Professional Liability Insurance LOA Premium

From: Louie, Mary Jo <mj.louie@vumc.org>
Sent: Wednesday, March 1, 2023
TO: PL department renewal contacts
SUBJECT: New $5 LOA monthly premium

Effective immediately, we are implementing a $5 monthly premium for providers on leave, subject to the following requirements.

- To qualify for the leave premium, the **minimum** leave duration is 4 full and consecutive months.
- The leave premium will be applied to full months only. The full premium will be charged when the leave begins/ends during the month rather than on the first/last day of the month.
- Once the leave begins and is documented in the HR system, departments should email RIM with the provider's name, leave begin date, and expected end date. RIM will periodically monitor the HR system for leave return dates.
- If the provider returns prior to the 4-month minimum requirement, RIM will submit corrections to charge the full premium for discounted months.

Examples:

1. **Providers/clinicians** – The new LOA premium is applicable to anyone for whom we are charging monthly premiums to your departmental centers. This group should include individuals with VUMC clinical hours* who are faculty, non-faculty physicians, fellows, fellows with faculty appointments and CRNAs (but no other APPs).
   * Clinical hours include inpatient rotations, scheduled clinics, consultation services, supervision of fellows and residents in their care and clinical responsibilities, and on-call time, including nights, weekends, and holidays. Excludes VA hours.
2. **Leave types** – All leave types are included, under the assumption that the provider/clinician will have no VUMC clinical hours during the leave of absence. If that is not always the case, please let me know.
3. **Examples** –
   a. Dr. Smith goes on military LOA 2/15/23 with an expected return on 7/15/23. The $5 LOA premium applies since the duration spans 4 full consecutive months (March-June). The department requests the new $5 premium in February once the leave is documented in the HR system. Assuming Dr. Smith returns on 7/15/23, RIM charges the $5 premium March – June.
   b. Dr. Brown goes on maternity leave 2/15/23 with an expected and actual return on 5/15/23. The $5 LOA premium is not applicable since the duration is less than 4 full consecutive months.
   c. Mary Jones, CRNA, goes on medical leave 2/15/23 with an expected return on 5/15/23. In May, the leave is extended with an expected return on 8/1/23 and the department requests the $5 LOA premium. RIM adjusts the March and April charges to $5 and continues to charge the $5 premium until Jones returns on 8/1/23.
   d. Dr. Gray goes on medical leave 1/15/23 with expected return on 5/31/23. The department requests and RIM begins the $5 LOA premium 2/1/23. Dr. Gray returns on 5/1/23. RIM adjusts the discounted February, March and April charges to the full premium.

Please note re the examples that, in keeping with our current policy, no adjustments will be made for previous fiscal years. We'll revisit the LOA premium process periodically and adjust if/where warranted, so feel free to provide feedback and suggestions.