The AVMA Professional Liability Insurance Trust (PLIT) completed its 47th year of service to AVMA members on December 31, 2009.

Professional Liability Insurance

The number of participants in the PLIT-sponsored Professional Liability Program increased 0.97% in 2009. As of December 31, 2009, 54,980 AVMA member veterinarians purchased professional liability insurance through the program, representing almost 76% of all active AVMA members.

Professional liability coverage responds when veterinarians are accused of malpractice. The program’s insurer, Zurich North America, vigorously defends veterinarians and pays the costs that veterinarians are legally responsible for due to allegations of professional negligence.

A four-tiered rating classification system is used so that premium levels relate to the claims incurred by each practice class. The breakdown of participation by practice classification is as follows:

- 5.09%—Equine.
- 7.40%—Large/Food Animal.
- 10.17%—Mixed/Small Animal.
- 77.31%—Small Animal Exclusive.

Excess Professional Liability (Additional Professional Liability Coverage)

To be eligible for excess professional liability coverage, a primary liability limit of $1,000,000 per claim and $3,000,000 aggregate is required. More than 60% of the program participants were eligible for excess liability in 2009, and 2,184 veterinarians purchased excess liability. Excess liability limits may be purchased in $1 million increments up to an additional $5 million in coverage. As a result, veterinarians can purchase limits up to $6 million per claim and $8 million annual aggregate. The PLIT emphasizes the need for adequate coverage limits to the membership.

Veterinary License Defense

The optional veterinary license defense endorsement launched on August 1, 2002. As of December 31, 2009, 34,757 veterinarians had added this endorsement to their professional liability certificates. The endorsement provides up to $25,000 in legal defense costs to defend complaints made against veterinary licenses.

Extension Endorsement (Animal Bailee)

The bailee endorsement to the professional liability policy is an inexpensive option that covers clinic owners for loss or injury to animals in their custody. Covered perils include fire, theft, escape, attack by other animals, flood, and other external causes not related to treatment. Limits are available up to $1 million per animal. In 2009, 17,188 locations were covered by this endorsement.

Veterinarians purchasing the extension endorsement are also eligible for embryo and semen storage and transportation coverage. As of December 31, 2009, 134 veterinarians purchased this coverage.

Student Liability

Malpractice insurance is available to veterinary students for $10 per calendar year for part-time and volunteer work as well as for externships and preceptorships. Once the $10 fee has been paid each calendar year, the PLIT will pay subsequent student applications during the same calendar year. To be eligible for coverage, students must be a member of the Student AVMA and be sponsored by a veterinarian insured through the PLIT-sponsored Professional Liability Program. The student is provided the same limits of insurance as his or her sponsoring veterinarian; 490 student liability policies were purchased in 2009.

Workers’ Compensation

The PLIT-sponsored Workers’ Compensation Program provides coverage for employee work-related injuries or disease without regard to fault including medical payments, disability, survivor benefits, and rehabilitation expenses. AVMA members have access to the PLIT loss control program and its educational offerings. Claims handling has been streamlined to save time and money. The Hartford, the primary endorsed insurer, offers toll-free claims reporting requiring no paperwork and trained and experienced staff to help members through the claims process. The program is structured as a safety group that allows the insurer to pay dividends to policyholders when claims experience is favorable. Furthermore, AVMA members can add an optional workers’ compensation endorsement to cover volunteers (in some states, the endorsement is automatic).

The PLIT-sponsored Workers’ Compensation Program is not available in monopolistic states: North Dakota, Ohio, Washington, and Wyoming. As of December 31, 2009, there were 6,556 policies placed through the PLIT-sponsored Workers’ Compensation Program.

Business Insurance Program

In 2009, there were 5,290 policies placed through the PLIT-sponsored Practice Owners Package Program. In addition to providing property and general liability coverages, this package policy includes enhanced protection for damage to property off-premises and in transit, perishables such as biologicals, and damage to buildings and contents caused by animals in your care, custody, or control. Through the PLIT-sponsored program, AVMA members have access to mechanical breakdown and business interruption coverage. Umbrella liability is available in $1 million increments to enhance protection.
Commercial Automobile Insurance (Special Coverage for Mobile Practices)

In conjunction with the PLIT-sponsored Practice Owners Package Program, the PLIT sponsors a commercial automobile program. As of December 31, 2009, there were 665 policies placed through the PLIT-sponsored Commercial Automobile program.

Employment Practices Liability Insurance

The demand for employment practices liability (EPL) insurance is increasing. In 2009, 248 new policies were purchased, increasing the in-force policy count to 706. The PLIT-sponsored EPLI Program protects employers against allegations such as workplace sexual harassment and discriminatory hiring and firing practices.

AVMA members participating in the EPLI program have access to a toll-free employment practices helpline. Professionals with extensive employment practices liability expertise staff this valuable service. The program offers an optional punitive damages sublimit.

Directors and Officers Liability

The PLIT-sponsored program offers directors and officers liability coverage to protect the assets of a veterinary organization as well as the personal assets of the directors and officers who sit on a board for an association, emergency clinic, or other type of veterinary organization.

Personal Insurance

The PLIT-sponsored Personal Lines Program underwritten by Liberty Mutual Insurance Company debuted in July 2003. Coverage is available for personal auto, homeowners, renters, personal umbrella liability, valuable possessions, boats, yachts, seasonal dwellings, and recreational vehicles. As of December 31, 2009, there were 1,965 policies in-force.

Education and Promotion

The PLIT’s insurance broker, HUB International Midwest Limited, works with the Trust Representatives and Trustees to manage the extensive education and promotion programs that attract new participants, retain existing members, educate practitioners, and control losses. Additionally, the programs increase the visibility of PLIT-sponsored products and services among AVMA members.

Promotional and educational activities in 2009 included the following:

1. Trust Representatives Dr. Linda Ellis, Dr. Rodney Johnson, Dr. Nina Mouledous, and Dr. Karen Wernette made presentations at each of the US colleges of veterinary medicine, Prince Edward Island, Ross University, St. George’s University and St. Matthew’s University. In addition to educating veterinary students on malpractice risk management, the Trust Representatives provided information on PLIT programs, discussed malpractice claims, and distributed PLIT publications.

2. Four issues of the newsletter, Professional Liability, were mailed to insured members, veterinary students, and veterinary college libraries. Additionally, one issue was mailed to non-insured AVMA members. Articles included open and closed malpractice claims, the importance of professional extension (animal baillee) coverage, and “Inside the PLIT” profiles.

3. Equine Update, Production Medicine, and Companion Animal (each a yearly publication) were inserted in the Professional Liability mailings to insured members.

4. Four issues of Safety Bulletin were mailed with the professional liability newsletter. The topics covered accident investigation; establishing safety programs; preventing slips, trips, and falls; and new employee safety orientation processes. Safety Bulletin addresses important loss control issues related to professional liability, workers’ compensation, and business insurance.

5. A newsletter for the business insurance programs, Business Insurance Update, was published three times and mailed to all members insured in the business insurance programs. The third issue was also distributed to all professional liability program participants. Topics included open and closed claims, liability issues associated with children in your practice, workers’ compensation related to relief veterinarians, fighting insurance fraud, and a coverage spotlight on umbrella liability.

6. Trust Representatives and HUB International Midwest Limited representatives attended and exhibited at 22 conferences and meetings: AVMA, AASV, AAHA, AAEP, AABP, SAVMA Symposium, The North American Veterinary Conference, Western Veterinary Conference, University of Tennessee Annual Conference, Jackson Hole Veterinary Rendezvous, Occupations in Equine Practice Annual Conference, Wild West Veterinary Conference, Southwest Veterinary Symposium, Veterinary Hospital Managers Association Annual Conference, Illinois State Veterinary Medical Association Annual Convention, Veterinary Emergency and Critical Care Symposium, CVC East, CVC Central, CVC West, Midwest Veterinary Conference, Mississippi State Veterinary Medical Association Meeting, and the Music City Veterinary Conference.

7. State associations, AVMA Executive Board members, veterinary extension offices, and specialty organizations received mailings including loss control and coverage information. The PLIT actively supports the state and specialty veterinary associations through advertising, sponsorships, and convention attendance. Association Update, the newsletter for state and specialty associations, focuses on important issues for the associations.

8. AVMA members utilize the PLIT Fax-on-Demand service. In 2009, 856 articles and applications were requested and faxed to AVMA members. The toll-free number is 888-740-PLIT (7548).

9. The PLIT website, www.avmaplit.com, contains information, loss control resources, and applications for all PLIT programs. The website features interactive web-based employee training. Designed to assist with veterinary staff training, the programming covers essential safety precautions. Modules cover animal restraint and bite prevention, lifting techniques, hazard communication, personal protec-
tive equipment (PPE), and preventing slips/falls. In 2009, 1,682 courses were completed online.

10. Five written safety programs are available online for emergency action planning, returning-to-work, accident investigation and reporting, hazard communication, and emergency action planning. Additionally, members can access the PLIT articles archives and newsletters. Professional liability program participants can bind coverage, make changes, obtain a claim form, and check their payment status online.

11. The HUB Risk Consulting Team with input from the Trust Representatives revised the PLIT veterinary-specific safety manual to provide an employee training tool for the veterinary industry. This is available for purchase on CD-ROM and in print. The manual is designed to guide veterinarians and staff members through the risk management process to:
   a. Identify exposures, hazards, and losses.
   b. Evaluate current controls.
   c. Develop custom solutions.
   d. Implement solutions.
   e. Measure results and evaluate solutions.

12. The PLIT cat and dog bite safety posters were revised in 2009 with program statistics and workers’ compensation trends. The posters provide best practices for cat and dog restraint and bite prevention.

Communication Initiative

The AVMA PLIT approved a collaborative agreement with the Institute for Healthcare Communications (IHC) to provide educational information and presentations related to PLIT objectives. The goal is to improve client compliance and satisfaction as well as to reduce the likelihood of a malpractice suit or board complaint. The IHC developed 12 modules that focus on these key messages, and the modules have been delivered by Kathleen Bonvicini, MPH, PhD. In 2009, Dr. Bonvicini presented at the AAHA Yearly Conference, AABP Conference, ACVS Veterinary Symposium, University of Tennessee Annual Conference, and meetings for the ALVMA (Alabama), TVMA (Texas), SCAV (South Carolina), and FVMA (Florida). The Trust Representative also made presentation at meetings for the MVMA (Mississippi), NVMA (Nebraska), CMVPR (Puerto Rico), and the Music City Veterinary Conference.

A new nine-minute DVD program was produced to help promote veterinary communications and the presentations that can be delivered at meetings. Filmed at Michigan State in August 2009, the DVD also features former PLIT Trustee Dr. Thomas Isaac. Additionally, a column titled the “Communications Corner” was included in each PLIT Professional Liability newsletter, which analyzes an actual malpractice claim attributable to miscommunication between the veterinarian and client.

Trust Representatives

The PLIT was served by four trust representatives in 2009: Dr. Linda Ellis, Dr. Rodney Johnson, Dr. Nina Mouledous, and Dr. Karen Wernette. The Trust Representatives are veterinarians with many years of practice experience. They are available through the PLIT’s toll-free number and they:
   1. Review all reported claims.
   2. Speak to veterinarians about potential allegations of malpractice and provide guidance.
   3. Refer the insurance company to qualified veterinary experts to assist in defense.
   4. Provide professional advice to the insurance company and its attorneys.

The Trust Representatives have also completed the Bayer Animal Health Communication Project Faculty Training so that they can also deliver the communications modules at meetings.

Administrative Activity

In addition to routine correspondence and processing, the Trust Representatives and HUB International Midwest Limited handle numerous non-routine items. HUB employees answer inquiries on interpretations of insurance coverage, claims management, coverage advice, and much more. Veterinarians routinely call the AVMA PLIT office for guidance in avoiding situations that may give rise to claims. The Trust Representatives are available to discuss these specific situations with veterinarians as well as the insurance company claim representatives.

HUB International Midwest Limited, program broker, maintains loss control responsibilities, providing enhanced safety information and support for program participants. During 2009, the HUB risk management team traveled to 25 practices for onsite safety visits.

The Trust Representatives and HUB Administrative staff can be reached through toll-free telephone and fax lines and by e-mail:

Phone: 800-228-PLIT (7548)
Fax: 888-PLIT-FAX (754-8329)
E-mail: info@avmaplit.com
Fax-on-Demand: 888-740-PLIT (7548)
Website: www.avmaplit.com

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