

Sent via e-mail on 6/2/2008

To: Medical School Deans
Hospital Directors
Student Health Center Directors

Subject: Professional Liability Program Funding – 2008-09

Attached is the final actuarial report for the Professional Medical & Hospital Liability. The Medical Center Health Care program reserve and funding are set at a 65% confidence level. We are currently working on the General liability, Employment Practices Liability, and Property Program actuarial reports.

The retention for Professional Liability is \$7.5 million. We were able to split the retentions for the GL/PL excess policy. General Liability has a \$5 million retention.

Loss prevention is key to controlling our self-insured and our insured expenses and financial liabilities. The 6% Prescription resulted in a credit against our liabilities. We encourage you to participate in this program as well as other loss prevention programs. If you would like more information about the 6% Prescription program please contact Terri Kielhorn at Terri.Keilhorn@ucop.edu.

If you have questions about this e-mail and attached reports please contact Terri Kielhorn at Terri.Kielhorn@ucop.edu or Karen Vecchi at Karen.Vecchi@ucop.edu.

Regards,
Grace

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VP Lenz
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Vice Chancellors for Administration
Hospital Finance Directors
Medical Directors
Budget Directors
Campus/Medical Center Controllers
Planning & Budget Officers
Accounting Managers

Hospital/Campus Risk Managers
Manager Lester
Pr. Analyst McKellar
Risk Manager Kielhorn
Manager Vecchi

**PROFESSIONAL MEDICAL & HOSPITAL LIABILITY
2008/09 EXPENSE ALLOCATION
AND FUNDING SCHEDULE**

5/30/2008

		EXPENSE			EXPENSE			EXPENSE			FUNDING	
		Professional Liability ₍₁₎	Non-Patient General Liability		Employment Practices Liability		Total Allocation ₍₃₎	Total Funding ₍₄₎				
			Allocation	BSAS ₍₂₎	Total	Allocation	BSAS ₍₂₎	Total				
Berkeley	Student Health Center	\$ 57,400	\$ -	\$ -	\$ -	\$ -		\$ -	\$ 57,400	\$ 57,400		
Davis	School of Medicine	6,277,900	-	-	-	-	-	-	6,277,900	6,277,900		
Davis	Medical Center	6,277,900	377,000	17,000	394,000	1,832,000	145,000	1,977,000	8,648,900	8,648,900		
	Subtotal	12,555,800	377,000	17,000	394,000	1,832,000	145,000	1,977,000	14,926,800	14,926,800		
Davis	Student Health Center	26,000	-	-	-	-	-	-	26,000	26,000		
	Total	12,581,800	377,000	17,000	394,000	1,832,000	145,000	1,977,000	14,952,800	14,952,800		
Irvine	School of Medicine	3,350,150	-	-	-	-	-	-	3,350,150	3,350,150		
Irvine	Medical Center	3,350,150	218,000	10,000	228,000	531,000	42,000	573,000	4,151,150	4,151,150		
	Subtotal	6,700,300	218,000	10,000	228,000	531,000	42,000	573,000	7,501,300	7,501,300		
Irvine	Student Health Center	12,200	-	-	-	-	-	-	12,200	12,200		
	Total	6,712,500	218,000	10,000	228,000	531,000	42,000	573,000	7,513,500	7,513,500		
Los Angeles	School of Medicine	6,973,050	-	-	-	-	-	-	6,973,050	6,973,050		
Los Angeles	Medical Center	5,370,050	751,000	35,000	786,000	975,000	77,000	1,052,000	7,208,050	7,208,050		
Los Angeles	Santa Monica	1,331,700	70,000	3,000	73,000	68,000	5,000	73,000	1,477,700	1,477,700		
Los Angeles	Neuropsychiatric Inst.	271,300	39,000	2,000	41,000	41,000	3,000	44,000	356,300	356,300		
	Subtotal	13,946,100	860,000	40,000	900,000	1,084,000	85,000	1,169,000	16,015,100	16,015,100		
Los Angeles	Student Health Center	52,200	-	-	-	-	-	-	52,200	52,200		
	Total	13,998,300	860,000	40,000	900,000	1,084,000	85,000	1,169,000	16,067,300	16,067,300		
Riverside	Student Health Center	11,700	-	-	-	-	-	-	11,700	11,700		
San Diego	School of Medicine	3,944,750	-	-	-	-	-	-	3,944,750	3,944,750		
San Diego	Medical Center	3,944,750	300,000	14,000	314,000	474,000	38,000	512,000	4,770,750	4,770,750		
	Subtotal	7,889,500	300,000	14,000	314,000	474,000	38,000	512,000	8,715,500	8,715,500		
San Diego	Student Health Center	25,800	-	-	-	-	-	-	25,800	25,800		
	Total	7,915,300	300,000	14,000	314,000	474,000	38,000	512,000	8,741,300	8,741,300		
San Francisco	School of Medicine	8,058,650	-	-	-	-	-	-	8,058,650	8,058,650		
San Francisco	Medical Center	4,796,100	448,000	21,000	469,000	1,233,000	97,000	1,330,000	6,595,100	6,595,100		
San Francisco	SF General	2,254,600	-	-	-	-	-	-	2,254,600	2,254,600		
San Francisco	Langley Porter Institute	47,050	17,000	1,000	18,000	48,000	4,000	52,000	117,050	117,050		
	Subtotal	15,156,400	465,000	22,000	487,000	1,281,000	101,000	1,382,000	17,025,400	17,025,400		
San Francisco	Student Health Center	5,000	-	-	-	-	-	-	5,000	5,000		
	Total	15,161,400	465,000	22,000	487,000	1,281,000	101,000	1,382,000	17,030,400	17,030,400		
Santa Barbara	Student Health Center	25,700	-	-	-	-	-	-	25,700	25,700		
Santa Cruz	Student Health Center	15,200	-	-	-	-	-	-	15,200	15,200		
GRAND TOTAL		<u>\$56,479,300</u>	<u>\$2,220,000</u>	<u>\$103,000</u>	<u>\$2,323,000</u>	<u>\$5,202,000</u>	<u>\$411,000</u>	<u>\$5,613,000</u>	<u>\$64,415,300</u>	<u>\$64,415,300</u>		

(1) Professional Liability loss prevention rebate for 2008-09 is a 6% Prescription Premium Rebate program. A description is available on the Risk Services website at <http://www.ucop.edu/riskmgmt/welcome.html>

(2) BSAS-Be Smart About Safety Loss Prevention Program (Guidelines & Application available at <http://www.ucop.edu/riskmgmt/bsas/welcome.html>)

(3) Total funding of the annual cost for 2008/09 fiscal year.

(4) Based on the "Medical Malpractice Guidelines", a 50/50 split between Medical Center/Affiliates and the School of Medicine is shown above for professional liability except for UCSF.