



RHARMACY

Risk Management in

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The Two Dosage Unit Rule

by **Don McGuire, R.Ph., J.D.**, General Counsel, Pharmacists Mutual Insurance Company

An article in the January 2008 edition of *Pharmacy Today* about a TPN error reinforced the importance of risk management in today's pharmacy practice. It also reinforced the usefulness of one of the techniques that has been promoted by Pharmacists Mutual; the **Two Dosage Unit Rule**.

The incident, described in the article written by David Brushwood, involved the addition of zinc to a TPN. The error caused the patient to receive a thousand times too much zinc. The patient subsequently died. In order to make the TPN, the technician used at least 45 vials of zinc. This case is a prime example of how the Two Dosage Unit Rule could have been used to avoid this error.

The basis for the rule is that more often than not, **prescription dosage forms are made in sizes that correspond with the recommended dosages**. It is the exception, rather than the rule, that a patient is required to take more than 2 dosage units at a time.

The essence of the rule is that any Sig that appears to call for more than 2 dosage units per dose is marked and set aside for further review. This extra attention helps to ensure that the unusual doses are properly identified and separated.

The rule was developed following a claim handled by Pharmacists Mutual involving Ambien. The prescriber had written "S hs." The "S" was intended as an abbreviation for "Sig," but the technician entering the prescription into the computer read it as a "5" and typed it as "Take 5 tablets at bedtime." The prescription made it through the final check and the patient took 5 tablets the first night. The patient was taken to the emergency department the next morning, and eventually recovered. Using the rule in this case would have singled out this prescription for further review because of the 5 tablets. Upon further review, the pharmacist should have realized that 50 mg was an inappropriate dose for this drug.

Another of our claims involved an injectable product that was available in 20 unit prefilled syringes. The pharmacist mistakenly thought that the prescription called for 120 units twice a day. Six of the prefilled syringes were banded together and sent to the floor. Nursing personnel administered the dose for 3 days (36 individual injections!) before the error was discovered. Again, using the Two Dosage Unit Rule, the 6 syringes would have caused the prescription to receive extra attention prior to dispensing.

The Two Dosage Unit Rule is easy to remember and easy to use. By making sure that your entire staff knows and uses the rule, you will decrease the chance that an interpretation error or a keystroke error will lead to a prescription with incorrect directions being dispensed to your patients. **Whether it is 5, 6 or 45, if it is more than 2, verify the Sig before dispensing.** ☞

Subrogation 101

by **Bob Christian, J.D.**, Assistant General Counsel, Pharmacists Mutual Insurance Company

You've suffered a loss caused by someone else and have been paid for your claim by Pharmacists Mutual Insurance Company (PhMIC). You should know that PhMIC actively attempts **to recover money from someone who causes a loss to people and/or companies we insure. This is known as a right of subrogation**. Subrogation means that the insurer stands in the shoes of its insured and assumes any rights that the insured may have against any party responsible for a loss. An insurance company has the right of subrogation when it pays a loss that was caused by someone other than its insured.

An example of subrogation would be where a furnace explodes and destroys a pharmacy insured by PhMIC. We would pay to rebuild the pharmacy. We would also investigate to determine WHY the loss occurred. If the investigation determines that a defect in the furnace or a problem with the installation of the furnace caused the loss, we

would pursue the manufacturer or installer to reimburse us for the loss.

After the loss occurs, PhMIC will hire an investigator to work with the local fire officials to attempt to determine the cause of the explosion. The main goal of the fire authorities is to determine WHERE the incident started and whether it was accidental or intentional in nature. If the incident is determined to be accidental, our investigator will proceed with investigating HOW the loss occurred.

Our investigator will make an initial finding as to the probable cause of the fire. At that time, we are required to notify any party that may have played a role in the loss. They must be given an opportunity to examine the scene before it is cleaned up. The investigator will meet with any interested parties and a decision will be made as to what evidence needs to be collected. We may also choose to bring in an expert with special knowledge, such as an expert in propane gas, if that is necessary.

Once the evidence is removed from the scene, the facility may be cleaned and restored.

As the insured, you have information that may be crucial to the investigation. You may need to help us find documents and records showing who worked on your property in the past. You may need to provide a statement which aids in piecing together a timeline of events. This investigation is conducted with the goal of trying to determine why the incident occurred.

Subrogation is an attempt to make a party that we do not insure pay for damage they have caused. It is a practice that has existed for hundreds of years and is allowed by the law in every state in the country. Although there may be circumstances that prevent us from recovering subrogation for some claims, when we are successful, it benefits all of our policyholders. ☞

What You Need to Know About Identity Theft

by **Jennifer Swift, AIS, ACS**, Personal Lines Underwriter, Pharmacists Mutual Insurance Company

Identity theft represents America's fastest growing crime. There are two different perpetrators of identity theft – the one who steals the data and the one who uses the data fraudulently. You may help protect yourself from being a victim of identity theft by following these risk avoidance techniques:

- Be cautious when providing others your name, social security number and date of birth
- Protect your personal identification numbers (PINs)
- Review your financial information regularly, carefully check your banking and financial account records
- Obtain a Post Office box or request a locked mailbox
- Periodically ask for a copy of your credit report
- Always use passwords to protect your online information and accounts
- Buy a personal firewall or prevent unauthorized access by turning off your computer when it is not in use


- Have new checks sent to the bank for pick up instead of your mailbox
- Buy a shredder and shred any documents with important information
- Consider "opting out" of mail and telemarketing programs

Identity theft can occur by the theft of a purse or wallet, dumpster diving, computer hacking and providing false identification. Criminals digging through the trash can find personal information from pre-approved credit offers, receipts, old checks, or insurance and medical forms. Your stolen information can be used to obtain false drivers licenses, birth certificates, passports, etc.

It is especially important to remember that you are most vulnerable during tax time as a lot of personal information is

being mailed to your mailbox, providing thieves with an easy opportunity to obtain the information. Young adults are at the greatest risk for being victims of identity theft because they are easy targets. They are constantly moving, changing roommates, sharing information, and are usually less cautious at protecting their personal information.

Financial institutions typically pay for direct fraud loss but they do not pay for restoration costs, lost time or lost wages. Identity theft insurance can assist with these issues. There are many forms of identity theft insurance which usually cover costs such as the notarization of documents, postage and phone charge, fees to re-apply for loans, certain legal fees and lost wages subject to limitations and deductibles. Please check with your insurance provider to see if this valuable coverage is available.

If you think you may have become a victim of identity theft, please act immediately to help minimize the damage to your personal assets and credit, as well as your reputation. 

Financial institutions typically pay for direct fraud loss ...not ...restoration costs, lost time or lost wages.


Vacant? Unoccupied? Coverage Condition Alert!

In the Pharmacists Mutual Business Owners Policy (BOP) there is a clause under the Property Coverage Conditions that, in the most basic of terms, excludes coverage for losses to vacant and unoccupied property caused by a number of perils, including vandalism, theft, and water damage.

Obviously, in this day and age, many buildings covered by a BOP go vacant

or unoccupied at times. Vacant for these purposes is defined as when the "occupants have moved, leaving the building or structure empty or containing only minimal business personal property." Unoccupied is defined as "the customary activities or operations of the described occupancy are suspended, but business personal property has not been removed." Both conditions' exclusions are dependent on the condition existing for "more than 60 consecutive days."


The confusion and contentions arise at the time of a loss for one of those excluded perils. If you, as the policyholder, are not aware of this clause in your policy contract, you are understandably upset when coverage is denied. We present this information to you in the hopes we can help you "know" your policy and avoid these misunderstandings.

We have risk management tips available to help you protect your vacant or unoccupied property against loss. Call extension 7229 or 7253 on our toll free line to request a copy. 

An Ongoing Problem - Reprint from Spring 2007

If you have the BP 0331 Protective Devices form attached to your Business Owners Policy, your protective device or system must be in good working order for there to be coverage in case of fire or theft loss.

Basically, what the language of the form says is that we do not pay for loss or damage by fire (or theft) if, before the fire (or theft) you had knowledge of an interruption in service of the device(s) or service listed on the schedule, or you failed to maintain in complete working order the device(s) or service listed on the schedule of the form.

It is your responsibility to have the system inspected regularly and repaired as needed. Keep those inspection / repair reports on file in case you need to verify the system integrity during a claim settlement. 

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Property Loss Settlements

By **Kirk A. Benson**, Property Claims Specialist, Pharmacists Mutual Insurance Company

Major damage to property? Just send a check for the policy limits, right? Hold on, partner – it's not quite that simple.

There is a growing perception among insurance consumers that if their property sustains serious damage, the policy will automatically pay the policy limits.

That may or may not be the case. Settlement is subject to the policy contract provisions and state laws, among other things.

To determine how a Coverage A Structure Business Personal Property, Personal Property, and/or Loss of Business Income claim(s) is settled, our staff and the customer must refer to the following sections in the policy:

1. What Must Be Done In Case Of Loss

2. Valuation of Property Losses
3. How Much We Pay
4. Loss Settlement

Along with the Valued Policy Law in the state in which the loss occurred.

It is the policyholder's duty to provide damage estimates; a list of the damaged property, an inventory, and/or any other available documents that support the claim.

From a structure stand point, we must first determine if the building is repairable.

The fact that a building has been seriously damaged does not necessarily mean it is irreparable. The structure(s) are inspected and estimates of repair or replacement are written. In most cases, our adjuster meets with the policyholder's contractor and an "agreed

scope of damage" is determined.

On the personal or business personal property side, it is the policyholder's duty to provide a complete inventory of all damaged and destroyed property. The property cannot be disposed of until repair costs or replacement costs are mutually agreed to by the parties. The task of providing the personal property inventory can be a very time-consuming, almost overwhelming job for the policyholder, especially after a catastrophic loss. In an effort to assist our customers who have suffered a loss, our claims department is employing an outside vendor on a trial basis to go to the loss site and assist our customers in the creation of the inventory of the damaged or destroyed property and provide help with the necessary documentation. Use of this vendor is not mandatory – it is an option available to you.

To sum up this short note on a very complex issue, all parties must realize that 1.) each claim is different and will be handled individually, 2.) it can be a very time-consuming process, and 3.) it is almost invariably stressful. However, with patience and cooperation, you and Pharmacists Mutual will come to a successful resolution of the claim. 📄



Recreational Water Illnesses on the Rise: CDC

More outbreaks of recreational water illnesses (RWIs) were reported in 2007 than ever before, according to the Centers for Disease Control and Prevention. CDC designated May 19-25 National Recreational Water Illness Prevention Week to raise awareness of the risks.

The leading cause of RWIs is cryptosporidium, or crypto—a chlorine-resistant parasite that can exist even in a well-maintained pool or spa. Between 2004 and 2007, the number of crypto cases tripled, CDC said. Symptoms of illnesses caused by crypto include up to three weeks of diarrhea, stomach cramps, nausea, vomit-

ing and fever. Symptoms will generally appear 2-10 days after infection.

The illness can be spread by swallowing, breathing, or having contact with germs in a pool, lake, river or other body of water. CDC advises people to practice safe swimming habits, which include not swimming when experiencing diarrhea; washing hands after going to the bathroom or changing a diaper; showering and washing children thoroughly before swimming; and not swallowing water. 📄

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Questions or requests concerning

- ✓ The contents of this newsletter?
- ✓ Safety Consultation Services?

call **800-247-5930 ext. 7229**
or e-mail **jack.williams@phmic.com**

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Assistant Editor: Shelly Brown
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E-mail Encryption System Effective June 30

The mission of Pharmacists Mutual Companies is to help you attain financial peace of mind. We also want you to have peace of mind when it comes to the protection of your personal information. Thus, on June 30, 2008, Pharmacists Mutual will implement an e-mail encryption system. This e-mail encryption system will allow us to send to you e-mails that contain potentially sensitive information in a safer format. If you receive an e-mail from us that is encrypted, you will see a message that looks like this:

You have received a secure message from Pharmacists Mutual, The Pharmacists Life, or Pro Advantage

To read the message, open the attachment and then click the **OPEN** button on the following page.

If you need to send an encrypted reply, please use the reply button provided WITHIN the secure message.

Mobile device users: Forward this message to mobile@pxmail.com. You will receive an e-mail containing a link to a page where you can view the secure message.

Questions? Please contact the sender or call 1-800-247-5930 ext. 4270.

There will be an attachment included in the e-mail called "Securedoc.HTML" that you will need to open to view your message.

The e-mail will open in a web browser such as Internet Explorer, Netscape, or Firefox. When the secure e-mail opens, you will notice there are buttons to reply or forward. These buttons will allow you to reply back to us with an encrypted message.

If you have any difficulty opening your encrypted e-mail, please call 800-247-5930 or contact the sender.

Thank you for your cooperation as we strive to keep your data safe. 📧

Secured Message

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