



Malpractice — Have your premiums gone up?

By Stuart E. Hoffman, DC

The chiropractic malpractice insurance market continues to fluctuate, with the announcement just a few months ago from one major carrier that they would withdraw from the professional liability market altogether. The St. Paul Companies announced last December that beginning in 2002 they would "exit" their malpractice lines because of unacceptable underwriting losses.



Stuart E. Hoffman, D.C.

The impact of the September 11th terrorist attacks is being keenly felt by the Insurance industry, having sustained billions in losses.

The ripple effect seems to have already spread to the malpractice market. The December 5, 2001 edition of *USA Today* featured a front-page article on "Soaring Malpractice Premiums" that should put every DC on their guard as they shop around for competitive, reliable coverage. Also of urgent importance, AM Best, the nation's top insurance rating agency has, for the second time in recent months, downgraded TIG Insurance, a company covering many DCs

in the United States. Even such well-known companies as Kemper have recently been unexpectedly downgraded, a move that should cause everyone to be on their guard when looking for coverage options.

The malpractice insurance marketplace is rapidly changing in an increasingly competitive field. Year in and year out, ChiroSecure has sought to provide reliable, competitively priced coverage with straightforward information on the details of your coverage and a strong commitment to honest, reliable service. It appears, however, that some chiropractors are not so fortunate.

Beware of scare tactics

Are some competitors using scare tactics about the insurance market to justify the large increases they are imposing on their insureds? I have received numerous calls from doctors around the country requesting quotes and information about malpractice alternatives because they have received renewal notices with substantially higher premiums. Any responsible business person would want to know exactly what is going on when the rates for any service their business purchases skyrocket. These are inquiries we wel-

come at ChiroSecure.

The positive side to this is that chiropractors are beginning to take notice that they do have a choice when it comes to their malpractice coverage and are willing to do some homework to understand more about coverage options as well as comparing competing prices to what they are paying. It has been my experience that price is important to us chiropractors however, just like in your own office, service is still king. With the ChiroSecure program, our chiropractors are directly served by a fellow chiropractor on the front end and our aggressive claims management efforts over the past eleven years have allowed ChiroSecure to settle over 66% of all claims without any payout on the back end. This is something that the ICA can be proud of and our insureds have certainly noticed!

The truth, once again, is that malpractice insurers are hurting. In the 1990's, insurers were able to get such a high return on the investments they had allowing them to enter markets they were unfamiliar with and undercut everyone else to gain market share. This worked in the short term but does not work in today's environment. Investment returns are flat and insurance companies must rely on sound business underwriting balanced with fair premiums to operate.

The market is tightening just as we had predicted and we have accurately informed our doctors of such developments as they occurred. Along with St. Paul, one of our past underwriters, Phico has been broken up and the various divisions sold off or closed down. Reliance has gone out of business and a competing program that was written through Reliance had to jump over to TIG. Unfortunately, even TIG has been downgraded twice in the past year or so and we hear that this competitor again has to look for a new company to cover their doctors.

Fierce competition breeds new attitudes about what is and is not responsible marketing. ChiroSecure's first commitment is and always will be the welfare of the ICA members and the best interests of those ChiroSecure insureds. As a sponsored program of a well-established professional organization, you should expect no less. Beware of what you read! In a recent article appearing in another chiropractic publication, one high-pressure competitor refers to having a "chiropractic only" insurance company. The problem is that they are NOT an insurance company but a marketing agency and TIG, the actual insurance company, is a major medical malpractice carrier. Being candid about our program has helped ChiroSecure even when we have faced challenges. We will continue to be in the forefront in advising our doctors about the malpractice marketplace, with timely and complete honesty.

Read the small print

All of this tightening may bring on premium increases regardless of which carrier you have. However, the ChiroSecure program has kept premiums stable and even been able to lower premiums in some areas because of sound underwriting and aggressive claims management policies. This has been done without limiting the coverage we offer to our doctors or the outstanding service. Read the small print, ask the tough questions and know what you are getting. The future of your practice may depend on it.

STUART HOFFMAN, D.C. is president of ChiroSecure, ICA's malpractice insurance program. *This is the only coverage that reflects ICA's subluxation philosophy and supports the values and activities of ICA.* To get a quote or for more information on your malpractice coverage call Dr. Hoffman TOLL-FREE 1-866-802-4476 Ext. 11 or visit chirosecureonline.com.

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served as the Chairman of the Board of the New York Chiropractic Council.

During his tenure as ICA President Dr. Hoffman led many innovative and far-reaching efforts which included bringing ICA's landmark publication, *Recommended Clinical Protocols and Guidelines for the Practice of Chiropractic* to completion; initiating the developmental efforts for a profession-wide newspaper which resulted in *The Chiropractic Choice*; putting the "I" back in ICA by mounting major new international efforts including ICA's historic Lisbon 2000 Symposium on the Philosophy, Science and Art of Chiropractic and pushing for another symposium in Rome which occurred in April of this year and was a resounding success.

Dr. Hoffman's commitment to chiropractic's fundamental principles led to his personally initiating the effort that resulted in the adoption of the Paradigm

Statement of Chiropractic of the Association of Chiropractic Colleges (ACC) by the World Federation of Chiropractic (WFC), providing a principled, clear and global definition of chiropractic. He has also been a tireless campaigner for major reform efforts within the National Board of Chiropractic Examiners.

Dr. Hoffman graduated from New York Chiropractic College in 1988. He ran a highly successful, multi-DC, high volume family practice in Oyster Bay, New York for 22 years. Presently he serves as President of The Masters Circle, a think tank of some of the finest minds in chiropractic, and a premier practice management and coaching firm. A popular figure at chiropractic events and college campuses, Dr. Hoffman maintains a busy schedule speaking to chiropractic audiences world-wide.

"We are proud to honor Dr. Bob Hoffman as ICA's Chiropractor of the Year. We all respect and appreciate his years of service and record of achievement," said ICA President Dr. D.D. Humber. "Dr. Hoffman exemplifies a new and innovative spirit, yet he has always remained anchored in chiropractic's basic principles. Congratulations on this well-deserved honor."

NBCE issues public statement that Special Purposes Examination for Chiropractic (SPEC) not meant for "routine" license renewal

The National Board of Chiropractic Examiners (NBCE), in a news release issued April 24, 2002, stated that the Special Purposes Examination for Chiropractic (SPEC) is not meant to be used for "routine" license renewal. According to the release, NBCE President Peter D. Ferguson made a public statement before the National Chiropractic Leadership Forum in Chicago on April 19, 2002 clarifying the purpose of this examination.

In his statement Ferguson said, "The National Board's Special Purposes Examination for Chiropractic (SPEC) is NOT designed to be used as a routine license renewal examination." He also said, "The examination is also not intended to be used for initial licensing purposes and does not replace NBCE Parts I, II, and III and IV, the examinations required for initial licensing."

According to the release, SPEC addresses various components of clinical competency, including patient evaluation and case management. State licensing boards can utilize SPEC to as-

sess licensed or previously licensed chiropractors, specifically for:

- state-to-state reciprocity/endorsement
- disciplinary action, including the reassessment of clinical competency
- reinstatement following licensure lapse, disciplinary action, or license suspension or revocation

To be eligible for SPEC, candidates must 1) hold a Doctor of Chiropractic degree from an NBCE-eligible chiropractic college; 2) be (or have been) licensed for a minimum of two years; and 3) provide authorization to take the exam from a licensing agency.

(*The Chiropractic Choice*, in its April issue, prior to NBCE's news release, had an article regarding statements made at a meeting in New Mexico that NBCE was proposing to take over accreditation of continuing education and conduct exams for routine license renewals for DCs. NBCE's April 4 news release clarifies that SPEC will not be used for routine license renewal, but does not address the question "Are there plans to have exams for routine license renewal?")

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