



Public Risk Innovation, Solutions, and Management  
Medical Malpractice (MedMal) Program 2  
Premium Summary  
El Dorado County

2020/21 Premium:

**\$265,215**

2020/21 Deductible:

**\$25,000**

**Medical Malpractice Program Premium Summary**

Since the release of the August Premium Estimates, the Medical Malpractice Committee has met to finalize the program renewal. The program's current reinsurer, MedPro, significantly reduced their participation in the program, requiring the program to seek alternative coverages or consider self-funding (which was contemplated in the last estimates). The Committee determined to bind coverage with several new carriers which provides multi-year options for the program. While initially more expensive than the option to self-fund, the renewals approved by the committee will provide long-term savings to the program members.

In addition, at the 5/21/20 MedMal meeting, the Committee approved adjustments to the rating methodology of the Program to increase the amount of weight applied to the member's jail exposures. This rating change will be phased-in over the course of 5 years and will gradually shift more premium to members with more jail exposures and less to those with less jail exposures over time. This change will also correct the current lack of equity where most of the Program's losses are coming from jail operations, meanwhile the premium collected from jail exposures are comparatively smaller.

The premium above accounts for the program's renewal, rating adjustments, and administrative costs. If you have any questions about the renewal or your estimate, please contact Sarah Bishop, [sbishop@csac-eia.org](mailto:sbishop@csac-eia.org).

**Program 2 Deductible Increase**

Over the last several meetings, the MedMal Committee discussed potentially increasing the deductible levels in Program 2, which have been at very low levels of \$5,000 and \$10,000 since the Program's inception in 1999. Deductibles this low are virtually unattainable in the public entity market today and are inconsistent with the excess coverage nature of the program. Since staff's analysis showed the estimated increase to the member's retained losses is expected to be less than the resulting reduction on the member's pool rates, the Committee approved increasing the deductibles of the program to a minimum level of \$25,000, and offering additional options of \$50,000, \$75,000, and \$100,000.

In August, Program 2 members were asked to provide PRISM staff with their selection for a new deductible. If we did not hear of your entity's new deductible selection, we have automatically applied the \$25,000 deductible to your entity's coverage for the 2020/21 renewal. If you have questions or would like to adjust your deductible prior to the renewal, please contact Sarah Bishop, [sbishop@csac-eia.org](mailto:sbishop@csac-eia.org).