

## Assurant Health E&O Claim Statistics

- 63% of all claims filed involve non-Assurant Health products
- 25% of all claims filed include allegations of “failure to explain”
- 42% of all the claims filed involved individual and group major medical products
- \$17,110 is the average cost per settled claim including defense costs

## Primary Causes Of Loss

- Misrepresentation of coverage under health policy
- Disclosure errors on application
- Failure to explain maternity coverage
- Availability of coverage for pre-existing condition
- Failure to explain pre-existing condition
- Discrepancies in application process for life and health policies
- Guaranteed Coverage (client allegedly led to believe that coverage guaranteed if application process completed)
- Delay in application process
- Carrier insolvency
- Misrepresentation of benefits or policy provisions

## Plan Eligibility

- You must be actively contracted with Assurant Health at the time of your effective date under this policy in order to be eligible for coverage
- If you are terminated from Assurant Health during the policy period, coverage for any new business activities ceases immediately as of your termination date. You will be covered under unlimited Extended Reporting Period beginning on the date of termination. The Extended Reporting Period applies to Wrongful Acts (I) committed after your Prior Acts date (II) committed before your termination date
- This is a claims made policy form. For a complete copy of the policy, call **(866) 807-3822** or visit the Assurant E&O website at: [www.assurant-eo.com](http://www.assurant-eo.com)



Enroll Online @  
[www.assurant-eo.com](http://www.assurant-eo.com)

Questions? Call **(866) 807-3822**

### The Underwriter:

CNA Insurance Company  
Chicago, Illinois  
A.M. Best Rating: A (Excellent)

### Plan Administrator:

MGA Insurance Services  
9024 Town Center Parkway  
Lakewood Ranch, FL 34202

In the event that you have a claim,  
you should immediately forward notice to:

MGA Insurance Services  
ATTN: Nancy Hamlin  
9024 Town Center Parkway  
Lakewood Ranch, FL 34202  
(866) 807-3822  
FAX: (800) 411-4771



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## Errors & Omissions

I N S U R A N C E



### Policy Year 2008-2009

For Agents of Assurant Health



ASSURANT

### Plan Highlights

- Guarantee Issue
- Two Coverage Limit Options
- \$250 Deductible - Assurant Health Products
- Expanded Prior Acts Protection

## Plan Highlights

- > Guarantee Issue - Group Discounted Premiums
- > Prior acts coverage for claims arising from products of Assurant Health and its predecessor companies is the earlier of:
  1. Agents first continuous contract date with Assurant Health and its predecessor companies
  2. The first expiration date in a series of continuously maintained E&O policies - Prior acts coverage for "outside" business is defined by this (#2)
- > Choice of 2 limit options: \$1,000,000/\$3,000,000 OR \$2,000,000/\$3,000,000
- > Unlimited Extended Reporting Period at no additional charge
- > Coverage extended to any corporation, partnership or other business entity owned or controlled by the Insured Agent but solely with respect to the liability of such entity as it arises out of an Insured's underlying failure to render professional services
- > Defense coverage provided for insolvency-related claims if the insolvent entity was rated A- or better at time of placement
- > Pay by credit card, check or monthly pre-authorized checking (PAC) deductions
- > \$250 Deductible on Assurant Health product-related claims, \$2,500 deductible for non-Assurant Health claims. Applies to damages only.
- > Defense costs are provided and are included within the limits of liability - no deductible
- > Provides coverage for administrative, clerical and support personnel acting on your behalf



ASSURANT

## Limit Options & Rates

Effective Date	\$1M Per Claim \$3M Annual		\$2M Per Claim \$3M Annual	
	Annual*	Down**	Annual*	Down**
05/01/08	\$527.00	\$69.33	\$785.00	\$90.83
06/01/08	\$485.17	\$69.33	\$721.67	\$90.83
07/01/08	\$443.33	\$69.33	\$658.33	\$90.83
08/01/08	\$401.50	\$69.33	\$595.00	\$90.83
09/01/08	\$359.67	\$69.33	\$531.67	\$90.83
10/01/08	\$317.83	\$69.33	\$468.33	\$90.83
11/01/08	\$276.00	\$69.33	\$405.00	\$90.83
12/01/08	\$234.17	\$69.33	\$341.67	\$90.83
01/01/09	\$192.33	\$69.33	\$278.33	\$90.83
02/01/09	\$150.50	n/a	\$215.00	n/a
03/01/09	\$108.67	n/a	\$151.67	n/a
04/01/09	\$66.83	n/a	\$88.33	n/a
	Monthly Payment \$44.33	Monthly Payment \$65.83		

\*Includes \$25 Administrative fee and \$2.50 monthly processing fee for monthly payment option.  
 \*\*PAC down payment refers to our Pre-Authorized Checking payment option. Your down payment includes one month's premium & administrative fees. PAC down payments will be processed immediately; monthly deductions as shown above will begin the first of the month after enrollment.

## Assurant Health-Sponsored E&O Plans Provide Comprehensive Protection

- > Group Discounted Rates: Our guarantee issue programs offer outstanding coverage at great group rates. This means more coverage for lower premiums and lower deductibles.
- > Broad Coverage Provided: Coverage includes life, accident, health insurance sales/servicing as well as mutual funds, variable products, universal life, annuities, Section 105 & 125, employee benefit plans, managed health care organizations, and disability income.

Underwritten by CNA Insurance - Chicago, IL



A.M. Best Rating: A

CNA is one of the largest and most highly rated insurers in the U.S.

**Enroll Online @**  
[www.assurant-eo.com](http://www.assurant-eo.com)

Or FAX or mail completed application to:  
 FAX: (800) 411-4771  
 Assurant E&O Program  
 9024 Town Center Parkway  
 Lakewood Ranch, FL 34202

## Choose Your Coverages

Desired Effective Date:  /  /  0 1

<b>Limits</b>	<b>Pay Annual</b>	<b>Pay Monthly</b>
\$1M/\$3M	<input type="checkbox"/>	<input type="checkbox"/>
\$2M/\$3M	<input type="checkbox"/>	<input type="checkbox"/>

## Choose Your Payment Method

**Option One: Annual Check (payable to MGA)**

\$

**Option Two: Annual Credit Card**

\$



Please complete credit card information below.

**Option Three: Down Payment & Monthly PAC**

*Down Payment	<b>Monthly Via Bank Draft</b> Attach Voided Check
\$ <input type="text"/>	\$ <input type="text"/>

## Credit Card Information & Agent Agreement

Card Holder Name: \_\_\_\_\_

Card #: \_\_\_\_\_ Expiration Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

I understand and acknowledge that this is a claims made policy and that I am not eligible for coverage under the Assurant Health program unless I am legally contracted to represent Assurant Health as of my coverage date as well as at the time I submit a claim under the policy. I also warrant that I am not aware of any fact, circumstance or actual or alleged act, error or omission which might reasonably be expected to give rise to a future claim under this policy. All premiums are earned at policy enrollment; policy is non-cancelable and non-refundable. A \$20 service fee will be charged for any non-sufficient funds transaction. Payment authorization for subsequent renewals of this policy shall be automatic and shall remain in force until revoked by written notification to MGA Insurance Services from me or my payment institution. The Continental Casualty Company policy issued for the Assurant Health-sponsored errors and omissions program includes a retrospective rating feature. Under this feature, Continental Casualty Company may refund premium to Assurant Health based on a formula that takes into consideration the aggregate loss experience under the policy over a certain number of years.

Should the program's loss experience generate a return premium, Assurant Health will use part or all of such returned premium to cover administrative expenses and to stabilize the cost of premiums for the errors and omissions policies issued under the Assurant Health policy.

Agent Agreement & Credit Card Signature

**Your Signature Is Required To Process Policy!**

Date

## Agent Information

Assurant Agent Number:

Social Security Number:

 -  - 

Name:



Address:



City:

State/Zip:

Phone:

 -  - 

E-mail:

# 2008 ASSURANT HEALTH ERRORS AND OMISSIONS PLAN

FOR INDEPENDENT AGENTS OF ASSURANT HEALTH



**To Enroll:** Complete the Agent Information, Plan Options and Payment Method.  
Sign the form and fax or mail to MGA Insurance Services.

## AGENT INFORMATION

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 City: \_\_\_\_\_  
 State/Zip: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_  
 Soc Sec/Tax ID#: \_\_\_\_\_  
 Assurant Agent#: \_\_\_\_\_

## PLAN PREMIUMS\*

Effective Date:	\$1MM/\$3MM Limit		\$2MM/\$3MM Limit	
	Annual	PAC Dow n <sup>1</sup>	Annual	PAC Dow n <sup>1</sup>
5/1/08	\$527.00	\$69.33	\$785.00	\$90.83
6/1/08	\$485.17	\$69.33	\$721.67	\$90.83
7/1/08	\$443.33	\$69.33	\$658.33	\$90.83
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3/1/09	\$108.67	n/a	\$151.67	n/a
4/1/09	\$66.83	n/a	\$88.33	n/a
	Monthly PAC \$44.33		Monthly PAC \$65.83	

\*Pricing includes \$25 administrative fee and \$2.50 monthly processing fee for monthly payment option. <sup>1</sup>PAC down-payment includes one month's premium, administrative fees and \$2.50 monthly processing fee. PAC down payments will be processed immediately. Future monthly payments are deducted on the 3<sup>rd</sup> business day of each month.

## PLAN OPTIONS

Desired Effective Date: \_\_\_\_\_ / 01 / 200\_\_\_\_  
 Coverage Amount:  \$1MM/\$3MM  \$2MM/\$3MM

## PAYMENT METHOD

I would like to pay by the following method:

(visa, master card, discover, amex)

Annual Credit Card

Card Holder Name: \_\_\_\_\_  
if different from applicant

Account #: \_\_\_\_\_

Expiration Date: \_\_\_\_\_ / \_\_\_\_\_

Annual Check

(Please enclose a check made payable to: MGA)

Annual Pre-Authorized Checking

(Please enclose a voided check)

Down Payment and Monthly Pre-Authorized Checking (Please enclose a voided check)

I understand and acknowledge that this is a claims made policy and that I am not eligible for coverage under the Assurant Health program unless I am legally contracted to represent Assurant Health as of my coverage date. I also warrant that I am not aware of any fact, circumstance or actual or alleged act, error or omission which might reasonably be expected to give rise to a future claim under this policy. All premiums are earned at policy enrollment, policy is non-cancelable and non-refundable. A \$20 service fee will be charged on any non-sufficient funds transaction. Payment authorization for subsequent renewals of this policy shall be automatic and shall remain in force until revoked by written notification to MGA from me or my payment institution.

The Continental Casualty Company policy issued for the Assurant Health-sponsored errors and omissions program includes a retrospective rating feature. Under this feature, Continental Casualty Company may refund premium to Assurant Health based on a formula that takes into consideration the aggregate loss experience under the policy over a certain number of years.

Should the program's loss experience generate a return premium, Assurant Health will use part or all of such returned premium to cover administrative expenses and to stabilize the cost of premiums for the errors and omissions certificates issued under the Assurant Health policy.

**FAX to:**  
**1-800-411-4771**  
**MAIL to:**  
 MGA E&O PLAN  
 9024 Town Center Parkway  
 Lakewood Ranch, FL 34202

Agent's Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Your Signature is Required to Process Policy!

ENROLL ONLINE AT:  
[www.assurant-eo.com](http://www.assurant-eo.com)