

Revision of

OMIC's Professional and Limited Office Premises Liability Insurance Policy

Effective January 1, 2010

The following outline summarizes the changes made to the OMIC policy. Any benefits added to the policy take effect as of January 1, 2010, unless earlier as otherwise noted below. Any changes that may restrict coverage do not take effect until your policy renewal date.

1. **Vicarious Liability for Ophthalmologists:** Under Section II. Coverage Agreement A: Professional Liability Coverage for Ophthalmologists, OMIC simplified the vicarious liability provision, stating that the Insured is covered for direct patient treatment provided by the Insured or "any person acting under the supervision, direction, or control of the **Insured** at the time of the **professional services incident**, so long as that person was acting within the scope of his or her licensure, training, and professional liability insurance coverage, if applicable."
2. **Broad Regulatory Protection Policy (BRPP):** OMIC has incorporated the coverage that was previously provided to Insureds under a separate BRPP policy into the professional liability policy in Section VII. Additional Benefits, B. The limit for regulatory proceedings under this additional benefit has been increased from \$25,000 to \$35,000 per regulatory proceeding. The section also makes clear that in the unlikely case that coverage falls under both regulatory and disciplinary proceeding coverage (Additional Benefit VII.A.), only one limit, not both, applies. A new benefit, Patient Notification Costs Coverage, with a \$10,000 sublimit to Section VII.B., was added as Section VII.C. In Section VIII.12.e., the policy also clarifies that these additional benefits are excess of any other insurance, unless another policy is purchased to specifically apply in excess of these benefits, such as, if the insured purchases higher BRPP limits through NAS Insurance Services.
3. **Consent to Settle:** Section VIII.11, Consent to Settle, was revised per the Board's February 7, 2009, decision to remove the provision that lowered the Insured's limit of liability if he or she refused to consent to settle.
4. **Compliance with Applicable Law:** A new subsection 26 was added to Section VIII stating that all policy terms shall be construed and administered in a manner consistent with applicable federal and state law, and that if any provision of the policy is determined invalid, all remaining provisions are binding.
5. **Coverage Classifications:** The Coverage Classification endorsements were updated to reflect the Board's changes to permitted injections and ROP screening and treatment, in the various classes, as well as verbiage clarifications.
6. **Florida Endorsement:** A Florida endorsement was added to comply with Florida claims settlement laws, since the Liability Risk Retention Act governing risk retention groups likely does not preempt these laws. The endorsement revises Section VIII.9, requiring Insureds to cooperate in the claim review process prescribed by Florida law, and Section VIII.11., giving OMIC the right to settle claims without the Insured's permission, within the Insured's policy limits, if done in good faith and in the Insured's best interest.
7. **Pennsylvania Endorsement:** A Pennsylvania endorsement was added for all Insureds who participate in Mcare. It deletes coverage for locum tenens and MSOs and changes how liability limits are shared.