



HEALTH CARE STABILIZATION FUND



JANUARY 2006

Members of the Board of Governors	Steve Clifton, CRNA Michael A. Dorsey Elaine L. Ferguson, D.O.	Arthur D. Snow, Jr., M.D., Chairperson Larry Shaffer, Vice-Chairperson Jimmie A. Gleason, M.D. Julie Quirin	Timothy Bolz, D.C. Deborah Burns, D.O. Steven C. Dillon, M.D.
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Insurance Commissioner Sandy Praeger makes appointments to the Fund Board of Governors

The following appointments were made to the Health Care Stabilization Fund Board of Governors by Insurance Commissioner Praeger:

- Michael A. Dorsey, Chief Operating Officer, St. Francis Health Center, Topeka
- Steven C. Dillon, M.D., Lawrence

The Board of Governors is comprised of ten members. Three represent medical doctors, two members represent osteopathic doctors, three represent medical care facilities, one member represents registered nurse anesthetists and one member represents chiropractors. During the July meeting of the Board of Governors, Arthur D. Snow, Jr., M.D. was re-elected to serve as Chairperson and Mr. Larry Shaffer was re-elected to serve as Vice-Chairperson.

Dr. Snow, on behalf of the Board of Governors, acknowledged with great appreciation the past service of Dr. Rudy Haun and Mr. Greg Lundstrom, whose Board terms have expired.

Board members are appointed by the Commissioner of Insurance from a list of nominees submitted by one of the professional associations of health care providers. Each Board member may serve no more than two consecutive four year terms. If you are interested in serving as a Board member, please contact your professional association or the Fund. ✿

Employed health care providers who wish to moonlight

A number of health care providers who are employed by an entity which provides their basic medical professional liability insurance coverage are contacting the Health Care Stabilization Fund to inquire about getting their own “moonlighting” professional liability insurance coverage so that they might practice outside of their employment.

The Fund law does not allow more than one basic coverage and surcharge payment that would accommodate these kinds of situations. The Fund law does, however, re-

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Trying to find a locum tenens? What about “tail” coverage for locum tenens providers?

Some Kansas health care providers find it necessary to locate a provider to cover their practice when they need to be away. As in other states, our health care providers often rely on the services of a locum tenens specialty group. These specialty groups may be located in or outside of Kansas.

The replacement provider or locum tenens provider may or may not be a resident of Kansas, but will be required to meet the Kansas professional liability coverage requirements. Sometimes these requirements result in confusion about what the locum tenens provider must do to comply with our professional liability coverage, the Health Care Stabilization Fund and the Fund surcharge payment requirements, as well as possible Kansas health care provider licensing agency requirements.

If you need assistance, most insurance company representatives can assist in completing the coverage requirements and often will assist with the health care provider licensing agency coordination. The Fund can also be of assistance in these activities.

“Tail” coverage for locum tenens providers

At the completion of the locum tenens period there is the question about “tail” coverage for the locum tenens provider. If the locum tenens provider has five or more years of Fund compliance, tail coverage provided for in the Fund law will be available at no additional surcharge cost. If the locum tenens provider has less than five years of Fund coverage, then one of the following alternatives may be considered:

- pay the additional Fund tail surcharge at the conclusion of each assignment;
- rely on any continuing professional liability insurance coverage that the locum tenens group maintains for their providers;
- make arrangements for the immediate succeeding professional liability insurance policy to include prior acts for the previous locum tenens practice period or periods; or
- consult with their professional liability insurance agent for other possible alternatives.

These situations have existed throughout the long history of the Fund and usually do not create insurmountable problems or difficulties as long as these situations are carefully reviewed before a critical need arises. If assistance is needed from the Fund, please contact our office. ❁

Employees of the Fund

Robert D. Hayes
Executive Director

Rita L. Noll, Chief Attorney
Marta Linenberger, Attorney
Kathy Dorst, Legal Assistant
Cherryl Smith, Senior Admin. Assistant
Crystal Swoyer, Administrative Assistant
Gary Zook, Coverage Specialist
Lorie Anderson, Coverage Specialist
Laura Ray, Administrative Specialist
Dani Snook, Administrative Assistant
Cami Roberts, Administrative Assistant
Mary Ellen Shisler, Office Assistant
Becci Nelson, Accountant
Betsy Hoke, Senior Admin. Assistant

What basic coverage is required for the locum tenens provider?

The professional liability insurance coverage must be at least \$200,000/\$600,000 and from an insurance company recognized by the Health Care Stabilization Fund. If that coverage is not available to the health care provider, then the locum tenens provider may obtain their basic coverage from the Health Care Provider Insurance Availability Plan. Please call our office or check our Internet web site if you need assistance regarding the Health Care Provider Insurance Availability Plan.

Employed health care providers who wish to moonlight . . .

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quire each basic coverage policy to include coverage for all of the professional services rendered by a health care provider. That is, the required basic coverage would include the so called "moonlighting" professional services, even if the basic coverage was acquired by an employer for an employee.

The source of the problem in a majority of these questions about acquiring "moonlighting" coverage is the employment contract or agreement with the employer of the health care provider. The "non-compete" or "no moonlighting" provisions of employment contracts are beyond the control of the Fund. *

A "moonlighting" exception:

There is an exception included in the Fund law for those persons engaged in the KUMC and WCGME postgraduate training programs. That exception does allow residents to obtain moonlighting coverage for their extra-curricular professional services.*

Insurance market review

The following insurance companies have entered the Kansas basic professional liability coverage markets: Emergency Physicians Insurance Company (RRG), Physicians Insurance Company of Wisconsin, Professional Solutions Insurance Company and Saint Luke's Health System (RRG). In the most recent months, the Kansas markets appear to be stabilizing.

Approximately 80% of Kansas resident health care providers are insured by one of the following companies:

- Kansas Medical Mutual Insurance Company (KaMMCO) – 41%
- The Medical Protective Company – 13%
- National Chiropractic Mutual Insurance Company (NCMIC) – 11%
- Medical Assurance Company – 6%
- Health Care Provider Insurance Availability Plan – 8%
- Continental Casualty Company – 3%

A list of the insurance companies writing Kansas health care providers can be found on the web site of the Fund (www.hcsf.org). Information provided there includes contact names, addresses and telephone numbers for each of the insurance companies.

If you wish to obtain other information about these insurance companies, you may contact Mr. Dick Cook of the Kansas Insurance Department. The mailing address and other contact information is:



Sandy Praeger, Commissioner of Insurance
Attn: Dick Cook, Fire and Casualty Division
420 SW 9th Street, Topeka Kansas 66612



Telephone: 1-800-432-2484 (in Kansas)
or 785-296-7835 (Mr. Cook's phone)



Email Dick Cook at Kansas Insurance Department:
dcook@ksinsurance.org *

Annual Legislative Oversight Committee meeting presentation

Each year the Fund staff, the actuary for the Fund and other interested parties have the opportunity to update a special committee of Kansas legislators, health care providers, an insurance company representative and one member from the public regarding the status of the Fund. This year's committee meeting was held on December 14, 2005.

A copy of the presentation made to this committee by the Fund Executive Director is available on the Fund web site (www.hcsf.org/general_main.htm). Health care providers may wish to review this presentation in order to refresh their knowledge of the Fund and stay current with some of the important information that is included in that presentation. *

Look on the inside for articles on:

- ✓ Insurance Commissioner Sandy Praeger makes appointments to the Fund Board of Governors
- ✓ Employed health care providers who wish to moonlight
- ✓ Insurance market review
- ✓ Trying to find a locum tenens? What about "tail" coverage for locum tenens providers?



Visit the Health Care
Stabilization Fund Internet site:
The Fund Board of Governors
maintains a web site at: [http://
www.hcsf.org](http://www.hcsf.org)

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