



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/14/2022

ALL

Item Creation Date: 8/25/2022

ARA – Medical Professional Liability Insurance

Agenda Item#: 58.

Summary:

AN ORDINANCE ACCEPTING THE PROPOSAL FROM THE EVANSTON INSURANCE COMPANY (MARKEL) AND APPROVING AND AUTHORIZING THE PURCHASE OF MEDICAL PROFESSIONAL LIABILITY INSURANCE; AND DECLARING AN EMERGENCY.

Background:

The Administration & Regulatory Affairs Department (ARA) and the Houston Health Department (HHD) recommend that City Council approve the annual Medical Professional Liability Insurance policy proposed by Evanston Insurance Company (Markel). The annual policy term begins October 3, 2022. The proposed policy provides Medical Professional Insurance for the Houston Health Department, Nurse Practitioners, and Physicians providing general medical care to the citizens of the city.

Medical Professional Liability Insurance is required by the Texas Medicaid and CHIP Managed Care Organization (Medicaid MCO). Therefore, the Houston Health Department must maintain Medical Professional Liability Insurance to participate in the Medicaid MCO Program and bill for the medical services provided to the citizens of the city.

The recommended funding of \$75,539.02 includes the premium of \$52,793.02 for the policy term and \$22,746 as contingent premium for coverage of Medical Professionals added during the policy year.

The City's Insurance Broker of Record, McGriff, Seibels and Williams, Inc. (McGriff), solicited proposals from insurance carriers in the global insurance marketplace. The recommended Medical Professional Liability Insurance policy proposed by Evanston Insurance Company (Markel), is the only proposal that meets the minimum policy specifications. Terms of the proposed policy are:

- Term: October 3, 2022 to October 3, 2023
- Insurance Carriers: Evanston Insurance Company (Markel)
- Total Premium Cost: \$75,539.02 (\$52,793.02 Premium + \$22,746 Contingency Premium)
- Insured Limit: \$1,000,000 (Claims Made)
- Aggregate Limit: \$3,000,000
- Deductible: \$5,000 Each Claim
- Type of Coverage: Medical Professional Liability Insurance for third party liability claims made against the Houston Health Department and specified Medical Professionals.

Fiscal Note:

Funding for this item is included in the FY23 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

Estimated Spending Authority:

Department	FY 2023	Out Years	Total
Administration & Regulatory Affairs	\$75,539.02	\$ -	\$75,539.02

Departmental Approval Authority:

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Tina Paez, Director
 Administration & Regulatory Affairs Department

DocuSigned by:

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Stephen Williams, Director
 Houston Health Department

Amount and Source of Funding:

\$52,793.02 Policy Premium
 \$22,746.00 Contingency Premium
 \$75,539.02 Total Proposed Premium -- Property / Casualty Fund: 1004

Contact Information:

Contact Information:

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Stephen Williams Phone: (832) 393-5001

ATTACHMENTS:

Description

8.26.2022 Medical Prof. Liability Insurance Cover Sheet
8.25.2022 Medical Professional Liability Quote
Signed Ordinance

Type

Signed Cover sheet
Backup Material
Ordinance/Resolution/Motion