

Board Meeting  
June 9, 2011

**Revised**

ROLL CALL

APPROVE REVISIONS TO LANGUAGE IN THE UNIVERSITY'S LIABILITY  
SELF-INSURANCE PLAN TO UPDATE OFF-SITE MEDICAL MALPRACTICE  
LIMITS

**Action:** Approve Revisions to Language in the University's Liability Self-Insurance Plan to Update Off-site Medical Malpractice Limits

**Funding:** No New Funding Required

The Board of Trustees authorized the establishment of a program of self-insurance on July 21, 1976, for the purpose of paying certain types of liability claims that may be asserted against the University, Board Members, Officers, employees, and students arising from the scope of their University duties, relationships, or employment. Entitled the University of Illinois Liability Self-Insurance Plan (the "Plan"), it was made effective on August 1, 1976, and ~~was amended in 1985, 1992, 2002, and 2007~~ **has been amended periodically to update Plan language as needed.** ~~Periodically a~~ **Amendments** are ~~necessary to update Plan language and~~ prepared by the Vice President/Chief Financial Officer and Comptroller, approved as to form by University Counsel, and submitted to the President of the University **for subsequent consideration by the Board of Trustees.**

The Plan covers **the Board as a whole and officers and members of the Board, as well as various** employees and **agents acting on behalf of the University.** **This includes employees and students who provide healthcare services** working at both University-owned locations and non-University locations. Through various affiliation agreements, revenue generating, and managed care contracts, University employees and students provide clinical services at locations that are not owned, leased, or otherwise controlled by the University (“Off-site locations”). The University does not control the allocation of resources such as personnel and equipment at the Off-site locations. The University also has **little if any** ~~limited~~ ability to implement changes in safety policies, protocols, and procedures at the Off-site locations.

To **manage the** ~~minimize~~ exposure to the **Plan’s** ~~University’s Self Insurance Trust~~ assets **caused by such Off-site activities**, the Vice President/Chief Financial Officer and Comptroller recommends that Plan language be amended to reflect the maximum amount payable from Plan funds be one million dollars (\$1,000,000) per Claim and three million dollars (\$3,000,000) annual Aggregate, per covered person, at Off-site locations. This language is consistent with the certificates of insurance currently provided to the University’s contracted partners. This level of coverage is also consistent with medical malpractice insurance typically procured by medical professionals in the State of Illinois. Notification of this change was advertised in multiple newspapers within the State of Illinois ~~from May 1, through May 8, 2011~~, and the University’s contracted partners are being notified of the change where necessary.

The revised Plan document entitled "~~UNIVERSITY OF ILLINOIS LIABILITY SELF-INSURANCE PLAN~~" amending Off-site location medical malpractice limits of liability dated ~~June 10, 2011~~ **January 1, 2012**, accompanies this item.

The Board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The University Counsel concurs with this recommendation to approve the revisions of the University of Illinois Liability Self-Insurance Plan as shown effective ~~June 10, 2011~~ **January 1, 2012**.

The President of the University recommends approval.