



	<h1>California</h1>
	<p>An Advanced Risk Solution for California Long-Term Care Facilities</p> <p> HEALTHCARE</p> <p> LTCQ</p>

RiskCure – Better Premiums for Better Care



RiskCure is a comprehensive program that accurately assesses a long term care facility's risk, provides ongoing support to manage risk and rewards the facility with fair and reasonable liability insurance



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An Unhealthy Situation

- Professional Liability insurance premiums for nursing homes in California have increased more than tenfold in less than five years
 - Rates typically range from \$500 - \$5,000 per bed per year for \$1 million of coverage
 - Some facilities are choosing to “go bare” rather than pay such high rates
- Well-managed facilities frequently pay the same premiums as poorly managed facilities
 - Conventional risk assessments are based on flawed data and do not accurately predict risk
- National reports on loss trends are biased
 - In Example, AHCA GL / PL 2005 Benchmark Analysis over-represents for-profit chains



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A Prescription for Change

- Provide an accurate assessment of facility risk
 - Adjust for various biases including ownership, geography and resident acuity
 - Use risk-adjusted incidence based measures for an accurate picture of quality of care within the facility
- Provide ongoing active interventions and monitoring
- Build risk management fees into premiums for an attractive package to the insured



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One Complete Solution

RiskCure California is a partnership between companies with extensive healthcare and liability insurance experience

AmWins Healthcare:

- A subsidiary of American Wholesale Insurance Group, the nation's largest independent wholesale insurance brokerage firm, AmWINS Healthcare works with retail brokers and trade associations to deliver advanced insurance products through trusted channels

LTCQ, Inc.

- The leading provider of quality improvement, risk management, risk assessment and compliance services in long term care
- Services deliver measurable operational, clinical and financial benefits

Select Insurance Companies:

- RiskCure California is supported by two A.M. Best "A" rated insurance companies that recognize the RiskCure advantage



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Product Offerings and Benefits

Offerings:

- General liability coverage
- Professional liability coverage
- Ongoing risk monitoring and management based on risk level and needs

Benefits:

- Insurance rates and terms rewarding performance
- Accurate MDS assessments and reimbursement
- Regulatory compliance
- Improved clinical outcomes
- Improved claims defense capabilities



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Overview of the RiskCure Program

- Step 1: Application and Risk Assessment
- Step 2: Underwriting Proposal and Insurance Selection
- Step 3: Ongoing Risk Management Services and Feedback
- Step 4: Re-assessment and Renewal



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Step 1: Assessing Risk

- RiskCure's comprehensive program provides an accurate assessment of facility risk
 - Deficiency data is adjusted for severity, scope and type
 - Complaint data is adjusted for type and whether the complaint was substantiated
 - Deficiencies and complaints are adjusted for surveyor bias
 - Use of Incidence-based rather than Prevalence-based quality measures
 - ✓ Prevalence – All residents that have a pressure ulcer
 - ✓ Incidence – Number of residents that acquired the pressure ulcer at the facility
 - Onsite visits are guided by an analysis of both public (OSCAR) and proprietary (MDS) data to ensure that potential areas of risk are investigated thoroughly



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Step 2: Underwriting

- Customized proposals are provided that contain specific risk management requirements
- Low risk facilities immediately benefit from lower premiums
 - Facility receives tools to help them improve their risk management program
- RiskCure offers higher risk facilities a proven program to reduce risk
 - If followed, they will qualify for better rates



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Step 3: Ongoing Services and Feedback

Available Risk Management Services:

- Web-based incident tracking tool
- Incident trend analysis
- Ongoing reports regarding MDS data accuracy and clinical performance
- Real time MDS data integrity feedback
- Risk management priorities and guidance
- Risk management seminars
- Statistical analysis of claims
- Staffing to acuity analysis



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Step 4: Re-assessment and Renewal

- The RiskCure Program analyzes compliance to the original terms during the renewal process
 - Facilities that have improved will receive preferred rates



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What Makes RiskCure Better?

- Breakthrough methodology for assessing risk based on a proprietary database of over 1 million bed years of exposure
- Customized risk management and prevention program that can include ongoing daily interventions



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It Starts With the Assessment

- RiskCure evaluates many novel elements that have a relationship to litigation and liability risk, such as:
 - ✓ Staff ratios and contract staff usage
 - ✓ Care Processes
 - ✓ Staffing levels in relationship to resident acuity
- RiskCure program controls for the numerous shortcomings of conventional “risk assessment”



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Conventional Assessment Issues

- Conventional methods used by insurance companies emphasize survey reports (OSCAR), CMS Quality Indicators/Quality Measures (QI/QMs), claims history, facility inspection and a review of staffing, policies and procedures
 - These methods pose reliability and validity problems
 - ✓ Reports are based on a single annual visit
 - ✓ Surveyors have different skills and levels of training
 - ✓ Median survey deficiencies vary dramatically
- In some regions there is demonstrable surveyor bias against for-profit facilities



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Customized Risk Programs

- RiskCure has numerous services that can be combined to reflect the clients needs
 - Not a “One size fits all” approach
- Ongoing assessment and measurement ensures that the program is working
 - Real-time feedback
 - On demand reports
 - Monthly summaries
 - Quarterly reports



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Data Driven Facility Inspections

If facilities requesting proposals require on-site inspection:

- RiskCure conducts a detailed data analysis before inspecting a facility. Results guide the assessment process to areas that appear to be potential areas of risk
- Inspection protocol has proven reliability and has been adopted by Insurance carriers as a preferred approach
- We use a risk prediction model that takes geographic biases and data reliability limitations into account
- Facilities receive a detailed report from the inspection



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Web-Based Data Accuracy Tools

- Facilities send every MDS assessment to LTCQ prior to state submission and get real-time feedback on issues of:
 - Data integrity
 - Risk management
 - Care planning
 - Documentation
- Specific documentation requirements have a check-off box for tracking compliance and staff responsibility
- Help Desk staffed by advance practice nurses is available 24/7



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Incidents, Accidents and Complaints

- RiskCure provides a Risk Management Event Tracker to ensure proper procedures are followed
 - Easy to use web-based form provides a single source for recording and tracking adverse events
 - Adverse events are tracked and trended and their rates are benchmarked against national and local peers
 - Prompts are given for facilities to follow up with family communication and root cause analyses
 - Whenever possible, communications and reports are classed as clinical quality assurance activities not subject to discovery



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World Class Client Support

- Webcasts to facility administration and staff for ongoing training
- Conference calls and face-to-face training and consultation
- Client-support web site
- Account Manager for a single point of contact



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With Our Clients Every Step

- RiskCure is an ongoing service. We are there every day helping our clients achieve their risk management goals
- RiskCure conducts comprehensive training for all its services
 - Ongoing training is included in service to address turnover
- Industry experts are ready to address issues of documentation, staff training, and communication with families
- Participants receive feedback on their risk management performance at mid-year
- Web-based resources provide ongoing reinforcement, support and measurement



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ROI to RiskCure Participants

- Increased availability and affordability of insurance
- Better survey results can result in lower civil penalties and compliance costs
- Fair and timely Medicare reimbursement
 - Average increase in Medicare is 1K per facility per month
- Lower risk of fraud and abuse claims
- RiskCure estimates financial ROI for facilities on an ongoing basis



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