

IN THIS ISSUE

- Peer Review
- Closed Claims Review
- Going Paperless

Peer Review

Peer Review of members of the Cooperative of American Physicians, Inc. is a membership safeguard and a key element in this physician-directed organization. Peer Review fulfills a statutory and contractual responsibility to the members of Mutual Protection Trust (MPT) at large by evaluating, in the context of continued risk sharing, the qualifications of any physician or surgeon to continue to participate as a member of MPT.

The Mutual Protection Trust (MPT) Peer Review process, required by our founding legislation, ensures that no member can be arbitrarily or unjustly terminated from membership. A careful, unbiased, and thorough evaluation of the issues causing concern must take place, via the Peer Review Process, before any member may be terminated from membership. This process prevents the Cooperative of American (CAP) physician from experiencing the unforeseen “notice of non-renewal” that his colleagues may have experienced with their insurance companies.

How Does the Process Work?

Identification Candidates for Peer Review are identified for review when they have a frequency of claims greater than average for their specialty. Members are also referred to Peer Review for evaluation of continued and future risk if particular, but serious, circumstances or concerns arise about a member’s practice. These factors include, but are not limited to: loss history (i.e., nature, severity and or pattern and frequency of claims), Medical Board of California activity, or any other factor that unfavorably affects risk exposure.

Peer Review Meeting

When closer scrutiny is necessary, the MPT Member is invited to a meeting with the Peer Review Committee, which includes no fewer than two physicians in the member’s specialty. Members have the option to be accompanied by their personal attorneys.

The Peer Review meeting is designed to be a dialogue among physician-peers. Through direct questions, the Peer Review Committee gains additional information that will assist in evaluating the member’s professional qualifications, clinical knowledge, practice skills, and judgment. This information is used to evaluate if continued risk sharing with the member is in the best interest of all CAP members who receive medical professional liability protection through MPT.

The Peer Review Committee’s deliberations do not end with an evaluation of cases or whether any particular case could be successfully defended. Even claims which can be successfully defended may reveal problems in a member’s medical practice which expose MPT to unreasonable risk



Cover Story, continued

of future liability. Similarly, even cases of clear liability on a member's part may not justify termination when the facts, circumstances, and discussions indicate that MPT is not exposed to unreasonable future risk. That is why only physicians evaluate a member's risk.

Recommendations Reviewed by Board of Trustees

Each Peer Review Committee recommendation is reviewed by the Board of Trustees before it is consummated. If the recommendation is for termination of membership, the recommendation, with supporting documentation, is forwarded to the Board of Trustees for consideration and action. The Board of Trustees has the authority to revise the recommendation. If, however, the Board of Trustees follows the recommendation for termination, the effective date of termination will be 45 days following the Board meeting.

A recommendation for continuation of membership is also forwarded to the Board of Trustees for consideration and action. The recommendation includes the following:

- (1) the Committee's assessment of the actual and potential level of perceived risk exposure to MPT created by continued membership;
- (2) recommendations for financial conditions to be applied;
- (3) recommendations for imposition of probationary status; and
- (4) conditions to be placed on the member, including the completion of any CME courses, attendance at the CAP risk management program, changes in office procedure, or, occasionally, specific limitations on the member's practice.

The Board of Trustees has the authority to revise the recommendation or return the matter to the Peer Review Committee. The member will be advised, in writing, of the action taken by the Board of Trustees.

Termination Provisions

Under the terms of the MPT Agreement, MPT retains the obligation to defend and indemnify a physician whose MPT membership is involuntarily terminated through Peer Review for those claims arising out of the doctor's medical practice prior to the termination. The only monetary requirement for such continuing coverage is the former member's relinquishment of his or her initial trust deposit. Such members need not purchase special tail coverage for MPT to provide this coverage.

Members who disagree with termination of their membership may ask for a special meeting of MPT. In order to overturn a termination by the Peer Review Committee and the Board of Trustees, two-thirds of members voting at the special meeting – in person or by proxy – must vote in favor of retention.



Peer Review is a Key Process

Notice of Peer Review does not automatically signal termination of membership. Over the past 24 months, 113 Members have attended Peer Review Committee meetings. Of those 113, only 21 members were recommended for termination via the Peer Review process.

The Cooperative of American Physicians, Inc. was established as a physician-directed organization. The Peer Review continues to be a key element of that mandate.

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