



Nevada Docs Medical Risk
Retention Group, Inc.

**NEVADA DOCS MEDICAL RISK
RETENTION GROUP**

**HEALTH CARE PROFESSIONAL
NON-ASSESSABLE
CLAIMS-MADE POLICY**

SPECIMEN

NEVADA DOCS MEDICAL RISK RETENTION GROUP
NOTICE

“This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group. Therefore, these funds will not pay your claims or protect your assets if *your risk retention group*, the insurer, becomes insolvent and is unable to make payments as promised.”

THIS FORM PROVIDES CLAIMS-MADE COVERAGE.
PLEASE READ THE ENTIRE FORM CAREFULLY.

HEALTH CARE PROFESSIONAL LIABILITY INSURANCE POLICY
CLAIMS-MADE FORM

I. Definitions

- A. **CLAIM** means a specific written or oral demand for payment of DAMAGES, or notice of any event reasonably expected to result in such a demand or notification by the insured of an incident reasonably expected to lead to a one of above named events. Such demands include, but are not limited to, the filing of a lawsuit, arbitration or any alternative dispute resolution demand. All demands arising out of a single INCIDENT shall be considered one CLAIM.
- B. **COMPANY** means the insurance entity named in the header section of this policy and appears on the declaration page attached to this policy.
- C. **DAMAGES** means any amount for which the INSURED is legally liable due to an INCIDENT.
- D. **INCIDENT** means any act(s) or omission(s) in providing PROFESSIONAL SERVICES by the INSURED or by any other person for whose acts the INSURED is legally responsible. All PROFESSIONAL SERVICES for a solitary or compounded medical condition, regardless of whether they are rendered on one or more occasions or as part of a continuing course of action or treatment, shall constitute a single INCIDENT. All obstetrical treatment of mother, fetus(es), or newborn(s), from conception through post-partum care, shall constitute a single INCIDENT.
- E. **INSURED** means:
1. The NAMED INSURED;
 2. If the NAMED INSURED is an individual, any temporary substitute (locum tenens) practitioner whom the NAMED INSURED assigns to act on his or her behalf while the NAMED INSURED is temporarily absent from professional practice, provided such

substitute's acts are within the scope of his or her assigned duties. Coverage for any such substitute(s) shall extend for up to 30 days during any one POLICY PERIOD beginning with the first assignment. The NAMED INSURED shall immediately notify the COMPANY of the assignment of any such substitute; otherwise the COMPANY shall not provide this coverage. An application on behalf of such substitute shall be completed and sent to the COMPANY;

3. If the NAMED INSURED is an organization, the NAMED INSURED's members, partners, stockholders, executive officers or directors, but only with respect to their liability as members, partners, stockholders, executive officers or directors;
 4. Employees of the NAMED INSURED, only with respect to PROFESSIONAL SERVICES performed on behalf of the NAMED INSURED, other than:
 - (a) Any person who is also a member, partner, stockholder, executive officer or director of NAMED INSURED who performs no administrative or professional duties;
 - (b) Any person required by state law or regulation to maintain a professional license, certification or registration with respect to the scope of duties performed.
 5. The legal representative of any INSURED who dies or who is judged to be legally incompetent or missing, but only with respect to duties as legal representative;
 6. Any executor, administrator, trustee or beneficiary of an INSURED's estate if an INSURED dies, but only with respect to such duties.
- F. **NAMED INSURED** means the individual or organization named in the Declarations of this policy.
- G. **ADDITIONAL INSURED** means a person or entity named by endorsement for which the named INSURED is responsible for negligence arising from the rendering or failure to render professional services. Limits of liability for an Additional INSURED are shared and are non-stacking.
- H. **POLICY PERIOD** means the period of time identified in the Declarations of this policy. The policy will not exceed a period of one year.
- I. **PROFESSIONAL SERVICES** means:
1. Furnishing of health care services, or products in conjunction with health care services, to a patient;
- J. **REPORTING PERIOD EXTENSION** means the period of time identified in the available Endorsements to this policy.
- K.

II. Insuring Agreement

The COMPANY shall defend the INSURED and pay DAMAGES on the INSURED's behalf in any CLAIM that arises from an INCIDENT which occurs on or after the retroactive date specified in the Declarations, provided the CLAIM:

- A. Is first made against the INSURED during the POLICY PERIOD; and
- B. Is reported to the COMPANY during the POLICY PERIOD or any applicable REPORTING PERIOD EXTENSION.

III. Exclusions

This policy does not cover:

- A. Any liability resulting from any administrative, executive or policy-making activities, including but not limited to, the INSURED's activities as an owner, proprietor, officer (administrative or executive), director, superintendent, operator, department head, leader, trustee, administrator, board member, shareholder, agent or member of any partnership, corporation, limited liability company, professional association, joint venture, health facility, hospital, nursing home, sanitarium, clinic with bed and board facilities, laboratory or other for-profit or not-for-profit business. This exclusion does not apply to an x-ray laboratory if the NAMED INSURED is a radiologist.
- B. Any liability resulting from any violation of any law, including but not limited to, antitrust, unfair competition, consumer protection or professional licensure laws, committed by the INSURED, at the direction of the INSURED, or with the INSURED's consent, whether or not related to PROFESSIONAL SERVICES.
- C. Any liability for any INCIDENT that occurred while the INSURED's license to practice medicine is suspended or revoked.
- D. Any liability resulting from any obligation under a workers' compensation, disability benefits, unemployment compensation law or similar law.
- E. Any liability resulting from the INSURED's actual or alleged sexual misconduct, or battery whether or not represented or perceived as treatment and whether or not related to PROFESSIONAL SERVICES. The COMPANY will not defend or indemnify the INSURED against such CLAIMS, and will not provide payment for funding for damages, prejudgment interest, post judgment interest or legal fees.
- F. Any liability of others assumed under any contract or agreement, oral or written.

- G. Any liability resulting from any damage or loss to any real or personal property the INSURED owns or rents, or that is in the INSURED's care, custody or control.
- H. Any liability resulting from any ownership, rental, occupancy, maintenance or use of any premises.
- I. Any liability resulting from any ownership, maintenance, use, loading or unloading, or entrustment to others of any aircraft, automobile, watercraft, motor vehicle of any kind, or trailer of any kind.
- J. Any liability resulting from any design, manufacture, assembly, sale, trade or distribution of any product, but not including:
 - 1. The design or alteration of prosthetic devices designed for the INSURED's specific patients without intent for sale to, or use by, any others; or
 - 2. Development, preparation or dispensing of any drug, serum or any other medicine or health care preparation solely and exclusively for the INSURED's patients.
- K. Any liability in the event the INSURED, or someone the INSURED instructs, fraudulently alters, defaces or falsifies any records; except for any liability solely attributable to an INCIDENT.
- L. Any liability resulting from any fees, costs, expenses or other charges attributable to compensation of private legal counsel the INSURED may choose to retain to protect the INSURED's personal interests, whether or not a conflict or divergence of interest exists or appears to exist between the COMPANY and the INSURED.
- M. Any liability resulting from any discharge, dispersal, seepage, migration, release or escape of a pollutant, including but not limited to, any loss or expense based on governmental direction or request to test, monitor, clean up, remove, contain, treat, detoxify or neutralize such pollutant. However, this exclusion does not apply to any injury to a patient of the INSURED in the immediate physical care of the INSURED. "Pollutant" means any solid, liquid, gaseous, radioactive or thermal irritant or contaminant, including but not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and materials to be recycled, reconditioned or reclaimed.
- N. Any liability for any punitive or exemplary DAMAGES.
- O. Any liability resulting from any monetary assessments, required reimbursements, fines or penalties imposed by a governmental regulatory body or administrative agency acting in a similar fashion.
- P. Any liability resulting from any injury to:
 - 1. The INSURED;

2. The INSURED's employees,
3. The spouse, any child, parent, brother or sister of the INSURED or the INSURED's employees.

Q. Any liability resulting from any:

1. Oral or written statement or publication, whether by or at the INSURED's direction, with the INSURED's knowledge that it is untrue; or
2. Advertising, publishing, broadcasting or promotion.

R. Any liability resulting from any CLAIM first made against the INSURED prior to the POLICY PERIOD, whether or not reported to any other insurance carrier.

S. Any liability resulting from any CLAIMS made against the INSURED which resulted from the performance of a criminal act or services rendered while under the influence of intoxicants, narcotics or psychoactive drugs.

T. Any liability resulting from any CLAIMS made against the INSURED which result from the commission, authorization, or ratification of any act intended by the doer thereof or by the INSURED to inflict injury or damage.

U. This policy excludes Elder Abuse, defined as, but not limited to, the following:

1. Physical Abuse – The use of physical force that may result in bodily injury, physical pain or impairment, inappropriate use of drugs and physical restraints, force-feeding, striking or any physical punishment or retaliation.
2. Sexual Abuse – Non-consensual sexual contact of any kind with an elderly person. This includes, but is not limited to, unwanted touching, all types of sexual assault or battery, such as rape, sodomy, coerced nudity and sexually explicit photographing.
3. Emotion or Psychological Abuse – Infliction of anguish, pain or distress through verbal or nonverbal acts and includes, but is not limited to, verbal assaults, insults, threats, intimidation, humiliation and harassment, and social isolation.
4. Neglect – The refusal or failure to fulfill any part of a person's obligation or duties to an elder. Neglect includes, but is not limited to, necessities as food, water, clothing, shelter, personal hygiene, medicine, comfort, personal safety, in-home provider service and other essentials included in an implied or agreed-upon responsibility or an elder.
5. Abandonment – The desertion of an elderly person by an individual who has assumed responsibility for providing care for an elder or by a person with physical custody of an elder.
6. Financial or Material Exploitation – The illegal or improper use of an elder's funds, property or assets, which includes but is not limited to, cashing checks without authorization or permission, forging an elder's signature, misusing or stealing an elder's

money or possessions or deception into signing any documents or improper use of power of attorney.

IV. Limits of Liability

- A. The Limits of Liability shown in the Declarations and the rules below establish the maximum amount the COMPANY shall pay as DAMAGES.
- B. Subject to the Annual Aggregate Limit, the Each CLAIM Limit shown in the Declarations is the maximum amount the COMPANY shall pay for all DAMAGES resulting from any one CLAIM, regardless of the number of:
 - 1. INSUREDs that may be covered by this policy;
 - 2. Persons or entities against whom a CLAIM is made;
 - 3. Persons or entities making a CLAIM; or
 - 4. Policy years involved.
- C. The Annual Aggregate Limit shown in the Declarations is the maximum amount the COMPANY shall pay for the sum of all DAMAGES in any one POLICY PERIOD.
- D. The Annual Aggregate Limit applies separately to each consecutive annual POLICY PERIOD. Any renewal of a POLICY PERIOD shall reinstate the Annual Aggregate Limit found in the Declarations. The reinstated Annual Aggregate Limit shall apply separately to that renewal period, even if the renewal period is less than 12 months.

V. Settlement of Claims

This Settlement of Claims section only applies if the NAMED INSURED is an individual.

The COMPANY has the right to determine, to make, and to conclude, with the permission of the INSURED, any offer of admission of liability settlement offer, or offer of judgment. The INSURED may not unreasonably withhold their permission. The COMPANY has the right to settle a claim if it cannot locate the INSURED after reasonable effort.

VI. Territory

This insurance applies to PROFESSIONAL SERVICES within the State of Nevada.

VII. Reporting Period Extension

- A. If this policy is terminated for any reason, the NAMED INSURED has the right to purchase a REPORTING PERIOD EXTENSION for an unlimited period.
- B. The NAMED INSURED may accept the COMPANY's offer of a REPORTING PERIOD EXTENSION by paying the COMPANY the premium within 30 days of the initial billing. If the NAMED INSURED makes payment when due, the COMPANY shall not cancel the REPORTING PERIOD EXTENSION. Nonpayment shall be deemed rejection of the offer.
- C. COMPANY shall offer the REPORTING PERIOD EXTENSION with at the same or lower Limits of Liability which were in effect for the last policy period.
- D. The INSURED will notify the COMPANY, in writing, of the intent to purchase an extended reporting within 10 days of the expiration date of coverage. Failure to notify the company within this time period shall be deemed a rejection of the offer of an extended reporting period.
- E. Binding coverage with another company shall render the offer of a reporting period extension null and void.
- F. This paragraph D. only applies if the NAMED INSURED is an individual.
 - 1. In the event of the NAMED INSURED's:
 - a. Death;
 - b. Total disability; or
 - c. Permanent and complete retirement from health care practice at the age of 55 or older after having been continuously INSURED by the COMPANY on a claims-made basis for five or more years;

The COMPANY shall waive any premium normally required for the REPORTING PERIOD EXTENSION. However, to be eligible for the waived premium, certifiable proof of death, total disability or permanent, whichever is applicable, must be provided to the COMPANY.

- 2. "Total disability" means permanent, complete and continuous inability, due to injury or sickness, to perform the material and substantial duties of a health care professional, regardless of specialty, as certified by a physician acceptable to the COMPANY.
- 3. "Claims-made" means coverage for CLAIMS arising from INCIDENTs which occur on or after the retroactive date specified in the Declaration, provided the CLAIM is first made against the INSURED during the POLICY PERIOD and is reported to the COMPANY during the POLICY PERIOD or during any applicable REPORTING PERIOD EXTENSION.

G. This paragraph E only applies if the NAMED INSURED is an individual.

If the NAMED INSURED returns to active practice after receiving a REPORTING PERIOD EXTENSION for which the COMPANY has waived the premium due to total disability or permanent retirement, the COMPANY may rescind the waiver of premium.

VIII. Conditions

A. Notice of a Claim

The INSURED must notify the COMPANY of a CLAIM or potentially compensable event as soon as reasonably possible once the CLAIM is first made against the INSURED. Oral notification of the CLAIM must be followed by written confirmation of the CLAIM within 10 days. Failure to report within this time period may be grounds for denial of coverage. If the INSURED is served with a Notice of Intent of Summons and Complaint, the INSURED must notify the COMPANY within 5 days of receipt. Failure to notify the COMPANY may jeopardize coverage, or constitute grounds for denial of coverage.

B. The Company's Duties After It Receives Notice of a Claim

1. Once the COMPANY receives notice of a CLAIM, the COMPANY shall select and retain legal counsel, as necessary. The COMPANY shall select and retain legal counsel and the COMPANY shall pay for counsel's services.
2. For any CLAIM that the COMPANY defends under this policy, the COMPANY shall pay, in addition to the Limit of Liability:
 - a. All expenses the COMPANY incurs;
 - b. Appeal bonds and bonds to release attachments, but only for bond amounts within the applicable Limit of Liability. The COMPANY shall not be responsible for obtaining these bonds;
 - c. All costs imposed against the INSURED in a lawsuit;
 - d. Pre-judgment interest awarded against the INSURED on that part of the judgment the COMPANY pays, but not on any judgment amount exceeding the applicable Limit of Liability;
 - e. Post-judgment interest awarded against the INSURED on that part of the judgment the COMPANY pays, but not on any judgment amount exceeding the applicable Limit of Liability.
3. The COMPANY shall defend the INSURED until:
 - a. Final judgment or other disposition of the CLAIM; or

- b. Following trial court proceedings and at the COMPANY's sole discretion, all feasible remedies by appeal or other legal proceedings have been exhausted.
4. Defense costs are in addition to the Limit of Liability. However, the COMPANY shall not be obligated to defend the INSURED in any CLAIM after the Annual Aggregate Limit has been exhausted by payment of judgments or settlements.
5. If the COMPANY's duty to defend ends:
 - a. The COMPANY shall notify the INSURED of any outstanding CLAIM;
 - b. The INSURED shall arrange, as soon possible, to assume the defense of all such CLAIMs, unless the COMPANY also provides other insurance specifically purchased to apply in excess of the Limits of Liability;
 - c. The COMPANY shall maintain the right to defend on appeal any judgment rendered in a CLAIM under this insurance.
6. If the INSURED assumes the defense of a CLAIM, the COMPANY shall assist in the transfer. Until such arrangements are completed, the COMPANY shall, on the INSURED's behalf, take actions the COMPANY deems appropriate to further the defense or to avoid default in a CLAIM. If the COMPANY takes such action, the INSURED agrees that:
 - a. The COMPANY shall not waive or give up any of its rights, nor shall the COMPANY be barred from asserting its rights under this insurance; and
 - b. The INSURED shall reimburse the COMPANY for expenses the COMPANY incurs arising out of such actions.

C. INSURED's Duties After the Company Receives Notice of a Claim (Duty to Cooperate)

1. The INSURED shall cooperate fully with the COMPANY in any review process which may be prescribed under Nevada Revised Statutes. Lack of the INSURED's full cooperation in any review process, shall be grounds for policy cancellation and pursuit of other remedies as permitted by law. The INSURED's full cooperation includes, but is not limited to, providing the COMPANY with:
 - a. All relevant facts that might assist the COMPANY's investigation of the CLAIM;
 - b. In the event of a court action, any summons, complaint, notices or interrogatories, along with originals or copies of all other legal documents;
 - c. Assistance in securing and providing evidence and attendance of witnesses;
 - d. Attendance at meetings, hearing, depositions and trials;
 - e. Information concerning any other available insurance or source of indemnity;
 - f. All other relevant information the COMPANY may reasonably request.

2. If the INSURED voluntarily makes any payment, assumes any obligation, agrees to summary judgment or incurs any expense related to any CLAIM without the COMPANY's written authorization, the COMPANY may choose not to defend or pay DAMAGES on behalf of the INSURED, even if the CLAIM is otherwise covered by this policy.

D. Premiums and Risk Classification

1. The NAMED INSURED shall be responsible for payment of all premiums and shall be the payee for any return premiums.
2. If any change occurs in the NAMED INSURED's practice, the NAMED INSURED shall notify the COMPANY in writing so the COMPANY can determine the NAMED INSURED's risk classification and whether an additional or return premium is due. The COMPANY has the right to adjust premiums at any time based on the COMPANY's rates and rules in effect at the inception of the policy.
3. Minimum premium charges will be provided in the COMPANY's annual rate filing.
4. Premium will be calculated in accordance with the rate filings based upon the following:
 - a. Classification/Specialty
 - b. Territory
 - c. Maturity
 - d. Limits of Liability
5. Credits may be allowed at the underwriter's discretion and will be included in the annual rate filing.
6. Premium will be calculated at whole dollar amounts.
7. The minimum earned premium on any policy which is cancelled by the NAMED INSURED or the COMPANY will not be less than the pro rata premium for the expired time or \$1,000.00, whichever is greater.

E. Cancellation

1. The NAMED INSURED may cancel this policy at any time by delivering written notice to the COMPANY stating the date the NAMED INSURED wants coverage to end.
2. The COMPANY may cancel or non-renew this policy for any reason by delivering a minimum 60 days written notice to the NAMED INSURED at the NAMED INSURED's last known address, unless cancellation is due to non-payment of premium, in which case the COMPANY shall provide a minimum of 10 days written notice.

3. If this policy is canceled, the COMPANY shall send the NAMED INSURED any premium refund due. If the COMPANY cancels, the refund will be pro rata. If the NAMED INSURED cancels, the refund will be pro rata.

4. Cancellations for policies in effect for 90 days or less:

If this POLICY has been in effect for 90 days or less, the Company may cancel this POLICY by mailing or delivering to the Named INSURED written notice of cancellation, accompanied by the specific reasons for cancellation at least:

- a. 10 days before the effective date of cancellation if the Company cancels for nonpayment of premium.
 - b. 60 days before the effective date of cancellation if the Company cancels for any other reason, except the Company may cancel immediately if there has been:
 - (1) a material misstatement or misrepresentation; or
 - (2) failure to comply with underwriting requirements established by the insurer.
 - (3) there has been a substantial change in the risk covered by the policy.
5. The minimum earned premium on any policy which is cancelled by the NAMED INSURED or the COMPANY will not be less than the pro rata premium for the expired time or \$1,000.00, whichever is greater.

Cancellation for policies in effect for more than 90 days:

If this POLICY has been in effect for more than 90 days, the Company may cancel this Policy only for one or more of the following reasons:

- a. Non-payment of premium;
- b. The Policy was obtained by a material misstatement or misrepresentation;
- c. There has been a failure to comply with underwriting requirements established within 90 days of the effective date of coverage;
- d. There has been a substantial change in the risk covered by the policy;
- e. The cancellation is for all INSUREDs under such policies for a given class of INSURED.

F. Other Insurance or Indemnity

1. The insurance afforded by this policy is intended to be primary. However, it shall apply as excess over any other valid and collectible insurance, including any deductible portion of that insurance or any self-insurance.

G. Subrogation

In the event of any payment under this policy, the COMPANY shall be subrogated to all the INSURED's rights of recovery against any person or organization, to the extent of such payment. The INSURED shall do whatever is necessary to secure these rights and shall do nothing to prejudice these rights.

H. Action Against the Company

1. The INSURED shall not sue the COMPANY to recover under this policy unless the INSURED has complied with all the policy terms.
2. The INSURED shall not bring suit against the COMPANY to recover under this policy until the amount of the INSURED's liability to others has been finally determined by actual trial or by a written agreement signed by the INSURED, the COMPANY and the party making a claim against the INSURED. Once the INSURED's liability has been determined as described, the party making the claim against the INSURED may be able to recover under this policy in the same manner and to the same extent as the INSURED.
3. Nothing contained in this policy shall give any person or organization any right to join the COMPANY as a party in any action against the INSURED to determine the INSURED's liability.

I. Examination of the INSURED's Books and Records

1. The COMPANY may inspect the INSURED's property and business operations during normal business hours while this policy is in effect. The COMPANY is not required to make inspections, nor will the COMPANY guarantee that the INSURED's property or operations are safe or that they conform to any laws.
2. The COMPANY may also examine and audit the INSURED's books and records relating to this insurance at any time:
 - a. Up to three years after this policy ends; or
 - b. Up to one year after resolution of the latest CLAIM; whichever is later.

J. Cooperation with the Company Risk Management Department

The INSURED shall cooperate fully with the COMPANY's Risk Management Department.

K. Bankruptcy

Bankruptcy or insolvency of the INSURED or the INSURED's estate shall not relieve the COMPANY of any of its obligations under this policy.

L. Prohibition of Assignment

The INSURED's interest under this policy shall not be assignable.

M. Policy Integration and Changes

1. This policy, the Declarations and any endorsements attached constitute a complete integration of all oral and written agreements, promises, representations and understandings between the INSURED and the COMPANY relating to this insurance.
2. No agreement or provision of this policy can be changed or waived except by written endorsement, which becomes part of the policy. Only the NAMED INSURED may request changes or waivers in agreements or provisions of this policy.

N. Fraud, Concealment and Misrepresentation

The COMPANY relies on the INSURED's representations to determine the INSURED's premium and eligibility for issuance or renewal of this insurance. The COMPANY shall be excused of all obligations under this policy if the INSURED conceals or fails to disclose any material information, misleads the COMPANY, or attempts to defraud, lie to, or mislead the COMPANY about any matter concerning this insurance, either before or after a CLAIM.

The declarations and representations made by the NAMED INSURED in his or her written application for insurance and all subsequent statements regarding changes in his or her practice are acknowledged and declared by the NAMED INSURED to be true upon acceptance of this POLICY. Any material misrepresentations by the NAMED INSURED to the COMPANY at any time shall be grounds for voiding this POLICY.

In witness of its agreement the COMPANY has caused this POLICY to be signed by a qualified party at Las Vegas, Nevada.

Authorized Agent

Counter Signature (If Required)

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SPECIMEN