

# 20<sup>07</sup> CASE STUDY

INSTITUTE FOR HEALTHCARE COMMUNICATION **PROGRAM PARTNER AWARD**

# ISMIE

*Mutual Insurance Company*

**The Physician-First Service Insurer**

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**In recognition of its  
outstanding commitment to improving  
clinician-patient communication,  
ISMIE Mutual Insurance Company  
of Chicago, Illinois, has received the  
Institute for Healthcare Communication  
Program Partner Award for 2007.**

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Over the past four years, the company has demonstrated a strong commitment to teaching and developing clinician-patient communication skills among its insured client organizations in Illinois. It has provided medical liability insurance to clinicians across the state for the past 30 years and has been a strong partner with Illinois physicians in improving patient care and reducing liability risk. It is also a leading provider of risk management education as a service both to its insured healthcare professionals and to the improvement of patient care.

In 2003, under the leadership of Harold L. Jensen, M.D., the ISMIE Board of Directors made a commitment to have two key individuals trained as faculty members of the Institute for Healthcare Communication: Richard A. Geline, M.D., a member of the Board's Risk Management Committee, and Audrey Vanagunas, M.P.H., Vice President of Risk Management. Since that time the group of IHC faculty members at ISMIE has grown steadily, and the training of healthcare professionals has expanded significantly. ISMIE currently has ten IHC certified faculty members who provide communication workshops for both physicians and staff all over the state of Illinois.

Since June 2004, ISMIE faculty members of the Institute have conducted the Institute for Healthcare Communication's flagship workshop, Clinician-Patient Communication to Enhance Health Outcomes, training clinicians in the "4Es" of communication – Engage, Empathize, Educate, Enlist. The workshop environment afforded participants the opportunity to practice skills and techniques, not just hear about them.

In February 2005, ISMIE faculty began leading Treating Patients with C.A.R.E., a workshop designed to provide all staff members – receptionists, nurses, medical assistants, business office clerks, maintenance workers – specific techniques for communication based on the four-point model Connect, Appreciate, Respond, Empower.

Altogether, since January 2004, ISMIE faculty members have conducted 73 half –day workshops for nearly 3,500 participants. ISMIE has hosted two faculty courses at the organization's headquarters in Chicago since 2004. Furthermore, the company has provided financial incentives to its insured healthcare professionals, and their organizations, to participate in IHC workshops.

## About ISMIE Mutual

When one thinks of activists, doctors aren't the first people who come to mind. But Illinois doctors took matters into their own hands during the 1970s, when an explosion of medical malpractice litigation led to an insurance crisis that is revisiting parts of the country right now.

The available solutions looked pretty bleak: other than practicing medicine without insurance, options for physicians were to participate in an underwriting program sponsored by the Illinois Department of Insurance, or create a physician-run insurance company with their own money. From the start, the Department of Insurance option was almost as unattractive as the no-insurance option, since physician defense would not be a top priority for the agency, and costs would just be passed on to policyholders.

With their backs to the wall, physicians across the state resolved to start a physician-owned insurance company. After exacting a promise from the Illinois Department of Insurance to expedite licensing, the Illinois State Medical Society (ISMS) met with an actuary to determine how much capital and premium would have to be raised to start and run a viable company. Over 6,000 Illinois physicians sent in their checks and became owners of the Illinois State Medical Inter-Insurance Exchange (ISMIE).

ISMIE was officially born on July 1, 1976. Now the ISME Mutual Insurance Company, its mission, from the beginning, was to grow and become an insurance company owned and led by physicians. The physician Board of Governors would make all key decisions; the Physician Review Committee (PRC) would review settle/defend decisions for all claims; and the Physician Review and Evaluation Panel (PREP) would make all underwriting decisions. Finally, a professional insurance staff was hired by the Illinois State Medical Insurance Services (ISMIS), the ISMIE-owned subsidiary that operates the company on a daily basis.

ISMIE Mutual's core beliefs led to a unique business strategy. ISMIE Mutual pledged to aggressively fight defensible claims, even though claims defense is far more expensive than routinely settling claims, as many insurers do. Additionally, ISMIE Mutual pledged to provide coverage for all specialties, regardless of risk or territory, unlike many other companies that cherry-pick what they will and will not cover. ISMIE Mutual's leadership soon discovered that costs could be managed through conservative underwriting and ongoing risk management education, while aggressive claims defense acted as a deterrent to frivolous lawsuits.

## The ISMIE Vision

The vision of ISMIE's partnership with physicians has not changed since the company's inception. ISMIE stands for:

- The best coverage options available
- Aggressive defense of claims
- Innovative programs to manage liability risk
- Advocacy on behalf of Illinois physicians
- Physician-first service

## Celebrating 30 Years

The year 2006 marked ISMIE Mutual's 30 years of partnership with Illinois physicians.

### 1976

When other professional liability insurance carriers flee the state, doctors form the Illinois State Medical Inter-Insurance Exchange.

### 1985

A hard-fought tort reform initiative results in the abolition of punitive damage awards (not covered by medical liability insurance) against physicians in medical liability lawsuits.

### 2002

The "Exchange" is renamed ISMIE Mutual Insurance Company when the company converts from a reciprocal insurance company to a mutual insurance company for the benefit of its policyholder owners.

### 2004

An innovative Managing Risk/Risk Rewards program is launched to help physicians manage their practice risk while earning continuing medical education credits and up to a 15% discount, per policy year, off their medical liability insurance premiums.

### 2005

Along with ISMIE and ISMS, physicians, concerned citizens, lawmakers and pro-reform groups work tirelessly to achieve medical litigation reform., including a cap on non economic damage awards.

### 2006

With 13,000 policyholders, ISMIE remains the premier medical liability insurance provider in Illinois. Physicians complete risk management courses in record numbers.

## About the Institute for Healthcare Communication

The Institute for Healthcare Communication (IHC) was organized in 1987 to enhance the quality of health care by improving communication between clinician and patient. Nationally accredited, the Institute has partnered with hundreds of health care organizations throughout North America. The Institute's flagship workshop, Clinician-Patient Communication to Enhance Health Outcomes, has trained more than 100,000 clinicians in the "4Es" of communication (Engage, Empathize, Educate, Enlist).

Since 2002, IHC has expanded the scope of communication training to the field of veterinary medicine through a grant from Bayer Animal Health. This program, the Bayer Animal Health Communication Project, evolved as a result of the importance of capacity-building to create and sustain leaders in veterinary medicine with knowledge and skills to effectively communicate with clients and within the profession. The BAH Communication Project has been steadfast in its commitment to address gaps in communication skills training within schools of veterinary medicine and in the practice community through the development of educational modules for teaching communication. Since June 2003, the Project has provided professional development to faculty from 30 schools of veterinary medicine in North America.

## About the Program Partner Award

The Institute launched its Program Partner Award in 1999. The award recognizes partners who have made an extraordinary effort to address the issue of clinician-patient communication within their organizations. Recipients of the award include:

- 1999** Veterans Health Administration –  
Department of Veterans Affairs
- 2000** Permanente Medical Group
- 2001** Geisinger Health System
- 2002** Physicians' Reciprocal Insurers
- 2003** American Academy of Orthopaedic Surgeons
- 2004** COPIC Insurance Company
- 2005** Affinity Health System
- 2006** College of Veterinary Medicine –  
Washington State University
- 2007** ISMIE Mutual Insurance Company



Dedicated to improving communication between clinicians and patients.