“Protecting you through it all.” Since its beginnings in 1962, the PLIT has been delivering on that promise to AVMA members. Veterinary professionals have long appreciated our comprehensive insurance programs, our educational resources and our efforts large and small to continually enhance those services.

2015 was an exciting year for the PLIT. We launched our refreshed brand, complete with a redesign of our website, which will go live in phases. The new site will improve access to vital information and services. It’s just one more example of our complete focus on member service and value.

2015 Executive Overview

The AVMA PLIT program is robust and financially stable. We completed our fifty-third year of dedicated member service to AVMA members on December 31, 2015. Here are key highlights for the year:

- Advocates worked continuously to make sure that insured AVMA members can be confident that they have access to all the protection they need. The team included the PLIT Trustees, PLIT staff and our key strategic insurance partners and advisors.

- Our team of Trust Veterinarians reviewed more than 2,900 professional liability claims reported by certificate holders. They also spoke with numerous insureds facing license complaints and allegations of malpractice, providing guidance during a very stressful time. Additionally, nearly 700 veterinary license defense claims were handled by the program.

- In July 2015, the PLIT began sponsoring the cost of student liability insurance premiums as an added SAVMA benefit.

- We offered a new monthly payment option for the professional liability renewal, making it easier for AVMA members to pay their annual premiums.

- We added a higher veterinary license defense limit option of $100,000 for an annual premium of $112, to better protect PLIT insureds (available in all states except California).
Professional Liability

The PLIT program continues to be the top choice of veterinarians. The PLIT program closed 2015 with more than 62,000 certificates, a 2.37% increase from 2014. Participation in the veterinary license defense endorsement was at 73.99%, and 16.37% of those certificates carried the higher $50,000 limit that launched in 2012.

The PLIT has always worked hard to keep premium rates low. In fact, our last rate increase was in 2008—and today’s rates are actually lower than they were in 2005. However, current claim expenses for such things as legal defense fees and settlement expenses for veterinary negligence continue to rise. Because of this, a rate increase will be necessary for the 2017 renewal. We are working closely with our strategic partners to minimize the rate increases as much as possible, while continuing to protect you through it all, now and well into the future.

Educational Outreach and Protection for the Long Haul

While many veterinarians never experience having a lawsuit filed against them for veterinary negligence, those who do quickly realize the importance of having the PLIT as a seasoned strategic partner until the claim is resolved. Sometimes, professional liability claims may take years and thousands of dollars to resolve. For example, a claim just recently closed with a defense verdict in favor of the PLIT program-insured veterinarian after five years of litigation and nearly $200,000 in legal defense fees. The insurance carrier provided a strong legal defense with counsel experienced in veterinary malpractice as well as expert witness testimony to support the standard of care.

The PLIT is also committed to helping veterinary students prepare for and protect their futures. We are pleased to support the next generation of veterinarians. This includes significant financial assistance through sponsorships during the 2015/16 academic year for the ALL for Students (Achieving, Leading and Learning) program, the Veterinary Business Management Association (VBMA) and the Veterinary Leadership Experience (VLE).

The PLIT is always actively engaged in our profession, ready to protect veterinarians through it all, including through changes in veterinary practice. This includes publishing Risk Awareness Alerts such as our piece for veterinarians who use compounding pharmacies to bring awareness about the risks involved and how to manage them to reduce the likelihood of allegations of veterinary negligence and board complaints.

New Enhanced Services and Value

Members said they wanted payment options to better manage their cash flow—and a higher limit for veterinary license defense legal fees. We listened. The PLIT unveiled two new features for the 2016 policy year to make it easier for AVMA members to pay for their professional liability coverage and to better protect them.

Monthly payment option for professional liability premiums:

- Automated electronic fund transfer in twelve equal payments
- No extra fees to take advantage of this option

Higher veterinary license defense limit option (available in all states except California):

- License defense claim costs and the legal fees to respond to a complaint against a veterinary license are increasing
- New limit option of $100,000 for an annual premium of $112
- Doubles coverage from plan 2 for only $13 more per year

New key SAVMA member benefit

In July 2015, the PLIT began sponsoring the cost of student liability insurance as an added SAVMA benefit.

- Students no longer need a sponsoring veterinarian’s signature
- The online application is an easy one-step process
- Coverage follows veterinary students to all of their clinical experiences
- Coverage limits apply independently to the student; for the sponsoring PLIT veterinarian, this separates the coverage and the liability limits remain intact
Practice Insurance

2015 was a successful year for new business in our practice insurance lines. The practice insurance policy count retention continues to perform well at 92.8% for package (property/liability), 92.4% for workers’ compensation and 91.6% for commercial auto.

The practice insurance service unit managed more than 16,000 individual business policies. This included account servicing needs and incoming calls for renewal consultations, updating policy information, clarifying questions about coverage and issuing certificates of insurance and auto identification cards.

Our newest coverage to protect practice owners through it all—data breach and cyber liability—is gaining momentum with members. This coverage protects practices’ data against theft and guards the bottom line when a loss occurs. Policyholders also have access to a proprietary breach preparedness website. It provides tips and tools to help reduce the likelihood of a data breach—and to help with breach responsiveness if it occurs.

Coming in 2016
Help us spread the word with your constituents

As noted previously, professional liability claim expenses are increasing. So now more than ever, it’s key that AVMA members have all the right veterinary-specific coverages and limits. For professional liability, this includes key optional endorsements like veterinary license defense and professional extension (animal bailee). For practice insurance, this includes policy provisions to cover damage to property caused by patients and spoilage of biologicals and perishables.

Several new PLIT educational projects began in 2015 to provide claim prevention resources and to help manage claims when they do occur. Scheduled to launch in 2016, our online Action Center will give busy veterinarians 24/7 access to information when they’re faced with a potential or actual professional liability claim or veterinary license defense complaint. Here are previews of the Action Center button, homepage and the practice insurance page:

The Action Center is a powerful tool developed to help veterinarians understand what to do next if an issue arises; it offers reassurance during a stressful time, helping them feel more in control of the situation. The AVMA PLIT website visual redesign has been completed. Programming the design into web pages is the next step in this multiphase process. The homepage is easy to navigate with a prominent display of the new Action Center. The Action Center will be available on our current site later in 2016, and the redesign will be available after the 2017 professional renewal cycle concludes. Also launching in 2016, a Student Professional Liability Education Module will count for credit towards the VBMA Certificate Program.
PLIT Trustees and PLIT Staff

The PLIT Trustees oversee the PLIT program to ensure that members are well served and that coverages evolve with the changing needs of the profession. The Trustees actively drive PLIT’s planning and policy development efforts and oversee their execution. The board consists of seven Trustees. Additionally, there is one liaison-trustee from the AVMA membership office. In 2015, the board and liaison-trustee included:

January–July 2015
Dr. Andrew Clark (Chair)
Dr. Kent McClure (Vice Chair)
Dr. Rosemary LoGiudice (Secretary–Treasurer)
Dr. Jim Benefield
Dr. Stuart Brown
Dr. R.C. Ebert II
Dr. John Ehrhardt
Dr. David Granstrom (Liaison-Trustee)

July–December 2015
Dr. Kent McClure (Chair)
Dr. John Ehrhardt (Vice Chair)
Dr. Rosemary LoGiudice (Secretary–Treasurer)
Dr. Douglas G. Aspros
Dr. Jim Benefield
Dr. Stuart Brown
Dr. Noreen Lanza, JD
Dr. David Granstrom (Liaison-Trustee)

The PLIT staff consists of CEO Dr. Janet Donlin; three Trust Veterinarians, Dr. Linda Ellis, Dr. Nina Mouledous and Dr. Karen Wernette; and Executive Administrator, Ms. Ali Shomali. The Trust Veterinarians have many years of practice experience. They review all reported veterinary malpractice claims and speak to veterinarians about potential allegations of malpractice to provide guidance.

In 2015, more than 2,900 professional liability claims were reported. Throughout the claims cycle, the Trust Veterinarians provide professional veterinary advice to the insurance company and its attorneys, and refer the insurance company to qualified veterinary experts to assist in defense. The Trust Veterinarians also attend and present at veterinary conventions. They annually present at 56 colleges/schools of veterinary medicine on topics such as risk management, the importance of good communication skills to avoid allegations of veterinary negligence and complaints filed with state licensing boards against a veterinary license.

2015 Program Activity

The PLIT has an excellent business partner relationship with its broker, HUB International Midwest Limited, as well as with its key insurance carriers: Zurich, The Hartford, Travelers, CNA and Liberty Mutual.

Summary

Since 1962, the PLIT has been serving AVMA members and our profession. One of the first of its kind, the PLIT was formed to serve the professional liability insurance needs of AVMA members and later expanded to practice insurance. Founded by veterinarians as a means for AVMA members to pool their resources and to leverage their insurance dollar, the PLIT ensured that veterinarians would have input on the management of their claims.

Today, this is still one of the most vital components of the PLIT program. The group buying power of a strong membership base will continue to result in long-term stability, comprehensive coverage and competitive pricing. The AVMA PLIT is excited to deliver on our promise of “Protecting you through it all” for another 50 years and beyond.