



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 9/17/2024

ALL

Item Creation Date: 8/7/2024

ARA – Medical Professional Liability Insurance 2024

Agenda Item#: 2.

**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, 2024. The proposed policy provides Medical Professional Insurance for the Houston Health Department, Nurse Practitioners and Physicians providing general medicine care to the residents 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 this Professional Liability Insurance to participate in the Medicaid MCO Program and bill for the medical services provided to residents of the City.

The recommended funding of \$99,421.48 includes the premium of \$75,921.48 for the policy term and \$23,500 as contingent premium for coverage of Medical Professionals added during the policy year.

The City's Insurance Broker of Record, McGriff Insurance Services, LLC (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. The terms of the proposed policy are:

- Term: October 3, 2024 to October 3, 2025
- Insurance Carriers: Evanston Insurance Company (Markel)
- Total Premium Cost: \$99,421.48 (\$75,921.48 Premium + \$23,500 Contingency Premium)
- Insured Limit: \$1M
- Aggregate Limit: \$3M
- 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 FY25 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

**Estimated Spending Authority:**

Department	FY 2025	Out Years	Award Amount
Administration & Regulatory Affairs	\$99,421.48	\$ -	\$99,421.48

**Departmental Approval Authority:**

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EC

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**Tina Paez, Director**  
Administration & Regulatory  
Affairs Department

**Stephen Williams, Director**  
Houston Health Department

**Amount and Source of Funding:**

\$75,921.48 Policy Premium  
\$23,500.00 Contingency Premium  
\$99,421.48 Total Proposed Premium – Property / Casualty Fund: 1004

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