



The Risk Authority

# Transition to Practice Risk Management Overview

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# Risk Management Tips & Considerations

- Identify Risk Management at your next organization
  - Who are they?
    - Is it one or two individuals, RNs, Lawyers, Insurance Specialists, all of these?
  - Scope of Service (SOS)?
- SOS determines how you will utilize and work with Risk Management
  - Is Risk Management your medical malpractice insurer?
  - 24/7 consultation services? If yes, what topics?
  - Communication and Resolution Program (CRP)?



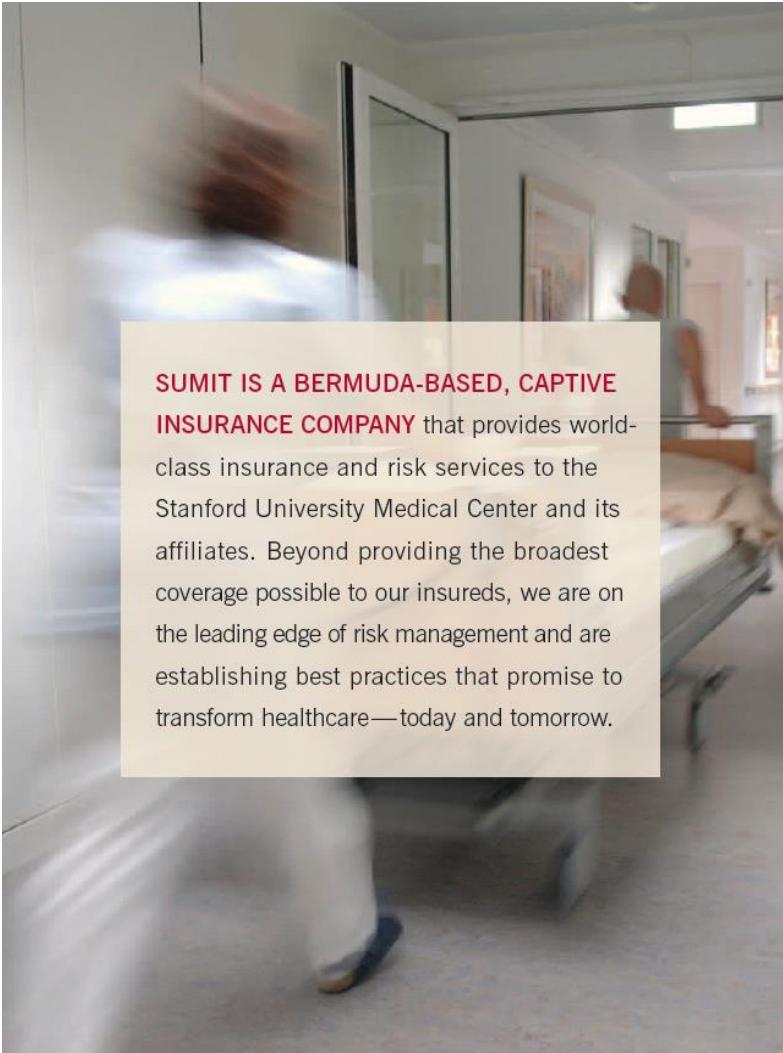
**Stanford**  
MEDICINE

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The Risk Authority

# Insurance Coverage

# SUMIT Insurance Company Overview



**SUMIT IS A BERMUDA-BASED, CAPTIVE INSURANCE COMPANY** that provides world-class insurance and risk services to the Stanford University Medical Center and its affiliates. Beyond providing the broadest coverage possible to our insureds, we are on the leading edge of risk management and are establishing best practices that promise to transform healthcare—today and tomorrow.

- SUMIT Insurance Company is a captive insurance company domiciled in Bermuda
- SUMIT is a subsidiary of Stanford Health Care and Lucile Packard Children's Hospital
- SUMIT provides medical malpractice and general liability insurance to Stanford Health Care, Lucile Packard Children's Hospital, and the School of Medicine, their employees, Faculty physicians, adjunct clinical faculty, postgraduate fellows, and residents

## **MISSION:**

To provide world-class insurance and risk services to the Stanford University hospitals, employees, and physicians.

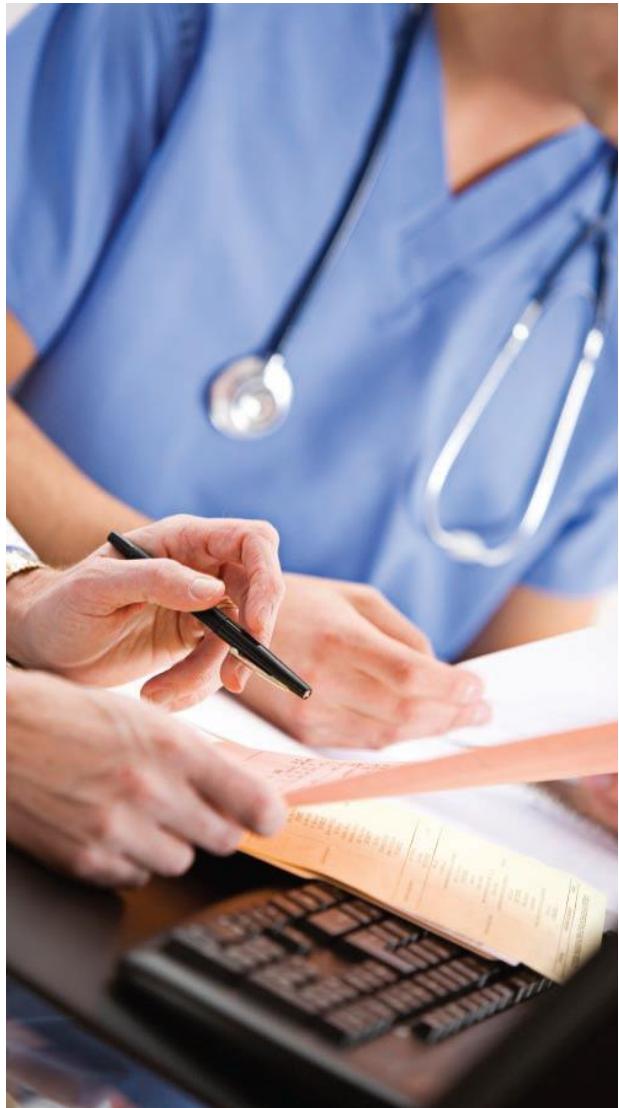
## **VISION:**

SUMIT's vision is to be the leading healthcare captive insurance company in the world.

# SUMIT Insurance Company Overview

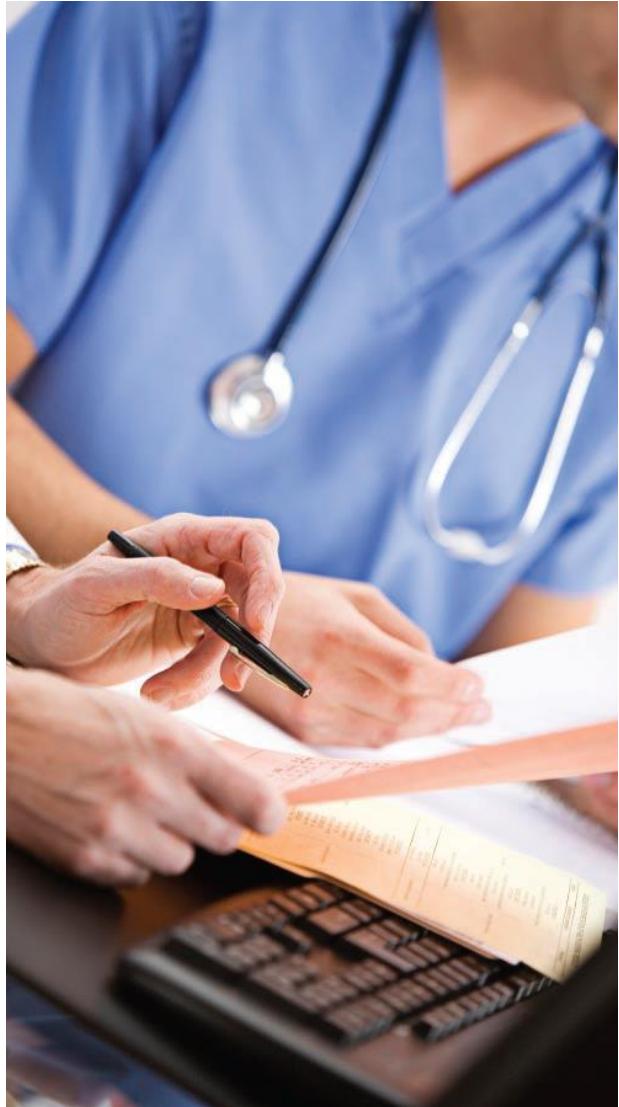
- Covers services performed by you in the treatment / care of any patient and provides financial indemnification to the patient as well as legal expenses incurred by you
- SUMIT offers **claims made** professional liability insurance
- **Claims made** coverage means coverage tracks to the date a claim is actually made rather than the date of treatment
- A claim is defined as when a physician receives a written demand, notice of a lawsuit, or involvement in an incident which may give risk to a suit or demand for payment
- The amount of coverage available is as required by SHC and LPCH Medical Staff Bylaws and Rules and Regulations

# Who is covered



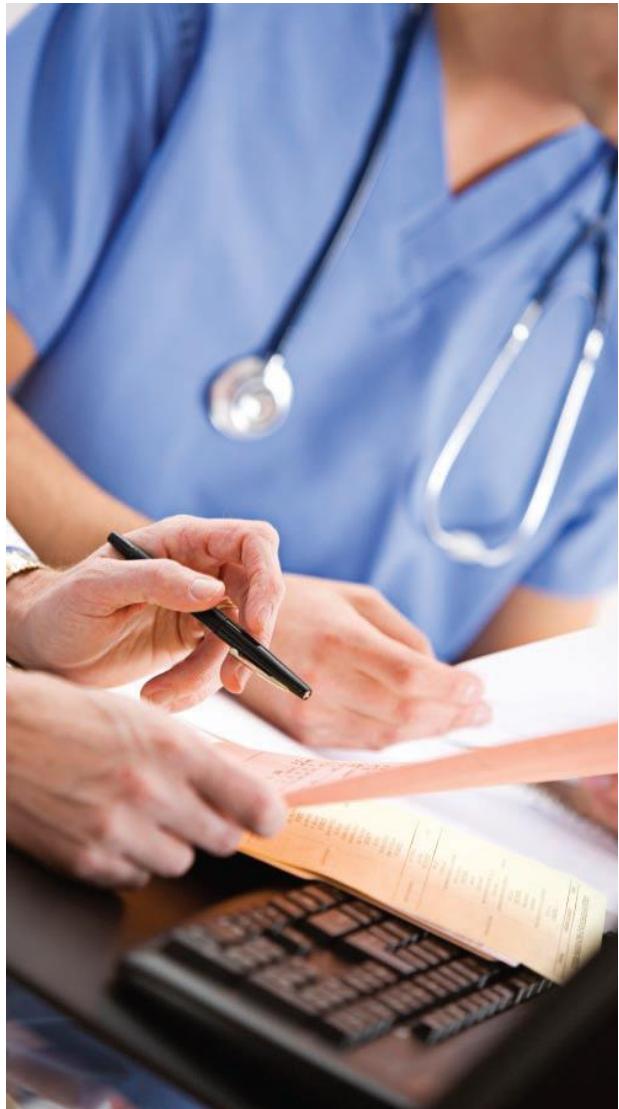
- Faculty physicians, residents and fellows are covered for activities performed within their designated scope of duties
- No coverage is extended to medical staff (SHC, LPCH or VC) unless at the time of the acts or omissions they hold a faculty appointment through the SOM
- No coverage is extended to residents or fellows unless at the time of alleged acts or omissions they are employed by SHC or LPCH
- Certificates of insurance: Policies are not issued to individual physicians; certificates of insurance are issued as evidence of coverage, upon request

# Coverage after departure



- Insured physicians who leave will continue to be covered after their departure for claims made within the course and scope of their employment, subject to the terms, conditions, and exclusions of the policy. **This is referred to as "TAIL coverage.**
- No coverage is provided for any claim arising from services rendered after you leave the organization
- Claims history letters: Issued upon request, require your authorization
- Contact the Risk Management team as soon as you are notified of any potential suit or incident related to care you provided here. The sooner Risk is notified, the better

# What to look for in your next coverage



- Understand the type of policy you have
  - Occurrence vs. Claims-Made
  - For claims-made, an extended reporting period is needed. This is referred to as a tail.
  - If you have a claims-made policy, make sure your physician services agreement addresses tail coverage provisions (who is paying for tail)
- Understand your limits
  - Dedicated limits of at least \$1M per occurrence and \$3M aggregate, would recommend moving to \$2M/\$4M.
  - Legal expenses should not erode your limits

# How to Contact Us

[riskmanagement@stanfordhealthcare.org](mailto:riskmanagement@stanfordhealthcare.org)

**Phone:** 650-723-6824

A Risk Manager is available 24/7 for risk management issues. Call the Stanford page operator at **650-723-6661** and ask to page the risk manager on call.