

December 3, 2019

Joint Letter to the Teaching Hospitals Designated Institutional Officials (DIOs)

Re: Medical Professional Liability Insurance Coverage for Hahnemann University Hospital Trainees

Dear Colleagues:

As a receiving hospital for the displaced Hahnemann University Hospital (HUH) trainees, the undersigned organizations write to applaud and thank you for accepting the orphaned HUH residents and fellows into your existing training programs. **As an extension of your generosity, we respectfully request that your institution consider providing additional medical professional liability insurance for the HUH trainees to help prevent a gap in their insurance coverage.**

HUH trainees received medical professional liability insurance through the Philadelphia Academic Risk Retention Group, LLC (PA RRG). Under the PA RRG policy, residents and fellows were insured with claims-made coverage, which will end on Jan. 10, 2020.

As you may have heard, due to the bankruptcy, the owners of HUH will not uphold their contractual obligation to purchase tail malpractice insurance upon termination of the claims-made policy. As a result, HUH attending physicians (including residents and fellows), employed between Jan. 10, 2018 and Aug. 6, 2019 are at risk for not having insurance coverage for this time period.

The potential gap in coverage poses a significant risk for the HUH trainees. A lapse in coverage could leave these residents and fellows exposed to uninsured malpractice claims, personal liability, and the risk of adverse action from medical licensing boards. And, unfortunately, the cost to purchase tail insurance is prohibitive for most of them.

In pursuit of professional liability coverage for the HUH trainees, the American Medical Association (AMA) has identified legal counsel for the trainees and has agreed to underwrite the costs of their legal representation in bankruptcy court; however, success in obtaining coverage for them through the court before Jan. 11 is uncertain.

Accordingly, several receiving institutions are exploring purchasing tail insurance or prior acts coverage for the orphaned trainees to help them maintain coverage. Although we know that it may not be possible for all institutions to provide this type of coverage, we are encouraging all HUH trainees to explore this possibility with their receiving institution.

Please let us know by Tues., Dec. 17, if your institution will provide, or is considering providing, tail insurance or prior acts coverage to supplement the HUH trainee's PA RRG policy. Contact Mark Austerberry with this information by email at mausterberry@philamedsoc.org or by phone at (215) 563-5343.

For additional information about the Hahnemann closure, please visit <https://www.pamedsoc.org/hahnemann>.

Thank you for your time and consideration.

Sincerely,

American Medical Association (AMA)

Association of American Medical Colleges (AAMC)

Educational Commission for Foreign Medical Graduates (ECFMG)

Pennsylvania Medical Society (PAMED)

Philadelphia County Medical Society (PCMS)