

# NY Excess FAQs

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## About the Excess Medical Malpractice Program

### 1. What is primary and excess insurance?

Primary and excess insurance coverage is analogous to the layers of a wedding cake. If all policy requirements are met, any monetary judgment amounts would be paid out of the first layer of insurance (primary) until it became exhausted. Then, the second layer (or excess insurance) would be drawn upon to pay the monetary judgment.

### 2. What is the Excess Medical Malpractice Insurance Program?

It is a program that was established by the state of New York in 1986 to provide certain physicians with an additional layer of medical malpractice insurance coverage above the policy limits provided by primary malpractice coverage.

### 3. What is PRMS' involvement in the Excess Medical Malpractice Insurance Program?

The New York Excess Medical Malpractice Insurance Program was established by the state of New York in 1986 to provide certain physicians with an additional layer of

medical malpractice insurance coverage above the policy limits provided by primary malpractice coverage.

As a New York insured, your primary malpractice insurance policy is with Fair American Insurance and Reinsurance Company (FAIRCO), and is managed by Professional Risk Management Services, Inc. (PRMS) through The Psychiatrists' Program. Neither PRMS nor FAIRCO is directly involved with the New York Excess Medical Malpractice Insurance Program. However, PRMS is required to offer a risk management program to those insureds who participate in the Excess Medical Malpractice Insurance Program. This requirement is pursuant to New York Insurance Regulation 124, as amended.

#### **4. How do I know if I participate in the Excess Medical Malpractice Insurance Program?**

Two minimum requirements for participation in the Excess Program are:

- policy limits of at least \$1.3 million / \$3.9 million AND
- hospital privileges

Most excess policies are with either HANYS Member Hospitals Self-Insurance Trust or Medical Malpractice Insurance Pool (MMIP). Contact information:

- HANYS Member Hospitals Self-Insurance Trust - 866-374-4742, Melissa Corigliano
- MMIP (self-paid) - 212-576-9687 or 212-576-9603, Jamie Montanaro
- MMIP (hospital-paid) - 518-786-2700, extension 2745, Marlene Hoffman

#### **5. Are all New York physicians required to participate in the Excess Medical Malpractice Insurance Program?**

Not all New York physicians participate in the Excess Medical Malpractice Insurance Program. Participation is not required by the state; however, participation may be required by the hospital(s) where a physician holds privileges. If a physician does participate in the Excess Medical Malpractice Insurance Program, completion of the appropriate risk management course is a biennial requirement for continued participation. If you have questions on whether you are required to have excess coverage by a hospital, please contact your hospital's risk manager.

#### **6. Why can't PRMS tell me whether I participate in the Excess Medical Malpractice Insurance Program?**

PRMS has no direct involvement with the Excess Medical Malpractice Insurance Program. Therefore, PRMS has no way of knowing who participates in the Excess Program.

#### **7. What exactly are the risk management requirements for the Excess Risk Management Program?**

Under New York State Insurance Regulation 124, physicians who participate in the New York Medical Malpractice Insurance Program (the Excess Program) must fulfill the following risk management education requirements in order to remain eligible for the Excess Program:

A five-hour basic risk management course accompanied by a project that must be completed within 60 days of the course; and

A three-hour follow-up risk management course taken **once every two years thereafter** accompanied by a project that must be completed within 60 days.

The deadline for completion of the appropriate course in order to be eligible for participation in the Excess Program is the June 30th *prior to the start of the Excess policy year*. (The Excess policy year begins on July 1.) Some NY State Excess carriers or facilities may impose an earlier deadline for completion of the course. Please consult with your NY State Excess carrier or facility to determine whether an earlier deadline exists for you.

## About the Courses

### 8. Why should I take one of these seminars?

Plan to attend one of these seminars if:

You need to take the basic risk management course to satisfy Excess Program requirements;

You have already taken the basic risk management course and need to take the follow-up risk management course to satisfy Excess Program requirements;

You want the 5% premium credit whether or not you participate in the New York Excess Program; or,

You just want to learn more about preventing and minimizing medical malpractice risk.

### 9. What is the premium reduction?

Under New York State Insurance Regulation 124, physicians who attend one of the seminars or complete the online risk management course will qualify for a 5% premium credit.

### 10. I don't participate in the Excess Medical Malpractice Insurance Program. Why is PRMS mailing me information about the Excess Risk Management Program?

PRMS has no direct involvement with the Excess Medical Malpractice Insurance Program. Therefore, PRMS has no way of knowing who participates in the Excess Program. In order to ensure that everyone who now participates or who may wish to participate in the future in the Excess Program finds out about these required seminars, PRMS will continue to send information to all policyholders in New York State. But please keep in mind – you don't have to participate in the Excess Program to benefit from one of these seminars! Attendance at one of PRMS' New York Excess Program risk management seminars also meets New York State requirements for the 5% risk management premium credit.

**11. What is the difference between the courses for the 5% risk management premium credit and the Excess Risk Management Program?**

There is no difference in course content. Course completion is required for Excess participants; optional for those who want the 5% premium credit.

**12. What are the course options?**

Online and in-person courses are available. The content of each online and in-person course is the same.

The Basic course is only offered online.

The Follow Up course is offered online and in-person.