

## CBS/Reliance: the Bottom Line

My article on the ICA's malpractice insurance program<sup>1</sup> apparently struck a nerve. While it was intended to clarify months of misinformation on the part of Chiropractic Benefit Services (CBS), it provoked a delayed response covering three pages.

Amazingly enough, the owner of CBS admitted doing something to his policyholders that the ICA was quite concerned about. The concern comes from the fact that CBS's previous insurer, Reliance, which had their ratings severely downgraded,<sup>2</sup> was "delisted" by the New York Stock Exchange,<sup>3</sup> and is expected to go bankrupt.<sup>4</sup> Continuing to allow their insureds to be covered by Reliance puts CBS' policyholders in a potentially severe and completely unnecessary position.

Yet despite the ICA's expressed concern, CBS President Rondberg clearly stated:

"CBS is automatically transferring policies to our new carrier as they come up for renewal."<sup>5</sup>

Why? What is the purpose of waiting almost a year to move some of their policyholders away from an insurer whose ability to cover their claims is questionable at best?

What does CBS get out of waiting another 5-6 months to transfer the rest of its policyholders? Is it a matter of money? Is it in CBS' best financial interest to leave their policyholders hanging?

It is the ICA's position that the only reason to offer malpractice insurance is to protect practicing doctors of chiropractic and their patients. Leaving policyholders insured with a company that has been contemplating bankruptcy since last August<sup>4</sup> falls egregiously short of that. And no matter what other comments CBS' president wants to make, that's the bottom line.

### References

1. ICA's malpractice insurance program - Separating fact from sales propaganda. Stuart Hoffman, DC. *Dynamic Chiropractic*, November 30, 2000. <http://www.chiroweb.com/archives/18/25/17.html>.
2. Reliance group ratings fall as bankruptcy looms. Reuters News Service, November 1, 2000.
3. Pennsylvania insurance company delisted from stock exchange. *Pennsylvania Inquirer*, December 7, 2000.
4. Reliance mulls bankruptcy. August 15, 2000. *CBS Marketwatch.com*.
5. CBS - Separating fact from lies. *The Chiropractic Journal*, January 2001.

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