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Tail Coverage - How Does it Work for KAMMCO Insureds?

A question the [KAMMCO underwriting department](#) often receives asks, “**What is tail coverage, and how does it work for KAMMCO insureds?**”

What is Tail Coverage?

Tail coverage, also known as an extended reporting endorsement, is an additional feature of a claims-made insurance policy that allows a provider to file a claim for events that occurred while the policy was active, even if the claim is reported after the policy has expired or been canceled. Tail coverage protects a provider from lawsuits related to past accusations even after their insurance policy ends.

The [Health Care Stabilization Fund \(The Fund\)](#) provides [tail coverage](#) for Kansas-resident providers and facilities who are subject to the statutory insurance requirements of the Health Care Provider Insurance Availability Act (Availability Act). The Availability Act provides for continued coverage to a healthcare provider or facility if a claim is made that is attributable to professional services rendered when the healthcare provider or facility was compliant with the Availability Act.

Tail Coverage – Individual Healthcare Providers

Kansas-Residents

The Fund was established at the height of the medical malpractice liability crisis in the late 1970s and 80s as part of an effort to stabilize the Kansas healthcare environment.

Here are the requirements Kansas resident providers must meet to receive tail coverage:

- **Provide a Cancellation Notice:** The healthcare provider must provide a written notice, by the named insured, to KAMMCO authorizing the cancellation of their insurance coverage.
- **Change License Away from Active Status:** Providers must work with the appropriate licensing body (i.e., Kansas State Board of Healing Arts or Kansas Board of Nursing, as applicable) to change their license to a status other than “active” on the same date they are canceling their insurance coverage.

Non-Kansas-Residents

Healthcare providers who did not reside in Kansas while their license was active are provided with the Fund’s continuing coverage only for professional services rendered in the state of Kansas while the provider was compliant with the Fund. This coverage comes at no additional cost.

Providers with active licenses in states other than Kansas should contact KAMMCO to discuss their tail coverage for non-Kansas medical services.



Individual Providers Who Are Not Eligible to participate in the Fund

Upon cancellation of their policy, KAMMCO offers healthcare providers who are not eligible to participate with the Fund the opportunity to purchase an extended reporting endorsement (i.e., tail coverage). Once KAMMCO receives written notice from a healthcare provider authorizing the cancellation of their insurance coverage, we will process the cancellation and provide them with a quote to purchase tail coverage. The coverage is voluntary, and the provider has 30 days from the policy termination date to purchase the extended reporting endorsement. KAMMCO will provide proof of the endorsement once we receive payment.

Tail Coverage – Facility Healthcare Providers

Kansas Healthcare Facilities

Once a Kansas healthcare facility meets the following requirements, tail coverage is provided by the Fund as a free benefit.

To trigger the tail coverage, the healthcare facility must:

1. Cancel their basic insurance coverage.
2. No longer render professional services.
3. Withdraw or surrender their Kansas license.

Please note that selling or transferring a healthcare facility license is complex and should be discussed with KAMMCO. If the situation is appropriate, KAMMCO will work with the Fund to determine tail coverage eligibility.

Healthcare Facilities That Are Not Eligible to Participate in the Fund

KAMMCO-insured healthcare facilities that do not qualify to participate with the Fund should contact the KAMMCO underwriting department to discuss the details and the cost of tail coverage.

Additional Insurance for Healthcare Facilities

Some healthcare facilities may elect to purchase additional insurance coverages other than basic coverage limits for professional liability with KAMMCO. This coverage could include:

- Additional insured endorsement
- Employee benefits endorsement
- Umbrella coverage

Healthcare facilities should discuss tail coverage for additional insurance coverages with KAMMCO before policy cancellation.

For More Information

Contact the Fund directly for more information about Fund-provided tail coverage, including their tail coverage limits for any individual healthcare provider or facility. The Fund can be reached at hcsf@ks.gov, by calling **1-785-291-3777**, or by mail at **Healthcare Stabilization Fund, 300 SW 8th Ave, 2nd Floor, Topeka, KS 66603-3912**. You can also find the Fund online at <https://hcsf.kansas.gov/>. ■