without our prior consent.

B. **Governmental Entity** means:

1. A department, agency, or other organization created by federal or state law, regulation, rule, or executive order;
2. A department, agency, or other organization operated, funded or staffed by the federal government or any state government;
3. A department, agency, or other organization responsible for the licensure, regulation, and professional discipline of health care professionals; or
4. An organization operating as a Medicare Integrity Program Contractor.

C. **Instituted** means the date identified on the written notice from any source that indicates an **Insured Event** has begun or is being pursued. In the event of self-reporting, **Instituted** means when the circumstances giving rise to the self-reporting became known to the **Insured**.

D. **Insured Event** means an event qualifying under section II. INSURED EVENTS. All related proceedings arising out of the same circumstances are considered one **Insured Event**. Any appeals and post-trial proceedings are considered part of the original **Insured Event**.

All other terms and conditions of the policy remain unchanged.

Authorized Representative

Issue Date: