



NOT-FOR-PROFIT HOSPITAL CORPORATION

2016 DEC 16 PM 5:27

OFFICE OF THE  
SECRETARY

**DEC 16 2016**

The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue, N.W.  
Suite 504  
Washington, DC 20004

Dear Chairman Mendelson:

Pursuant to D.C. Official Code § 1-204.51(b), enclosed for consideration by the Council of the District of Columbia is Contract No. NFPHC-207 with Hiscox Approval and Payment Authorization Emergency Amendment Act of 2016, and its corresponding resolution, to approve payment for services received and to be received by the Not-for-Profit Hospital Corporation for its general liability, professional entity liability, professional physician liability, and excess coverage insurance.

Council action is necessary to approve payment to Hiscox made and anticipated to be made in the amount of \$1,748,795.00 for the period that began November 23, 2016 and ends November 23, 2017.

As always, I am available to discuss any questions you may have regarding this submittal. In order to facilitate a response to any questions you may have, please have your staff contact me at (202) 574-6611. I look forward to a favorable consideration on this contract.


Sincerely,

A handwritten signature in black ink that reads "Luis A. Hernandez". The signature is written in a cursive style with a large initial "L".

Luis Hernandez  
Chief Executive Officer  
Not-for-Profit Hospital Corporation

Enclosure

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Chairman Phil Mendelson  
on behalf of the Not-for-Profit  
Hospital Corporation

A BILL

\_\_\_\_\_

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

\_\_\_\_\_

To approve, on an emergency basis, Contract No. NFPHC-207 between the Not-for-Profit Hospital Corporation and Hiscox, Inc., to provide insurance coverage to the Hospital, and to authorize payment for the services received and to be received under the Contract.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the “Contract No. NFPHC-207 with Hiscox Approval and Payment Authorization Emergency Amendment Act of 2016”.

Sec. 2. Pursuant to section 451 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; Pub. L. 93-198; D.C. Official Code § 1-204.51), and notwithstanding the requirements of section 202 of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-352.02), the Council approves Contract No. NFPHC-207 between the Not-for-Profit Hospital Corporation and Hiscox, Inc., to provide insurance coverage to the Hospital, and authorizes payment for the services received and to be received under this Contract and payment in the amount of \$1,748,795.00.

Sec. 3. Fiscal impact statement.

1           The Council adopts the fiscal impact statement of the Chief Financial Officer as  
2 the fiscal impact statement required by section 4a of the General Legislative Procedures  
3 Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-  
4 301.47a).

5           Sec. 4. Effective date.

6           This act shall take effect following approval by the Mayor (or in the event of veto  
7 by the Mayor, action by the Council to override the veto), and shall remain in effect for  
8 no longer than 90 days, as provided for emergency acts of the Council of the District of  
9 Columbia in section 412(a) of the District of Columbia Home Rule Act, approved  
10 December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

## COUNCIL CONTRACT SUMMARY

Pursuant to section 202(c-1) of the Procurement Practices Reform Act of 2010, as amended, D.C. Official Code § 2-352.02(c-1), the following contract summary is provided:

(A) **Contract Number:** NFPHC-207  
**Proposed Contractor:** Hiscox  
**Contract Amount (Base Period):** \$1,748,795.00  
**Unit and Method of Compensation:** Quarterly Payments  
**Term of Contract:** One Year; 11/23/16-11/22/17  
**Type of Contract:** Fixed Price  
**Source Selection Method:** Competitive Quotes

(B) **For a contract containing option periods, the contract amount for the base period and for each option period. If the contract amount for one or more of the option periods differs from the amount for the base period, provide an explanation of the reason for the difference:**

**Base Period Amount:** \$1,748,795.00

**Option Period 1 Amount:** \$ N/A

**Explanation of difference from base period (if applicable):**

**Option Period 2 Amount:** \$ N/A

**Explanation of difference from base period (if applicable):**

**Option Period 3 Amount:** \$ N/A

**Explanation of difference from base period (if applicable):**

**Option Period 4 Amount:** \$ N/A

**Explanation of difference from base period (if applicable):**

(C) **The goods or services to be provided, the methods of delivering goods or services, and any significant program changes reflected in the proposed contract:**

Hiscox shall provide General Liability, Professional Liability, Physician Malpractice Insurance and Umbrella/Excess Insurance Services.

(D) **The selection process, including the number of offerors, the evaluation criteria, and the evaluation results, including price, technical or quality, and past performance components:**

The Hospital's brokers marketed its account for the 2016-2017 policy and received 2 (two) competitive quotes from Lexington and Hiscox (incumbent). In addition to price, the major evaluation criterion is the ability for the Hospital to pay its premium in installment payments without indemnifications in order to satisfy the federal and local Anti-Deficiency Act. Hiscox proposed the lowest price for the required coverage, and Hiscox was selected

- (E) A description of any bid protest related to the award of the contract, including whether the protest was resolved through litigation, withdrawal of the protest by the protestor, or voluntary corrective action by the District. Include the identity of the protestor, the grounds alleged in the protest, and any deficiencies identified by the District as a result of the protest:**

There is no protest associated with this contract.

- (F) The date on which a competitive procurement for these goods or services was last conducted, the date of the resulting award, and a detailed explanation of why a competitive procurement is not feasible:**

These services are competitively bid each year.

- (G) The background and qualifications of the proposed contractor, including its organization, financial stability, personnel, and performance on past or current government or private sector contracts with requirements similar to those of the proposed contract:**

Hiscox is the hospital's current insurance provider, incorporated in Bermuda, specializing in niche areas of the market, offering property and casualty insurance. Hiscox is an underwriter of Lloyds of London and is listed on the London Stock Exchange. The Company operates in all US States and the District of Columbia with an origin dating back to 1901

- (H) The period of performance associated with the proposed change, including date as of which the proposed change is to be made effective:**

One year; 11/23/16-11/22/17

- (I) The value of any work or services performed pursuant to a proposed change for which the Council has not provided approval, disaggregated by each proposed change if more than one proposed change has been aggregated for Council review:**

\$409,320.00

- (J) The aggregate dollar value of the proposed changes as compared with the amount of the contract as awarded:**

N/A

- (K) The date on which the contracting officer was notified of the proposed change:**

N/A due to personnel transitions

**(L) The reason why the proposed change was sent to Council for approval after it is intended to take effect:**

In addition to the operations review by its consultant, hospital has experienced a series of personnel changes that have affected the timeliness of negotiations, preparation of the Council package, and proper transmittal.

**(M) The reason for the proposed change:**

The hospital's contract for the provision of insurance is competitively bid each year by its brokers.

**(N) The legal, regulatory, or contractual authority for the proposed change:**

The NFPHC has independent contracting authority pursuant to D.C. Official Code, §§44-951.06(6), 44-951.11.

**(O) A summary of the subcontracting plan required under section 2346 of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, D.C. Official Code § 2-218.01 *et seq.* ("Act"), including a certification that the subcontracting plan meets the minimum requirements of the Act and the dollar volume of the portion of the contract to be subcontracted, expressed both in total dollars and as a percentage of the total contract amount:**

Hiscox does not have a subcontracting plan associated with this contract.

**(P) Performance standards and the expected outcome of the proposed contract:**

The Contractor's performance will be regularly and routinely monitored by the Director of Risk Management and reported to the Chief Executive Officer for the Hospital. The expected outcome of this contract is to have the Contractor's services provided to the Hospital in an efficient, competent and cost effective manner.

**(Q) A certification that the proposed contract is within the appropriated budget authority for the agency for the fiscal year and is consistent with the financial plan and budget adopted in accordance with D.C. Official Code §§ 47-392.01 and 47-392.02:**

The Chief Financial Officer for the Hospital has reviewed the proposed contract and has provided certification of funds.

**(R) A certification that the contract is legally sufficient, including whether the proposed contractor has any pending legal claims against the District:**

See enclosed legal certification.

- (S) A certification that Citywide Clean Hands database indicates that the proposed contractor is current with its District taxes. If the Citywide Clean Hands Database indicates that the proposed contractor is not current with its District taxes, either: (1) a certification that the contractor has worked out and is current with a payment schedule approved by the District; or (2) a certification that the contractor will be current with its District taxes after the District recovers any outstanding debt as provided under D.C. Official Code § 2-353.01(b):**

The Citywide Clean Hands report indicates the contractor is current with its District taxes.

- (T) A certification from the proposed contractor that it is current with its federal taxes, or has worked out and is current with a payment schedule approved by the federal government:**

The Contractor has certified that it is in compliance with federal tax requirements.

- (U) The status of the proposed contractor as a certified local, small, or disadvantaged business enterprise as defined in the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, D.C. Official Code § 2-218.01 *et seq.*:**

The Contractor is not a certified local, small or disadvantaged business enterprise.

- (V) Other aspects of the proposed contract that the Chief Procurement Officer considers significant:**

None.

- (W) A statement indicating whether the proposed contractor is currently debarred from providing services or goods to the District or federal government, the dates of the debarment, and the reasons for debarment:**

The Contractor's name does not appear on the Federal or District Excluded Parties Lists

- (X) Any determination and findings issues relating to the contract's formation, including any determination and findings made under D.C. Official Code § 2-352.05 (privatization contracts):**

None.

- (Y) Where the contract, and any amendments or modifications, if executed, will be made available online:**

The hospital intends to post the executed contract on its website once revamped. Until then, the contract will be available on-site.

- (Z) Where the original solicitation, and any amendments or modifications, will be made available online:**

The Hospital's website is currently being upgraded and the hospital intends to post the solicitation as soon as possible. Until then, the solicitation remains available on-site.





Government of the District of Columbia

## CERTIFICATE OF CLEAN HANDS

HISCOX INC  
357 MAIN ST  
ARMONK, NY 10504-1808

EIN : \*\*\*\*\*5018

As reported in the Citywide Clean Hands system, the above referenced individual or entity has no outstanding liability with the District of Columbia. As of the date herein, you have complied with the following official DC code and therefore are issued this Certificate of Clean Hands.

TITLE 47. TAXATION, LICENSING, PERMITS, ASSESSMENTS AND FEES  
CHAPTER 28. GENERAL LICENSE LAW  
SUBCHAPTER II. CLEAN HANDS BEFORE RECEIVING A LICENSE OR PERMIT  
D.C. Code § 47-2862 (2006)  
§ 47-2862. Prohibition against issuance of license or permit.

Authorized By Bobby Tucker  
Chief Collection Division

Date: Tuesday this 22nd day of November 2016 11:40 AM

Tracking#: 593405

This document is a certified, complete and true copy.

**Government of the District of Columbia**  
**Office of the Chief Financial Officer**



**MEMORANDUM**

**To:** Luis Hernandez, Chief Executive Officer

**From:** Lilian Chukwuma, CFO – Not-for-Profit Hospital Corporation *UMB for Lilian Chukwuma*

**Date:** December 16, 2016

**Re:** Contract No. NFPHC-207 with Hiscox Approval and Payment Authorization  
Emergency Amendment Act of 2016

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The Not-for-Profit Hospital Corporation (NFPHC) intends to contract with Hiscox, Inc for Professional Liability, Physician Malpractice Insurance and Umbrella/Excess Insurance. The total annual cost is \$ 1,748,795.00 covering a twelve month period.

The Office of the Chief Financial Officer hereby certifies that the funds are included in the NFPHC FY 2017 approved budget. All funds proposed under this contract for FY 2018 are contingent upon the approval of the NFPHC FY 2018 Appropriated Budget.



NOT-FOR-PROFIT HOSPITAL CORPORATION

**MEMORANDUM**

**To:** Charletta Washington  
Chief Operating Officer

**From:** NFPHC Counsel *-outside counsel / [Signature]*

**Reference:** Contract No. NFPHC-207 with Hiscox Approval and Payment Authorization Emergency Amendment Act of 2016

**Date:** December 16, 2016

**Subject:** Legal Sufficiency

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I have reviewed Contract No. NFPHC-207 between the Not-for-Profit Hospital Corporation and Hiscox, Inc and hereby certify that the contract appears legally sufficient. Please be advised that my finding is premised on the contract being submitted to and approved by the Council of the District of Columbia. In addition, the Hospital continues to work with other District agencies to determine the most effective manner for all involved to achieve their respective legislative mandates while the Hospital strives to meet: (i) its Establishment Act purposes (D.C Official Code §44-951.02(b)); (ii) the Hospital Board of Directors approved Strategic Plan (all thirteen Councilmembers introduced the Sense of the Council Not-for-Profit Hospital Corporation Transformation and Sustainability Resolution of 2014 (PR20-731)), which expressed the desire that the Hospital move swiftly to implement the strategic plan); and (iii) its newly clarified District government charged legislative mandate as expressed in the Fiscal Year 2015 Budget Support Emergency Act of 2014 (B20-849), which required the Hospital move forward expeditiously with improving UMC operations and soliciting proposals for private sector takeover of the ownership and management of the United Medical Center.



October 25, 2016

Luis Hernandez, CEO  
Lillian Chukwuma, CFO  
Charletta Washington, COO  
Peggy Fender, Risk Manager  
Not-for-Profit Hospital Corporation  
1310 Southern Ave., SE  
Washington DC 20032

RE: Medical Malpractice, General Liability & Excess  
Renewal 11/23/2016 – 11/23/2017

Ladies & Gentleman:

Please find enclosed the above referenced renewal proposal. With the recent return of Peggy Fender we were able to obtain the missing underwriting information in order to finalize this proposal.

We are pleased once again to show a reduction in premium which since the 11/23/11-11/23/12 term has reduced by over \$450,000. Some of this premium reduction allowed the hospital to increase policy limits, which are still lower than your peers, but moving in the right direction. We have given you options for higher limits within this proposal.

In addition we have provided you quotations for Cyber Liability which I believe to be a significant gap in your current coverage. It is a line of coverage we have recommended since the District assumed operation of the hospital.

We would be glad to answer any question you might have in regard to this proposal.

Very Truly Yours,

Terrence P. Abbott, CLU, RHU, REBC  
Sr. Vice President  
Healthcare Practice  
USI Insurance  
2760 Fountainhead Way  
Mt. Pleasant, SC 29464

Christine Skehan, Sr. Account Manager  
Vice President  
Healthcare Practice  
USI Insurance  
3 Executive Park Drive, Suite 300  
Bedford, NH 03110



**Not-For-Profit Hospital Corp**  
**Premium Comparison**  
**For Renewal Effective 11/23/2016**

	Lexington	Hiscox/Lloyds	Hiscox/Lloyds	Hiscox/Lloyds	Hiscox/Lloyds & CMIC-RRG	Hiscox/Lloyds & CMIC-RRG
	11/23/11-11/23/12	11/23/12-11/23/13	11/23/13-11/23/14	11/23/14-11/23/15	11/23/15-11/23/16	11/23/16-11/23/17
<b>Entity</b>						
Premium	\$835,908	Included	Included	Included	Included	Included
Surplus Tax	\$16,718					
<b>Excess \$4million</b>						
Premium	\$637,809	Included	Included	Included	Included	Included
Surplus Tax	\$12,756					
<b>Physicians</b>						
Premium	\$284,405	Included	Included	Included	Included	Included
Surplus Tax	\$5,688					
<b>Combined</b>						
Premium	\$1,758,122	\$1,575,000	\$1,575,000	\$1,491,153	\$1,370,000	\$1,313,000
Surplus Tax	\$35,162	\$31,500	\$31,500	\$29,823	\$27,400	\$26,260
<b>Subtotal</b>	<b>\$1,793,284</b>	<b>\$1,606,500</b>	<b>\$1,606,500</b>	<b>\$1,520,976</b>	<b>\$1,397,400</b>	<b>\$1,339,260</b>
<b>Entity Excess \$2 million (over \$4million)</b>						
Premium	N/A	N/A	N/A	\$123,000	\$123,000	\$121,000
Surplus Tax	N/A	N/A	N/A	\$2,460	\$2,460	\$2,420
<b>Physician Excess \$1million Shared Limit (CMIC- RRG) <u>PASS/ SELECTED \$2M OPTION BELOW.</u></b>						
Premium	N/A	N/A	N/A	N/A	\$95,000	\$89,300
Surplus Tax	N/A	N/A	N/A	N/A	N/A	\$N/A
<b>TOTALS</b>						
Premium	\$1,758,122	\$1,575,000	\$1,575,000	\$1,614,153	\$1,588,000	\$1,523,300
Surplus Tax	\$35,162	\$31,500	\$31,500	\$32,283	\$29,860	\$28,680
<b>Subtotal</b>	<b>\$1,793,284</b>	<b>\$1,606,500</b>	<b>\$1,606,500</b>	<b>\$1,646,436</b>	<b>\$1,617,860</b>	<b>\$1,551,980</b>



**Optional Quotes  
For Renewal Effective 11/23/2016**

	11/23/11-11/23/12	11/23/12-11/23/13	11/23/13-11/23/14	11/23/14-11/23/15	11/23/15-11/23/16	11/23/16-11/23/17	Insurance Co.
<b>Entity Excess \$3 million excess over \$7million / To make total limit of \$10million ( approved at meeting w/reductio</b>							<b>Hiscox/Lloyds</b>
Premium	N/A	N/A	N/A	N/A	N/A	\$82,000	<b>BIND</b>
Surplus Tax	N/A	N/A	N/A	N/A	N/A	\$1,640	
							\$84,500 was original Quota
<b>Physician Excess \$2million Shared Limit (CMIC- RRG) This would replace the \$1M listed above</b>							<b>CMIC-RRG</b>
Premium	N/A	N/A	N/A	N/A	N/A	\$119,330	<b>BIND</b>
Surplus Tax	N/A	N/A	N/A	N/A	N/A	\$N/A	
<b>Physician Excess \$7million over \$3M Shared Limit (AWAC) This would bring Physicians to \$10M. PASS</b>							<b>Allied World Assurance Co</b>
Premium	N/A	N/A	N/A	N/A	N/A	\$130,600	<b>PASS</b>
Surplus Tax	N/A	N/A	N/A	N/A	N/A	\$2,612	
<b>Cyber Liability :</b>							<b>NAS/Lloyds</b>
<b>\$3Million Limit w/ \$75,000 deductible -PASS</b>							
Premium	N/A	N/A	N/A	N/A	N/A	\$38,944	
Surplus Tax	N/A	N/A	N/A	N/A	N/A	\$779	<b>PASS</b>
<b>\$5Million Limit w/ \$100,000 deductible - PASS</b>							
Premium	N/A	N/A	N/A	N/A	N/A	\$60,146	<b>PASS</b>
Surplus Tax	N/A	N/A	N/A	N/A	N/A	\$1,203	
<b>\$10Million Limit w/ \$100,000 deductible Option Selected</b>							
Premium	N/A	N/A	N/A	N/A	N/A	\$81,544	<b>BIND</b>
Surplus Tax	N/A	N/A	N/A	N/A	N/A	\$1,631	

Please Note: A \$1million dollar Deductible/retention option was not available. For a retention of that amount, carrier would require an LOC and indemnification would be required.



**Not-For-Profit Hospital Corporation  
7/6/2016**

**July 9, 2016-2017 Policies**

**Agency Billed on behalf of the carrier listed (CNA, RSUI or Chubb)**

*NO CHANGES TO The following policy that renewed 7/09/2016*

	<b>Property-CNA</b>	<b>D&amp;O/EPL-RSUI</b>	<b>Auto-CNA</b>	<b>Crime-Chubb</b>
<b>Due Dates</b>	<b>Policy #RMP4033092039</b>	<b>Policy # NHP663780</b>	<b>Policy #5086522829</b>	<b>Policy # 82352184</b>
7/9/2016	\$35,083	<u>\$42,260</u>	\$10,429	<u>\$4,461</u>
10/9/2016	\$23,389		\$6,953	
1/9/2017	\$23,389		\$6,953	
4/9/2017	<u>\$23,389</u>		<u>\$6,953</u>	
<b>TOTALS</b>	<b>\$105,250</b>	<b>\$42,260</b>	<b>\$31,288</b>	<b>\$4,461</b>

Property, D&O, Crime & Auto premiums are payable to: **USI Insurance**

USI Insurance, Accounting Center, PO Box 62937, Virginia Beach, VA 23466

OR *For overnight delivery:* USI Insurance, Accounting Center, 4605 Columbus ST., Virginia Beach, VA 23465

**Work Comp- AIG**

*NO CHANGES TO The following policy that renewed 7/09/2016*

<b>Due Dates</b>	<b>Policy #WC012851802</b>	
7/9/2016	\$362,271	includes DC Surcharge of \$28,687
8/6/2016	\$111,191	
9/9/2016	\$111,191	
10/9/2016	\$111,191	
11/9/2016	\$111,191	
12/9/2016	\$111,191	
1/9/2017	\$111,191	
2/9/2017	\$111,191	
3/9/2017	\$111,191	
4/9/2017	<u>\$111,191</u>	
<b>TOTALS</b>	<b>\$1,362,990</b>	

**WC installments are due AIG Ins, they will send invoices directly**



**November 23, 2016-2017  
Hospital Professional, GL, Physicians & Excess Policies  
Hiscox Insurance/Lloyds**

Agency Billed on behalf of the carrier listed (Hiscox/Lloyds)

Due Dates	Primary Policy <sup>(1)</sup>	Excess Policy <sup>(2)</sup>	Option Chosen Excess Policy <sup>(3)</sup>
	<b>Policy # 21049-41481</b> Includes 1st excess layer of \$4,000,000	<b>Policy # 21049-41482</b> 2nd Layer Excess Policy of \$2,000,000 excess of \$4M	<b>Policy # 21049-41482</b> 3rd Layer Excess Policy of \$3,000,000 excess of \$7M
11/23/2016	\$354,510	\$32,670	\$22,140
2/23/2017	\$328,250	\$30,250	\$20,500
5/23/2017	\$328,250	\$30,250	\$20,500
8/23/2017	<u>\$328,250</u>	<u>\$30,250</u>	<u>\$20,500</u>
<b>TOTALS</b>	<b>\$1,339,260</b>	<b>\$123,420</b>	<b>\$83,640</b>

(1) November installment includes annual Surplus Lines Tax in the amount of \$26,260

(2) November installment includes annual Surplus Lines Tax in the amount of \$2,420

(3) November installment includes annual Surplus Lines Tax in the amount of \$1,640

**Professional / GL /Phys & Excess premium installments are payable to USI Insurance:**

USI Insurance, Acctg Center, PO Box 62937, Virginia Beach, VA 23466

**November 23, 2016-2017  
Physicians' Excess Policy  
CMIC RRG**

*Option Chosen*

Physicians Excess (option) \$2M  
excess over \$1M for total of \$3M

Due Dates	tbd
12/10/2016	\$29,832.50
2/10/2017	\$29,832.50
5/10/2017	\$29,832.50
8/10/2017	<u>\$29,832.50</u>
<b>TOTALS</b>	<b>\$119,330.00</b>

Physicians Excess installments are due CMIC Ins, they will send invoices directly.





**November 23, 2016-2017**  
**Physicians' \$7M Excess over \$3M Option**

**November 23, 2016-2017**  
**Cyber Liability Options**  
**NAS**

**Agency Billed on behalf of the carrier listed (NAS/Lloyds)**

**\$10M limit/\$100k Ded**  
**Policy #tbd**  
**Option Selected**

**Additional information**  
**needed prior to binding**  
**coverage.**  
**Billing will follow once**  
**coverage is bound.**

Premium	\$81,544
2% DC SL Tax	<u>\$1,631</u>
<b>TOTALS</b>	<b>\$83,175</b>

**Cyber Liability - The above Optional Premiums Quoted, if selected, is payable to USI Insurance:**  
 USI Insurance, Acctg Center, PO Box 62937, Virginia Beach, VA 23466

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Signature \_\_\_\_\_ Date \_\_\_\_\_

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Name \_\_\_\_\_ Title \_\_\_\_\_

## Premium Summary

Coverage	Carrier	Best Rating	Admitted	Minimum Earned	2014-2015 Premium	2015-2016 Premium	Proposed Premium
GL/Prof/ Excess & Physician Policy <sup>(1)</sup>	Hiscox /Lloyds	A	Surplus	25%	\$1,491,153	\$1,370,000	\$1,313,000
2% DC SLT					\$29,823	\$27,400	\$26,260
Entity Excess- \$2M Excess of \$4M <sup>(1)</sup>	Hiscox/ Lloyds	A	Surplus	25%	\$123,000	\$123,000	\$121,000
2% DC SLT					\$ 2,420	\$2,460	\$2,420
Physician Excess - \$1M Shared Limit <sup>(2)</sup>	CMIC-RRG	A-	Admitted	N/A	N/A	\$95,000	\$89,300
<b>Total Estimated Annual Premium</b>					<b>\$1,646,396</b>	<b>\$1,617,860</b>	<b>\$1,551,980</b>

### Terrorism Option:

Due to the Terrorism Risk Insurance Act of 2002, you now have the right to purchase coverage for losses arising out of the Acts of Terrorism, as defined in Section 102 (1) of the act. Under Federal Law you may purchase this terrorism coverage for an additional 2% of premium. Please note the additional premium is not included in the above quote. We will require written confirmation at the time of binding if you elect or reject this coverage.

Carrier	Line of Business	Coverage	Premium
(1) Hiscox/Lloyds	GL,Prof,Excess, Phys	TRIA Including 2% SLT	\$29,860
(2) CMIC-RRG	Physician Excess	TRIA (SLT N/A)	\$ 1,900

### Payment Terms:

- 4 Quarterly installments. DC Surplus Lines Tax payable with first Installment. Payment Plan Schedule on following page.

### Binding Requirements:

- "Client Authorization To Bind" signed by the insured

**Note:** This is a coverage summary, not a legal contract. This summary is provided to assist in your understanding of your insurance program. Please refer to the actual policies for specific terms, conditions, limitations and exclusions that will govern in the event of a loss. Specimen copies of all policies are available for review prior to the binding of coverage.

In evaluating your exposure to loss, we have been dependent upon information provided by you. If there are other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention. Should any of your exposures change after coverage is bound, such as your beginning new operation, hiring employees in new states, buying additional property, etc., please let us know so proper coverage(s) can be discussed.

Higher limits may be available. Please contact us if you would like a quote for higher limits.



## Schedule of Locations

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Loc #	Address	City	State	Zip Code
1	1310 Southern Avenue SE	Washington	DC	20032
2	1328 Southern Avenue SE	Washington	DC	20032
3	1350 Southern Avenue SE	Washington	DC	20032

**Note: General and Professional Liability will extend to the Mobile Health Vans while at a fixed location seeing patients.**

*Only the locations shown above are included in this proposal. If any locations are not shown above and should be included for coverage, please notify us immediately.*

**Healthcare Professional Liability,  
General Liability, Physicians & Excess**

*Hiscox / Lloyds*

*Policy # TBD*

*11/23/2016 – 11/23/2017*

**Coverage Written On:**

Occurrence Form:

Healthcare General Liability

**Coverages Written On:**

Claims-Made Form

Healthcare Professional Liability (Entity Coverage)

Retroactive Date: 11/06/2007

Physicians Professional Liability

Retroactive Date: Various based on physician start date

Employee Benefits Liability

Retroactive Date: 11/6/2007

Entity Excess Liability – Follow Form *Excludes Physicians*

Retroactive Dates: Primary \$4,000,000 Layer – 11/06/2007

Excess \$2,000,000 over \$4,000,000 – 11/23/2014

Third Party Administrator: Alan Gray Claim Services

Separate limits for Entity & Physicians.

Physicians share in a \$1million/\$3million primary limit



## Healthcare Professional & General Liability

Healthcare Professional & General Liability	Limits
General Aggregate	\$3,000,000
Each Occurrence	\$1,000,000
Damage to Premises Rented to You – any one premises	\$50,000
Medical Expenses Per Person	\$5,000
Personal and Advertising Injury Limit	Included
Products-Completed Operations Aggregate Limit	Included
Employee Benefits Liability:	\$1,000,000 Per Claim / \$3,000,000 Aggregate* *(Included in the Healthcare General Liability Aggregate)
Healthcare Professional Liability: (Entity)	\$1,000,000. Each Medical Incident \$3,000,000. Aggregate Limit
Healthcare Professional Liability: (Physicians)	\$1,000,000. Each Medical Incident \$3,000,000. Aggregate Limit
Deadly Weapon Protection (DWP)	\$1,000,000 Each Loss
DWP Crisis Management	\$100,000 Each Loss
<b>Self Insured Retention:</b>	
Healthcare General Liability:	\$50,000. Self Insured Retention (per occurrence) Self Insured Aggregate: \$4,000,000
Healthcare Professional Liability: (Entity)	\$250,000. Self-Insured Retention (per medical incident) Self Insured Aggregate: \$4,000,000
Healthcare Professional Liability: (Physicians)	\$250,000. Self-Insured Retention (per medical incident) Self Insured Aggregate: \$4,000,000
Employee Benefit Liability	\$1,000 Per Claim Aggregate: None
Deadly Weapons Protection	\$ 50,000 per Loss
Crisis Management – DWP	\$0

*Policy Limitations and other exclusions may apply. Please refer to the actual policies for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.*

