



## **Frequently Asked Questions**

Florida Doctors Insurance Company  
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## **Company Overview**

### **What kind of carrier are you?**

Florida Doctors Insurance Company is a stock insurance company. We are not publicly traded; rather, our stock is privately-held by a group of Florida residents who care about Florida healthcare and the future it holds. Therefore, our results are not managed to meet the expectations of Wall Street analysts or other outside parties.

### **Could your policyholders be assessed?**

No. Policyholders do not have any personal liability for losses incurred by our past claims.

### **How long have you been in business?**

We received our certificate of authority on November 3, 2005 and began accepting applications for medical professional liability insurance immediately.

### **Who is your management team?**

Our management is comprised of a team of insurance industry veterans who have worked for a combined 128 years in the insurance industry, 80 of that specializing in Florida medical professional liability. Their backgrounds include management positions with insurance companies, insurance agencies and regulatory bodies throughout the state.

### **Are you endorsed or sponsored by any medical associations?**

At this time, we are not endorsed or sponsored by any medical associations in the State of Florida. However, the members of our management team have long-standing relationships with the leadership of many of the specialty, county and state associations and intend to support the goals of organized medicine in Florida.

### **Are you rated by A. M. Best?**

Since Florida Doctors Insurance Company is a new carrier, we have not yet received a rating from A.M. Best.

### **How sound is your asset base and surplus?**

Florida Doctors Insurance Company was initially capitalized with \$10,000,000. No capital contributions are required to become a policyholder of the company. Our surplus is conservatively invested, in compliance with the standards established by the National Association of Insurance Commissioners and the Office of Insurance Regulation of the State of Florida.

### **Do you have reinsurance?**

Yes. We have purchased traditional reinsurance coverage from reinsurers who specialize in medical professional liability and are rated "A-" or better by A. M. Best.

### **Will I have easy access to your management team?**

Your independent insurance agent should always be your first point of contact for any issue pertaining to your professional liability coverage. However, you may contact any member of our management team at any time.

### **In the event my application is declined or my coverage is non-renewed, will I have the right to appeal?**

You have the right to appeal either type of decision described above. The company has an underwriting committee composed of members of our Board of Directors. If you decide to file an appeal, you will be invited to personally address the committee at a location, time & place decided by the committee. The decision of the committee will be final and binding.

### **Can I buy coverage directly from Florida Doctors Insurance Company?**

No. All of our policies are distributed through independent insurance agents located throughout the State of Florida. These agents understand your business and the coverages you need. They will act as your advocate in the placement of your coverage as well as being able to offer valuable advice based on their knowledge and experience. If you do not currently have an insurance agent representative, please contact our Marketing Department and we will provide you with a referral.

## **Policy Overview**

### **What does the policy cover?**

The Professional Liability section of our policy provides coverage for injury or damage arising from:

- ✓ professional liability claims that are brought against you by a patient in your practice as a physician or surgeon
- ✓ your service on a hospital or professional society board or committee
- ✓ your participation in quality assurance activities where you evaluate the quality of healthcare services or patient safety
- ✓ your participation in a formal credentialing, peer review or quality assurance board or committee

The Corporate Liability section of our policy provides coverage for the vicarious liability of a professional association, corporation or partnership. This coverage provides a separate limit of liability and is only available to a group of 2 or more physicians or surgeons.

The Investigation Defense section of our policy provides you with a \$25,000 sublimit to defend actions and reviews by medical licensing boards, credentialing agencies, professional review organizations, Medicare and Medicaid.

### **What policy limits are available?**

Policy Limits up to \$1,000,000 per claim, \$3,000,000 per aggregate are available. If you have a need for a higher limit, please have your agent contact our Underwriting Department.

### **Do you offer discounts for physicians with favorable claim histories?**

Yes. The company offers substantial discounts for physicians with favorable claim histories. You are eligible for these discounts based on the number of consecutive years you have practiced without a claim (provided you have maintained professional liability insurance over the same period).

### **Will you cover my locum tenens?**

Yes. The company will cover a locum tenens substituting for you. However, you must notify us in advance of the substitution date.

### **Will I be able to pay a reduced premium if I am new to practice, practice part-time or take leave for military service, family reasons, disability, or a sabbatical?**

Yes. We offer reductions in premium for each of the situations described above.

### **What payment plan options do you offer?**

We have 2 payment options: full payment of the policy premium or quarterly installments (25% for each payment). There are no finance charges or other fees if the quarterly installment option is elected.

### **What extended reporting (tail) coverage options are available?**

If you decide to leave us for another carrier, you will have the option to purchase tail coverage. We will provide a quotation and you will then have 30 days to decide on its purchase. There are no finance options available on the tail premium and you cannot cancel tail coverage once the premium has been paid.

If you die or become permanently and totally disabled, our policy will provide tail coverage at no charge, regardless of your age or the number of years you were insured with us.

If you completely retire from the practice of medicine and have been insured with us for the last 5 years prior to your retirement, our policy will provide the retirement tail coverage at no charge, regardless of how old you are when you elect to retire. However, if you decide to return to work, the free retirement tail coverage is no longer valid.

## **Claims Overview**

### **Do you have your own claims department?**

Yes. Ray Carey, our Vice President of Claims, will oversee the entire claims operation for the company. Mr. Carey is one of the most experienced professional liability claims persons in the State of Florida, having performed in this capacity since 1978.

### **What kinds of services are provided as part of my defense?**

We will assign a claim representative to oversee the day-to-day management of your claim. In addition, we will select an experienced defense attorney in your area to represent you. Finally, we will engage expert witnesses as necessary to support the defense of your treatment plan.

### **What if the allegations made by the plaintiff are groundless?**

As part of our policy, we will defend you regardless of the validity of the allegations made against you.

### **Does the cost of my defense reduce my policy limit?**

No. All defense costs (including those of attorneys and expert witnesses) are provided in addition to the policy limit.

### **What if you become aware of an incident that is likely to result in a claim or lawsuit?**

All carriers encourage precautionary reporting of such incidents. This gives us time to review the facts, evaluate the potential liability and take any necessary action.

### **What are examples of incidents that I should report?**

Complications; Patient dissatisfaction or complaints; Requests for medical records; Failure of the patient to keep follow-up appointments or to pay outstanding bills.

### **Will these precautionary reports impact my premium or my ability to keep my insurance?**

No. Incident reporting does not trigger any mid-term changes in pricing or insurability.

### **Can you settle a claim without my consent?**

Yes. Florida law allows any insurance company who provides professional liability insurance to physicians and surgeons to settle a claim without your consent. However, you will be involved in the claims process from the beginning and you will be kept informed of any actions we intend to take.

### **Do you cover punitive awards?**

No. Florida law does not permit any insurance company to provide coverage for punitive awards.

### **Will I be reimbursed for lost income if I have to go to court?**

If we request you to appear in court or at another function related to the defense of your claim, you are eligible for a reimbursement of lost wages of up to \$500 per day.

*This information is provided for the use of physicians, surgeons and their independent insurance agent representatives in determining the placement of professional liability insurance coverage with Florida Doctors Insurance Company. Any other use is unintended and we cannot be held responsible for its misuse or misinterpretation and the consequences thereof.*

*All Coverage statements are for general description purposes only. The statements do not amend, modify or supplement a Florida Doctors Insurance Company insurance policy. Refer to the actual policy or contact us for details regarding terms, conditions, coverages and exclusions. A sample policy can be made available upon request.*