

RESULTS OF CORRESPONDENCE ON PROFESSIONAL LIABILITY COVERAGE  
FOR THE UNIVERSITY-TRAINED PHYSICIAN'S ASSISTANT

At the time of the initiation of the Physician's Assistant Program, the question of professional liability insurance coverage was first investigated. At that time investigation of this issue was limited to coverage of the students while in the Medical Center. They were then found to be automatically included under the existing policy carried by the Medical Center.

In 1966, when the first student was sent outside the Medical Center for community-based experience, the question of professional liability was again raised and the company that provided coverage for the physician involved agreed to extend coverage to the student at the same rate the physician paid for his other employees.

From 1966 to 1969 all students and graduates of the Duke University Physician's Assistant Program, while away from the medical center, were associated in their training or employment with physicians who carried their professional liability insurance with this same company.

In 1969, as the expanded class was being assigned to physicians from coast to coast, the issue of professional liability was again raised. As a result of these inquiries and because this issue was relevant to all related programs, the issue was brought directly before each of the major professional liability carriers listed by the American Medical Association.

Of the fourteen companies currently listed by the American Medical Association, three companies (American Insurance Company, American Motorist Insurance Company, and Lumberton Mutual Casualty Company) failed to respond to the request for information, five companies (Insurance Company of North American, the Hartford Insurance Group, United States Fidelity and Guaranty Company, Aetna Insurance Company, and the Travelers Insurance and Indemnity Company) referred the matter to the Insurance Rating Board of New York for decision, four companies (The Medical Protective Company, the Shelby Mutual Insurance Company, Security Insurance Group, and the Saint Paul Insurance Group) took independent stands on the issue, one company (CNA Insurance) said they were not currently active in the area of medical professional liability insurance, and one company (Aetna Life and Casualty) deferred response until some further unspecified date. In short, fourteen carriers received correspondence, and of these nine carriers are both active in the medical professional liability area and chose to formulate an initial standing on the issue of professional liability coverage for certified physician's assistants. Of these nine companies five deferred to the policy of the Insurance Rating Board and four nonmembers formulated specific policies.

On September 18, 1969 the Committee on Professional Liability Insurance of the Insurance Rating Board met and formulated the following guidelines for their member companies:

1. The present Physicians, Surgeons, and Dentists Professional Liability policy is the appropriate vehicle for professional liability coverage

will function; 2) obtain necessary additional coverage for the utilization of the assistant in the practice of medicine as deemed necessary by the insuring organization, and 3) have the physician's assistant obtain professional liability insurance to protect his own interest for his professional endeavors.

It should be emphasized that to date there has been no case involving the negligence of a university trained physician's assistant, and, consequently, the policies of the carriers of professional liability will remain tentative in the foreseeable future. Currently, adequate protection can be economically obtained from most major carriers. It should also be noted that the policies stated above and outlined in further detail below apply only to university-trained physician's assistants.

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PROFESSIONAL LIABILITY INSURANCE  
FOR THE UNIVERSITY TRAINED PHYSICIAN'S ASSISTANT

SUMMARY

The issue of professional liability insurance for the university trained physician's assistant has been considered by both the administration of the Duke University Physician's Assistant Program and most of the professional liability insurance carriers. In 1969 various aspects of this issue were placed before the major liability carriers, and the following represents an aggregate of current policy and standing:

1. Institutions sponsoring a physician's assistant type training program may have or can obtain coverage to protect its interests for the acts of students during their training program. This coverage can include the actions of the assistant while outside of the parent teaching institution so long as the student is engaged in activities directly related to his training.
2. Other hospitals, beside the parent institution participating in such a training program may or can have similar coverage for qualified students operating within their confines.
3. Students are generally not covered by professional liability insurance, but review of the decisions by the higher courts reveals no case in which a student-defendant was held liable for negligent actions.
4. Although the probability of suit for professional liability concerning the acts of a student physician's assistant while in training away from the parent institution in minimal, protection of the physician supervisor is available. To date physicians who have desired to do so have received additional coverage for their own protection from all companies involved. The rate for this coverage has ranged from nothing to the same as that paid for other nonprofessional employees.
5. Graduates of a university-trained program who are employed by a physician can obtain professional liability insurance from most companies at a rate approximating fifty per cent of the rate paid by their physician employer.
6. Physicians employing graduate physician's assistants can obtain protection for negligent acts by their assistants at a very low rate.
7. Hospitals that utilize the services of a physician's assistant operating as an employee of a physician may already have or can obtain protection against negligent acts of the assistant while on their premises.

To date policies established by all insurance carriers are tentative and subject to review pending further clarification that can only come with more extensive use of trained physician's assistants.

The recommended course of action to be taken by physicians employing physician's assistants is to: 1) have the issue of professional liability insurance clarified and established in all hospitals where the assistant

- for the physician's assistant and that coverage under that policy will be entirely adequate.
2. The following statements would be added into the Physicians, Surgeons, and Dentists Professional Liability Manual:
    - a. "Physician or Surgeons Assistants. This classification applies to physicians and surgeons assistants who have completed an approved course of study leading to university certification and who perform their duties under the direct supervision of a licensed physician or surgeon assisting in the clinical and/or research endeavors of the physician or surgeon."
    - b. "Additional charges - Physician's or Surgeon Employed Assistants. This classification applies to the physician or surgeon employing as assistant of the nature described [above]". In regard to the charge, the Insurance Rating Board said that a non-burdensome charge in accordance with the insurance market would be merited for the physician's or surgeon's assistant."
  3. The above delineations represent two classifications - the first for assistants desiring coverage in their own name and the second for extension of coverage of the physician or surgeon to extend his own policy to include the university-trained and certified assistant.
  4. Specific rate information was not delineated and though this will vary from area to area, it will probably be competitive with other companies.

In regard to the other responding companies the following guidelines have been established and are summarized in alphabetical order:

1. The Medical Protective Company
  - a. A separate policy for the physician's assistant will not be written at this time.
  - b. Policies covering physicians will automatically include the trained assistant if the assistant is joined as a co-defendant, and the assistant will be covered as a co-defendant within the limits of the policy.
  - c. The coverage as described above will be provided at no additional premium except possibly in the area of radiology.
  - d. This existing policy will be revised as required by adverse loss experience.
2. The Saint Paul Insurance Company
  - a. Policies can be obtained for the university-trained physician's assistant both as an individual and as an employee of a physician.
  - b. The rate will vary from state to state but in North Carolina it will be twenty dollars per year for five/fifteen thousand, and forty-one dollars per year for one hundred/three-hundred thousand for the individual policy for the assistant where assisting in surgery is not included in his duties, or fifty-five dollars and one hundred thirteen dollars per year respectively where the assistant's duties include assisting in surgery.

In reference to the additional charge to the physician for coverage of himself for acts of the assistant and named as co-defendant, the rates will be five dollars per year for five/fifteen thousand and ten dollars per year for one hundred/three hundred thousand coverage. These figures are applicable only to the university

- trained assistant employed by a physician in North Carolina
- c. All coverage will be limited to liability for acts while the assistant is operating under the direction of a licensed physician.
3. Security Insurance Group
    - a. Hospital Professional Liability will cover the hospital for the acts of a student whether operating within or outside of the central teaching institution. This coverage will not, however, protect the student from litigation.
    - b. The employer physician can obtain liability protection for the trained assistant at the rate of other employees. The physician's assistant will probably be charged at the same rate as an "employed physician."
    - c. A university trained physician's assistant can obtain separate coverage at an unspecified rate depending upon the functions of the assistant and location in which he is employed.
  4. The Shelby Mutual Insurance Company
    - a. The student in training can be covered under provisions obtained by the parent institution.
    - b. Professional liability can be obtained by the graduate of a university program at an approximate rate of one-half of the rate paid by the physician-employer.
    - c. No specific rates regarding coverage of the physician-employer is quoted.

The preceding information is a summary of correspondence to date with the major professional liability carriers and should be considered only as their current policies and liable to future alteration. These policies, so generously provided are meant by all companies to refer only to university-based and sponsored physician's assistant type of training programs.