



# Kansas Health Care Stabilization Fund

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## Bulletin 2018-2

**TO:** Companies Authorized by the Commissioner of Insurance to Offer Professional Liability Insurance to Kansas Health Care Providers

**FROM:** Charles L. Wheelen, Executive Director, Health Care Stabilization Fund

**DATE:** June 1, 2018

**SUBJECT:** Calendar Year 2019 HCSF Surcharge Rates and Related Information

The Health Care Stabilization Fund Board of Governors has decided to revise HCSF surcharge rates effective January 1, 2019. The rates for health care providers in their first or second year of HCSF compliance will change, whereas the surcharge rates for health care providers in their third year of compliance, or more than three years compliance, will remain the same. The following information is important for successful completion of pertinent documents.

**A. HCSF Class Groups for Chiropractors, Nurse Anesthetists, Physicians, and Podiatrists:** Insurers are to identify the HCSF rate classification number for each health care provider based on his or her profession and medical specialty as described on pages 4 – 6 of the notice of basic coverage instructions. The classification number of the individual health care provider will determine the corresponding HCSF classification group. There are detailed instructions on pages 6 – 7 for health care providers who are in HCSF classification group 3. General descriptions of each HCSF classification group for all categories of defined health care providers are listed on page 8 of the instructions.

**B. Annual Surcharge Rate Tables for Fund Class Groups 1 through 24:** Insurers must utilize the HCSF surcharge rate tables appended to this bulletin for purposes of determining the surcharge payment for health care providers issued basic professional liability insurance policies with effective dates on or after January 1, 2019.

**C. Notice of Termination:** The provisions of K.S.A. 40-3402(a)(2) require that notice of termination be provided to the HCSF Board of Governors 30 days prior to the cancellation date if the termination is initiated by the insurer. If instead the cancellation is initiated by the insured health care provider, the notice of termination must be provided to the HCSF Board of Governors within ten days after termination of coverage. (Continued on page 2)

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For a number of reasons, there are occasions when a health care provider requests cancellation of an insurance policy and immediately purchases another policy. A typical example is when a health care provider changes employers and the new employer agrees to make payment for professional liability insurance.

Because K.S.A. 40-3402(a)(1) allows a 30 day period for submission of the notice of basic coverage, there is often a period of about 20 days when it appears that a health care provider is not in compliance with K.S.A. 40-3402. This can invoke the provisions of K.S.A. 40-3416 which require the HCSF Board of Governors to make a report to the state agency that licenses the health care provider and also requires the licensing agency to investigate. The HCSF staff endeavors to avoid reports to the licensing agencies whenever possible.

**If it is known that a health care provider will be purchasing another professional liability insurance policy upon cancellation of existing coverage, please inform the HCSF Board of Governors in the notice of cancellation. Your assistance will be appreciated.**

Any questions regarding the 2019 HCSF surcharge rates may be sent to [hcsf@ks.gov](mailto:hcsf@ks.gov).

Health Care Stabilization Fund Surcharge Rates (Effective January 1, 2019 - December 31, 2019)

LEVEL 1

[\$100,000 per claim subject to \$300,000 annual aggregate limit]

Fund Class Group	General Description	2019	2019	2019
		1st Year of Fund Compliance	2nd Year of Fund Compliance	>2 Years of Fund Compliance
1	physicians	\$ 156	\$ 281	\$ 312
2	physicians	\$ 353	\$ 635	\$ 705
3	physicians	\$ 460	\$ 828	\$ 920
4	physicians	\$ 542	\$ 976	\$ 1,084
5	physicians	\$ 593	\$ 1,067	\$ 1,186
6	physicians	\$ 740	\$ 1,332	\$ 1,480
7	physicians	\$ 553	\$ 995	\$ 1,106
8	physicians	\$ 1,253	\$ 2,255	\$ 2,506
9	physicians	\$ 1,353	\$ 2,435	\$ 2,706
10	physicians	\$ 1,844	\$ 3,319	\$ 3,688
11	physicians	\$ 3,940	\$ 7,092	\$ 7,880
12	chiropractors	\$ 100	\$ 171	\$ 190
13	nurse anesthetists	\$ 164	\$ 294	\$ 327
14	podiatrists	\$ 360	\$ 648	\$ 720
15	Availability Plan insureds	25%	25%	25%
16	business entities	21%	21%	21%
17	medical care facilities	21%	21%	21%
18	community mental health centers	21%	21%	21%
19	psychiatric hospital	21%	21%	21%
20	residents in training	21%	21%	21%
21	physician assistants	21%	21%	21%
22	nurse-midwives	22%	22%	22%
23	assisted living & residential health care facilities	21%	21%	21%
24	nursing facilities	21%	21%	21%

\* The additional surcharge for Kansas resident health care providers with an active Missouri license is +30%.

\* The minimum surcharge for any category of health care provider for any period of compliance is \$100.

Health Care Stabilization Fund Surcharge Rates (Effective January 1, 2019 - December 31, 2019)

LEVEL 3

[\$300,000 per claim subject to \$900,000 annual aggregate limit]

Fund Class Group	General Description	2019	2019	2019
		1st Year of Fund Compliance	2nd Year of Fund Compliance	>2 Years of Fund Compliance
1	physicians	\$ 274	\$ 492	\$ 547
2	physicians	\$ 617	\$ 1,111	\$ 1,234
3	physicians	\$ 806	\$ 1,450	\$ 1,611
4	physicians	\$ 947	\$ 1,705	\$ 1,894
5	physicians	\$ 1,038	\$ 1,868	\$ 2,075
6	physicians	\$ 1,294	\$ 2,329	\$ 2,588
7	physicians	\$ 968	\$ 1,742	\$ 1,936
8	physicians	\$ 2,195	\$ 3,950	\$ 4,389
9	physicians	\$ 2,367	\$ 4,261	\$ 4,734
10	physicians	\$ 3,226	\$ 5,807	\$ 6,452
11	physicians	\$ 6,896	\$ 12,413	\$ 13,792
12	chiropractors	\$ 166	\$ 299	\$ 332
13	nurse anesthetists	\$ 285	\$ 513	\$ 570
14	podiatrists	\$ 631	\$ 1,135	\$ 1,261
15	Availability Plan insureds	39%	39%	39%
16	business entities	31%	31%	31%
17	medical care facilities	31%	31%	31%
18	community mental health centers	31%	31%	31%
19	psychiatric hospital	31%	31%	31%
20	residents in training	31%	31%	31%
21	physician assistants	31%	31%	31%
22	nurse-midwives	33%	33%	33%
23	assisted living & residential health care facilities	31%	31%	31%
24	nursing facilities	31%	31%	31%

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\* The minimum surcharge for any category of health care provider for any period of compliance is \$100.

Health Care Stabilization Fund Surcharge Rates (Effective January 1, 2019 - December 31, 2019)

LEVEL 8

**[\$800,000 per claim subject to \$2,400,000 annual aggregate limit]**

Fund Class Group	General Description	2019 1st Year of Fund Compliance	2019 2nd Year of Fund Compliance	2019 >2 Years of Fund Compliance
1	physicians	\$ 343	\$ 617	\$ 686
2	physicians	\$ 774	\$ 1,393	\$ 1,548
3	physicians	\$ 1,012	\$ 1,821	\$ 2,023
4	physicians	\$ 1,192	\$ 2,146	\$ 2,384
5	physicians	\$ 1,304	\$ 2,347	\$ 2,608
6	physicians	\$ 1,628	\$ 2,930	\$ 3,256
7	physicians	\$ 1,216	\$ 2,189	\$ 2,432
8	physicians	\$ 2,758	\$ 4,964	\$ 5,516
9	physicians	\$ 2,976	\$ 5,356	\$ 5,951
10	physicians	\$ 4,056	\$ 7,300	\$ 8,111
11	physicians	\$ 8,668	\$ 15,602	\$ 17,336
12	chiropractors	\$ 208	\$ 374	\$ 416
13	nurse anesthetists	\$ 358	\$ 644	\$ 715
14	podiatrists	\$ 793	\$ 1,427	\$ 1,586
15	Availability Plan insureds	44%	44%	44%
16	business entities	36%	36%	36%
17	medical care facilities	36%	36%	36%
18	community mental health centers	36%	36%	36%
19	psychiatric hospital	36%	36%	36%
20	residents in training	36%	36%	36%
21	physician assistants	36%	36%	36%
22	nurse-midwives	38%	38%	38%
23	assisted living & residential health care facilities	36%	36%	36%
24	nursing facilities	36%	36%	36%

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\* The minimum surcharge for any category of health care provider for any period of compliance is \$100.