

THE SURPLUS LINE ASSOCIATION

OF CALIFORNIA

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BULLETIN TO ALL MEMBERS:

RE: PHYSICIANS & SURGEONS MALPRACTICE INSURANCE

The Association's Malpractice Committee has informed this office that as a result of recent Committee Meeting it has been determined that certain admitted insurers are providing total limits of \$ 250/750,000 and \$ 300/900,000 and in those cases where members are providing malpractice coverage from the "ground up" (whether written Primary or divided into Primary and Excess Layers), the cost of the insurance for the total combined limits must not be less than the lowest rate or premium which could be obtained from an admitted insurer in accordance with the terms and conditions of Section 1763 of the Insurance Code.

The Malpractice Committee also determined that in Los Angeles County the Lloyd's Malpractice rates are in certain cases lower than the lowest rates for this coverage available from admitted insurers.

Recently the Virginia Surety Company increased their Physicians & Surgeons Malpractice Insurance rates in Los Angeles County and in order to comply with Section 1763 of the California Insurance Code, Members are obliged to charge rates that are not lower than the lowest admitted rates.

For information purposes, the rates of a number of admitted carriers writing this business have been furnished this office and may be reviewed by any Member so desiring.

Thomas A. Scadden

MANAGER

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