American Physicians
ASSURANCE CORPORATION

Practices That Set The Standard

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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

October 29, 2008

Sent Via Overnight Delivery

Michael T. McRaith
Director of Insurance
Illinois Division of Insurance
320 West Washington Street, 4th Floor
Springfield, IL 62676

Attention: Property & Casualty Section
Gayle Neuman

APA's Filing No.: IL-2008-03
NAIC No.: 33006
Company FEIN: 38-2102867

Dear Ms. Neuman:

Subject: Professional Medical Malpractice Liability
Program: Health Care Providers Professional Liability Program
Type: RATE/RULE Individual "A" Rate and Rule Filing
Policyholder: Continental Anesthesia, Ltd., 1770 First Street, Suite 703, Highland Park, IL 60035
Effective Date: November 1, 2008

This is to advise that American Physicians Assurance Corporation wishes to place on file the attached individually rated information for the above policyholder effective November 1, 2008. The proposed rates with this filing are adequate, not excessive, and not unfairly discriminatory.

Actuarial information is attached for this specific account as well as the Illinois Certification for Medical Malpractice Rates signed by Kevin Clinton, President and CEO and Kevin Dyke, Vice President and Chief Actuary.

Statistics will be gathered in house and annually reported to the Illinois Division of Insurance in compliance with the Data Call for Part 4203 – Cost Containment Reporting Requirements.

A duplicate copy of this filing is attached in addition to a self addressed stamped envelope for your use in returning a copy of the "filed" document to my attention.

If you should have any questions, please contact me at 1-800-748-0465, extension 6849 or e-mail me at pedgington@apassurance.com. Thank you for your assistance in this matter.

Sincerely,

Patty Edgington

Patty Edgington, AU
Compliance Manager

Enclosures

I-O
MEM
RUL
JEH

1301 North Hagadorn Road ▪ PO Box 1471 ▪ East Lansing, MI 48826-1471
1.800.748.0465 ▪ 517.351.1150 ▪ www.apassurance.com

Neuman, Gayle

From: Edgington, Patty [pedgington@apassurance.com]
Sent: Friday, January 29, 2010 1:33 PM
To: Neuman, Gayle
Subject: RE: APAC Filing #IL-2008-03

Ms. Neuman,
This filing was put into use effective November 1, 2008.

Patty Edgington, AU
Compliance Manager
American Physicians Assurance Corporation
pedgington@apassurance.com
1-800-748-0465, Ext. 6849
Direct: 517-324-6849

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, January 29, 2010 9:13 AM
To: Edgington, Patty
Subject: APAC Filing #IL-2008-03

Ms. Edgington,

The Department has now completed its review of the filing referenced above. The Director signed off on this filing on January 27, 2010. Originally, APAC requested the filing be effective November 1, 2008. Was the filing put in effect on November 1, 2008 or do you wish to use some other effective date? Your prompt response is appreciated.

Gayle Neuman
Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

THIS MESSAGE IS INTENDED FOR THE SOLE USE OF THE ADDRESSEE AND MAY BE CONFIDENTIAL, PRIVILEGED AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAWS. IF YOU RECEIVE THIS MESSAGE IN ERROR, PLEASE DESTROY IT AND NOTIFY US BY SENDING AN E-MAIL TO: GAYLE.NEUMAN@ILLINOIS.GOV.

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Continental Anesthesia, Inc.

Medical Professional Liability Policy Effective 11/1/2008

Rating - Special Exception

With this filing we are requesting a special exception to rate Continental Anesthesia, Inc. on an encounter basis. We believe this will provide a better measure of true exposures on this account as they have a number of contracts with various institutions to provide anesthesia services. To determine the rate per encounter we started with the manual premium based on the 91 individual insureds (62 anesthesiologists and 29 CRNAs), including the corporation charge and adjusted for applicable claims free credits. Using the expected encounters of 56,272 for the 2008/09 policy year, we estimated a rate per encounter of $39.82. Based on our review of the account's historical experience, we were able to grant an experience credit of 29.2% to produce a rate of $28.19 per encounter. This calculation is shown below:

American Physicians manual premium (adjusted for claims free)	$2,240,943	(1)	
Expected number of encounters	56,272	(2)	
Rate per encounter	$39.82	(3)	= (1) / (2)
Experience credit	-29.2%	(4)	
Selected rate per encounter	**$28.19**	**(5)**	**= (3) * [1 + (4)]**

Note the experience credit is less than the 35% maximum schedule credit available in our rating manual. The account is considering various deductible options which would adjust the $28.19 rate per encounter based on the available deductible credits in our filed and approved rating manual.

ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, R. Kevin Clinton, a duly authorized officer of American Physicians Assurance Corporation, am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

I, Kevin M. Dyke, FCAS, MAAA, am authorized to certify on behalf of American Physicians Assurance Corporation, making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

R. Kevin Clinton — R. Kevin Clinton, President & CEO — 10/20/08

Signature and Title of Authorized Insurance Company Officer — Date

Kevin M. Dyke, FCAS, MAAA
Vice President and Chief Actuary — 10/20/08

Signature, Title and Designation of Authorized Actuary — Date

Insurance Company FEIN 38-2102867 Filing Number IL-2008-03

Insurer's Address 1301 N. Hagadorn Road, PO Box 1471

City East Lansing State MI Zip Code 48826-1471

Contact Person Information:

-Name and E-mail: Patty Edgington, pedgington@apassurance.com

-Direct Telephone and Fax Number: 517-324-6849 (Direct Phone) 517-333-8232 (Fax)

Neuman, Gayle

From: Edgington, Patty [pedgington@apassurance.com]
Sent: Tuesday, December 23, 2008 10:39 AM
To: Neuman, Gayle
Subject: RE: APA's Filing No. IL-2008-03
Attachments: IL State Exception UW Manual 11-1-08.doc

Gayle,
Thanks for clarifying the manual requirements this morning via our phone conversation. I have attached an updated manual. Please refer to page IL-11. I trust this will satisfy the requirements but please advise if you have suggestions.

For this specific risk, Continental Anesthesia, Inc., the policy was rated using 56,272 encounters. As with an account that is rated on an encounters basis, the account will be audited at the end of the policy term and the premium will be adjusted using the final established rate of $24.81 (includes the deductible credit). This was determined by taking the rate established by actuary ($28.19) times the deductible discount for a final rate of $24.81. The policy premium is $1,396,108 which is 56,272 encounters times $24.81.

Please let me know if you need additional information.

Patty Edgington, AU
Compliance Manager
American Physicians Assurance Corporation
pedgington@apassurance.com
1-800-748-0465, Ext. 6849
Direct: 517-324-6849

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, December 19, 2008 12:51 PM
To: Edgington, Patty
Subject: APA's Filing No. IL-2008-03

Ms. Edgington,

We are in receipt of the above referenced filing submitted by your letter dated October 29, 2008.

Section 155.18(b)(4) of the Illinois Insurance Code allows insurers to modify classification rates to produce rates for individual risks in accordance with rating plans which establish standards for measuring variations in hazards or expense provisions, or both. Such standards may measure any difference among risks that have a probably effect upon losses or expenses. Such modifications of classifications of risks may be established based upon size, expense, management, individual experience, location or dispersion of hazard, or any other reasonable considerations and shall apply to all risks under the same or substantially the same circumstances or conditions.

Before we can review your request to individually rate this risk, please indicate where, in your current rate/rule manual, you list the standards by which you measure the variations in hazards or expense provisions in order to determine that a specific risk is so different in hazard/expense that it warrants individual rating. Such standards are required in the law, prior to individually rating any risk, to ensure that an insurer is not applying its rates in an unfairly discriminatory manner.

Additionally, please indicate the final premium amount determined using the individual rating. What is the usual amount of expected encounters for this type of coverage?

We request receipt of your response by January 9, 2009.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (http://www.idfpr.com/) by clicking on: Insurance; Industry; Regulatory; IS3
Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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Neuman, Gayle

From: Edgington, Patty [pedgington@apassurance.com]
Sent: Monday, January 05, 2009 8:09 AM
To: Neuman, Gayle
Subject: RE: APA's Filing No. IL-2008-03
Attachments: IL 2008-03 Continental - Kevin Dyke Info.tif

Good morning Gayle,
This account is a new account, effective 11-1-08. APA has never written an account where the premium does not follow the rules and rates stated in the manual. That is the reason for this one individually "a" rated account. It was an oversight that a rule must be in the manual to "a" rate an account. It was my understanding that only the special "a" rating documentation needed to be sent to the Illinois DOI based upon my e-mail and conversations with you prior to 11-1-08. I apologize for the misunderstanding and this issue was corrected back in December when you brought to my attention and the exception pages were updated.

The actuary (Kevin Dyke) developed the rate of $28.19 as stated on the actuarial documentation (copy attached) The deductible credit of 12% for a $50,000 indemnity deductible (shown on page IL-10) was applied to the $28.19 rate to develop the final encounter rate of $24.81 for the final premium of $1,396,108 based upon 56,272 encounters. If you need more detailed information in regards to the actuarial information, please let me know.

Patty Edgington, AU
Compliance Manager
American Physicians Assurance Corporation
pedgington@apassurance.com
1-800-748-0465, Ext. 6849
Direct: 517-324-6849

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, December 30, 2008 3:20 PM
To: Edgington, Patty
Subject: RE: APA's Filing No. IL-2008-03

Patty,

I have a few more questions on this filing.

First, in the countrywide pages of APAC's manual, XI. Consent to Rate suggests this would only be considered to write a risk at rates higher than otherwise available in the manual. Is this the first account written with an individual risk plan where the premium is decreased? Is this an existing insured at renewal or a new account?

Additionally, please show us step by step how the premium was developed - starting with manual premium based on risk before any discounts/adjustments. Also indicate the deductible discount applied and the applicable deductible amount.

The wording added to the Illinois manual pages under XVIII. Individual Rating indicates it MAY be done for specific risks that have unique hazards and expenses. As previously stated, the individual risk standards must ensure that an insurer is not applying its rates in an unfairly discriminatory manner.

We request receipt of your response by January 9, 2009.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

From: Edgington, Patty [mailto:pedgington@apassurance.com]
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Please let me know if you need additional information.

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Continental Anesthesia, Inc.
Medical Professional Liability Policy Effective 11/1/2008
Rating - Special Exception

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Note the experience credit is less than the 35% maximum schedule credit available in our rating manual. The account is considering various deductible options which would adjust the $28.19 rate per encounter based on the available deductible credits in our filed and approved rating manual.

XII. RATES, STATE RULES EXCEPTIONS--Illinois

A. Illinois Rating Territories

Territory Code	Territory Description	Territory Factor
1	Cook, Madison and St. Clair Counties	1.000
2	Jackson, Vermilion and Will Counties	0.890
3	DuPage, Kane, Lake, McHenry and Winnebago Counties	0.800
4	Champaign, Macon and Sangamon Counties	0.630
5	Bureau, Coles, DeKalb, Kankakee, LaSalle, Ogle and Randolph Counties	0.720
6	Remainder of State	0.530
7	Peoria County	0.470

B. Mature Claims-Made Rates - Countrywide Manual Section II. General Rules, Rule A. Rates – is amended to read: Premiums are calculated by using the mature claims-made base rates, as shown below with limits of $1,000,000/$4,000,000 and by applying applicable claims-made maturity factors or other coverage option factors.

Specialty Code	ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr. 7
229		Addictionology	18,703	16,645	14,962	11,783	13,466	9,912	8,790
230		Aerospace Medicine	24,231	21,565	19,385	15,265	17,446	12,842	11,388
254		Allergy	17,349	15,441	13,879	10,930	12,491	9,195	8,154
151		Anesthesiology	41,530	36,962	33,224	26,164	29,902	22,011	19,519
196		Anesthesiology – Pain Management	41,530	36,962	33,224	26,164	29,902	22,011	19,519
255		Cardiovascular Disease – No Surgery	28,631	25,482	22,905	18,038	20,615	15,175	13,457
281		Cardiovascular Disease - Minor Surgery	59,659	53,097	47,727	37,585	42,955	31,619	28,040
256		Dermatology	20,790	18,503	16,632	13,098	14,969	11,019	9,771
282		Dermatology – Minor Surgery	37,497	33,373	29,998	23,623	26,998	19,874	17,624
237		Diabetes – No Surgery	26,946	23,982	21,557	16,976	19,401	14,281	12,665
271		Diabetes – Minor Surgery	39,821	35,441	31,857	25,087	28,671	21,105	18,716
102	S	Emergency Medicine – No Major Surgery	99,326	88,400	79,461	62,575	71,515	52,643	46,683
238		Endocrinology – No Surgery	25,678	22,853	20,542	16,177	18,488	13,609	12,068
272		Endocrinology – Minor Surgery	37,945	33,771	30,356	23,906	27,321	20,111	17,834

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Specialty Code	ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr. 7
420		Family/General Practitioners – No Surgery	34,973	31,126	27,978	22,033	25,181	18,536	16,437
421		Family/General Practitioners – Minor Surgery	46,692	41,556	37,354	29,416	33,618	24,747	21,945
521		Family/General Practitioners –Minor Surgery – 0 to 24 deliveries	47,432	42,215	37,946	29,882	34,151	25,139	22,293
240		Forensic or Legal Medicine	16,963	15,097	13,570	10,686	12,213	8,990	7,972
241		Gastroenterology – No Surgery	43,206	38,454	34,565	27,220	31,109	22,899	20,307
274		Gastroenterology – Minor Surgery	46,076	41,007	36,860	29,028	33,174	24,420	21,655
231		General Preventive Medicine – No Surgery	15,933	14,180	12,746	10,038	11,472	8,444	7,488
243		Geriatrics – No Surgery	27,381	24,369	21,905	17,250	19,714	14,512	12,869
276		Geriatrics – Minor Surgery	40,464	36,013	32,371	25,492	29,134	21,446	19,018
244		Gynecology – No Surgery	26,562	23,640	21,250	16,734	19,125	14,078	12,484
277		Gynecology – Minor Surgery	42,589	37,905	34,072	26,831	30,664	22,572	20,017
245		Hematology – No Surgery	34,973	31,126	27,978	22,033	25,181	18,536	16,437
278		Hematology – Minor Surgery	49,603	44,147	39,682	31,250	35,714	26,290	23,313
232		Hypnosis	16,562	14,740	13,250	10,434	11,925	8,778	7,784
246		Infectious Diseases – No Surgery	50,711	45,132	40,568	31,948	36,512	26,877	23,834
279		Infectious Diseases – Minor Surgery	79,933	71,140	63,946	50,358	57,551	42,364	37,568
283		Intensive Care Medicine/Hospitalist	38,772	34,507	31,018	24,426	27,916	20,549	18,223
257		Internal medicine – No Surgery	41,066	36,548	32,853	25,871	29,567	21,765	19,301
284		Internal medicine – Minor Surgery	53,464	47,583	42,771	33,682	38,494	28,336	25,128
258		Laryngology – No Surgery	19,294	17,172	15,435	12,155	13,892	10,226	9,068
285		Laryngology – Minor Surgery	43,145	38,399	34,516	27,182	31,065	22,867	20,278
801		Manipulative Medicine	17,450	15,530	13,960	10,993	12,564	9,248	8,201
471		Neonatology - No Surgery	60,567	53,905	48,454	38,157	43,608	32,100	28,466
476		Neonatology – Minor Surgery	75,710	67,382	60,568	47,697	54,511	40,126	35,584
259		Neoplastic Diseases – No Surgery	35,523	31,615	28,418	22,379	25,576	18,827	16,696
260		Nephrology – No Surgery	31,476	28,014	25,181	19,830	22,663	16,682	14,794
287		Nephrology – Minor Surgery	46,515	41,399	37,212	29,305	33,491	24,653	21,862
261		Neurology – No Surgery	42,104	37,473	33,683	26,526	30,315	22,315	19,789
288		Neurology – Minor Surgery	49,989	44,490	39,991	31,493	35,992	26,494	23,495
262		Nuclear Medicine	25,581	22,767	20,465	16,116	18,418	13,558	12,023
248		Nutrition	15,022	13,369	12,017	9,464	10,816	7,961	7,060
233		Occupational Medicine	20,192	17,971	16,154	12,721	14,538	10,702	9,490
473		Oncology – No Surgery	35,523	31,615	28,418	22,379	25,576	18,827	16,696
286		Oncology – Minor Surgery	43,745	38,933	34,996	27,559	31,496	23,185	20,560
263		Ophthalmology – No Surgery	23,763	21,149	19,010	14,971	17,109	12,594	11,168
289		Ophthalmology – Minor Surgery	25,823	22,983	20,659	16,269	18,593	13,686	12,137
264		Otology – No Surgery	19,294	17,172	15,435	12,155	13,892	10,226	9,068
290		Otology – Minor Surgery	43,145	38,399	34,516	27,182	31,065	22,867	20,278

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STATE OF ILLINOIS

American Physicians Assurance Corporation

Illinois

Health Care Providers Professional Liability Insurance

Specialty Code	ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr. 7
265		Otorhinolaryngology – No Surgery	19,294	17,172	15,435	12,155	13,892	10,226	9,068
291		Otorhinolaryngology – Minor Surgery	43,145	38,399	34,516	27,182	31,065	22,867	20,278
266		Pathology – No Surgery	27,602	24,566	22,082	17,390	19,874	14,629	12,973
292		Pathology – Minor Surgery	48,250	42,943	38,600	30,398	34,740	25,573	22,678
267		Pediatrics – No Surgery	27,698	24,651	22,159	17,450	19,943	14,680	13,018
293		Pediatrics – Minor Surgery	41,229	36,693	32,983	25,974	29,685	21,851	19,377
234		Pharmacology	24,231	21,565	19,385	15,265	17,446	12,842	11,388
235		Physiatry or Physical Medicine and Rehabilitation	17,450	15,530	13,960	10,993	12,564	9,248	8,201
437		Physicians – No Major Surgery – acupuncture	43,745	38,933	34,996	27,559	31,496	23,185	20,560
802		Physicians – No Major Surgery – Sclerotherapy	47,672	42,428	38,138	30,034	34,324	25,266	22,406
431		Physicians – No Major Surgery – shock therapy	47,672	42,428	38,138	30,034	34,324	25,266	22,406
268		Physicians – not otherwise classified – no surgery	28,039	24,955	22,431	17,665	20,188	14,861	13,178
294		Physicians – not othewise classified – minor surgery	43,745	38,933	34,996	27,559	31,496	23,185	20,560
249		Psychiatry	19,577	17,424	15,662	12,334	14,096	10,376	9,201
250		Psychoanalysis	18,296	16,283	14,637	11,526	13,173	9,697	8,599
251		Psychosomatic Medicine	14,770	13,146	11,816	9,305	10,635	7,828	6,942
236		Public Health	16,963	15,097	13,570	10,686	12,213	8,990	7,972
269		Pulmonary Diseases – No Surgery	36,216	32,232	28,972	22,816	26,075	19,194	17,021
298		Pulmonary Diseases – Minor Surgery	61,753	54,960	49,403	38,905	44,462	32,729	29,024
253	S	Radiology – diagnostic – No Surgery	43,268	38,508	34,614	27,259	31,153	22,932	20,336
280	S	Radiology – diagnostic – Minor Surgery	65,837	58,595	52,670	41,477	47,403	34,894	30,943
425	S	Radiology – Therapeutic	48,910	43,530	39,128	30,813	35,215	25,922	22,988
252		Rheumatology – No Surgery	26,236	23,350	20,989	16,529	18,890	13,905	12,331
247		Rhinology – No Surgery	19,294	17,172	15,435	12,155	13,892	10,226	9,068
270		Rhinology – Minor Surgery	43,145	38,399	34,516	27,182	31,065	22,867	20,278
166	S	Surgery – Abdominal	99,148	88,242	79,318	62,463	71,386	52,548	46,599
101	S	Surgery – Broncho-esophagology	50,336	44,799	40,269	31,712	36,242	26,678	23,658
141	H	Surgery – Cardiac	154,358	137,379	123,486	97,245	111,138	81,810	72,548
150	H	Surgery – Cardiovascular Disease	141,068	125,550	112,854	88,873	101,569	74,766	66,302
115	S	Surgery – Colon and Rectal	66,351	59,052	53,081	41,801	47,773	35,166	31,185
472	S	Surgery – Dermatology	50,971	45,365	40,777	32,112	36,699	27,015	23,957
157	S	Surgery – Emergency Medicine	110,140	98,025	88,112	69,388	79,301	58,374	51,766
103	S	Surgery – Endocrinology	43,943	39,109	35,154	27,684	31,639	23,290	20,653
117	S	Surgery – Family/General Practice	64,564	57,462	51,651	40,676	46,486	34,219	30,345
104	S	Surgery – Gastroenterology	61,371	54,620	49,096	38,663	44,187	32,526	28,844
143	S	Surgery – General – not otherwise classified	92,067	81,939	73,653	58,002	66,288	48,795	43,271
105	S	Surgery – Geriatrics	64,705	57,587	51,764	40,764	46,587	34,293	30,411
167	H	Surgery – Gynecology	71,422	63,565	57,137	44,996	51,424	37,854	33,568
169	S	Surgery – Hand	64,413	57,328	51,530	40,580	46,377	34,139	30,274
170	S	Surgery – Head and Neck	79,367	70,636	63,493	50,001	57,144	42,064	37,302
106	S	Surgery - Laryngology	59,041	52,546	47,233	37,196	42,509	31,292	27,749

FILED
NOV 01 2008
STATE OF ILLINOIS

Specialty Code	ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr. 7
474	H	Surgery – Neonatology or Pediatrics	106,511	94,794	85,208	67,102	76,688	56,451	50,060
107	S	Surgery – Neoplastic	55,916	49,765	44,733	35,227	40,260	29,636	26,281
108	S	Surgery – Nephrology	59,393	52,860	47,514	37,418	42,763	31,478	27,915
152	H	Surgery – Neurology	244,420	217,533	195,536	153,984	175,982	129,542	114,877
168	H	Surgery – Obstetrics	128,387	114,264	102,709	80,884	92,438	68,045	60,342
153	H	Surgery – Obstetrics – Gynecology	128,387	114,264	102,709	80,884	92,438	68,045	60,342
560	H	Surgery – Obstetrics – Gynecology – 0 to 49 deliveries	102,715	91,416	82,172	64,710	73,955	54,439	48,276
561	H	--50 to 69 deliveries	105,919	94,268	84,735	66,729	76,262	56,137	49,782
562	H	--70 to 89 deliveries	109,127	97,123	87,302	68,750	78,572	57,837	51,290
563	H	-- 90 to 109 deliveries	115,548	102,838	92,438	72,795	83,195	61,240	54,308
564	H	--110 to 129 deliveries	121,970	108,553	97,576	76,841	87,818	64,644	57,326
565	H	--130 to 149 deliveries	128,387	114,264	102,709	80,884	92,438	68,045	60,342
566	H	--150 to 169 deliveries	141,226	125,691	112,980	88,972	101,682	74,850	66,376
567	H	--170 to 189 deliveries	154,065	137,118	123,252	97,061	110,927	81,654	72,410
568	H	--190 to 209 deliveries	166,902	148,542	133,521	105,148	120,169	88,458	78,444
569	H	--210 to 229 deliveries	179,743	159,971	143,794	113,238	129,415	95,264	84,479
570	H	--230 to 249 deliveries	192,579	171,395	154,063	121,325	138,657	102,067	90,512
571	H	--250 to 269 deliveries	205,418	182,822	164,334	129,413	147,901	108,871	96,546
572	H	--270 to 289 deliveries	218,259	194,250	174,607	137,503	157,146	115,677	102,582
573	H	--290 to more deliveries	231,095	205,675	184,876	145,590	166,389	122,481	108,615
114	S	Surgery – Ophthalmology	45,753	40,721	36,603	28,825	32,942	24,249	21,504
804	S	Surgery – Ophthalmology – Plastic	59,866	53,281	47,893	37,716	43,104	31,729	28,137
154	H	Surgery – Orthopedic	157,096	139,816	125,677	98,971	113,109	83,261	73,835
164	H	Surgery – Orthopedic – without procedures on the back	115,759	103,026	92,607	72,928	83,347	61,352	54,407
158	S	Surgery – Otology	59,041	52,546	47,233	37,196	42,509	31,292	27,749
159	S	Surgery – Otorhinolaryngology	59,041	52,546	47,233	37,196	42,509	31,292	27,749
156	H	Surgery – Plastic – not otherwise classified	94,692	84,276	75,753	59,656	68,178	50,187	44,505
155	S	Surgery – Otorhinolaryngology	89,669	79,805	71,735	56,491	64,561	47,524	42,144
160	S	Surgery – Rhinology	59,041	52,546	47,233	37,196	42,509	31,292	27,749
144	H	Surgery – Thoracic	129,202	114,990	103,362	81,397	93,026	68,477	60,725
171	H	Surgery – Traumatic	128,187	114,086	102,550	80,758	92,295	67,939	60,248
145	S	Surgery – Urological	60,014	53,412	48,011	37,809	43,210	31,807	28,207
146	H	Surgery – Vascular	146,709	130,571	117,367	92,427	105,630	77,756	68,953
424		Urgent Care Medicine	34,973	31,126	27,978	22,033	25,181	18,536	16,437

Note: When $2,000,000/$4,000,000 Increased Limits Factor (ILF) is requested for a specialty code that displays an alpha code, either **S** or **H,** use the corresponding ILF factor as displayed in Rule F.

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NOV 01 2008
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE

C. Mature Claims-Made Rates – Dentists

Specialty Code	ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr. 7
212		Dental Surgeons – Oral or Maxillofacial – Engaged in oral surgery or operative dentistry on patients rendered unconscious through the administering of any anesthesia or analgesia	38,655	34,403	30,924	24,353	27,832	20,487	18,168
210		Dentists – Minor Surgery	19,329	17,202	15,463	12,177	13,917	10,244	9,084
211		Dentists – No Surgery - not otherwise classified	7,731	6,881	6,185	4,871	5,566	4,097	3,634

D. Mature Claims-Made Rates – Healthcare Facilities

1. Emergency Room Groups*

ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr. 7
S	Emergency Room Groups ("Per 100 patient visits" basis). Separate limits per member physician/healthcare professional may be purchased for an additional 20% charge of the "per patient visit" premium.	1,993	1,774	1,594	1,256	1,435	1,056	937

2. Urgent Care Groups*

ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr.7
	Urgent Care Groups ("Per 100 patient visits" basis). Separate limits per member physician/healthcare professional may be purchased for an additional 20% charge of the "per patient visit" premium.	560	498	448	353	403	297	263

3. Outpatient Surgery Centers*

ILFs Alpha Code	Specialty Description	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr.7
S	Outpatient Surgery Centers (Surgicenters) ("Per 100 patient visits" basis). All physicians must be separately insured by American Physicians in order to provide coverage for the outpatient surgery center.	2,833	2,521	2,266	1,785	2,040	1,501	1,331

4. Additional Healthcare Facility Rates (per $1000 receipts basis)*

ILFs Alpha Code	Specialty Description/Code	Terr. 1	Terr. 2	Terr. 3	Terr. 4	Terr. 5	Terr. 6	Terr.7
	X-Ray / Imaging Laboratory/Code 88526	7.43	7.43	7.43	7.43	7.43	7.43	7.43

*Note: Minimum premium for each Facility Policy in Section D., Item 1, 2, 3, and 4 is $2,500.

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NOV 01 2008

E. Premium Charges for Vicarious, Shared and Separate Limits
Under Countrywide Rule IX., Item D., Premium Charges for Vicarious, Shared and Separate Limits is replaced in its entirety with the following:

Specialty Code	Healthcare Professional	Vicarious Limit Charge	Shared Limit Charge	Separate Limit Charge
411	Chiropractor	0%	35% of class 420	70% of class 420
452	Nurse Anesthetist	0%	7.5% of class 151	15% of class 151
962	Nurse Midwife	0%	25% of class 153	50% of class 153
963	Nurse Practitioner	0%	7.5% of class 420	15% of class 420
942	Perfusionist	0%	7.5% of class 420	15% of class 420
807	Physician Assistant	0%	7.5% of class 420	15% of class 420
943	Podiatrist/incl. surg.	0%	40% of class 143	50% of class 143
944	Podiatrist – no surg.	0%	35% of class 420	70% of class 420
946	Psychologist	0%	5% of class 249	10% of class 249
808	Surgeon Assistant	0%	7.5% of class 420	15% of class 420

F. Higher limits of liability may be purchased at premiums derived by applying the following factors to the $1,000,000/$4,000,000 rates:

Higher Limits of Liability	All Other Physicians and Dentists	Emergency Medicine, Radiologists, All Other Surgery **(S)**	Selected Surgical Specialties **(H)**
$2,000,000/$4,000,000	1.344	1.418	1.460
	For higher Limits of Liability – Refer to Company		

G. Limits that are less than these $1,000,000/$4,000,000 may be purchased at premiums derived from applying the following decreased limit factors to the $1,000,000/$4,000,000 rates (not including any credit applied for a deductible):

Limits of Liability	All Physicians, Surgeons, and Dentists
$100,000/$400,000	0.480
$200/000/$800,000	0.620
$250,000/$1,000,000	0.665
$300,000/$1,200,000	0.700
$500,000/$2,000,000	0.790
$750,000/$3,000,000	0.920
$1,000,000/$2,000,000	0.980
$1,000,000/$4,000,000	1.000

FILED
NOV 01 2008
STATE OF ILLINOIS

H. Claims-Made Maturity Factors

Note: If the retroactive date falls on a date other than the anniversary date, a factor will be used that is pro-rating the two applicable maturity factors. These factors are applied to the mature claims-made base rates.

First Year	0.25
Second Year	0.40
Third Year	0.75
Fourth Year	0.90
Fifth Year	0.95
Sixth Year	0.98
Mature	1.00

I. Reporting Period Extension Factors

Claims-made reporting period extension(s) ("tail" coverage) are offered (unless coverage is automatically provided within the terms of the policy) to any insured whose coverage is terminated for any reason.

1. A single extension for an unlimited reporting period may be purchased. One set of limits of liability is provided for the entire unlimited reporting period. The rates for this extension are computed by applying the applicable reporting period extension factor displayed below to the annual expiring premium.

2. Alternatively, three extensions may be purchased as of the policy termination and the next two anniversaries of that termination. Separate limits apply for each of the three extensions. The final extension is an unlimited extension. Premiums for each extension are 33.3% of the rate applicable to the single unlimited extension (1.).

J. Factors are applied to the claims-made rate applicable to the annual expiring policy at the time the extended reporting endorsement is offered.

First Year	4.00
Second Year	3.88
Third Year	2.40
Fourth Year	2.11
Fifth Year	2.05
Sixth Year	2.01
Mature	1.97

FILED

NOV 01 2008

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

K. Corporate Entity Coverage

Under Countrywide Corporate Entity Coverage Rule, Item B. Organization Coverage Charge – Separate Limits, sub item 3. is replaced with the following:

3.

# of Insureds	Charge
2-5	15.0%
6-9	12.0%
10-19	9.0%
20 or more	7.0%

L. Part-Time Rule

Under Countrywide Rule VI. Special Rating Rules, Item A. Part Time is replaced with the following:

A. Part Time: 60% of the otherwise applicable rate applies to physicians (see eligibility requirements under General Rules) with American Physicians insured exposure averaging 20 hours or less per week. If evidence of insurance is provided for any professional liability exposure insured by any other carrier, that other exposure would be excluded from the American Physicians policy. Other credits may be reduced due to lower premiums with this rating.

XIII. Merit Rating

In order to be eligible for any merit-rating plan, the incurred loss ratio over the last 10 years shall not exceed **135%**. The total credit that may be applied under the Claims-Free Credit Rule is **-15%** and the total credit/debit that may be applied under the Schedule Rating Plan is **+/- 35%.**

A. Claim-Free Credit
See countrywide manual Section X. Merit Rating, Rule A. for the underwriting criteria. Below is the Claim-Free Credit Schedule for use in Illinois:

1. Credit Schedule:

Years of Claims-Free Experience	Credit
Three to Five Years	5%
Six to Seven Years	10%
Eight or More Years	15%

FILED
NOV 01 2008
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

B. Schedule Rating Plan

The premium may be credited or debited based on the total of credits and debits derived from the following "risk characteristics" schedule. The maximum allowable credit/debit for the Schedule Rating Plan is **+/- 35%.**

	Maximum Credit	Maximum Debit
1. Professional Skills, Quality of Care	10%	10%
Use of a recognized system of clinical guidelines. Relevant board certification. Accreditation status by a recognized regulatory body. The provision of medical care limited to qualified individuals. Continuing education of all professional staff beyond what is required by state licensing regulation. Maintenance of premises and equipment.		
2. Patient Rapport	10%	10%
Length of service and reputation in community. Established policies and procedures for patient services. Cooperation with the Company claims management and resolution procedures.		
3. Record Keeping	10%	10%
A well-maintained patient record system in place: thorough documentation of patient care and interaction; follow-up system for diagnostic studies, consultation and appointments.		
4. Risk Characteristics	5%	5%
a. Documented successful completion of an approved office risk analysis/communication skills assessment/risk management on-site visit and/or education program, including an appropriate response to recommendations made.		
b. Documented attendance at an approved risk management seminar, or successful completion of an approved risk management correspondence course.		

FILED
NOV 01 2008
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

XIV. Quarterly Installment Option and Monthly Installment Option

American Physicians offers the following: (does not apply to Claims-Made Reporting Period Extensions ("tail coverage").

4-pay (quarterly)	25% down payment	3 equal installments (Due 4th, 7th, and 10th months).
9-pay (monthly)	15% down payment	8 equal installments (Due 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, and 9th months).

- A $10 installment fee will be applied to all payment plans/per installment. No interest will be charged.

XV. Deductibles

See Countrywide Manual, Section V. for underwriting criteria.
Item C. from the Deductible section in the Countrywide Manual is deleted and replaced with the following: Deductible factors are applied to the $1,000,000/$4,000,000 base rate, Section IV, Rating Steps, Item D to derive the deductible credit amount.

Deductible Amount Per Incident	Indemnity Only Factor	Indemnity and Defense Factor
$5,000	.01	.03
$10,000	.03	.05
$15,000	.04	.08
$25,000	.07	.12
$30,000	.08	.13
$50,000	.12	.19
$75,000	.16	.25
$100,000	.19	.30
$200,000	.27	.43

XVI. Risk Management Activities Discounts

See Section XIII. Merit Rating, Rule B., Schedule Rating Plan, sub item 4 – Risk Characteristics on page IL-9 for the Underwriting Criteria.

XVII. Consent to Rate

Under Countrywide Rules, Rule XI. Consent to Rate is deleted in its entirety.

XVIII. Individual Rating

Individual rating may be done for specific risks that have unique hazards and unique expenses. Subject to underwriting approval.

FILED
NOV 01 2008
STATE OF ILLINOIS

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NOV 01 2008
STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS