

PLP CHANGES TO MEMBER DEDUCTIBLE FORMULA

Part of the New Risk Management/Practice Improvement Strategies

COLLEGE CONTACT

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A new deductible formula will apply to claims reported to PLP on and after January 1, 2010. The new formula will not apply to or affect any matter reported to PLP prior to January 1, 2010.

These changes were part of a number of risk management/practice improvement strategies that were approved by the RCDSO Council in November 2008. They are designed to encourage dentists with a previous claims history to improve their practice by taking courses that will address any shortcomings that were identified during the PLP process which led to the need to settle a claim. And, by doing so, dentists may be able to have their deductible greatly reduced by the PLP Committee.

It is expected that dentists requiring such upgrading will be referred to the College's Quality Assurance department for assistance in finding courses that meet their individual practice improvement needs.

Here's how the new formula works.

While the basic or minimum individual deductible remains unchanged at \$2,000, the new step-up deductibles are as follows:

- ◆ \$5,000 for the dentist who has had one prior claim in the previous 84 months;
- ◆ \$10,000 for the dentist who has had two previous claims in the previous 84 months;
- ◆ \$20,000 for the dentist who has had more than two previous claims in the previous 84 months.

For pre-2010 claims, the deductible formula in place in the year the file was opened will apply.

"The public wins too because PLP now has a proactive way to encourage dentists to improve the delivery of care to their patients," said Dr. Don McFarlane, Director of the Professional Liability Program.

"And the PLP staff will continue with their top-notch risk management education program. Over the years, we have developed a number of resources for dentists, including the Risk Management Guide, group educational sessions and individual mentoring – all at no cost to the dentist."

Why have these changes been introduced?

Under the new formula, there is now an incentive for dentists with previous claims of a similar nature in the preceding 84 month period to improve their practices to avoid future similar claims and, at the same time, to request the PLP Committee to reduce the applicable deductible to a lower amount.

How will I know if I have an opportunity to have my stepped-up deductible lowered?

When a dentist is called upon to pay a stepped-up deductible, he or she will be advised by the PLP claims examiner of the opportunity to make submissions in writing to the PLP Committee to request a reduction in the deductible.

Who will decide if my stepped-up deductible is to be lowered?

Only the PLP Committee has the authority to reduce the applicable deductible. This discretion can be used where the Committee is satisfied that it is appropriate to do so.

The current PLP Committee is chaired by Parm Chahal, a public member of the RCDSO Council. The Committee members are: Dr. Stan Kogan, a dentist member of Council, and five practising dentists selected to serve: Dr. Vincent Carere (Waterloo); Dr. Michael Glogauer (Hamilton); Dr. Gurneen Sidhu (Ottawa); Dr. Gordon Sylvester (Stratford); and Dr. Ronald Yarascavitch (St. Catherines).

Is there any set amount by which the stepped-up deductible might be lowered?

The amount of any reduction is within the sole authority of the PLP Committee and could be either all or only a portion of the stepped-up amount, depending on the circumstances. The amount, however, will never be less than the minimum deductible of \$2,000, as set out in the PLP insurance policy.

What factors might the PLP Committee consider in determining whether to reduce a deductible?

The factors that the PLP Committee may consider can include, but are not limited to the following:

- ◆ There are no similarities between the conduct or circumstances of the current and previous claim(s).
- ◆ The new claim, which gives rise to the stepped-up deductible, is related to conduct which took place prior to the member taking remedial action and the PLP Committee is satisfied that the deficiencies which gave rise to the claim(s) have been appropriately addressed by the dentist.
- ◆ The claim payment(s) was primarily to defence cost and, in the PLP Committee's view, the dentist was not likely to have been found to be negligent had the matter proceeded to trial.
- ◆ The dentist has already proactively addressed any shortcoming identified by the PLP Committee as contributing to the claim.
- ◆ The dentist is prepared to agree to enter into an agreement with the College, through the PLP Committee, whereby he or she agrees to successfully complete remedial action, such as a course or additional training, as considered appropriate by the PLP Committee in order to minimize the likelihood of claims of a similar nature occurring in the future.

Where can I get more information on the stepped-up deductible reduction process?

For more information, contact the PLP Director, Dr. Don McFarlane, at 416-934-5609 or toll-free at 1-877-817-3757 or by e-mail at dmcfarlane@rcdso.org.