



## **PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT**

### **Medical Malpractice Program 1 & 2 Policy Statement on the Issuance of a Coverage Alert Letter or a Denial Letter**

When a claim is presented which has coverage questions involved in whole or in part, the following policy will be followed by staff and the Medical Malpractice (MM) Claims Administrator:

1. The MM Claims Administrator will review all reported potential excess claims for coverage issues. A Coverage Alert Letter (CAL) will be drafted for PRISM staff review prior to issuance. Upon approval, the MM Claims Administrator will notify members via a CAL when potential coverage problems exist.
2. Issuance of a CAL letter is a courtesy to members and is not intended to preclude PRISM from asserting, at a later date, any coverage theories not previously identified.
3. Upon PRISM staff review and approval, the MM Claims Administrator will issue denial letters when there is either an absolute exclusion, or non-controversial coverage issues.
4. If coverage is questionable, staff and the MM Claims Administrator will issue a CAL letter rather than a denial letter and will seek a coverage opinion. Staff is authorized to retain pre-approved counsel to obtain a legal opinion. The cost of obtaining a coverage opinion will be considered an administrative expense to the applicable MM Program the member participates in. Pre-approved counsel for coverage opinions is:

Eric Brenneman  
Demler, Armstrong & Rowland  
11341 Gold Express Drive, Suite #110  
Gold River, CA 95670

In the event of an apparent or perceived conflict of interest, pre-approved counsel for conflict opinions is:

Douglas R. Alliston  
Murphy Campbell Alliston Quinn  
8801 Folsom Boulevard, Suite #230  
Sacramento, CA 95826

Where a coverage denial is sought on a controversial coverage issue, staff will bring the matter to the Committee along with the received coverage opinion for Committee action regarding the issuance of a denial. The coverage opinion is a tool to assist the MM Committee in determining whether or not coverage should be afforded. The legal opinion will be considered attorney-client privileged information and will not be available to the affected member unless or until the MM Committee authorizes its release to the member. The member will be excluded from closed session discussions at the discretion of the MM Committee. The MM Committee's decision on coverage shall be communicated in writing to the member by PRISM staff or legal counsel summarizing the significant issues discussed in the coverage opinion. Staff and the MM Claims Administrator are authorized to release the coverage opinion to excess carriers or reinsurers following presentation to the MM Committee, unless otherwise directed by the Committee.