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News from the President

EDIC ATTAINS MORE MILESTONES Company Receives Secure A.M. Best Rating

On May 13, 1997, EDIC received the following letter from A.M. Best, the nation's most recognized insurance rating bureau:

Dear Charles:

This letter serves as a formal notice of your organization's Best's Rating after a thorough analysis of all current information shared with us. The rating will become effective in approximately one to two weeks. We ask that you do not publicly release the rating assignment prior to its becoming effective upon release to our subscribers via Best's Rating Monitor, BestLink (our online computer network service) and BestLine (our telephone service).

We have assigned a **Best's Rating of B+ (Very Good) and Financial Size Category of III.** The initial "Secure" rating reflects EDIC's consistent profitability, adequate loss reserves, steady premium growth, and conservative operating strategy in providing professional liability coverages to dentists, primarily in Massachusetts. Hope Maxwell, Michelle Baurkot, and I enjoyed meeting with you and your management team earlier this year, and we look forward to an ongoing relationship with your company in the future. We expect to be attending the Vermont Captive Insurance Association Conference in August. Hope to see you there.

the line provided and return it within three working days. If more convenient, our FAX numbers are 908-439-2913 and 908-439-2433. Once we have received your acknowledgment, the rating will become effective in conjunction with its release to our subscribers. If the acknowledgment is not returned in the prescribed time frame, the rating will be released automatically. Under a separate cover, we will mail an invoice of the A.M. Best's Annual Rating Service Fee for your organization.

In addition, your organization's Best's Rating and corresponding Best's Company Report will appear in the next edition of *Best's Insurance Reports, Property/Casualty*. A draft copy of your Best's Company Report has been sent to your designated rating contact for review prior to release to our subscribers.

In closing, we sincerely appreciate the valuable assistance that you and your staff have given us. Should you have any questions, please feel free to contact the analyst responsible for your company's ratings, Hope Maxwell, Senior Financial Analyst, at extension 5690.



Charles P. Hapcook, DDS
President & CEO

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(EDIA). Through this vehicle the dentists of Massachusetts are enjoying quality products and carriers (*MassMutual, Chubb, Fireman's Fund, Kemper, Commerce*) for all their insurance needs. Many products are offered at group discount prices,

thus giving a valuable bonus to our clients. The response so far has been phenomenal, with over \$120,000 of premium being written in the first four weeks of operation.

In addition, the

Massachusetts Dental Society benefits from their endorsement of both EDIC and EDIA. It certainly is a win-win-win situation for our practicing dentists, the dental society and EDIC/EDIA.

The initial "Secure" rating reflects EDIC's consistent profitability, adequate loss reserves, steady premium growth, and conservative operating strategy in providing professional liability coverages to dentists, primarily in Massachusetts.

EDIA is also marketing and promoting *Direct Reimbursement* to employers in Massachusetts. The agency is actively working with the ADA and MDS to coordinate efforts in this arena. We have had responses from approximately 80 companies to date and are actively following these leads.

The administration of EDIC continues to meet with the other New England dental societies to seek their endorsements. Many of the dental leaders attended our insurance symposium in June. We feel that with our new Best's Rating and the excellent track record of our company that EDIC will soon garner other state society endorsements.

It is time that all our colleagues in New England unite in their own company and enjoy the benefits of being insured with EDIC.

As always, we continue to thank our loyal supporters and colleagues. Our profession can achieve great things when we are united toward a common goal.

Money Talks

Peter Stone is a manager at Massachusetts Mutual and is responsible for EDIA's Dental Financial Services Program. Mr. Stone's "**Money Talks**" article will be a regular feature of **The Oracle**. He and his colleagues are available to speak at District and Study Club meetings.

It Shouldn't Be Better to Die

by **Peter Stone**

If you are a typical professional, you are far better prepared to die than to become disabled for a prolonged period of time.

The irony is that the odds are against you: the chance of becoming disabled for a substantial period of time is far greater than the odds that you will die.

The Commissioners Disability Table statistics point out that at ages 20 to 30, the chances of suffering a prolonged disability (defined as 90 days or more) are almost three times higher than the chances that you

by the U.S. government entitled, "*Mortgage Foreclosures in the U.S.*," the findings are disturbing. Only 3 percent of foreclosures result from death while 48 percent result from disability.

What this means to all of us is the need that exists for individuals and businesses to own disability income protection — to provide the dollars lost because of illness or injury.

Sylvia Porter has written that although the need for this protection is apparent, it is still largely ignored — and precisely by those who need it most. Roughly 144 million people in the U.S. are protected by life insurance while roughly 50 to 55 million hold private disability income policies. They have acted to protect beneficiaries by providing an "instant estate", but have overlooked the need to provide protection against the decimation resulting from disability.

What does MassMutual disability income protection do? It is coverage that replaces income that



FYI: Case Study

This edition's highlighted case was sent to us by Attorney Carol A. Kelly of the Boston law firm of Martin, Magnuson, McCarthy, and Kenney, an EDIC approved defense firm.

Case Synopsis

The patient, a twenty-year-old woman, was referred to the defendant endodontist by her family dentist for possible root canal therapy. The patient's chief complaint, as noted in the endodontist's office record, was pain in the lower left jaw, which had been worsening. The patient gave a history of pain to percussion and chewing for the past year, and occasional discomfort in the area associated with the ingestion of cold foods. The patient also indicated that she was taking birth control pills. A dental examination six months earlier had not resulted in a diagnosis of a definitive endodontic problem.

The endodontist took a periapical radiograph, which he interpreted as showing a large pulp chamber and canals within tooth #18, and an increased diffuse radiopacity around the same tooth. He considered the patient's use of birth control pills to be a possible explanation for the radiopacity. The endodontist performed an examination, and tested the patient's teeth by use of percussion, cold air, and having the patient bite on a stick. However, neither the fact of having performed these tests nor the results were recorded in the patient's chart. The endodontist recalled

The patient's chief complaint, as noted in the endodontist's office record, was pain in the lower left jaw, which had been worsening.

on the last tooth in the lower jaw; i.e., tooth #18. The patient was also advised of the possible need for prosthetic treatment after the endodontic therapy.

The patient elected to have the recommended treatment. The endodontist's record of this visit included a notation that necrotic pulp was encountered in the chamber of tooth #18.

Instrumentation and obturation with gutta percha and sealer of three canals were completed, and the tooth was closed with cotton and cavirt. The patient was given a post-operative instruction sheet and advised to call if she had any problems.

Approximately three hours after leaving the endodontist's office, the patient called with complaints of continued pain, and that the endodontist had "done the wrong tooth." On the following day, the endodontist spoke with the patient, who stated she was not in any pain, but there was continued sensitivity. The patient stated that the endodontist "had done tooth #17" by mistake. The

endodontist pointed out to the patient that tooth #17, the wisdom tooth, was

Approximately three hours after leaving the endodontist's office, the patient called with complaints of continued pain, and that the endodontist had "done the wrong tooth."

The patient brought suit against the endodontist, claiming he had negligently failed to properly test, diagnose, and treat her condition



FYI: Case Study

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Eleven days later, the patient was seen by a general dentist, to whom she had been referred by her father's attorney.

Eleven days later, the patient was seen by a general dentist, to whom she had been referred by her father's attorney. She complained of continued pain in the lower left teeth. According to the dentist's records, the patient had no sensitivity to percussion or direct pressure any-

where in the left quadrant; however, lateral pressure on the DL cusp of tooth #19 elicited a painful response. The dentist's notes indicated that the examination revealed a faint crack line in the distal marginal ridge and the lingual

According to the patient and this dentist, the second root canal procedure brought the patient immediate relief.

occlusal groove. After removing an old amalgam filling in tooth #19, the dentist advised the patient that tooth #19 was cracked and needed root canal therapy. The patient agreed to undergo this treatment by the dentist. According to the dentist, opening tooth #19 revealed partially calcified pulp. According to the patient and this dentist, the second root canal procedure brought the patient immediate relief.

The expert concluded that this reinforced his impression that tooth #18 needed root canal therapy and was the etiological source of the patient's chronic pain.

The dentist stated in his record that it was his opinion that pulp disease in tooth #18 was misdiagnosed, and that the pain may have come from the cracked cusp of tooth #19. He further expressed the view that the radiopacity noted on the endodontist's radiograph was actually the shadow of the lingual mandibular salivary gland depression superimposed over the roots of the second molar. The dentist did not speak with the endodontist about this patient.

The patient brought suit against the endodontist, claiming he had negligently failed to properly test, diagnose, and treat her condition. She contended that the

patient contended that the endodontist had misdiagnosed her condition, and that the root canal that he had performed had been unnecessary. The dentist opined that the endodontist had failed to comply with the accepted standards of care in failing to perform any diagnostic testing beyond obtaining the radiograph, which in his view did not reveal a reason for root canal treatment for the tooth in question. The dentist's testimony was based on the absence of specific reference in the endodontist's records to the performance and results of pressure, percussion, hot or cold sensitivity tests, or an electric pulp test.

The defense's expert, a board-certified endodontist, testified that the root canal treatment was necessary, based on the endodontist's testimony that he did perform the diagnostic testing, as well as the fact that the endodontist encountered necrotic pulp upon opening the pulp chamber of tooth #18. He further testified that the subsequent treating dentist's report indicated that the patient did not have any sensitivity to percussion or direct pressure eleven days after the root canal treatment. The patient's only symptom at that time was an acute painful response when he applied lateral pressure to the disto-lingual cusp of tooth #19. The patient was, therefore, symptom free of her chronic pain. The expert concluded that this reinforced his impression that tooth #18 needed root canal therapy and was the etiological source of the patient's chronic pain.

Due to a long delay in getting a trial date from the court, both parties agreed to submit the case to binding arbitration. The arbitrator, a medical malpractice attorney, returned a finding in favor of the endodontist, deciding that the recommendation for root canal therapy for tooth #18 was a reasonable clinical judgement. The arbitrator's decision did, however, include a

Risk Management Analysis



Several factors in this case remind us again of the necessity of doing the following :
Thorough examination, record taking and history documentation, i.e.:

- A) Condition of the tooth in question; the extent and age of restorations
- B) Acquiring previous or older radiographs for comparison purposes
- C) Isolation and elicitation of the cause of the discomfort or pain

The above must be documented in detail. When treatment is discussed, informed patients consent to and understand that in some situations referred pain can occur, causing confusion in therapy judgements.

Janice E. Conrad, DMD

Member, Risk Management Committee



Documentation of diagnostic testing and its results are critical. A doctor may run all the proper tests, but if they are not documented in the patient's chart they will be of little value in defending a clinical judgement at a later date.

Robert L. Kittredge, DDS

Member, Board of Directors



It has been my experience on the claims committee that pertinent and extensive explanations on treatment rendered entered into the patient's record make a defendant dentist's actions more defensible. It should be the policy of all dentists that they, their hygienists, and other staff members be encouraged to make notations in the patient's chart relating to both treatment and any patient complaint or concern.

Another issue that comes to mind is the patient in question accusing the endodontist of "lacking empathy." Being a professional practitioner often requires extreme restraint in relationships with our patients. Situations that become strained for one reason or another can be amicably resolved if the dental professional would allow a patient to vent his or her frustration at times and then not react by taking an adversarial stance in response.

David A. Schmid, DDS

Member, Claims Committee



The defendant dentist was very fortunate to obtain a favorable decision. The defendant expert must have been very convincing in light of the fact that the defendant did not have optimal documentation in his records.

William H. McKenna, DDS

Chairman, EDIC Claims Committee

Advice From Our Partner

A Little Prevention Goes a Long Way

by **Richard Wood**, *Senior Vice President*

Risk. It's everywhere.

At first glance, a dental practice may seem to exhibit a low level of risk, certainly lower than most businesses. But, upon closer examination, there appear many hazards, each a potential headache for the practice's owner. A look at this list of property exposures tells the story: storage and use of sensitive equipment, precious metals, and flammable liquids or gasses; theft by employees and others; weather-related exposures, such as floods and hurricanes; and, of course, fire.

*Mr. Wood is a senior vice president and the Chief Operating Officer of Arkwright Insurance Company. Since January 1994, Arkwright has been EDIC's partner for the **Doctors' Advantage Program™**, a business owner's package whereby EDIC writes the General Liability and Arkwright writes the Property component of the policy. Our partnership has resulted in substantial savings for our dentists. Call 1-800-898-EDIC (3342) today to receive a Doctors' Advantage quote.*

With so many risks lurking in the shadows, protecting your facilities can seem a daunting task. But the benefits of protecting your practice, rather than relying upon insurance to reimburse you for any losses, are well worth the effort. Fortunately, there is much that you and your staff can do to better protect your practice.

By concentrating your energy on two key areas, you can create a most effective loss prevention program with little investment. These areas are: first, building constructions and physical protection, including fire prevention; second, human element (employee training and awareness). Within these areas, you should be most concerned about the following.

landlord does) to matters of weather. In winter, avoid the risk of collapse by clearing rooftops of excess snow and drains of debris. Also, make sure that roof flashing is securely fastened, a measure that can help your building withstand the effects of a severe windstorm or hurricane.

Special consideration should be given to the design and construction of rooms in which hazardous materials or high-value equipment will be stored or utilized. Additional ventilation may be needed in certain areas, as may special disposal or storage receptacles.

Fire Safety

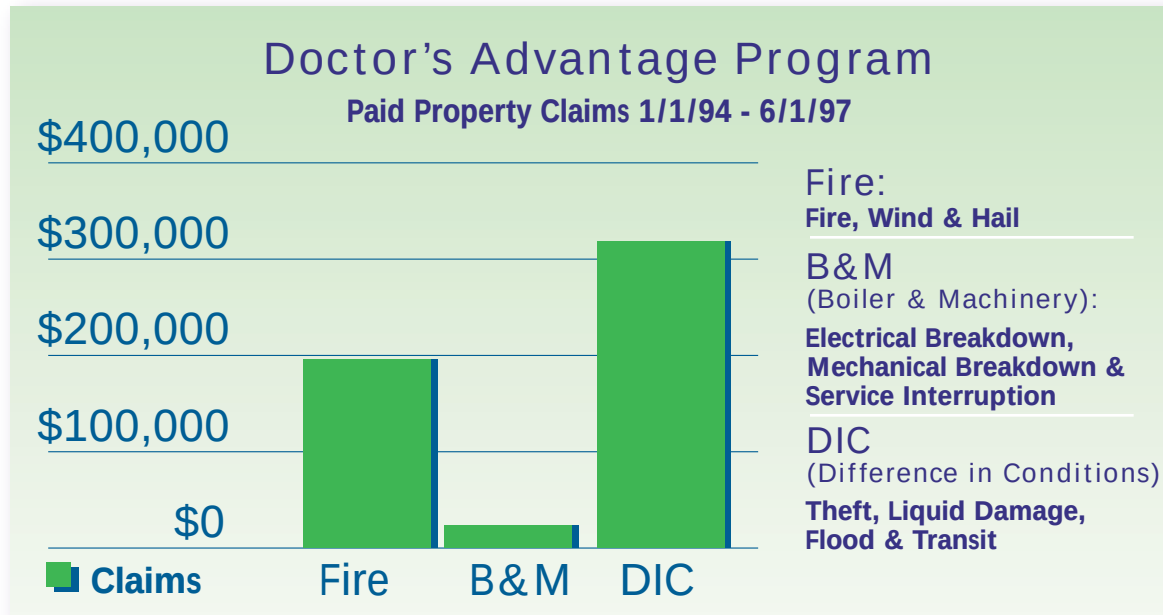
Fire is one of the greatest threats to your business, especially if you practice in a building without automatic sprinklers. To enhance the level of protection, all employees should be trained in fire safety and evacuation routes should be clearly posted both within your office and in the communal hallways.

Conduct regular fire drills. If you share office space with other businesses, consider including them in your drills.

Regularly inspect and maintain fire alarms, smoke detectors and automatic sprinklers, if present.

Practice good housekeeping. Make sure exit routes, as well as valves, hoses and extinguishers, are clearly marked and accessible.

Abolish smoking. If not possible, limit smoking to a designated area. Supply large, tip-proof ashtrays and keep a hand held fire extinguisher nearby.



Train employees in the general principles of loss prevention so they understand its significance, how a loss may affect them, and the critical role they play in protecting your facilities.

Ensure all employees know how to appropriately handle and store sensitive equipment and supplies. Expensive dental drills, surgical instruments, X-ray film and other related materials require precise handling. Mistreatment could render these items useless — a costly and completely avoidable loss.

Closely monitor all accounts receivables, especially cash. Provide access only to designated individuals who assume responsibility.

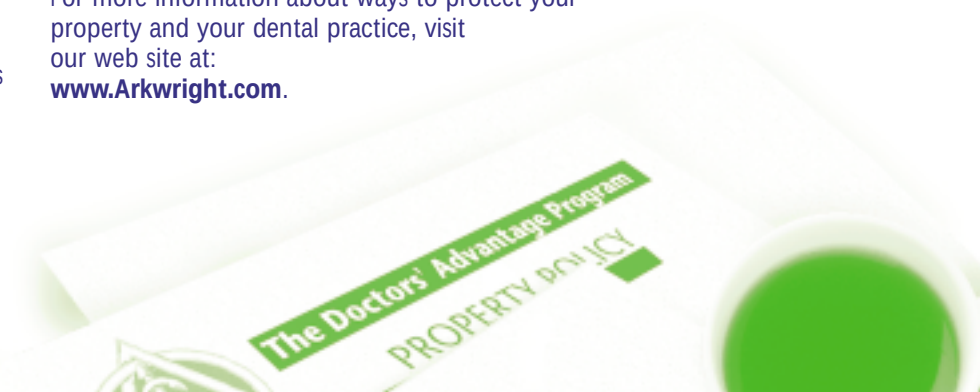
Pay special attention to storage and access to valuable materials, including precious metals used for fillings, and controlled substances, including anesthetics.

Install a safe to hold receivables during business hours, as well as store petty cash or valuables overnight. Corporate theft, both by employees and outside criminals, is a

By proactively identifying potential exposures, and aggressively taking measures to mitigate them, you will significantly increase your practice's potential for continued success.

Property Loss Prevention Experts

For more information about ways to protect your property and your dental practice, visit our web site at:
www.Arkwright.com.



Last Word

In conjunction with its annual meeting, EDIC hosted an insurance symposium for the dental leadership of the New England States and Pennsylvania.

Day one featured EDIC's consultants, many of whom are world renown in the professional liability arena. Day two gave our guests an opportunity to meet the EDIC Senior Professional Staff. In attendance were:

American Dental Association

Ron Chaput, DDS
First District Trustee

Connecticut

Lawrence Lipton, DMD
Past-President

Jeanne Altieri, DDS
President-Elect

Maine

Geoffrey Wagner, DDS
Council on Insurance

Ms. Frances Miliano
Executive Director

Massachusetts

Gus Levanos, DDS
President

Kevin McNeil, DDS
President Elect

James Bramson, DDS
Executive Director

New Hampshire

Mr. Henry Dougherty
Executive Director

Pennsylvania

Ms. Camille Cherry
Executive Director

Eugene Katz, DDS
President of Brokerage

Robert Stainbrook, DMD
Chair of Insurance Committee

Vermont

James Evans Wright, DDS
Past-President

Rhode Island

Robert Bartro, DDS
President

Ms. Valerie Donnelly
Executive Director

Frederick McMillen, DDS
Chair of Insurance Committee



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