



VICE PRESIDENT—FINANCIAL MANAGEMENT

OFFICE OF THE PRESIDENT
RISK SERVICES
1111 Franklin Street, 10th Floor
Oakland, California 94607-5200

March 8, 2006

MEDICAL SCHOOL DEANS
HOSPITAL DIRECTORS
STUDENT HEALTH CENTER DIRECTORS

Subject: Professional Medical and Hospital Liability Program Funding – 2006-07

Attached to this letter are the Professional Medical & Hospital expense allocations to the Schools of Medicine, Medical Centers, and Student Health Centers for 2006-07. The actuary has indicated that \$54.8 million is necessary to fund the Professional Medical and Hospital Liability Program for 2006-07. The actuary's funding recommendation is based upon a review of data as of June 30, 2005. Based on the actuary's determination of program reserves and the program's current assets, the program is not currently in a deficit status. We will be looking to input new programs and process improvements in the coming year to improve our loss experience and reduce the cost of risk.

Attachment 1 shows the expense and funding allocation for 2006-07 by campus and the apportionment among the Schools of Medicine, Medical Centers, and Student Health Centers. The attachment provides a breakdown of the expenses by Professional Liability, Non-Patient General Liability, and Employment Practices Liability.

If you have any questions regarding this information, please feel free to contact me (510) 987-9820, Terri Kielhorn (510) 987-9822 or Karen Vecchi (510) 987-9826.

Grace M. Crickette
Chief Risk Officer

Attachment

cc: Acting Provost Hume
Senior Vice President Mullinix
Vice President Gurtner
Vice President Hershman
Vice President Broome
Asst. Vice President Plotts
Vice Chancellors – Administration
Hospital Finance Directors
Medical Directors

Budget Directors
Budget & Planning Officers
Campus Accounting Officers
Hospital/Campus Risk Managers
Director Nation
Manager Lester
Pr. Analyst McKellar
Risk Manager Kielhorn
Risk Manager Vecchi