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Processing Number \_\_\_\_\_

## Application for Ambulatory Surgical Facility Professional Liability Insurance

Please choose your desired coverage option either claims-made or occurrence.

### Claims-Made Coverage

"A claims-made policy is limited to claims which are first made while the policy is in force and arise out of professional services provided on or after the retroactive date stated in the Declarations Page, and as defined in the policy."

### Occurrence Coverage

"An occurrence policy is limited to claims that arise out of professional services rendered during the policy period stated in the Declarations Page and as defined in the policy."

**Instructions:** It is essential that all statements be completed and all questions answered. If the answer to any question is "no", be certain to check **no** on the Application. **Please do not leave any question unanswered. If additional space is required to answer any question, use the "Remarks Addendum" section.**

#### INDICATE TYPE OF POLICY DESIRED:

- A.  **OPEN FACILITY** An open facility is utilized by independent physicians who **do not** maintain an employment relationship with the physician owner or corporate entity.
- B.  **CLOSED FACILITY** A closed facility is solely utilized by physicians who maintain an employment relationship with the physician owner or entity.
- C.  **SEPARATE LIMITS**
- D.  **SHARED LIMITS (Not applicable in the states with a Patient Compensation Fund)**

**Please submit 1 application for each Surgical Facility location.**

**1. Name of Facility:**

**2A. Name of Owner – physician or corporate entity:**

**2B. Indicate all states of practice where ISMIE Mutual coverage is desired:**

**3. Desired effective date of coverage (12:01 a.m. Standard Time):**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Month Day Year

**4. Desired retroactive date for Claims-Made Coverage. (12:01 a.m. Standard Time): Retroactive date is required to secure prior acts coverage (nose coverage). Only applicable for Claims-Made Coverage, leave blank if applying for Occurrence Coverage.**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Month Day Year

# Surgical Facility General Information

## 5. Mailing Address:

Note: This address is where all of your insurance documents and correspondence will be sent.

Address Line 1: \_\_\_\_\_

Address Line 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: ( ) - \_\_\_\_\_

Fax: ( ) - \_\_\_\_\_ E-mail Address: \_\_\_\_\_

## 6. Billing Address: Same as #5

Note: This address is where all of your insurance premium invoices and notices will be sent.

Address Line 1: \_\_\_\_\_

Address Line 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: ( ) - \_\_\_\_\_

Fax: ( ) - \_\_\_\_\_ E-mail Address: \_\_\_\_\_

## 7. Practice Location: Same as #5

Address Line 1: \_\_\_\_\_

Address Line 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: ( ) - \_\_\_\_\_

Fax: ( ) - \_\_\_\_\_ E-mail Address: \_\_\_\_\_

8. Is the Ambulatory Surgical Facility free standing? Yes \_\_\_\_\_ No \_\_\_\_\_

If "no", is it physically located within a:

a) Hospital (provide name): \_\_\_\_\_

b) Other (describe): \_\_\_\_\_

9. Length of time this facility has been in operation: \_\_\_\_\_

10. Are there multiple locations? Yes \_\_\_\_\_ No \_\_\_\_\_

If "yes", please provide the address of each additional location and the name of the carrier that provides professional liability coverage for that location: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

11. Name of Business Manager/Administrator: \_\_\_\_\_

12. Name of the Medical Director: \_\_\_\_\_

**13. The legal entity applying for coverage is a:**

Partnership  
(Submit a copy of the partnership agreement)

Limited Liability Company  
(Submit a copy of State Issued Organizational Documents)

Multi-Shareholder Corporation  
(Submit a copy of State issued Organizational Documents)

Sole Shareholder of Medical Corporation  
(Submit a copy of State Issued Organizational Documents)

Other (Describe)

Limited Liability Partnership  
(Submit a copy of State Issued Organizational Documents)

**14. Federal Tax Identification Number:** \_\_\_\_\_

**15. Is the facility licensed by the State Department of Public Health? Yes \_\_\_\_\_ No \_\_\_\_\_**  
**If “yes”, indicate License Number and provide a copy of the License:**

\_\_\_\_\_

**16. Is the facility accredited by the American Association for Accreditation of Ambulatory Surgery Facilities Inc.**

**(AAAASF) or similar accrediting organization? Yes \_\_\_\_\_ No \_\_\_\_\_**

**If “yes”, indicate name of organization and provide a copy of your accreditation certificate:**

\_\_\_\_\_

**17. Does the Surgical Facility operate under any other names (d.b.a. “doing business as”)?**

**Yes \_\_\_\_\_ No \_\_\_\_\_**

**If “yes”, please list all “doing business as” names of the Surgical Facility:**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_

**18. List all partners/shareholders of the entity and their occupation:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**19. Limits of Liability (Please skip this section if your entity is domiciled in a state with a Patient’s Compensation Fund.)**

The offering of the following policy limits by ISMIE Mutual should not be deemed to express or imply that any particular policy limit is or is not adequate for an insured. It is the sole responsibility of each insured to select an appropriate limit of coverage.

**Limits of Liability:**

- \$500,000/\$1,500,000\*     \$1,000,000/\$3,000,000     \$2,000,000/\$4,000,000  
“each person”/ “aggregate”    “each person”/ “aggregate”    “each person”/ “aggregate”

**\*NOTE: These limits are only available in Illinois for claims-made coverage**

20. Does the Facility currently maintain medical professional liability insurance? Yes \_\_\_\_\_ No \_\_\_\_\_

If “yes”, please provide a current Declarations Page and all applicable endorsements from your most recent carrier.

If “no”, how does the Facility handle any claims reported? Provide a detailed narrative describing this arrangement.

Carrier Name *	Policy Period	Limits	Claims-Made	Occurrence
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>

\*It is necessary that you obtain a current Loss History from each carrier listed above.

21. Please provide total facility premiums paid, by year, for the last ten years. Please indicate the most recent first.

<u>Year</u>	<u>Annual Premium</u>
1. Current Year	\$ _____
2.	\$ _____
3.	\$ _____
4.	\$ _____
5.	\$ _____
6.	\$ _____
7.	\$ _____
8.	\$ _____
9.	\$ _____
10.	\$ _____

22. Have any medical professional liability claims or suits been brought against this Surgical Facility within the Past five (5) years?

Yes  No

If “Yes”, please provide the following:

- A detailed narrative of each claim (Completed Claim Information Supplement on page 13 of this application)
- Reserves on pending claims (both indemnity and expense)
- Payments on any closed claim/suit (both indemnity and expense)
- Complete copies of all office/hospital medical records, Summons and Complaint.

23. Please provide a comprehensive list of all procedures for which physicians /other healthcare providers are credentialed to perform at this Surgical Facility. (Copies of your credentialing forms are acceptable).

24. Please indicate the total number of procedures performed at this facility within the most recent 12 months. \_\_\_\_\_

25. Please provide name(s) and title(s) of individuals administering anesthesia:

_____	_____
_____	_____
_____	_____
_____	_____

26. Profile Questions. Include details to each question in the space provided. If additional space is needed, please utilize the "Remarks Addendum" section.

YES NO

A.   Has the surgical facility's professional liability insurance ever been canceled for non-payment of premium? If "yes", indicate date(s) of such cancellation. (Not Applicable in Missouri)

\_\_\_\_\_

B.   Has the surgical facility's professional liability insurance ever been declined, canceled, non-renewed or issued on special terms? (Including but not limited to: restrictive endorsements, surcharged premium, etc.) (Not Applicable in Missouri)

\_\_\_\_\_

C.   Has the surgical facility owned and operated, participated in or directed any entrepreneurial medical business? If "yes," indicate name(s), address(es) and type(s) of business(es):

\_\_\_\_\_  
\_\_\_\_\_

D.   Does the surgical facility, treat or intend to treat or intend to treat any patient by means of therapeutics which could be considered unconventional, experimental, investigational or clinical research that is not within the scope of research protocols approved by the Food and Drug Administration (FDA) or an institutional review board (IRB) (also known as an independent ethics committee (IEC), an ethical review board (ERB) or a research ethics board (REB))? If "Yes," utilize the "Remarks Addendum" on page 14 to identify physician(s) in the clinic who participate in this activity and provide a full written narrative indicating treatment(s), and provide name(s) and address(es) of sponsoring institution(s) or entity(ies) if applicable.

E.   Does the surgical facility contract to any governmental facility? If "Yes," please provide a copy of any contract you have executed.

F.   Has the surgical facility's State license, registration or certification, or certification for federal reimbursement ever been limited, revoked, suspended, refused, cancelled or voluntarily surrendered? If "Yes," please provide details in "Remarks" section.

27. Are complete medical histories taken and physical examination conducted (including necessary pathological tests) prior to all procedures performed at the facility? Yes \_\_\_\_\_ No \_\_\_\_\_

28. Is the patient's written authorization for the specific surgical procedure(s) and patient's written "informed consent" obtained prior to surgery? Yes \_\_\_\_\_ No \_\_\_\_\_

If "yes", please provide a copy of your current consent form.

If "no", please clarify

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29. With respect to questions 27 and 28, are these items made a part of the patient's clinical records and maintained at the facility? Yes \_\_\_\_\_ No \_\_\_\_\_

30. Please provide a copy of your most recent brochure.

31. In the event of complications,

A. Are there written emergency procedures in place? Yes \_\_\_ No \_\_\_

If "yes", please provide a copy of your procedures.

If "no", please attach a detailed narrative explaining how emergency procedures are handled.

B. Does your facility have a transfer agreement in place? Yes \_\_\_ No \_\_\_

If "yes", please provide a fully executed copy of your transfer agreement.

If "no", please provide written verification that your facility is able to ensure the availability of follow-up care at a licensed hospital.

32. Please indicate the distance from your facility to the nearest licensed hospital.

Miles \_\_\_\_\_ Minutes \_\_\_\_\_

33. Indicate equipment in the facility to handle emergency situations:

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34. Are non-spontaneous induced abortions of over 14 weeks (beginning from onset of last menstrual period) performed at the facility? Yes \_\_\_\_\_ No \_\_\_\_\_

A. Is ultrasound used in establishing gestation age? Yes \_\_\_\_\_ No \_\_\_\_\_

B. What method is used for non-spontaneous abortions performed over 14 weeks gestation?

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35. Is any person other than a licensed physician/surgeon (M.D./D.O.) allowed to perform cosmetic procedures - including, but not limited to - cosmetic fillers & injectables, laser treatments, skin rejuvenation including microdermabrasion, etc? Yes \_\_\_\_\_ No \_\_\_\_\_

If "yes", please provide the number of non-M.D.'s/D.O.'s performing these procedures, their medical certification and your criteria for credentialing and supervising these individuals.

36. Please provide a detailed narrative of the facility's process for credentialing its physician and non-physician affiliates.

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# Surgical Facility Census

37. Indicate the names of all physicians who currently have privileges to perform procedures at the facility and their medical specialty by completing the grid below or attaching a separate census.

If additional space is required to complete this question, use “Remarks Addendum” section.

	Physician Name	Specialty	Insurance Carrier	Limits of Liability
1)				
2)				
3)				
4)				
5)				
6)				
7)				
8)				
9)				
10)				
11)				
12)				
13)				
14)				
15)				
16)				
17)				
18)				
19)				
20)				

### 38. Allied Health Personnel

Please provide the names of all credentialed Allied Health Personnel on the census provided on the following page.

Only separate limits are available in States with a Patient Compensation Fund.

Coverage for the following Allied Health Personnel are offered on either a Shared or Separate Limit basis for an additional charge. A separate Non-Physician application is required, and is available on our website- [www.ismie.com](http://www.ismie.com).

A.	Certified Registered Nurse Anesthetist	Total _____	E.	Physician Assistant	Total _____
B.	Certified Clinical Nurse Specialist	_____	F.	Psychologist	_____
C.	Certified Nurse Practitioner	_____	G.	Other (Specify Below)	_____
D.	Certified Nurse-Midwife	_____			

Coverage for the following Health Care Professionals is only offered on Separate Limit basis for an additional charge. A separate Individual Physician application is required for Chiropractors and Podiatrists, and a Non-Physician application is required for Dentists, Optometrists and Pharmacists. Applications are available on our website- [www.ismie.com](http://www.ismie.com).

		Total _____			Total _____
H.	Chiropractor	_____	K.	Podiatrist	_____
I.	Dentist	_____	L.	Pharmacist	_____
J.	Optometrist	_____			

Note: Coverage for all Health Care Professionals is limited to the scope of employment and services rendered on behalf of the ISMIE Mutual insured Physician or Corporation.

### Non-Physician Census

39. Indicate the names of all non-physicians (M.D./D.O.) that currently have privileges to work at the facility and their medical license/certification. This should include all Allied Health Personnel and Non-Physician Health Professionals as listed on the previous page under question #38.

If additional space is required to complete this question, use "Remarks Addendum" section.

Codes: 01-Employee 02-Independent Contractor 03 – Leased



Code	Allied Health Personnel / Non-Physician Name	Medical Certification	Insurance Carrier	Limits of Liability
1)				
2)				
3)				
4)				
5)				
6)				
7)				
8)				
9)				
10)				
11)				
12)				
13)				
14)				
15)				
16)				
17)				
18)				
19)				
20)				

40. Name and title of the person who directs and supervises the Allied Health Personnel/Non-Physicians:

\_\_\_\_\_

41. Does your facility accommodate overnight stays? Yes \_\_\_\_\_ No \_\_\_\_\_

If "yes", please indicate the number of beds available. \_\_\_\_\_

If "yes", please provide statistics on the extent of overnight stays and to which procedures they relate

\_\_\_\_\_

If "yes", please indicate the maximum length of stay.

\_\_\_\_\_

42. Indicate the number of operating rooms in the facility \_\_\_\_\_

43. Indicate the number of beds in the recovery room \_\_\_\_\_

# Certificate(s) of Insurance

PHOTOCOPY AND COMPLETE THIS FORM AS NEEDED.

44. If your insurance request is accepted, as a service to its insureds ISMIE Mutual can provide evidence of your coverage on an automated basis by issuing a Certificate of Insurance. If you wish to have a Certificate of Insurance issued to a hospital or other health care institution on your behalf, complete the following:

## A. Certificate of Insurance

\_\_\_\_\_  
Name of Certificate Holder

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite/Room Number

\_\_\_\_\_  
City State Zip Fax

If the above is a hospital, please check one:

Medical Director       Administrator  
 Medical Staff Office       Other \_\_\_\_\_

\_\_\_\_\_  
**Specific Policy Limits will be printed on Certificate.**

## C. Certificate of Insurance

\_\_\_\_\_  
Name of Certificate Holder

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite/Room Number

\_\_\_\_\_  
City State Zip Fax

If the above is a hospital, please check one:

Medical Director       Administrator  
 Medical Staff Office       Other \_\_\_\_\_

\_\_\_\_\_  
**Specific Policy Limits will be printed on Certificate.**

## B. Certificate of Insurance

\_\_\_\_\_  
Name of Certificate Holder

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite/Room Number

\_\_\_\_\_  
City State Zip Fax

If the above is a hospital, please check one:

Medical Director       Administrator  
 Medical Staff Office       Other \_\_\_\_\_

\_\_\_\_\_  
**Specific Policy Limits will be printed on Certificate.**

## D. Certificate of Insurance

\_\_\_\_\_  
Name of Certificate Holder

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite/Room Number

\_\_\_\_\_  
City State Zip Fax

If the above is a hospital, please check one:

Medical Director       Administrator  
 Medical Staff Office       Other \_\_\_\_\_

\_\_\_\_\_  
**Specific Policy Limits will be printed on Certificate.**

# Applicant's Representation, Authorization and Release

**(Please read carefully)**

ELECTRONIC SIGNATURES ARE PERMISSIBLE PURSUANT TO THE ELECTRONIC COMMERCE SECURITY ACT (5 ILCS 175)

## PROXY

By applying for and receiving coverage from ISMIE Mutual Insurance Company, the policyholder/member agrees to grant, assign, and give a proxy to the Board of Directors of ISMIE Mutual Insurance Company or their designee, for purpose of casting a vote at any and all meetings or in any and all instances in which a vote of the policyholders/members is required. It is understood that in the absence of any further action by the policyholder/member, this proxy shall remain valid and binding for the length of time which the policyholder/member shall continue to be a policyholder/member of ISMIE Mutual Insurance Company. It is further understood that on any given issue as to which policyholders/members shall have a right to vote the policyholder/member may, by indicating in writing his, her, or its desire, revoke this proxy for purposes of the issue or matter then pending a vote. In the instance in which the policyholder/member revokes this proxy, he, she, or it may then vote in person or by written proxy at any meeting called for the casting of said vote. At the conclusion of said vote, this proxy, given to the ISMIE Mutual Board of Directors or its designee, shall return to full force and effect and shall continue in full force and effect unless and until the policyholder/member elects to revoke this proxy for purposes of a future issue which may arise.

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**Applicant's Name (please print)**

**Applicant's Signature**

**Date**

## REPRESENTATION

I hereby represent that the information contained in this application and any supplementary submission is complete and true and that no material facts which are reasonably likely to influence the judgment of ISMIE Mutual in considering this application have been omitted. *I agree that this shall be the basis of the policy of insurance requested and that I will notify ISMIE Mutual of any changes contained herein.*

## FRAUD NOTICES

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO ALABAMA APPLICANTS:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof.

**NOTICE TO ALASKA APPLICANTS:** Any person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.

**NOTICE TO ARIZONA APPLICANTS:** For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

**NOTICE TO ARKANSAS APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO OHIO APPLICANTS:** Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud, which is a crime.

**NOTICE TO CALIFORNIA APPLICANTS:** For your protection California law requires the following to appear on this form. Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

**NOTICE TO COLORADO APPLICANTS:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

**NOTICE TO DELAWARE APPLICANTS:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

**NOTICE TO FLORIDA APPLICANTS:** Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

**NOTICE TO IDAHO APPLICANTS:** Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony.

**NOTICE TO INDIANA APPLICANTS:** A person who knowingly and with intent to defraud and insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

**NOTICE TO LOUISIANA, NEW MEXICO AND RHODE ISLAND APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

**NOTICE TO MAINE, TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.

**NOTICE TO MARYLAND APPLICANTS:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO MINNESOTA APPLICANTS:** A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NOTICE TO NEW HAMPSHIRE APPLICANTS:** Any person who, with a purpose to injure, defraud, or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

**NOTICE TO NEW JERSEY APPLICANTS:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO NEW YORK APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the state value of the claim for each such violation.

**NOTICE TO OKLAHOMA APPLICANTS: WARNING:** Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**NOTICE TO OREGON APPLICANTS:** Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

**NOTICE TO PENNSYLVANIA APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**NOTICE TO PUERTO RICO APPLICANTS:** Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, will be sanctioned for each violation with a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty may be increased to a maximum of five (5) years, if attenuating circumstances are present, it may be reduced to a minimum of two (2) years.

**NOTICE TO TEXAS APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

**NOTICE TO WEST VIRGINIA APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**HIPAA DISCLOSURE**

ISMIE Mutual Insurance Company and its affiliates shall act as business associates of applicant(s) with respect to the receipt, use and disclosure of protected health information. The Business Associate Agreement is hereby incorporated by reference.

**AUTHORIZATION**

I acknowledge that as a condition precedent to acceptance of this application and any future renewal thereof, ISMIE Mutual or its duly authorized representative may conduct an inquiry or investigation of my professional background, qualifications and competence, including such other underwriting or claim matters as are deemed relevant for this insurance. I expressly consent to any such inquiry and investigation and hereby authorize the release and exchange of information pertaining to such inquiry and investigation between any professional organizations in which I am or have been a member, my/their insurance agents or consultants, any hospitals at which I hold or have ever held staff privileges or have had an application for staff privileges denied, any state licensing agency, any attending or treating physician, any prior insurance carriers and ISMIE Mutual, or its duly authorized representative. I hereby release and discharge the aforementioned providers of information, ISMIE Mutual, its duly authorized review committee from any and all legal liability which might otherwise be incurred as a result of any communications, reports, disclosures and recommendations made or any acts performed, in good faith, in connection with any inquiry or investigation initiated by ISMIE Mutual or its duly authorized representative. I authorize ISMIE Mutual or its duly authorized representative to provide information regarding my professional liability history and to issue Certificates of Insurance to those hospitals, managed care entities or other organizations to which I am affiliated or have applied. I consent and agree to the exchange of information regarding my professional liability policy between my present/future employer and ISMIE Mutual or its duly authorized representative. In the event that my insurance premiums are paid by my present/future employer and the practice relationship between myself and my employer is severed at any time during the policy period for any reason, including but not limited to cancellation of my policy, it is agreed that any and all remaining insurance premiums, including any return premium due, as of the severance date of the practice relationship, shall be the property of the employer. Communication regulations require that certain entities, including ISMIE Mutual and its affiliates, obtain written consent to share or distribute policyholder information via regular mail, e-mail, and facsimile. By signing this consent and authorization, you are agreeing to receive promotional notices or solicitation of the availability of goods, services, membership, and opportunities related to the practice of medicine from ISMIE Mutual and its affiliates.

Signature of President/Partner or person authorized to make changes to this policy.

Surgical Facility Name <i>(please print)</i>	Signature of President/Partner or Authorized Person	Date
----------------------------------------------	--------------------------------------------------------	------

**I understand that signature of this application does not bind ISMIE Mutual to complete processing of the application nor to offer insurance to the applicant. A photostatic, imaged or other electronic copy of this Representation, Authorization and Release shall be considered as effective and as valid as the original. PLEASE NOTE: Email transmission of a completed application or other document is insecure. ISMIE Mutual is not responsible for any disclosure while the information is in transit. Email submissions may be made to [underwriting@ismie.com](mailto:underwriting@ismie.com)**

Insurance Agent/Producer/Broker <i>(please print)</i>	Signature	Date
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**Claim Information Supplement** (please print). In addition to completing this form, please provide a typed, detailed narrative for each open claim, or any claim that has closed with an indemnity payment. Please photocopy this form for additional claims.

1. Patient/Claimant

Name \_\_\_\_\_ Age \_\_\_\_\_ Sex \_\_\_\_\_

2. Date(s) of treatment and/or surgery which led to the allegations against you \_\_\_\_\_

3. Was suit ever filed?  Yes  No If "Yes", state when \_\_\_\_\_ / \_\_\_\_\_  
Month Year

4. Name of insurance carrier defending you: \_\_\_\_\_

5. Policy Number. \_\_\_\_\_

6. Names of other doctors and hospitals, if any, involved in claim or suit. \_\_\_\_\_

7. Disposition or current status of claim or suit:

Open - Indicate case value established by carrier \$ \_\_\_\_\_

Closed-With no payment made Date \_\_\_\_\_

Closed-With payment made. Indicate amount of settlement or award:

- Has carrier indicated desire to settle?

Yes  No

a. Your policy \$ \_\_\_\_\_ Date \_\_\_\_\_

b. Total (if additional defendants involved) \$ \_\_\_\_\_

-----NEXT CLAIM-----

1. Patient/Claimant

Name \_\_\_\_\_ Age \_\_\_\_\_ Sex \_\_\_\_\_

2. Date(s) of treatment and/or surgery which led to the allegations against you \_\_\_\_\_

3. Was suit ever filed?  Yes  No If "Yes", state when \_\_\_\_\_ / \_\_\_\_\_  
Month Year

4. Name of insurance carrier defending you: \_\_\_\_\_

5. Policy Number. \_\_\_\_\_

6. Names of other doctors and hospitals, if any, involved in claim or suit. \_\_\_\_\_

7. Disposition or current status of claim or suit:

Open - Indicate case value established by carrier \$ \_\_\_\_\_

Closed-With no payment made Date \_\_\_\_\_

Closed-With payment made. Indicate amount of settlement or award:

- Has carrier indicated desire to settle?

Yes  No

a. Your policy \$ \_\_\_\_\_ Date \_\_\_\_\_

b. Total (if additional defendants involved) \$ \_\_\_\_\_

# Remarks Addendum

PHOTOCOPY AND COMPLETE THIS FORM AS NEEDED, OR CONTINUE INFORMATION ON YOUR LETTERHEAD. PLEASE WRITE LEGIBLY

Question Number	Remarks
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**ISMIE MUTUAL INSURANCE COMPANY  
BUSINESS ASSOCIATE AGREEMENT (B)  
REVISED 2017**

This Business Associate Agreement (“Agreement”) is between ISMIE Mutual Insurance Company, and all affiliates and subsidiaries (“ISMIE”), 20 North Michigan Avenue, Suite 700, Chicago, IL 60602, and the “Covered Entity” (as such term is defined below) set forth on the attached application for insurance. This Agreement is to memorialize the relationship between ISMIE and Covered Entity and the terms that govern the use and disclosure of Protected Health Information to ISMIE from Covered Entity consistent with HIPAA and the HITECH Act (as defined below) and the regulations promulgated thereunder.

**I. DEFINITIONS**

- A. Business Associate. “Business Associate” shall mean ISMIE Mutual Insurance Company, and all affiliates and subsidiaries.
- B. Covered Entity. “Covered Entity” shall mean, with respect to ISMIE: (a) prior insureds, (b) insureds, (c) all persons or entities applying for insurance coverage, (d) all insureds by reporting endorsement.
- C. Electronic Protected Health Information. “Electronic protected health information” shall have the meaning found in the Security Rule. [45 CFR § 160.103.]
- D. HIPAA. “HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-91).
- E. HITECH Act. “HITECH Act” shall mean the Health Information Technology for Economic and Clinical Health Act (Division A, Title XIII of the American Recovery and Reinvestment Act of 2009, P.L. 111-5).
- F. Individual. “Individual” shall mean a person who is the subject of protected health information and includes a personal representative who under law has authority to make health decisions for another person. [45 CFR § 164.502(g)].
- G. Privacy Rule. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at [45 CFR Part 160 and Part 164, Subparts A and E].
- H. Protected Health Information. “Protected Health Information” shall mean individually identifiable health information that is transmitted or maintained in any form or medium, limited to the information created or received by Business Associate from or on behalf of Covered Entity. [45 CFR § 160.103.].
- I. Required By Law. “Required By Law” shall mean a mandate contained in law that compels use or disclosure of protected health information and that is enforceable in a court of law including but not limited to subpoenas. [45 CFR § 164.103].
- J. Security Incident. “Security Incident” shall have the same meaning as the term “security incident” in 45 CFR § 164.304.



- K. Security Rule. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.
- L. Secretary. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
- M. Unsecured Protected Health Information. "Unsecured Protected Health Information" shall have the same meaning as "unsecured protected health information" in 45 CFR § 164.402.
- N. The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules (which include the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164): Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Minimum Necessary, Notice of Privacy Practices, Subcontractor and Use.

## **II. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE**

- A. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as Required By Law, such as mandated reports to the Illinois Department of Insurance, Illinois Department of Financial and Professional Regulation or National Practitioner Data Bank.
- B. Business Associate agrees to use appropriate safeguards to prevent unauthorized use or disclosure of the Protected Health Information other than as provided for by this Agreement and to comply with subpart C of Part 164 of the Security Rule, where applicable, with respect to electronic Protected Health Information.
- C. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate of which Business Associate becomes aware in violation of the requirements of this Agreement.
- D. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware, including breaches of unsecured Protected Health Information as required by 45 CFR § 164.410.
- E. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information by entering into a written agreement with any agent or subcontractor that complies with 45 CFR 164.504(e)(2).
- F. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by

Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, upon 10 business days written notice during regular business hours of 10am - 3 pm or as designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

- G. Business Associate agrees to provide an Individual, within 30 days of a written notice, access to inspect Protected Health Information about the Individual maintained in a designated record set in Business Associate's possession, or provide to an Individual, or their designee, an electronic copy of the Individual's Protected Health Information, in order to meet the requirements under 45 CFR § 164.524.
- H. Business Associate agrees to make any amendment(s) to Protected Health Information in a designated record set in its possession that the Covered Entity directs or agrees to, within 60 days of receiving a written notice from Covered Entity or an Individual. [45 CFR § 164.526].
- I. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information. Business Associate agrees to provide to Covered Entity or an Individual, upon 10 business days of receipt of a written request for an accounting of disclosures, such information collected in accordance with this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information. [45 CFR § 164.528 and HITECH Act § 13405(c)].
- J. Business Associate agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity as required by the Security Rule, and to require its workforce to comply with subpart C of Part 164. Business Associate will reasonably and appropriately protect against reasonably anticipated threats or hazards to the security or integrity of such information. Business Associate acknowledges that the safeguards include those specified in 45 CFR § 164.308 (Administrative Safeguards), 164.310 (Physical Safeguards), 164.312 (Technical Safeguards), and 164.316 (Policies and Procedures and Documentation Requirements). Business Associate will also reasonably and appropriately protect against any reasonably anticipated uses or disclosures that are not permitted or required under the Privacy Rule.
- K. Business Associate shall ensure that any agent, including a subcontractor, to whom it provides electronic Protected Health Information, agrees in writing to implement reasonable and appropriate safeguards to protect it.
- L. Business Associate agrees to report to Covered Entity any Security Incident involving electronic Protected Health Information of which it becomes aware. [45 CFR § 164.314].
- M. Business Associate shall not use or disclose Protected Health Information for marketing communications (as "marketing" is defined in 45 CFR 164.501).

- N. Business Associate agrees to the prohibition on the sale of Protected Health Information without authorizations unless an exception under § 13405(d) of the HITECH Act applies.
- O. Business Associate shall only disclose the minimum amount of Protected Health Information necessary to accomplish the purpose of the disclosure under HITECH Act § 13405(b) and any regulations or guidance issued by the Secretary regarding minimum necessary requirements.
- P. Business Associate will comply with an Individual's request for restrictions on the use or disclosure of Protected Health Information to health plans for payment or health care operations purposes when the health care provider has been paid out of pocket in full consistent with HITECH Act § 13405(a) and Business Associate has been notified of the request for restriction by the health care provider, Covered Entity or the Individual, and the disclosure is not required by law.
- Q. Business Associate will comply with, to the extent required, the requirements relating to the provision of access to certain Protected Health Information in electronic format under the HITECH Act § 13405(e).
- R. To the extent Business Associate is to carry out an obligation of Covered Entity under the Privacy Rule, Business Associate will comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligation.

**III. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE – GENERAL USE AND DISCLOSURE PROVISIONS**

- A. Except as otherwise limited in this Agreement or required by applicable law, Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, Covered Entity, in order for Business Associate to carry out its obligations under this Agreement, including but not limited to the following purposes, if such use or disclosure of Protected Health Information would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity:
  - 1. Underwriting professional liability insurance.
  - 2. Managing professional liability claims.
  - 3. Providing risk management services.
  - 4. Investigating any reported incidents.
  - 5. Professional liability research and study.
- B. Except as otherwise limited in this Agreement or required by applicable law, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity, in order for Business Associate to carry out its obligations under this Agreement or as specified in a currently issued ISMIE Insurance policy, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

#### **IV. SPECIFIC USE AND DISCLOSURE PROVISIONS**

- A. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- B. Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person promptly notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached. [45 CFR § 164.504(e)(4)(ii)(B)].
- C. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity. [45 CFR § 164.504(e)(2)(i)(B)].
- D. Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities [45 CFR § 164.502(j)(1)].
- E. Business Associate shall disclose Protected Health Information when required by the Secretary to investigate or determine Business Associate's compliance with subpart C of Part 160 of the Security Rule.
- F. Business Associate shall disclose Protected Health Information to Covered Entity, an Individual, or the Individual's designee as necessary to satisfy the Covered Entity's obligations with respect to an Individual's request for an electronic copy of Protected Health Information.

#### **V. OBLIGATIONS OF COVERED ENTITY – PROVISIONS FOR COVERED ENTITY TO INFORM BUSINESS ASSOCIATE OF RESTRICTIONS**

- A. Covered Entity shall promptly notify Business Associate in writing and in advance of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information. [45 CFR § 164.522].
- A. Covered Entity shall promptly notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR §164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.
- B. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.

- B. Covered Entity shall only disclose to Business Associate the minimum amount of Protected Health Information necessary to accomplish the purpose of the disclosure to Business Associate in accordance with 45 CFR § 164.514(d) and HITECH Act § 13405(b) and any regulations or guidance issued by the Secretary regarding minimum necessary requirements.

**VI. PERMISSIBLE REQUESTS BY COVERED ENTITY**

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity. The Business Associate may use or disclose protected health information for data aggregation or management and administrative activities of Business Associate.

**VII. TERM AND TERMINATION**

- A. Term. The Term of this Agreement shall be effective when Covered Entity submits to Business Associate an application for insurance, and Business Associate accepts and approves such application, and for the period the Covered Entity is insured by ISMIE, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity for purposes as delineated in III A herein, is returned to Covered Entity or destroyed, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.
- B. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall:
1. Provide written notice of 45 days for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within such 45 day period;
  2. Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
  3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- C. Effect of Termination.
1. Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information, except as required by law.

2. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon notice that the return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Agreement to Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes stated for so long as Business Associate maintains such Protected Health Information, except as required by law.
- D. Automatic Termination. Subject to the terms set forth in this Section 7, this Agreement shall automatically terminate if Covered Entity is no longer a member of ISMIE in good standing.

## **VIII. MISCELLANEOUS**

- A. Regulatory References. A reference in this Agreement to a section in the Privacy Rule or Security Rule means the section as in effect or as amended.
- B. Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of HIPAA or the HITECH Act or any applicable regulations with regard to such laws.
- C. Survival. The respective rights and obligations of Business Associate under Section VII (C) of this Agreement shall survive the termination of this Agreement.
- D. Interpretation. Any ambiguity in this Agreement shall be resolved to permit the parties to comply with HIPAA or the HITECH Act, or any other applicable regulations with regard to such laws.
- E. Notice. Any notice required to be given to either party shall be made in writing to the address set forth on Covered Entity's application for insurance, or the last known address of the receiving party.

ISMIE Mutual Insurance Company  
20 North Michigan Avenue, 7<sup>th</sup> Floor  
Chicago, IL 60602  
ATTN: HIPAA Privacy and Security Officer  
Robert John Kane

ISMIE Mutual Insurance Company  
20 North Michigan Avenue, 7<sup>th</sup> Floor  
Chicago, IL 60602  
ATTN: HIPAA Assistant Security Officer  
Stephen Maes

**IX. RED FLAG POLICY**

ISMIE has adopted an Identity Theft Policy to assist in identifying, detecting, and mitigating risks of identity theft affecting insureds of ISMIE. This policy is intended to comply with the requirements of the Federal Trade Commission's Identity Theft Rules (the "Red Flag Rules") (16 CFR § 681) which is a result of the Fair and Accurate Credit Transactions Act of 2003.

**X. HHS BREACH NOTIFICATION**

Subject to the law enforcement delay exception contained in 45 CFR § 164.412, Business Associate agrees to notify Covered Entity without unreasonable delay, but in no event later than 45 days, following the discovery of a breach of unsecured Protected Health Information and in accordance with the breach notification requirements set forth in 45 CFR § 164.410. "Breach" shall have the same meaning as the term "breach" in 45 CFR § 164.402. Business Associate will reimburse Covered Entity for the direct costs of complying with the federal breach notification requirements resulting from a breach caused by Business Associate but in no event shall Business Associate be liable to Covered Entity or any third party for any indirect or consequential damages associated or related to any Breach.

ISMIE Mutual Insurance Company



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HIPAA Privacy and Security Officer  
Robert John Kane

(2/05, A 4/09, A 10/09, A 12/10, 3/13, A/17)