



THE UNIVERSITY *of* TEXAS SYSTEM
THIRTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

2021 ANNUAL REPORT

PROFESSIONAL MEDICAL LIABILITY BENEFIT PLAN

SEPTEMBER 1, 2020 – AUGUST 31, 2021

12,825	Total Physicians/Dentists Covered by Plan
7,702	Medical & Dental Faculty Covered (<i>FTEs</i>)
1,269	Fellows Covered (<i>FTEs</i>)
3,166	Residents Covered (<i>FTEs</i>)
18,517	Health Care Professionals Covered (<i>FTEs</i>)
4,320	Medical Students Covered
71	Medical Student Externships
26	New Lawsuits (<i>excluding CMC lawsuits</i>) ¹
73	New Claims (<i>including 2 HCP claims / excluding CMC claims</i>) ¹
54	New Depositions & Trial Testimony (<i>including 1 HCP deposition</i>)
305	Pending Claims and Lawsuits at August 31, 2021 (<i>including 2 HCP claims & 1 Depo / excluding CMC claims & lawsuits</i>) ¹
0	Number of Trials
78	Cases Closed with No Plan Payment
124	New TMB & Other Professional Board Matters (<i>including 4 HCP complaints</i>)
\$1,639,455	Administrative Costs
\$996,941	Medical Malpractice Defense Costs
\$2,297,893	Settlement (Indemnity) Costs ²
\$701,173	TMB & Other Professional Board Defense Costs
\$1,830	Plan Average Faculty Physician Premium Occurrence (\$500,000/\$1,500,000)
\$23,082	The Doctors Co. Average Physician Premium Mature Claims-Made Rate (\$500,000/\$1,500,000)
\$15,625	ProAssurance Indemnity Co., Inc. Average Physician Premium Mature Claims-Made Rate (\$500,000/\$1,500,000)
\$12,549,122	Premiums Collected
\$45,310,763	Net Position of Professional Liability Fund

¹Does not include Criminal Managed Care (CMC) physician and other health care professional services not covered under UT System Plan.

²This amount and the amount indicated for Claim and Lawsuit Liability Expenses in the Income Statement on page 9 differ slightly due to timing of payments.

PREMIUM COMPARISONS

Plan premium rates are significantly lower than Texas commercial insurance carriers. The chart below compares UT Health Science Center-Houston Plan rates by risk class in Harris County with two commercial carriers, The Doctors Co. and ProAssurance Indemnity Co., Inc.¹ Although variations in risk class structures among carriers prevent a precise comparison, the chart is demonstrative of rate differences.

Risk Class		The Doctors Co.*	ProAssurance Indemnity Co., Inc.**	UT Faculty Rates***
I	General Practice No Surgery	\$12,696	\$11,378	\$516
II	General Practice Minor Surgery	\$15,864	\$15,834	\$816
III	Emergency Medicine/Minor Surgery	\$29,120	\$23,893	\$1,296
IV	General Surgery	\$42,033	Not Listed	\$2,400
IV	Anesthesiology	\$15,698	\$12,800	\$2,400
V	Gynecology Minor Surgery	Not Listed	\$14,222	\$3,552

* Mature Claims-Made Rate (\$500,000 / \$1,500,000 Limits) Effective January 1, 2021

** Mature Claims-Made Rate (\$500,000 / \$1,500,000 Limits) Effective January 1, 2022

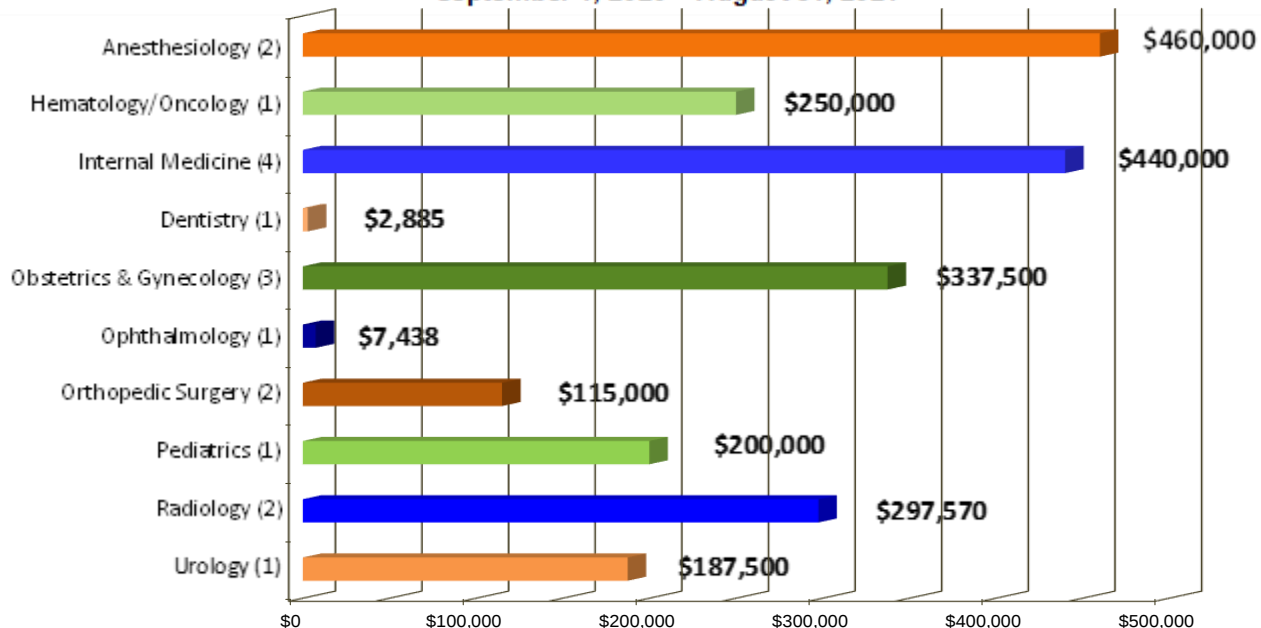
*** Occurrence (\$500,000 / \$1,500,000 Limits) Effective September 1, 2020

FY 2021 IN SUMMARY

Indemnity Payments by Specialty²

All U.T. System Institutions

September 1, 2020 – August 31, 2021



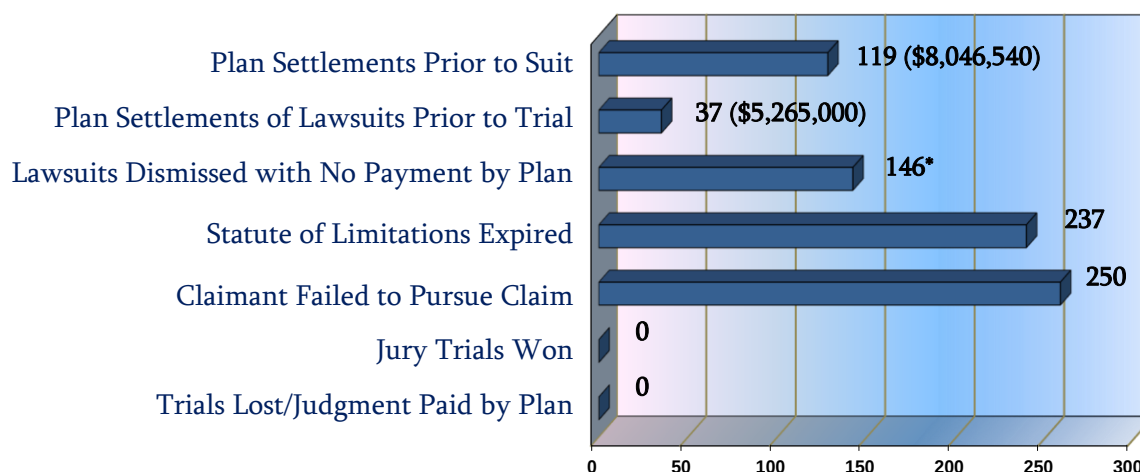
¹Commercial rates provided by Milliman.

²Settlement payment amounts are based on claims closed during FY20-21.

CLOSED CASES

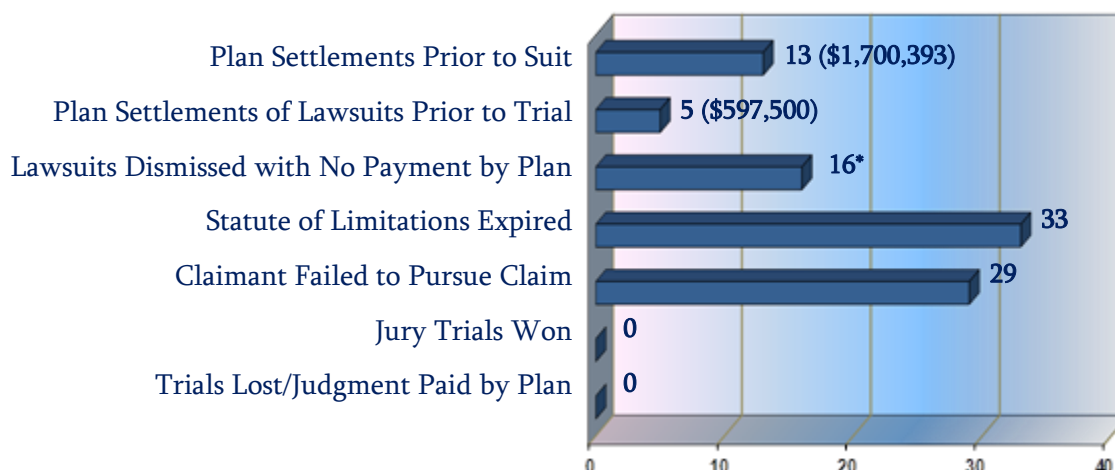
During the last five years, 789 claims and lawsuits filed against U.T. System physicians and institutions were closed, with total Plan liability payments of \$13,311,540. Eighty percent closed with no payment by the Plan.

All U.T. System Institutions Closed Claims & Lawsuits September 1, 2016 – August 31, 2021



In Fiscal Year 2021, 81 percent of the cases closed required no payment by the Plan, a two percent decrease from last year.

All U.T. System Institutions Closed Claims & Lawsuits September 1, 2020 – August 31, 2021



*Includes Summary Judgments, Non-Suits, Dismissals, and Settlements by Co-defendants at no cost to the Plan.
All closed case data above excludes CMC physician and health care professional services cases not covered under the Plan.

The University of Texas at Austin

	2021	2020	2019	2018
Medical & Dental Faculty*	256	228	187	122
Fellows	0	0	0	0
Residents*	6	16	25	11
Health Care Professionals (FTE)	346	n/a	n/a	n/a
Open Claims & Lawsuits	11	10	6	2
New Claims	5	3	2	1
New Lawsuits	1	1	1	0
New Depositions & Trial Testimony	1	3	4	0
Settlements Paid ¹	\$247,570	\$100,000	\$0.00	\$110,000
New TMB Matters-Faculty	0	3	2	2
New TMB Matters-Residents	0	0	0	0
New Board Complaints – Enrolled Healthcare Professionals ²	0	0	n/a	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	0	0	1	n/a

* Includes Student Health Center physicians/Does not include U.T. physicians within FTE adjustment due to rotations at Seton/DMC (7 faculty and 18 residents)

Note: The 1 New Deposition & Trial Testimony matter for UT Austin in 2021 was opened for representation of a Plan covered Healthcare Professional.

The University of Texas Health Science Center at Tyler & The University of Texas at Tyler

	2021	2020	2019	2018
Medical & Dental Faculty	208	138	105	93
Fellows	0	0	0	0
Residents	109	80	76	81
Health Care Professionals (FTE)	571	n/a	n/a	n/a
Open Claims & Lawsuits	6	3	2	2
New Claims	4	2	2	0
New Lawsuits	0	0	0	1
New Depositions & Trial Testimony	0	0	0	0
Settlements Paid ¹	\$0.00	\$0.00	\$0.00	\$20,000
New TMB Matters-Faculty	1	4	1	3
New TMB Matters-Residents	0	0	0	0
New Board Complaints – Enrolled Healthcare Professionals ²	0	0	n/a	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	0	0	0	n/a

The University of Texas Health Science Center at Houston

	2021	2020	2019	2018
Medical & Dental Faculty	1883	1788	1719	1643
Fellows	286	263	255	227
Residents	1019	1003	438	433
Health Care Professionals (FTE)	1315	n/a	n/a	n/a
Open Claims & Lawsuits	76	59	49	79
New Claims	17	20	22	45
New Lawsuits	8	6	14	6
New Depositions & Trial Testimony	4	5	0	3
Settlements Paid ¹	\$440,000	\$390,795	\$913,500	\$433,500
New TMB Matters-Faculty	41	41	37	38
New TMB Matters-Residents	1	1	0	0
New Board Complaints – Enrolled Healthcare Professionals ²	1	1	n/a	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	0	0	0	n/a

The University of Texas Health Science Center at San Antonio

	2021	2020	2019	2018
Medical & Dental Faculty	1142	1090	1029	990
Fellows*	125	142	137	121
Residents*	503	541	494	505
Health Care Professionals (FTE)	349	n/a	n/a	n/a
Open Claims & Lawsuits	32	24	21	25
New Claims	10	5	6	9
New Lawsuits	2	3	4	2
New Depositions & Trial Testimony	7	8	8	6
Settlements Paid ¹	\$475,000	\$500,000	\$312,857	\$283,758
New TMB Matters-Faculty	26	20	10	13
New TMB Matters-Residents	2	0	1	2
New Board Complaints – Enrolled Healthcare Professionals ²	0	0	n/a	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	0	0	0	n/a

* Does not include U.T. physicians within FTE adjustment due to rotations at V.A. Hospital (in 2021 a total of 1 faculty, 224 residents and 47 fellows)

Note: The 10 New Claims for UT Health Science Center at San Antonio in 2021 include 1 claim against a Plan covered Healthcare Professional opened for early negotiations.

The University of Texas M.D. Anderson Cancer Center

	2021	2020	2019	2018
Medical & Dental Faculty	1276	1266	1100	1049
Fellows	285	299	390	388
Residents	0	0	2	3
Health Care Professionals (FTE)	6256	n/a	n/a	n/a
Open Claims & Lawsuits	52	32	36	30
New Claims	8	8	11	7
New Lawsuits	1	1	2	2
New Depositions & Trial Testimony	25	14	12	13
Settlements Paid ¹	\$315,000	\$245,181	\$200,000	\$100,000
New TMB Matters-Faculty	9	10	12	16
New TMB Matters-Residents	0	0	0	0
New Board Complaints – Enrolled Healthcare Professionals ²	1	0	n/a	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	0	0	0	n/a

The University of Texas Southwestern Medical Center

	2021	2020	2019	2018
Medical & Dental Faculty*	2130	2010	1867	1775
Fellows	419	429	430	421
Residents*	761	680	717	685
Health Care Professionals (FTE)	5089	n/a	n/a	n/a
Open Claims & Lawsuits	87	70	80	65
New Claims	20	17	28	31
New Lawsuits	5	5	7	1
New Depositions & Trial Testimony	8	18	39	21
Settlements Paid ¹	\$300,000	\$520,527	\$993,906	\$804,727
New TMB Matters-Faculty	16	23	23	25
New TMB Matters-Residents	0	3	0	5
New Board Complaints – Enrolled Healthcare Professionals ²	1	0	n/a	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	0	0	0	n/a

* Does not include U.T. physicians within FTE adjustment due to rotations at Parkland Hospital (in 2021 a total of 0 faculty and 391 residents)

Note: The 20 New Claims for UT Southwestern Medical Center in 2021 include 1 claim against a Plan covered Healthcare Professional opened for early negotiations.

The University of Texas Medical Branch at Galveston*

	2021	2020	2019	2018
Medical & Dental Faculty	697	687	666	631
Fellows	135	146	106	103
Residents	541	516	505	500
Health Care Professionals (FTE)	4203	n/a	n/a	n/a
Open Claims & Lawsuits*	36	46	74	74
New Claims*	9	8	29	26
New Lawsuits*	9	7	5	18
New Depositions & Trial Testimony	6	1	0	7
Settlements Paid ¹	\$520,323	\$1,183,666	\$485,305	\$453,651
New TMB Matters-Faculty	12	17	11	8
New TMB Matters-Residents	1	4	7	1
New Board Complaints – Enrolled Healthcare Professionals ²	1	0	0	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	9	10	11	0

* UTMB data does not include CMC physician and other health professional services not covered under the UT System Plan.

The University of Texas at Rio Grande Valley

	2021	2020	2019	2018
Medical & Dental Faculty	99	95	71	61
Fellows	19	12	7	0
Residents	227	218	197	168
Health Care Professionals (FTE)	88	n/a	n/a	n/a
Open Claims & Lawsuits	4	3	2	0
New Claims	0	0	2	0
New Lawsuits	0	0	1	0
New Depositions & Trial Testimony	2	1	0	0
Settlements Paid ¹	\$0.00	\$0.00	\$0.00	\$0.00
New TMB Matters-Faculty	2	3	2	0
New TMB Matters-Residents	0	0	1	0
New Board Complaints – Enrolled Healthcare Professionals ²	0	0	n/a	n/a
New Board Complaints - Med. Professionals Not enrolled in Plan ³	0	0	0	n/a

NOTE: All institutions' enrollment numbers are on an FTE basis.

¹ Settlement payment amounts are based on claims and lawsuits closed during the corresponding FY.

² 2020 Began tracking enrolled healthcare professionals; Plan coverage began July 1, 2020.

³ 2019 Began tracking complaints to the Texas Medical Board and similar Professional Boards which were represented by OGC Health Law attorneys on behalf of CMC physicians and all other medical professionals, such as Physician Assistants, that were not enrolled in the Plan at that time.

This data is reflected in the last item of the tables for "INSTITUTIONS IN SUMMARY", pages 5-8.

Professional Medical Liability Plan

Statement of Net Position

	As of	8/31/2021	8/31/2020
Assets			
Operating Cash	\$	(5,080,166.44)	\$ (6,125,443.07)
Investments		71,391,896.40	62,952,963.29
Prepaid Expenses		14,929.02	-
Total Assets		<u>66,326,658.98</u>	<u>56,827,520.22</u>
Liabilities			
Accounts Payable	\$	42,399.29	\$ 17,992.50
IBNR		20,973,497.00	19,612,039.00
Total Liabilities		<u>21,015,896.29</u>	<u>19,630,031.50</u>
Net Position		<u>45,310,762.69</u>	<u>37,197,488.72</u>

Statement of Revenues, Expenses, and Changes in Net Position

	For the Month Ended	8/31/2021	8/31/2020
Revenue			
Premium Income	\$	12,549,121.74	\$ 12,309,247.32
Interest Income		1,921,679.17	1,680,223.90
Total Revenue		<u>14,470,800.91</u>	<u>13,989,471.22</u>
Less Premium Refund ¹		<u>(6,000,000.00)</u>	<u>(6,000,000.00)</u>
Net Revenue		8,470,800.91	7,989,471.22
Expenses			
Legal Expenses	\$	996,941.08	\$ 1,077,483.49
Claim Liability Expenses		1,992,622.36	3,334,960.18
Medical Board Expenses		701,173.34	911,168.62
Administrative Expenses		1,639,454.74	1,641,923.90
Other Expenses		96,487.85	72,954.23
Total Expenses		<u>5,426,679.37</u>	<u>7,038,490.42</u>
Change in IBNR		<u>1,361,458.00</u>	<u>125,943.00</u>
Net Expenses		6,788,137.37	7,164,433.42
Excess Revenue Over Expenses	\$	1,682,663.54	\$ 825,037.80
Other Changes in Net Assets			
Investments Market Value Increase (Decrease)		6,430,610.43	3,485,984.35
Transfer to special funds		-	-
Total Other Changes		<u>6,430,610.43</u>	<u>3,485,984.35</u>
Change in Net Position	\$	<u>8,113,273.97</u>	<u>\$ 4,311,022.15</u>
Beginning Net Position		<u>37,197,488.72</u>	<u>32,886,466.57</u>
Ending Net Position		<u>\$ 45,310,762.69</u>	<u>\$ 37,197,488.72</u>