

State of West Virginia

Medical Malpractice

Report on Insurers with over
5% Market Share



November, 2004

Provided by the Office of the West Virginia
Insurance Commission

Introduction

The West Virginia Offices of the Insurance Commissioner has prepared this report in response to the Medical Professional Liability Insurance situation in West Virginia and to fulfill the requirements and intent of West Virginia Regulations 114CSR22, 114CSR23 and West Virginia Code §33-20B-6. The information used in the preparation of this report encompasses the experience found in the statutorily required 'filed information' of those insurers with 5% or greater market share, the rate filings of those companies, National Association of Insurance Commissioners (NAIC) supplementary information, Insurance Services Office (ISO) loss cost filings, other ISO reports, A. M. Best reports, data from the West Virginia Board of Medicine and the cooperation of Marsh in providing the data underlying the Board of Risk and Insurance Management's BRIM II program.

Discussion regarding rising medical malpractice insurance costs continued during 2003. Numerous other states throughout the country are experiencing their own malpractice insurance affordability/availability crisis. The American Medical Association has identified twenty states as currently being in a medical malpractice 'crisis'. West Virginia's crisis occurred earlier and was acted upon by the state legislature and administration. 2004 marks the beginning of the West Virginia Physicians' Mutual Insurance Company (WVPMIC). Effective July 1, 2004, roughly 1400 physicians insured by BRIM II were transferred to the new company. The WVPMIC is now West Virginia's largest licensed physicians' malpractice writer. They estimate that they will write \$42,000,000 in premium over the next twelve months.

This year's report covers the following medical malpractice insurance areas:

- **Section I:** An overview of the Industry's insurance results in 2003 coupled with a *comparison* of Industry results and West Virginia results for Medical Malpractice Insurance.
- **Section II:** A review of the West Virginia Board of Medicine paid claim data covering 1993 – June, 2004.
- **Section III:** A *fulfillment of the legislative requirements* examining market positions, rating plans and rules, and a comparison of filed information to rate filings and financial statement information. A review of rate filings and investment returns is provided. Also, a sample comparison of current approved physician's and surgeon's rates in West Virginia is included. This year's report does provide estimated 2003 figures for BRIM II. BRIM II wrote nearly 30% of the medical malpractice market in 2003.
- **Section IV:** Summary observations.

The overall goal of this report is to provide the reader with insight into the current Medical Malpractice Insurance situation in the State of West Virginia.

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Appendix: NAIC Premium and Loss Information by Company

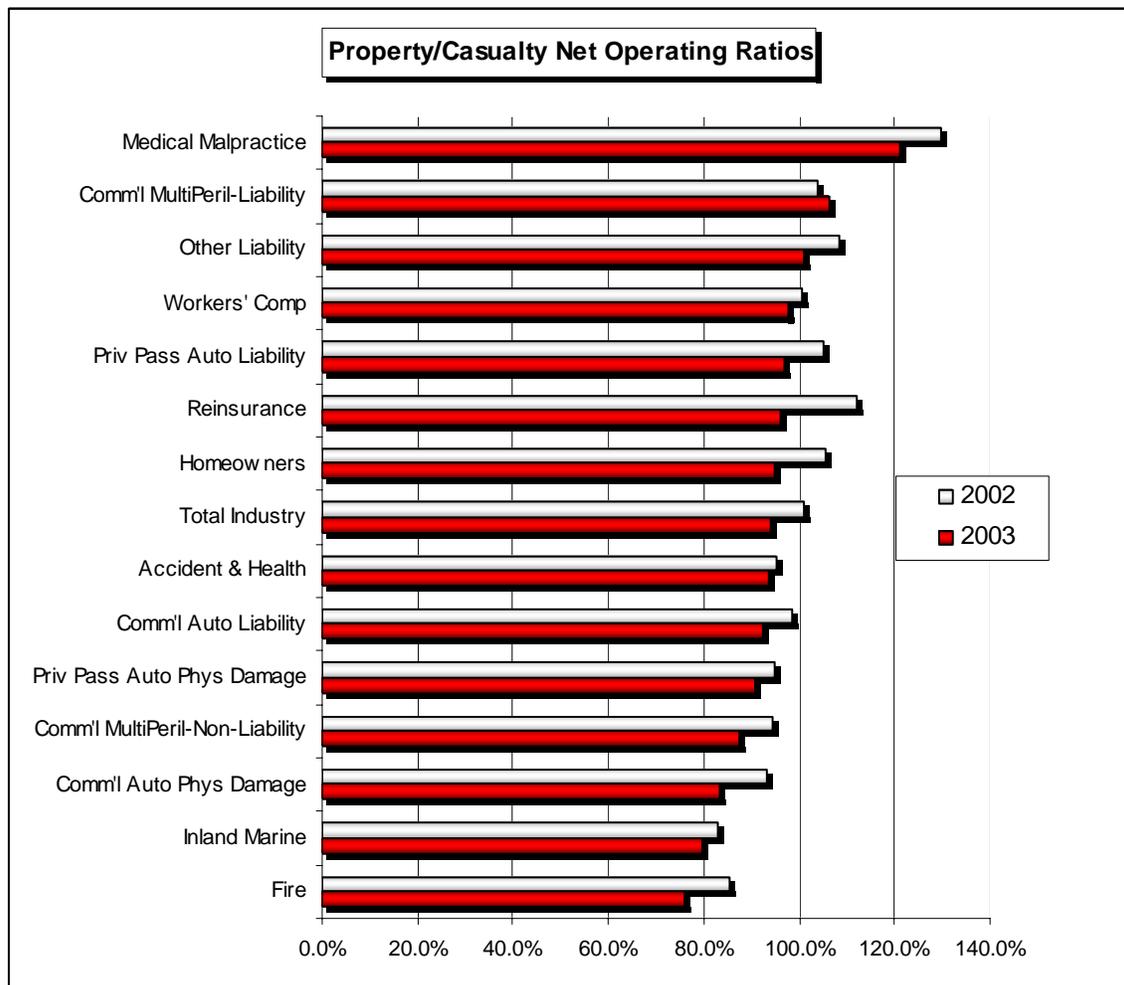
Physicians (West Virginia)	52
Hospitals (West Virginia)	53
Other Health Care Facilities (West Virginia)	54
Other Med Mal Policies (West Virginia)	55
Other Health Care Professionals (West Virginia)	56
Total Medical Malpractice (West Virginia)	57

Section I

Overview

Section I. Overview of Countrywide Insurance Results for 2003

Last year's report noted a strong improvement in **combined property and casualty insurance industry results** posting a net operating ratio of 101.2%. The results for 2003 show a continuation of this improvement. The combined net operating ratio dropped from 101.2% in 2002 to a profitable 93.9% in 2003. The net operating ratio reflects the results after paying/reserving for all claims and claim expenses; paying underwriting expenses and dividends; paying and collecting on reinsurance agreements; and accounting for investment gains/losses.



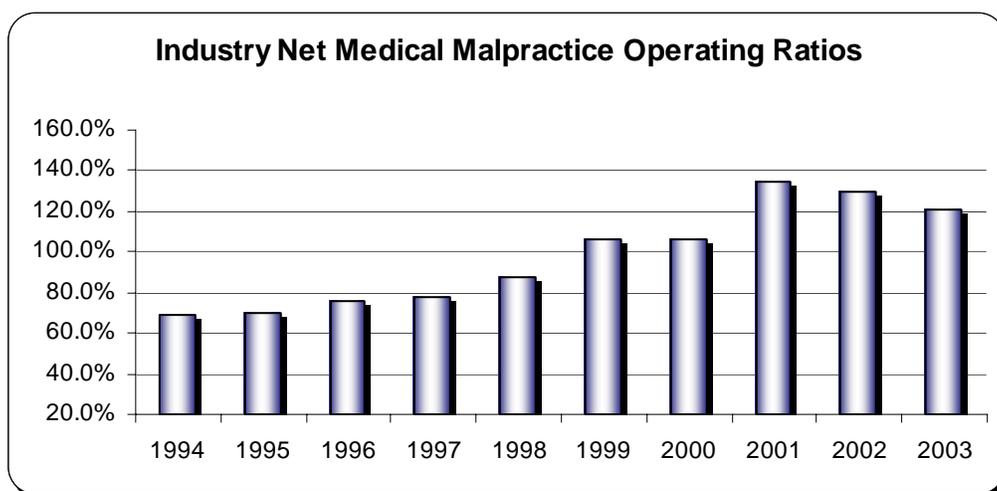
Source: A. M. Best

Several points should be noted on the industry results for 2003:

- With the exception of Commercial Multi-Peril Liability, every line of business displayed an *improvement* in 2003.
- As was the case in 2002, Medical Malpractice continues to be the worst performing line in 2003. The countrywide operating ratio for Medical Malpractice improved from 129.6% in 2002 to 121.2% in 2003.
- The 93.9% overall countrywide operating ratio is the best result the industry has posted since 1997's 91.1%.

I-A. Medical Malpractice Insurance Results for the Industry

As noted in the industry overview, Medical Malpractice was the poorest performing line of insurance once again in 2003. The results show that this line improved its operating ratio from 129.6% in 2002 to 121.3% in 2003. *The graph below displays industry net operating ratios over the last ten years:*



Source: A. M. Best

I-B. Medical Malpractice: Industry vs. West Virginia Comparison

The next exhibit below provides a comparison of medical malpractice results for the Industry with results for West Virginia over the 1998 – 2003 time period. In reviewing this exhibit, the two areas of difference (other than premium) are *the direct loss ratio and the allocated loss adjustment expense (ALAE)*. *BRIM II results are **not** included in this comparison.*

Industry vs. West Virginia Medical Malpractice Results

(000's)

INDUSTRY (Best's Aggregates & Averages)*

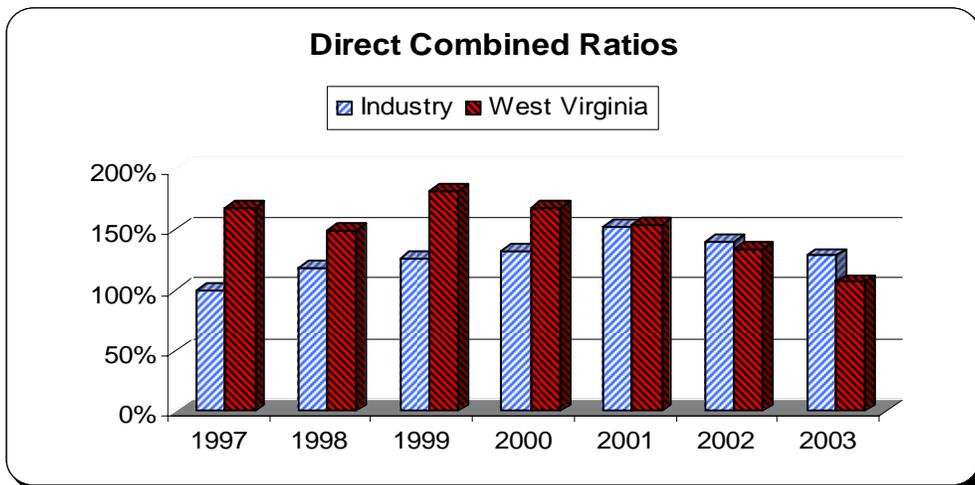
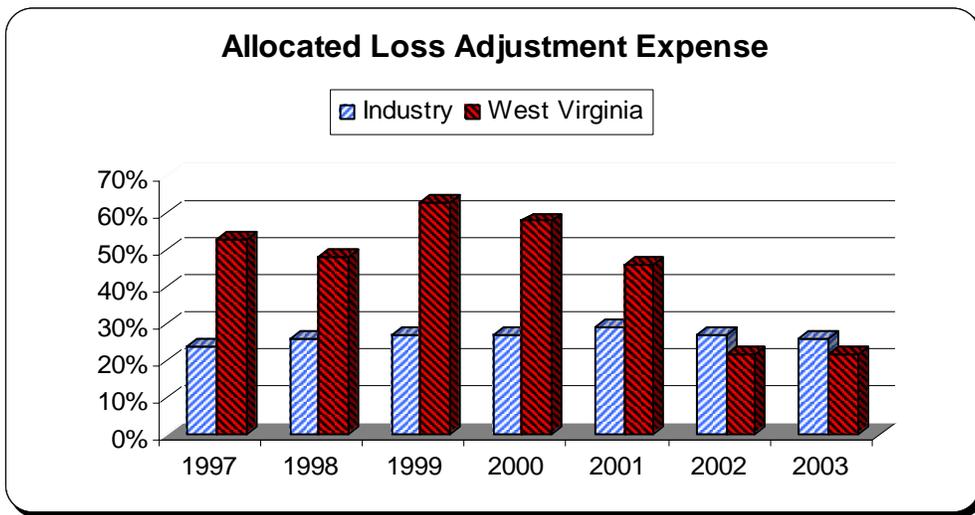
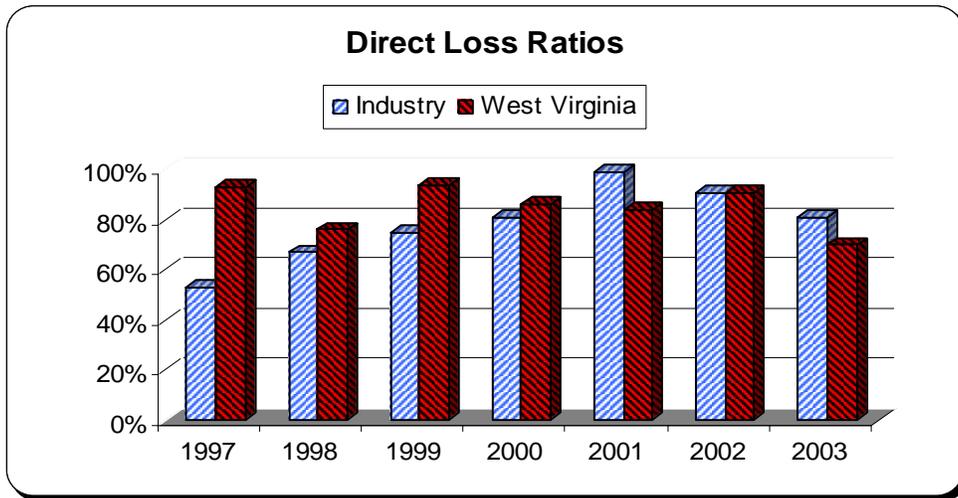
Year	Direct Written Premium	Direct Earned Premium	Direct Loss Ratio	ULAE	ALAE	Loss Adjustment Expense	Underwriting Expense	Direct Combined Ratio
1998	6,060,121	6,053,325	66.7%	5.5%	26.4%	31.9%	19.8%	118.4%
1999	6,012,482	5,997,702	74.7%	5.6%	26.5%	32.1%	20.1%	126.9%
2000	6,300,674	6,256,265	80.7%	5.6%	26.6%	32.2%	19.4%	132.3%
2001	7,330,604	6,819,248	99.7%	6.0%	28.6%	34.6%	18.8%	153.0%
2002	8,869,102	8,402,641	91.7%	5.6%	26.8%	32.4%	16.5%	140.6%
2003	10,163,105	9,691,507	81.1%	5.5%	26.2%	31.7%	15.6%	128.5%
Total	44,736,088	43,220,688	83.1%	5.6%	26.8%	32.4%	18.0%	133.6%

WEST VIRGINIA (NAIC Annual Statement Data)*

Year	Direct Written Premium	Direct Earned Premium	Direct Loss Ratio	ULAE	ALAE	Loss Adjustment Expense	Underwriting Expense	Direct Combined Ratio
1998	58,538	57,920	76.0%	5.5%	47.9%	53.4%	19.8%	149.3%
1999	50,303	48,996	93.7%	5.6%	62.8%	68.4%	20.1%	182.2%
2000	73,320	62,785	85.6%	5.6%	58.1%	63.7%	19.4%	168.7%
2001	84,701	79,215	83.7%	6.0%	46.3%	52.3%	18.8%	154.8%
2002	91,978	100,556	91.0%	5.6%	21.5%	27.1%	16.5%	134.6%
2003	76,762	76,672	69.7%	5.5%	16.0%	21.5%	15.6%	106.8%
Total	435,602	426,144	83.3%	5.6%	38.8%	44.5%	18.1%	145.8%

*excludes BRIM results

Visually, the comparison of Industry results with West Virginia results for Medical Malpractice can be seen in the three graphs that follow:



A number of *favorable* observations can be made from the Industry vs. West Virginia comparison:

- The results for 2003 show a **dramatic improvement in West Virginia**.
- The combined ratio fell to *106.8% in West Virginia* compared with 128.5% countrywide and 134.6% in West Virginia in 2002.
- A large decline occurred in the direct loss ratio, dropping 21.3 points, to 69.7% in 2003. Thus, the direct loss ratio has dropped from a high of 93.7% in 1999, to its present low of 69.7%.
- Additionally, the significant improvement in loss adjustment expense that occurred in 2002, continued in 2003. The *loss adjustment expense ratio in West Virginia now stands at 21.5%*, down from a 1999 high of 68.4%.
- In 1999, the direct combined ratio in West Virginia was 182.2%; it now stands at 106.8%.
- Note that these figures **exclude BRIM results**, thus the drop in written premium from 2002 (\$92 M) to 2003 (\$77 M). The estimated written premium for BRIM II in 2003 is \$32 M, thus written premium including BRIM rose to \$109M, or an increase of 42%. More will be discussed concerning BRIM II later in this report.
- A review of the Direct *Operating* Ratio (which further reflects Dividends Paid and Investment Gain/Loss) produces the results which follow:

Direct Operating Ratio Comparison*

Industry Med Mal

Year	Direct Combined Ratio	Dividend	Combined Ratio(after Dividend)	Investment Gain	Direct Operating Ratio
1998	118.4%	3.3%	121.7%	23.7%	98.0%
1999	126.9%	3.7%	130.6%	20.5%	110.1%
2000	132.3%	3.7%	136.0%	24.5%	111.5%
2001	153.0%	2.7%	155.8%	15.9%	139.9%
2002	140.6%	1.7%	142.3%	9.9%	132.4%
2003	128.5%	0.4%	128.9%	12.6%	116.3%
	133.6%	2.4%	136.0%	17.0%	119.0%

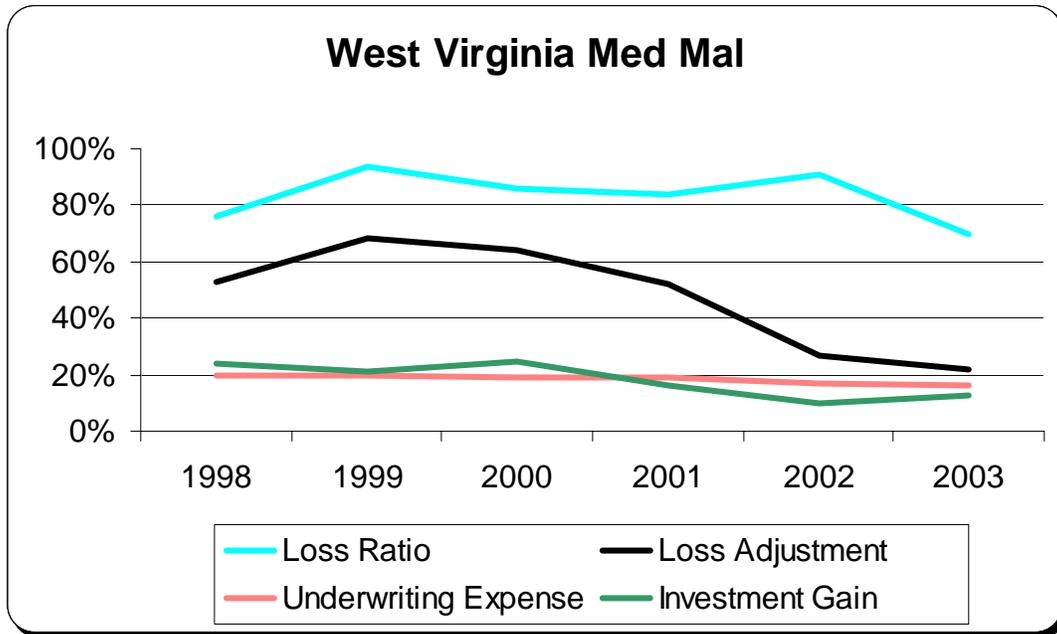
West Virginia Med Mal

	Direct Combined Ratio	Dividend	Combined Ratio(after Dividend)	Investment Gain	Direct Operating Ratio
1998	149.3%	3.3%	152.6%	23.7%	128.9%
1999	182.2%	3.7%	185.8%	20.5%	165.3%
2000	168.7%	3.7%	172.4%	24.5%	147.9%
2001	154.8%	2.7%	157.5%	15.9%	141.6%
2002	134.6%	1.7%	136.3%	9.9%	126.4%
2003	106.8%	0.4%	107.2%	12.6%	94.6%
	145.8%	2.4%	148.2%	16.7%	131.5%

*Excludes BRIM results

- These figures show that after accounting for dividends and investment gain, medical malpractice produced an *operating profit* for 2003 in West Virginia. This is in sharp contrast with countrywide results.

I-C. Key Drivers of West Virginia Medical Malpractice Insurance Results



Negative Factors

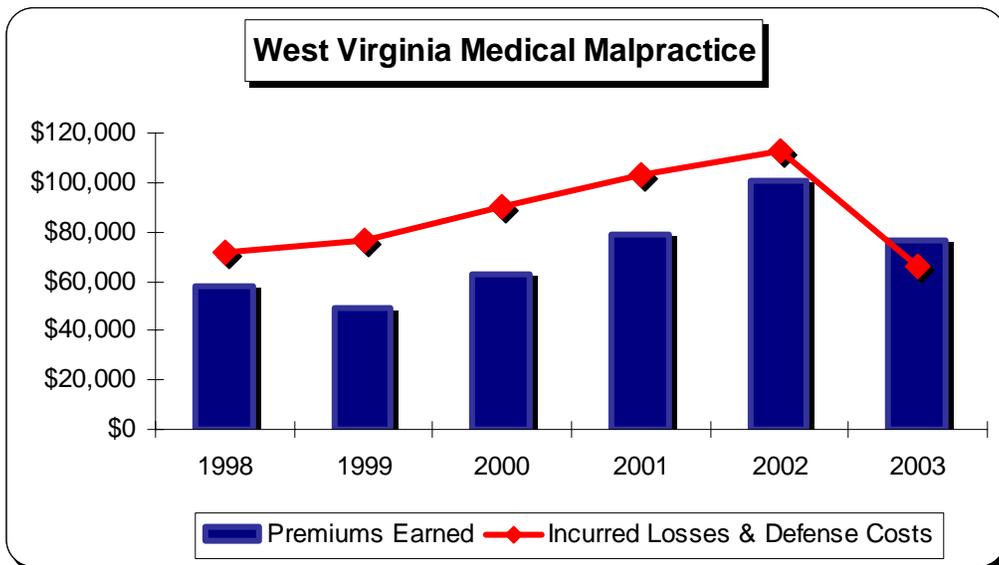
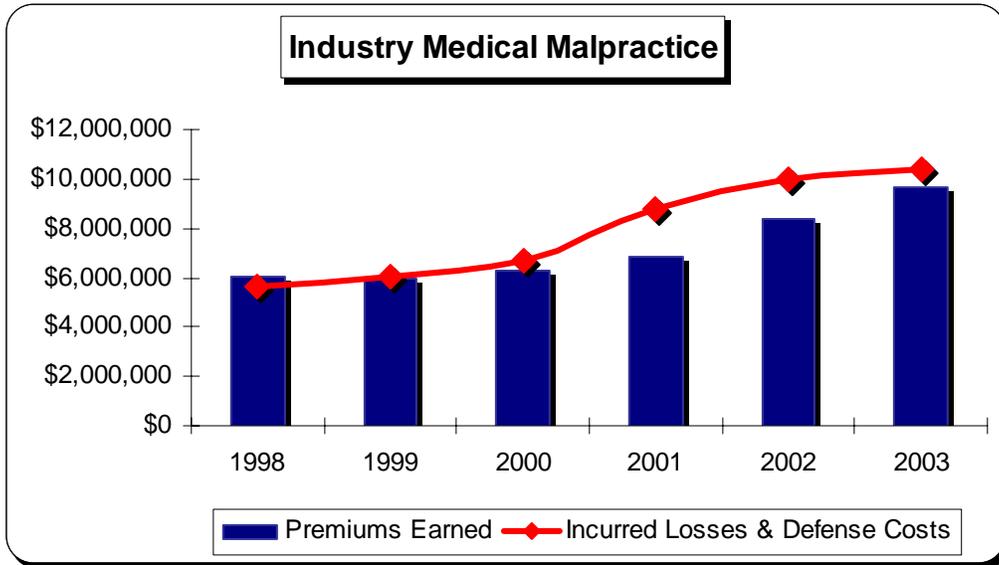
- None

Positive Factors

- Sharp decline in Loss Ratio
- Continued decline in Loss Adjustment Expense
- Decline in Underwriting Expense
- Rise in Investment Gain

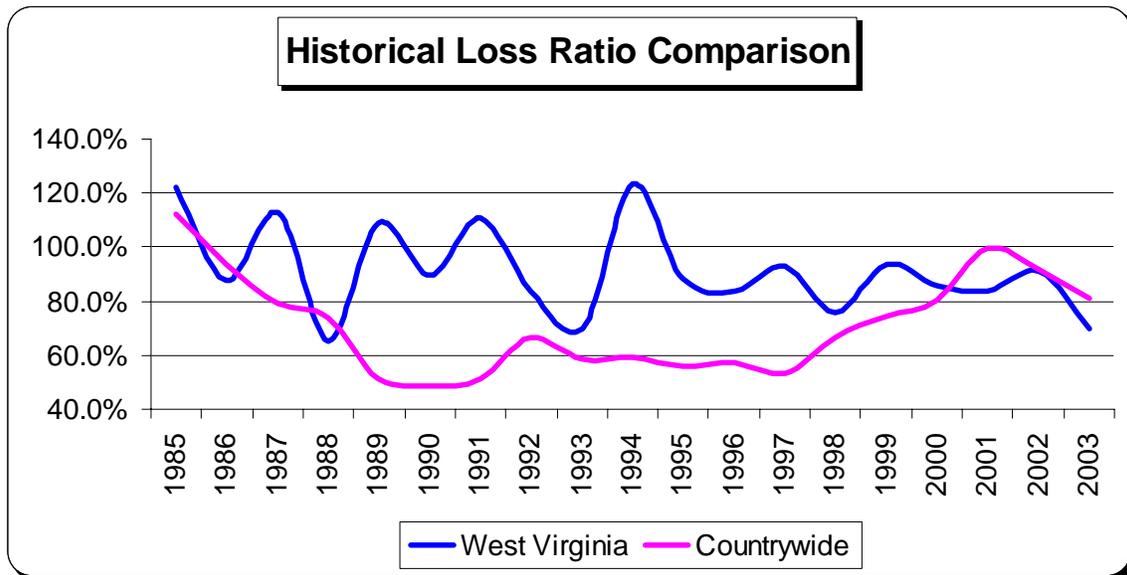
I-D. Loss and Defense Costs Incurred vs. Premiums Earned

The charts below compare losses and defense costs for the Industry against the comparable figures for West Virginia. They clearly show that results for losses and defense costs in West Virginia have exceeded premiums until the dramatic turnaround reported for 2003.



I-E. A Cautionary Note

The loss ratio in West Virginia for Medical Malpractice in 2003 is an outstanding improvement over prior years. However, as the graph below (comparing West Virginia Loss Ratios with Countrywide) suggests, West Virginia loss ratios have not been stable over the years. This is most likely the result of the limited amount of volume written in the state. Thus, the 69.7% in 2003 is a fine result, **but** what will occur in future years can still be unpredictable.



Section II

A Review of Paid Claim Data provided by the West Virginia Board of Medicine

Section II. Analysis of Paid Claim Information Provided by the West Virginia Board of Medicine

Cautionary note: The following information is **not insurance data**; rather it is information provided to the West Virginia Board of Medicine on Medical Malpractice claims after their disposition; as such, it has not been audited for accuracy. “Disposition” in this case means claims which have been dismissed, settled, or adjudicated. These are indemnity payments only, thus, loss adjustment amounts are not included. While not strictly matching insurance data, this information is valuable in identifying trends. It should also be noted that the data does not include hospitals or doctors working within a corporate structure. Even with eleven years worth of data, the number of claims and loss dollars are small enough to limit the credibility of the information. This information **does** include BRIM paid claims.

II-A. How Malpractice Claims are Disposed in West Virginia

The exhibit below displays paid claim count information for 1993 – 2003.

West Virginia Board of Medicine Claim Count Review

Year	Number of Dismissals	% of Total	Judgments		% of Total	Settlements		% of Total	All Total
			Non Zero	Total		Non Zero	Total		
1993	79	28%	8	18	6%	186	187	66%	284
1994	74	23%	10	36	11%	208	210	66%	320
1995	103	31%	14	38	11%	190	190	57%	331
1996	81	27%	5	20	7%	194	197	66%	298
1997	114	26%	9	28	6%	289	291	67%	433
1998	53	22%	9	27	11%	156	156	66%	236
1999	99	30%	15	28	8%	207	208	62%	335
2000	104	30%	7	37	11%	204	205	59%	346
2001	112	30%	9	37	10%	226	230	61%	379
2002	122	39%	7	25	8%	165	166	53%	313
2003	108	42%	4	23	9%	127	129	50%	260
Total	1049	30%	97	317	9%	2,152	2,169	61%	3,535

- West Virginia averages 321 malpractice claims per year. Over the past eleven years, **30% of malpractice claims have been dismissed**. It is with more than passing interest that we **note the percentage of dismissals rose to 39% in 2002 and rose further to 42% in 2003**. In 2001, H.B. 601 was passed. One of its key elements was §55-7B-6, requiring a 'certificate of merit'. As the provision reads a certificate of merit is required prior to the filing of a medical professional liability action against a health care provider. Specifically, "[the] certificate of merit shall be executed under oath by a health care provider qualified as an expert under the West Virginia rules of evidence and shall state with particularity: (1) the expert's familiarity with the applicable standard of care in issue; (2) the expert's qualifications; (3) the expert's opinion as to how the breach of the applicable standard of care resulted in injury or death". This screening process and other changes made in H.B. 601 may account for the noticeable rise in the 2002 and 2003 dismissals.
- On average, less than 10% of malpractice claims go to court. Of the claims that do go to court, roughly 70% receive a judgment of \$0. Only 30% of the claims adjudicated actually receive a non-zero judgment. Put another way, only **2.7% of malpractice claims end up in court** and receive a non-zero judgment.
- On average, **61% of malpractice claims are settled** without court involvement.

II-B. Judgments

The next exhibit displays Paid Judgments by size of payment. Much has been made in West Virginia and elsewhere of large jury awards. The actual facts for West Virginia are in this table.

West Virginia Board of Medicine Size of Paid Judgments

Interval	1993		1994		1995		1996		1997		1998	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	10	\$0	26	\$0	24	\$0	15	\$0	19	\$0	18	\$0
\$0<loss<=\$100K	4	\$64,931	0	\$0	7	\$301,907	1	\$18,000	0	\$0	2	\$132,514
\$100K<loss<=\$250K	0	\$0	2	\$320,000	2	\$355,200	1	\$130,337	5	\$914,921	2	\$336,640
\$250K<loss<=\$500K	2	\$720,616	5	\$1,731,819	2	\$647,127	1	\$437,500	0	\$0	0	\$0
\$500K<loss<=\$1M	0	\$0	3	\$1,894,600	1	\$751,511	1	\$1,000,000	3	\$2,036,986	2	\$1,940,000
\$1M<loss	2	\$4,500,000	0	\$0	2	\$3,966,624	1	\$1,500,000	1	\$3,684,822	3	\$4,270,552
Total Judgments	18	\$5,285,547	36	\$3,946,419	38	\$6,022,369	20	\$3,085,837	28	\$6,636,729	27	\$6,679,706
Total Non-Zero Judgments	8	\$5,285,547	10	\$3,946,419	14	\$6,022,369	5	\$3,085,837	9	\$6,636,729	9	\$6,679,706

Interval	1999		2000		2001		2002		2003		Jun-04	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	13	\$0	30	\$0	28	\$0	18	\$0	19	\$0	12	\$0
\$0<loss<=\$100K	6	\$197,576	0	\$0	3	\$210,000	3	\$175,073	0	\$0	0	\$0
\$100K<loss<=\$250K	2	\$371,829	0	\$0	3	\$440,557	0	\$0	1	\$160,000	0	\$0
\$250K<loss<=\$500K	0	\$0	3	\$1,157,054	0	\$0	2	\$680,150	3	\$1,195,000	1	\$465,000
\$500K<loss<=\$1M	4	\$2,997,264	2	\$1,610,500	1	\$528,733	1	\$1,000,000	0	\$0	1	\$988,000
\$1M<loss	3	\$3,527,451	2	\$2,381,508	2	\$3,612,000	1	\$6,238,000	0	\$0	0	\$0
Total Judgments	28	\$7,094,120	37	\$5,149,062	37	\$4,791,290	25	\$8,093,223	23	\$1,355,000	14	\$1,453,000
Total Non-Zero Judgments	15	\$7,094,120	7	\$5,149,062	9	\$4,791,290	7	\$8,093,223	4	\$1,355,000	2	\$1,453,000

*The second Total excludes claims which resulted in no indemnity payment.

9/15/2004

- Over the last 11.5 years, there have been a total of 17 judgments in excess of \$1,000,000; or an average of 1.5 per year. There were no paid judgments reported during 2003 in excess of \$1,000,000.
- The *average* judgment in excess of \$1,000,000 has been a bit less than \$2,000,000.
- To identify patterns in the data from year-to-year, it is best to leave out judgments of \$0 and claims exceeding \$1,000,000 (i.e., “shock” losses for this line of business). Both types of claims will distort averages when looking for trends. Doing this leads to the following table:

West Virginia Board of Medicine

Non-zero judgments under \$1,000,000

	#	Amount	Average
1993	6	\$785,547	\$130,925
1994	10	\$4,196,636	\$419,664
1995	12	\$2,155,745	\$179,645
1996	4	\$2,085,837	\$521,459
1997	8	\$2,951,907	\$368,988
1998	6	\$2,409,154	\$401,526
1999	12	\$3,566,668	\$297,222
2000	5	\$2,767,541	\$553,508
2001	7	\$1,179,290	\$168,470
2002	6	\$1,855,224	\$309,204
2003	4	\$1,355,000	\$338,750

- This table shows that even after limiting large awards to \$1,000,000, there is ***no clear pattern*** of either an increasing number of judgments or a consistent increase in the average paid judgment. It must be noted that the *small number of judgments limit credible inferences*.

II-C. Settlements

In a manner similar to judgments, we now look at settlements.

West Virginia Board of Medicine Size of Paid Settlements

Interval	1993		1994		1995		1996		1997		1998	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	5	\$0	5	\$0	3	\$0	3	\$0	3	\$0	3	\$0
\$0<loss<=\$50K	79	\$1,461,639	78	\$1,704,102	79	\$1,811,405	75	\$1,718,264	177	\$1,756,801	67	\$1,152,744
\$50K<loss<=\$100K	22	\$1,735,833	40	\$3,199,200	23	\$1,892,250	33	\$2,642,584	24	\$2,040,933	19	\$1,612,092
\$100K<loss<=\$250K	47	\$8,115,451	38	\$6,665,678	44	\$8,410,952	37	\$6,786,025	33	\$5,987,500	28	\$4,700,000
\$250K<loss<=\$500K	21	\$7,301,798	32	\$11,980,951	26	\$10,015,000	33	\$11,947,319	39	\$14,664,111	21	\$7,188,000
\$500K<loss<=\$1M	14	\$11,175,000	15	\$11,694,010	15	\$11,940,000	13	\$8,560,000	13	\$9,425,000	18	\$13,660,000
\$1M<loss	3	\$5,545,432	5	\$9,175,000	3	\$7,650,000	3	\$4,159,000	3	\$6,550,000	3	\$5,468,431
Total Settlements	186	\$35,335,153	208	\$44,418,941	190	\$41,719,607	194	\$35,813,192	289	\$40,424,345	156	\$33,781,267
Total Non-Zero Settlements	183	\$35,335,153	203	\$44,418,941	187	\$41,719,607	191	\$35,813,192	286	\$40,424,345	153	\$33,781,267

Interval	1999		2000		2001		2002		2003		Jun-04	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	3	\$0	4	\$0	1	\$0	1	\$0	2	\$0	0	\$0
\$0<loss<=\$50K	87	\$1,488,737	65	\$1,633,255	84	\$1,806,781	57	\$1,229,665	26	\$625,434	22	\$454,979
\$50K<loss<=\$100K	28	\$2,278,500	36	\$2,892,600	37	\$2,934,401	15	\$1,214,000	15	\$1,252,000	9	\$767,500
\$100K<loss<=\$250K	34	\$5,936,000	45	\$8,124,710	48	\$8,350,814	49	\$8,500,031	35	\$6,725,418	7	\$1,408,403
\$250K<loss<=\$500K	42	\$13,884,542	34	\$12,753,796	29	\$10,671,417	26	\$10,065,000	29	\$11,363,125	13	\$5,615,000
\$500K<loss<=\$1M	12	\$9,615,000	19	\$16,152,535	27	\$21,817,833	18	\$13,255,516	16	\$13,878,750	3	\$2,725,000
\$1M<loss	3	\$10,995,605	4	\$5,675,000	1	\$1,250,000	0	\$0	6	\$14,438,368	2	\$3,700,000
Total Settlements	206	\$44,198,384	203	\$47,231,896	226	\$46,831,246	165	\$34,264,212	129	\$48,283,095	56	\$14,670,882
Total Non-Zero Settlements	203	\$44,198,384	199	\$47,231,896	225	\$46,831,246	164	\$34,264,212	127	\$48,283,095	56	\$14,670,882

*The second Total excludes claims which resulted in no indemnity payment.

10/5/2004

- Settlements comprise the most common resolution for claim payment. Over the last 11.5 years, 38 settlements have exceeded \$1,000,000, or a bit over 3 per year on average.
- The average settlement over \$1,000,000 has been just over \$1,500,000.
- As was done for judgments, we will omit claims over \$1,000,000 and look for trends.

West Virginia Board of Medicine

Non-zero settlements under \$1,000,000

	#	Amount	Average
1993	180	\$29,789,721	\$165,498
1994	198	\$35,243,941	\$178,000
1995	184	\$34,069,607	\$185,161
1996	188	\$31,654,192	\$168,373
1997	283	\$33,874,345	\$119,697
1998	150	\$28,312,836	\$188,752
1999	200	\$33,202,779	\$166,014
2000	195	\$41,556,896	\$213,112
2001	224	\$45,581,246	\$203,488
2002	165	\$34,264,212	\$207,662
2003	129	\$48,363,095	\$374,908

- From the above data, which limits claims to \$1,000,000, there is a clear escalation in the average settlement paid. For 1993 – 1999 the average paid settlement was \$163,519. For 2000 – 2003 the average paid settlement was \$207,881. The average limited paid settlement in 2003 jumped dramatically up to \$374,908. This bears monitoring in next year’s report; hopefully it is a temporary aberration.
- As with judgments, the small number of settlements restricts the data’s credibility. The actual number of settlements over the last three years suggests a decline in the number of paid settlements.

II-D. Paid Data Collection

In last year's report, we recommended that the information collected from insurers on paid medical malpractice claims be enhanced. This enhancement is being implemented in 2004. Such information as the physician's primary specialty, the 'cause of loss', amounts paid on defense costs for each filed claim and the split of the indemnity payment between economic and non-economic damages will begin to be collected during 2004. Looking forward, this information should prove invaluable should another malpractice crisis occur in the future.

Section III

Review of 5% Market Share Companies

Section III. Review of major West Virginia Medical Malpractice Writers

This section of the report reviews the medical malpractice rates and rules of those insurers with 5% or greater market share. Shown below are the seven insurers (excluding BRIM II) passing the 5% threshold in 2003:

Total Medical Malpractice (NAIC Database)	2003 West Virginia Business Written				
	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
Company					
Medical Assurance of WV Inc	15,392,311	20.1%	18,029,689	7,903,748	43.8%
St Paul Fire & Marine Ins Co	10,586,973	13.8%	11,896,513	11,782,580	99.0%
Health Care Indemnity Inc	8,032,539	10.5%	8,032,513	6,194,765	77.1%
NCRIC Inc	7,935,426	10.3%	7,288,294	3,684,500	50.6%
Lexington Ins Co*	7,925,268	10.3%	6,767,791	3,666,937	54.2%
First Specialty Ins Corp*	6,461,554	8.4%	4,398,313	4,655,249	105.8%
Everest Indemnity Ins Co*	4,611,353	6.0%	6,826,846	2,003,139	29.3%
Subtotal	60,945,424	79.4%	63,239,959	39,890,918	63.1%
Other Companies	15,817,021	20.6%	13,431,726	13,580,599	101.1%
Total	76,762,445	100.0%	76,671,685	53,471,517	69.7%

Loss Ratio does not include loss adjustment expenses, nor other operating expenses.

The seven companies comprise 79.4% of the 2003 West Virginia Medical Malpractice written premium. Three of the seven writers are excess & surplus lines writers. The E&S companies provided insurance to about 25% of the commercial market in 2003. Breaking down the written premiums into medical malpractice sublines shows the following:

Company	Subline	2003 Written Premium
Medical Assurance of WV	Physicians & Surgeons	\$ 15,011,989
	Hospitals	\$ 95,505
	Other	\$ 284,817
	Total	\$ 15,392,311
St Paul Fire & Marine Ins.	Physicians & Surgeons	\$ 10,331,679
	Hospitals	\$ 255,294
	Total	\$ 10,586,973

Health Care Indemnity Co	Hospitals		\$ 7,868,057
	Physicians & Surgeons		\$ 164,482
		Total	\$ 8,032,539
NCRIC Inc	Physicians & Surgeons		\$ 7,935,426
	Other		\$ 585,002
		Total	\$ 8,044,441
Lexington Ins. Co*	Hospitals		\$ 7,793,960
	Other		\$ 131,308
		Total	\$ 7,925,268
First Specialty Ins Corp*	Hospitals	Total	\$ 6,461,554
Everest Indemnity Ins. Co*	Hospitals		\$ 3,903,345
	Other		\$ 708,008
		Total	\$ 4,611,353

III-A. Enabling Legislation

The reporting of experience for insurance carriers with 5% or more of the West Virginia Medical Malpractice direct written premium is *required* by:

West Virginia Regulation 114CSR22
West Virginia Regulation 114CSR23
West Virginia Code §33-20B-6

The regulations and referenced statutes set forth the form in which certain information needs to be reported to the Commissioner.

Per West Virginia Regulation 114CSR23-6, the Commissioner is required to “...evaluate the information reported pursuant to Section 5 of the rule in order to determine whether the filing insurers have fairly and accurately determined the loss experience and loss expense data in the filing.”

Per West Virginia Code §33-20B-6(a), the Commissioner is required to “...review annually the rules, rates and rating plans filed and in effect for each insurer providing five percent or more of the malpractice insurance coverage in this state in the proceeding calendar year to determine whether such filings continue to

meet the requirements of this article and whether such filings are unfair or inappropriate given the loss experience in this state in the preceding year.”

This section of the report is provided to assist the Commissioner in fulfilling obligations under the above regulations and code section and enhance our knowledgebase.

III-B. Discussion of Market Positions

Medical Assurance of West Virginia (MAWV)

MAWV was the leading commercial writer of malpractice insurance for physicians and surgeons in West Virginia during 2003. Their exposure, however, has declined since its peak in 1998. Inforce *policies* have dropped from 856 in 1998 to 272 policies as of 12/31/03. For 2003, the company wrote \$15,392,311 in direct written premium.

A rate increase of 14.5% was approved for MAWV effective 10/03/04. Combined with base rate increases of 35% in 2000, 18.0% in 2001, 16.0% in 2002 and 13% in 2003, MAWV rates have risen 139% since July, 2000. *Encouraged by reforms passed by the legislature and more adequate rates, MAWV has expressed an interest in continuing to write in West Virginia and to add new business to their portfolio.*

St Paul Fire & Marine

Although St Paul has withdrawn from the medical malpractice market, this process was not completed until March, 2003. Thus, St Paul recorded \$10,586,973 in written premiums during 2003.

Health Care Indemnity Inc. (HCI)

HCI, a licensed writer since the start of 2003, wrote \$8,032,539 in premium during 2003. HCI primarily provides hospital coverage and their premium market share in 2003 was 10.5%. HCI received approval for a 6.7% rate increase effective 1/1/04.

Everest Indemnity Insurance Co

Everest is a surplus lines company which began writing West Virginia hospitals and other healthcare facilities in 2002. Their 6.0% market share comprises \$4,611,353 in written premium. Everest did not provide 5% market share information this year.

NCRIC Inc.

NCRIC wrote \$7,935,426 in Physicians and Surgeons written premium during 2003. This equates to a 10.3% market share. NCRIC received a 9.8% rate increase in January, 2004 and an additional 9.5% in September, 2004. While not renewing policies between January – August, 2004, NCRIC started renewing policies in September, 2004.

Lexington Insurance Co

Lexington is a surplus lines writer (an AIG subsidiary) writing primarily hospitals and other healthcare facilities. They wrote \$7,925,268 in premium during 2003, representing a 10.3% market share. As a surplus lines writer Lexington did not provide 5% market share information.

III-C: The 2003 Impact of BRIM II

BRIM II results have been estimated from transaction level records provided by Marsh. Note that **losses do not include bulk reserving estimates** (i.e., amounts estimated by actuaries to provide for future development on known claims) and therefore, the loss ratio is *not directly comparative* with other loss ratios in this report .

2003 BRIM II

Written Premium	Earned Premium	Incurred Loss	Incurred LAE
\$32,295,238	\$28,246,823	\$8,694,809	\$1,902,286

This leads to an incurred loss ratio of 30.8%; an incurred LAE ratio of 6.7% and an incurred loss and loss adjustment ratio of 37.5%.

BRIM II was clearly the largest provider of Medical Malpractice insurance in 2003. If we incorporate the BRIM II figures into the Market Share exhibit provided at the start of the Section, we get the following results:

Total Medical Malpractice (NAIC Database)	2003 West Virginia Business Written				
	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
Company					
BRIM II	32,295,238	29.6%	28,246,823	8,694,809	30.8%
Medical Assurance of WV Inc	15,392,311	14.1%	18,029,689	7,903,748	43.8%
St Paul Fire & Marine Ins Co	10,586,973	9.7%	11,896,513	11,782,580	99.0%
Health Care Indemnity Inc	8,032,539	7.4%	8,032,513	6,194,765	77.1%
NCRIC Inc	7,935,426	7.3%	7,288,294	3,684,500	50.6%
Lexington Ins Co*	7,925,268	7.3%	6,767,791	3,666,937	54.2%
First Specialty Ins Corp*	6,461,554	5.9%	4,398,313	4,655,249	105.8%
Everest Indemnity Ins Co*	4,611,353	4.2%	6,826,846	2,003,139	29.3%
Subtotal	93,240,662	85.5%	91,486,782	48,585,727	53.1%
Other Companies	15,817,021	14.5%	13,431,726	13,580,599	101.1%
Total	109,057,683	100.0%	104,918,508	62,166,326	59.3%

* Direct Loss Ratio does **not** include loss adjustment expenses

III-D. Rating Plans and Rating Rules

Physicians and Surgeons

Coverage is provided by each of the insurers on a claims-made (or less frequently, occurrence) basis. Coverage of all plans is relatively standard.

Differences may occur in:

- Number of classes
- Assignment of specialties to class
- Definition of specialties
- Class relativities
- Maturity and tail factors
- Discounts offered

None of these differences produce an unfair advantage or inappropriate rating plan. Physicians and Surgeons rating plans are consistent with other industry plans and reasonable.

Hospitals

Each insurer provides coverage on a claims-made (or less frequently, occurrence) basis. Variations in the rating plans may occur in the:

- Exposure base
- Experience rating plan
- Schedule rating plan
- Surcharge programs
- Deductible credits
- Increased limits factors

Flexibility in pricing through the use of guide “A” rating allows underwriters the ability to customize the price to the risk. Such a feature is common when rating large, unique risks such as hospitals.

III-E. Comparison of Filed Information to Rate Filings Information
As Required by West Virginia Code §33-20B-3

- 1. Reconcile the most recent filed information to the experience reported in the rate filings.*

Exhibit I-Sheets 1-4 provide the premium and losses of each carrier.

For Medical Assurance (Sheet 1), the information is consistent and raises no concerns.

St Paul (Sheet 2) has not had a rate revision since 2001. There is consistency when comparing the 2004 filed information with the 2003 filed information.

For HCI (Sheet 3), the difference between the rate filing and filed information is due to rate filings being done on a direct (before reinsurance) basis; while the filed information was submitted on a net (after reinsurance) basis.

For NCRIC (Sheet 4), their filed information is consistent.

The three surplus lines writers (Lexington, First Specialty and Everest Indemnity) did not supply 5% market share information.

- 2. Reconcile the experience in the filed information to the most recent experience reported in the company's financial statements.*

Exhibit VI shows the comparison of Annual Statement information with the filed information. The results display a reasonable reconciliation.

- 3. Compare the assumptions underlying the filed information to the most recent rate filing assumptions or other information.*

Exhibits II-V provide the assumptions underlying the rate analysis in the filed information, rate filings, rate filing abstracts, or other source documents. Of note, on Exhibit III investment yields have changed modestly for the four companies shown. Pure premium trends, Exhibit IV, have risen to nearly 8% per year.

- 4. Is the filed information filled out correctly and accurately?*

It is clear, that to varying degrees, the companies have attempted to provide accurate filed information.

- 5. Does the filed information support our conclusion on the rates as of 12/31/03?*

Exhibit VII provides a rate comparison for a number of specialties and companies. Based on the latest filing for Medical Assurance of West Virginia, that company's October, 2004 rates appear to be adequate relative to the experience they presented. The lowest rates are provided by the WVPMIC and the highest commercial rates are offered by NCRIC.

III-F: Analysis of Rate Filings

Medical Assurance of West Virginia

In June, 2004 MAWV filed for a rate increase of 17.1% with a proposed effective date of October, 2004. The Commissioner, after due consideration and review, subsequently approved an overall increase of 14.5% to be effective on 10/03/04.

NCRIC Inc

The company requested a 35.2% rate increase for January, 2004. After review, an increase of 9.8% was approved. The company filed for a 9.5% increase to be effective in September, 2004. This increase was approved by the Commissioner.

Health Care Indemnity

The company requested an increase of 6.7% for its hospital program. This increase was approved by the Commissioner effective January, 2004.

III-G: Investment Portfolio

Exhibit III presents a comparison of actual investment yields and investment income provisions for rate filings as available from various sources. As discussed earlier, investment yields had generally declined and now they are showing a modest movement upward in 2003.

Section IV

Summary Observations

Section IV. Summary Observations

This section provides observations from this report.

- As pointed out in previous reports, one of the key elements in the adverse results for West Virginia had been very high defense costs. Last year, these costs dropped dramatically from 2001 and that reduction continued in 2003. A closer look at defense costs by company shows the following figures for 2001, 2002 and 2003:

	2001 Defense <u>Costs</u>	2002 Defense <u>Costs</u>	2003 Defense <u>Costs</u>
St Paul Companies	39.3%	30.2%	43.7%
HCI	16.5%	14.7%	10.5%
Everest Indemnity	N/A	19.4%	4.2%
Medical Assurance	88.0%	13.0%	7.8%
NCRIC	N/A	19.7%	16.3%
First Specialty Ins	N/A	N/A	9.6%
<u>Lexington Ins Co</u>	<u>N/A</u>	<u>9.6%</u>	<u>6.5%</u>
Total West Virginia	46.3%	21.5%	16.0%
BRIM II			6.7 %

The most significant change is in the defense costs for Medical Assurance. In 2001 this figure was 88.0%, but in 2002 this figure dropped to 13.0% and in 2003 it is at 7.8%. This is the result of *both less payment dollars made for defense costs and a reduction in the amount reserved for defense costs. This was a planned change by MAWV in its approach to claims handling in West Virginia.*

- Overall, industry results continued to improve in 2003. However, the countrywide result for the Medical Malpractice line still leaves considerable room for improvement.
- Malpractice rates continued to rise in West Virginia during the past year, though less dramatically than in prior years.

- West Virginia posted an excellent Loss & Loss Adjustment Expense ratio of 91.2% in 2003. West Virginia's direct operating ratio of 94.6% in 2003 resulted in an operating profit overall for this line of insurance. *The outlook for physician's medical malpractice availability in West Virginia is very good.* We now have WVPMIC, MAWV and NCRIC all writing physician's malpractice. Additionally, loss results have improved dramatically, suggesting that pricing stability has been achieved.
- Seven malpractice writers in West Virginia (excluding BRIM/WVPMIC) accounted for nearly 80% of the written premium for Medical Malpractice. The key excess & surplus writers were Lexington, First Specialty and Everest Indemnity during 2003.
- An analysis of West Virginia Board of Medicine data revealed the following:
 - Roughly 30% of claims filed are dismissed.
 - In 2002 dismissals rose to 39%; in 2003 this increased to 42% suggesting that the 'certificate of merit' required by H. B. 601 may be having an impact.
 - Only 10% of claims filed actually go to court.
 - Less than 3% of the claims that go to court received a non-zero judgment.
 - 61% of Malpractice claims are settled outside of court.
 - There does not appear to be a pattern of escalating jury awards or claims going to court.

- West Virginia Code §33-20B-8 empowers the Insurance Commissioner to collect medical malpractice claim information from insurers writing in the state. The collection of more detailed claim information was recommended in last year's report. As a result, insurers will be providing the Commission with claim information in much greater detail on a going forward basis. This information should be greatly beneficial in the future should another medical malpractice crisis occur.
- Additionally, insurers are now required to make an annual filing with the Commission. This will enable the Commission to review rates for reasonability—making sure rates are adequate and not excessive.
- As a recommendation for future reports, the Medical Malpractice insurance provided under the ***BRIM I program should be made available***. While this information may not be directly comparable with other industry information, it will identify whether the state's program is experiencing the same trends as the industry.

Glossary of Terms

BRIM: Board of Risk and Insurance Management

BRIM I: Term to identify the medical malpractice program for teaching schools and their physicians. This program is administered by National Union Fire of Pittsburgh (an AIG subsidiary) under a fronting arrangement. AIG assumes no real risk under this arrangement; they simply issue the policies on AIG paper and are fully reimbursed by BRIM for loss and other expenses. They receive a percentage of premium for providing this service. BRIM I policies are written on an occurrence basis.

BRIM II: Term to identify the medical malpractice program for private physicians and hospitals. This program was administered by Marsh. BRIM II was written on a claims-made basis. BRIM II business was novated to the West Virginia Physicians' Mutual Insurance Company (WVPMIC) on July 1, 2004.

Written Premium: The total premium from all policies with effective dates within a given time period.

Earned Premium: The pro rata portion of written premium which represents the expired portion of the insurance contract. For example, an annual policy of \$100 written on July 1, 2001, assuming a calendar year accounting period, will be shown on the company's books as being partially earned in 2001 and 2002. Fifty dollars will be earned in 2001 and fifty dollars in 2002.

Incurred Loss: A monetary payment and/or reserve on the part of the insurance company to cover claims of the insureds which are covered by the terms of the insurance contract.

Loss Adjustment Expense: Cost on the part of the insurance company to cover expenses incurred in settling claims. This expense can be divided into two types: Allocated (ALAE), those expenses such as outside attorney and court fees which can be directly tied to a specific claim, and Unallocated (ULAE), such as insurance company claim department expenses, which are not directly allocated to a particular claim.

Underwriting Expense: The expenses incurred by the insurance company in acquiring and selecting risks. Underwriting expense includes agents' commissions, general administration expenses, inspection & bureau expenses, and taxes, licenses and fees. It does not include loss adjustment expenses.

Underwriting Profit/(Loss): The remainder when loss, loss adjustment expense and underwriting expense are subtracted from earned premium income.

Operating Profit/(Loss): Bottom-line profit or loss of an insurance company. It is calculated by adding investment income to underwriting profit/(loss).

Severity: Average loss per claim.

Premium-to-Surplus Ratio: The ratio of written premium to surplus. This ratio is commonly used in the property/casualty insurance industry as a measure of financial strength or to indicate the degree to which a company is leveraged. In Medical Malpractice insurance, this ratio is often less than one-to-one.

Guide (a) rating (also known as ‘consent to rate’ and ‘judgment rating’): (a)-rating is typically used for large and/or unique commercial risks. It is generally provided for in the rules section of a company’s underwriting manual. When a risk, such as a hospital, qualifies for (a)-rating, the actual price for the risk can be determined by an experienced underwriter. In this situation, actual filed rates are superceded by the underwriter’s judgment.

Claims-made Coverage: A policy providing coverage only if a written claim is made during the policy period (or any applicable extended reporting period). For example, a claim made in the current year could be charged against the current policy even if the injury or loss giving cause for the claim occurred many years in the past. If the policy has a retroactive date, an occurrence prior to that date is not covered. From a pricing perspective, claims-made coverage is more straightforward since it limits the insurers’ exposure to unknown future liabilities (called “incurred but not reported” claims). Contrast this coverage with “occurrence”. Claims-made coverage became a more accepted approach towards writing long-tailed lines like medical malpractice and products liability during the mid-‘80’s after introduction by the Insurance Services Organization.

Occurrence Coverage: A policy that pays claims arising out of incidents that occur during the policy term, even if the claims are filed many years later.

Investment Gain/(Loss): The investment gain relates a company’s total *return on all invested funds* (premiums, reserves, and equity) to the calendar year earned premium. Thus this figure will usually be quite substantial for a long-tailed line like medical malpractice which requires considerable funds in reserves and surplus.

Combined Ratio: Percentage of each premium dollar a property/casualty insurer spends on claims and expenses. A decrease in the combined ratio means financial results are improving; an increase means they are deteriorating. When the ratio is over 100%, the insurer has an *underwriting* loss.

West Virginia Guaranty Association: This fund pays medical malpractice claims on behalf of insolvent insurers – ICA, PIE Mutual, PHICO. These losses are *not* captured in the results in this report. From 1998 through 2002, the Guaranty Association paid out losses and loss adjustment expenses of \$36,743,925.

Pure Premium: The portion of the total premium needed to pay expected losses. The pure premium does not take into account the portion of premium necessary for company expenses (e.g., commissions, taxes, etc.)

Direct Loss Ratio: The ratio of incurred losses to earned premium. The direct loss ratio is in contrast to the 'net loss ratio' which compares losses after reinsurance recoveries to earned premiums after paying for reinsurance.

Exhibits

West Virginia Insurance Commission 5% Market Share Report

Exhibit I -- Sheet 1

Loss and Premium Information/Reconciliation

Medical Assurance of West Virginia

<u>2004 Rate Filing</u>					<u>2003 Rate Filing</u>			
Physicians & Surgeons	Current	Trended,	Loss &		Report	Current	Trended,	Loss &
	Level	Developed				Developed	Level	
Year	Earned	Incurred	ALAE	Ratio	Year	Earned	Incurred	ALAE
	Premium	Loss & ALAE				Premium	Loss & ALAE	Ratio
1998					1998	35,707,000	40,200,000	113%
1999	41,606,000	45,028,000	108%		1999	36,698,000	38,280,000	104%
2000	45,943,000	29,510,000	64%		2000	40,511,000	32,438,000	80%
2001	30,575,000	19,228,000	63%		2001	26,959,000	17,495,000	65%
2002	23,391,000	17,820,000	76%		2002	20,630,000	17,135,000	83%
2003	15,536,000	13,907,000	90%		2003			

<u>2004 Filed Information</u>					<u>2003 Filed Information</u>			
Physicians & Surgeons	Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss
	Year	Premium	Losses	Ratio		Year	Premium	Losses
1998		23,875,000	10,379,000	43%	1998	23,875,000	10,379,000	43%
1999		19,954,000	11,466,000	57%	1999	19,954,000	11,466,000	57%
2000		22,500,000	16,784,000	75%	2000	22,500,000	16,784,000	75%
2001		21,491,000	16,414,000	76%	2001	21,491,000	16,414,000	76%
2002		22,805,000	23,359,000	102%	2002	22,805,000	23,359,000	102%
2003		17,638,000	8,144,000	46%	2003			

	Current	Trended,	Loss &		Report	Current	Trended,	Loss &
	Level	Developed				Developed	Level	
Year	Earned	Incurred	ALAE	Ratio	Year	Earned	Incurred	ALAE
	Premium	Loss & ALAE				Premium	Loss & ALAE	Ratio
1998	40,485,000	50,985,000	126%		1998	35,707,000	40,200,000	113%
1999	41,606,000	45,028,000	108%		1999	36,698,000	38,280,000	104%
2000	45,943,000	29,510,000	64%		2000	40,511,000	32,438,000	80%
2001	30,575,000	19,228,000	63%		2001	26,959,000	17,495,000	65%
2002	23,391,000	17,820,000	76%		2002	20,630,000	17,135,000	83%
2003	15,536,000	13,907,000	90%		2003			

<u>2004 Filed Information</u>					<u>2003 Filed Information</u>			
Hospitals	Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss
	Year	Premium	Losses	Ratio		Year	Premium	Losses
1998		1,948,000	(1,778,000)	-91%	1998	1,948,000	(1,778,000)	-91%
1999		2,045,000	1,175,000	57%	1999	2,045,000	1,175,000	57%
2000		2,469,000	1,876,000	76%	2000	2,469,000	1,876,000	76%
2001		3,163,000	1,776,000	56%	2001	3,163,000	1,776,000	56%
2002		1,185,000	-2,048,000	-173%	2002	1,185,000	-2,048,000	-173%
2003		92,000	-378,000	-411%	2003			

	Current	Trended,	Loss &		Report	Current	Trended,	Loss &
	Level	Developed				Developed	Level	
Year	Earned	Incurred	ALAE	Ratio	Year	Earned	Incurred	ALAE
	Premium	Loss & ALAE				Premium	Loss & ALAE	Ratio
1998	1,948,000	8,333,000	428%		1998	1,948,000	8,018,000	412%
1999	2,045,000	5,576,000	273%		1999	2,045,000	6,283,000	307%
2000	2,469,000	4,504,000	182%		2000	2,469,000	5,393,000	218%
2001	3,163,000	5,349,000	169%		2001	3,163,000	6,258,000	198%
2002	1,185,000	2,366,000	200%		2002	1,185,000	2,549,000	215%
2003	92,000	3,108,000	3378%		2003			

**West Virginia Insurance Commission
5% Market Share Report**

Exhibit I -- Sheet 2

Loss and Premium Information/Reconciliation

St. Paul Companies

<u>Physicians & Surgeons</u>	2004 Filed Information				2003 Filed Information			
	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
	1998	7,494,000	8,702,000	116%	1998	7,494,000	8,702,000	116%
	1999	10,395,000	11,967,000	115%	1999	10,395,000	11,967,000	115%
	2000	13,323,000	16,340,000	123%	2000	13,323,000	16,340,000	123%
	2001	21,272,000	29,234,000	137%	2001	21,272,000	29,234,000	137%
	2002	37,571,000	28,585,000	76%	2002	37,571,000	28,585,000	76%
	2003	11,631,000	12,312,000	106%	2003	N/A	N/A	N/A

Report Year	Current Level	Trended, Developed	Loss & ALAE Ratio	Report Year	Current Level	Trended, Developed	Loss & ALAE Ratio
	Earned Premium	Incurred Loss & ALAE			Earned Premium	Incurred Loss & ALAE	
1998				1998			
1999				1999			
2000		N/A*		2000		N/A*	
2001				2001			
2002				2002			
2003				2003			

<u>Hospitals</u>	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
		1998	4,167,000	2,639,000	63%	1998	4,167,000	2,639,000
	1999	4,981,000	5,788,000	116%	1999	4,981,000	5,788,000	116%
	2000	5,842,000	3,372,000	58%	2000	5,842,000	3,372,000	58%
	2001	5,500,000	4,801,000	87%	2001	5,500,000	4,801,000	87%
	2002	4,019,373	4,946,000	123%	2002	4,019,373	4,946,000	123%
	2003	164,000	-181,000	-110%	2003	N/A	N/A	N/A

Report Year	Current Level	Trended, Developed	Loss & ALAE Ratio	Report Year	Current Level	Trended, Developed	Loss & ALAE Ratio
	Earned Premium	Incurred Loss & ALAE			Earned Premium	Incurred Loss & ALAE	
1998				1998			
1999				1999			
2000		N/A*		2000		N/A*	
2001				2001			
2002				2002			
2003				2003			

* The last rate filing made by St. Paul was in 2001, hence this information is not available.

West Virginia Insurance Commission 5% Market Share Report

Exhibit I -- Sheet 3

Loss and Premium Information/Reconciliation

Health Care Indemnity, Inc.

2004 Rate Filing

2003 Rate Filing

Hospitals

Calendar Year	Earned Premium	Incurred Loss & ALAE	Loss Ratio	
1998	3,490,000	3,297,000	94%	
1999	2,779,000	2,992,000	108%	
2000	2,708,000	3,537,000	131%	
2001	3,961,000	5,192,000	131%	
2002	5,315,000	13,094,000	246%	
2003	8,033,000	6,928,000	86%	

2004 Filed Information (Net basis)

2003 Filed Information (Net basis)

Hospitals

Calendar Year	Earned Premium	Incurred Loss & ALAE	Loss Ratio		Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
1998	3,464,000	3,360,000	97%		1998	3,464,000	3,360,000	97%
1999	2,782,000	2,927,000	105%		1999	2,782,000	2,927,000	105%
2000	2,703,000	3,675,000	136%		2000	2,703,000	3,675,000	136%
2001	3,961,000	5,324,000	134%		2001	3,961,000	5,324,000	134%
2002	5,475,000	13,664,000	250%		2002	5,475,000	13,664,000	250%
2003	7,790,000	6,928,000	89%					

Accident Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio		Accident Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio
1998					1998			
1999	N/A				1999	N/A		
2000					2000			
2001					2001			
2002					2002			
2003					2003			

**West Virginia Insurance Commission
5% Market Share Report**

Exhibit I -- Sheet 4

Loss and Premium Information/Reconciliation

NCRIC Inc

<u>Physicians & Surgeons</u>	<u>2004 Rate Filing</u>				<u>2003 Rate Filing</u>			
	Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio	Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio
	1998				1998			
	1999				1999			
	2000	N/A			2000	N/A		
	2001				2001			
	2002				2002			
	2003				2003			

<u>Physicians & Surgeons</u>	<u>2004 Filed Information</u>				<u>2003 Filed Information</u>			
	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
	1998				1998	0	0	0%
	1999				1999	1,230	0	0%
	2000	6,000	0	0%	2000	6,192	0	0%
	2001	1,071,000	919,000	86%	2001	1,071,284	918,750	86%
	2002	6,270,000	3,715,000	59%	2002	6,269,823	3,714,750	59%
	2003	7,288,000	3,684,000	51%	2003			

	<u>2004 Rate Filing</u>				<u>2003 Rate Filing</u>			
	Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio	Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio
	1998				1998			
	1999	N/A			1999	N/A		
	2000				2000			
	2001				2001			
	2002				2002			
	2003				2003			

West Virginia of Insurance Commission 5% Market Share Report

Exhibit II

Comparison of Budgeted Expenses

Medical Assurance of West Virginia

	2004 Rate Filing	2003 Rate Filing	Filing Forms
<u>Physicians & Surgeons</u>			
Commission & Brokerage	4.0%	4.0%	4.0%
New Acquisition	4.0%	3.0%	3.0%
General	6.6%	7.3%	7.3%
Taxes, Licenses, & Fees	4.0%	5.0%	5.0%
Other	0.0%	0.0%	0.0%
Profit & Contingency	8.1%	7.9%	7.9%
TOTAL	26.7%	27.2%	27.2%

St Paul Companies

	2004 Rate Filing	2003 Rate Filing	Filing Forms
<u>Physicians & Surgeons</u>			
Commission & Brokerage			10.5%
New Acquisition			0.0%
General			6.1%
Taxes, Licenses, & Fees	N/A	N/A	4.2%
Other			2.0%
Profit & Contingency			-0.3%
TOTAL			22.5%
<u>Hospitals</u>			
Commission & Brokerage			8.1%
New Acquisition			0.0%
General			16.2%
Taxes, Licenses, & Fees	N/A	N/A	4.2%
Other			0.0%
Profit & Contingency			-1.2%
TOTAL			27.3%

NCRIC Inc

	2004 Rate Filing	2003 Rate Filing	Filing Forms
<u>Physicians & Surgeons</u>			
Commission & Brokerage	9.0%	8.2%	
New Acquisition	0.0%	0.0%	
General	0.0%	7.8%	
Taxes, Licenses, & Fees	4.0%	4.0%	N/A
Other	6.7%	3.4%	
Profit & Contingency	8.1%	5.0%	
TOTAL	27.8%	28.4%	

Health Care Indemnity

	2004 Rate Filing	2003 Rate Filing	Filing Forms
<u>Hospitals</u>			
Commission & Brokerage	0.0%		0.0%
New Acquisition	0.0%		0.0%
General	3.0%		2.0%
Taxes, Licenses, & Fees	2.0%	N/A	2.0%
Other	0.0%		-3.0%
Profit & Contingency	0.0%		0.0%
TOTAL	5.0%		1.0%

West Virginia Insurance Commission 5% Market Share Report

Exhibit IV

Comparison of Pure Premium Trends

St Paul Compaies

	<u>2004</u> <u>Filing</u>	<u>2003</u> <u>Filing</u>	<u>Form</u> <u>Filing</u>
<u>Physicians & Surgeons</u>	N/A	N/A	5.0%
<u>Hospitals</u>		N/A	

Medical Assurance of West Virginia

<u>Physicians & Surgeons</u>	7.8%	5.0%	7.8%
<u>Hospitals</u>	N/A	N/A	5.5%

Health Care Indemnity, Inc.

<u>Hospitals</u>		N/A	
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NCRIC Inc

<u>Physicians & Surgeons</u>	7.8%	4.0%	7.8%
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West Virginia Insurance Commission 5% Market Share Report

Exhibit V

Comparison of Accident Year Loss Development Factors

Physicians & Surgeons

St Paul Companies

<u>Maturity (mos)</u>	<u>LDFs</u>	Incurred
12-ultimate	8.110	From 2003 Filed Information
24-ultimate	2.450	
36-ultimate	1.260	
48-ultimate	1.030	
60-ultimate	1.000	
72-ultimate	1.000	

Medical Assurance of West Virginia

<u>Maturity (mos)</u>	<u>LDFs</u>	Incurred
15-ultimate	0.965	
27-ultimate	0.804	From 2004 Filed Information
39-ultimate	0.804	
51-ultimate	0.883	
63-ultimate	0.911	
75-ultimate	0.959	

Health Care Indemnity, Inc.

N/A

West Virginia Insurance Commission 5% Market Share Report

Exhibit VI

Premium Reconciliation

<u>Company</u>	<u>Schedule T WP</u>		<u>Filing Forms</u>
Medical Assurance of WV	15,392,311		15,011,989
St Paul Companies	10,586,973		10,586,973
Health Care Indemnity, Inc.	8,032,539		8,032,539
NCRIC Inc.	8,032,539		7,668,454
Lexington Ins Co	7,925,268		N/A
First Specialty Ins. Corp.	6,461,554		N/A
Everest Indemnity Ins Co	4,611,353		N/A
All Other	15,817,021		xxxxxx
Total (xBRIM II)	76,859,558		

<u>Subline</u>	<u>Medical Assurance</u>		<u>St Paul Companies</u>		<u>Health Care Indemnity, Inc.</u>
Physicians & Surgeons	15,011,989		10,331,679		164,482
Hospitals	95,505		255,294		7,868,057
Other Malpractice	284,817				
	<u>NCRIC</u>		<u>Lexington</u>		<u>First Specialty</u>
Physicians & Surgeons	7,935,426				
Hospitals			7,793,960		6,461,554
Other Malpractice	585,002		131,308		

West Virginia Insurance Commission 5% Market Share Report

Exhibit
VII

Sample Comparison of Physicians' Medical Malpractice Rates Claims Made Policies -- Mature Rate -- \$1M/\$3M

Class Code	Description	WVPMIC 7/04**	Medical Assurance 10/04	NCRIC 9/04	ISO* 3/05
80254	Allergy	\$11,687	\$13,851	\$16,254	\$11,377
80266	Pathology	\$22,558	\$26,993	\$30,091	\$14,225
80282	Dermatology - Minor Surgery	\$33,428	\$40,135	\$30,091	\$23,707
80244	Gynecology - No Surgery	\$22,558	\$26,993	\$37,010	\$14,225
80267	Pediatrics - No Surgery	\$22,558	\$26,993	\$30,091	\$18,878
80284	Internal Medicine - Minor Surgery	\$33,428	\$40,135	\$43,929	\$28,443
80102	Emergency Medical (Hosp/Clinic)	\$44,299	\$53,277	\$64,686	\$47,408
80145	Surgery - Urological	\$39,950	\$48,020	\$50,848	\$48,364
80286	Oncology - Minor Surgery	\$33,428	\$40,135	\$43,929	\$23,707
80420	Family Practitioner - No Surgery	\$22,558	\$26,993	\$30,091	\$18,965
80154	Surgery - Orthopedics (spines)	\$98,649	\$118,988	\$99,280	\$67,708
80143	Surgery - General	\$76,910	\$92,704	\$85,443	\$77,381
80153	Surgery - OB/Gyn	\$109,520	\$132,130	\$140,794	\$96,728
80152	Surgery - Neurology	\$153,001	\$184,699	\$168,469	\$125,745

The above rates are current as of 10/04. Note that these rates are generally a starting point for rating the physician. Rates are further adjusted by rating plans that may credit/debit an individual physician.

*ISO publishes loss costs and increased limits factors. ISO believes it represents roughly 30% of the Medical Malpractice premium in the state of West Virginia. An expense loading of 25% (roughly comparable to the industry's expense loading) was used to convert the loss costs to rates.

**WVPMIC has filed for a 10.2% increase to be effective on 1/1/05.

Appendix

Physicians

(NAIC Database)

2003 West Virginia Business Written

Rank	Company	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
1	Medical Assur Of WV Inc	\$15,011,989	36.5%	\$17,638,278	\$8,143,884	46.2%
2	St Paul Fire & Marine Ins Co	\$10,331,679	25.1%	\$11,631,348	\$12,267,418	105.5%
3	NCRIC Inc	\$7,935,426	19.3%	\$7,288,294	\$3,684,500	50.6%
4	National Fire Ins Co of Hartford	\$1,676,397	4.1%	\$732,579	\$503,085	68.7%
5	APSpecialty Ins Corp*	\$1,517,904	3.7%	\$1,565,693	\$2,211,944	141.3%
6	Doctors Co An Interins Exchn	\$1,470,400	3.6%	\$1,283,717	\$565,476	44.0%
7	Physicians Specialty Ltd RRG**	\$1,383,596	3.4%	\$1,061,714	\$429,357	40.4%
8	Preferred Physicians Medical RRG**	\$453,479	1.1%	\$456,330	\$89,925	19.7%
9	National Union Fire Ins Co Of Pitts	\$260,429	0.6%	\$299,751	\$495,000	165.1%
10	Podiatry Ins Co of America**	\$223,018	0.5%	\$207,253	\$1,514,962	731.0%
11	Professional Underwriters Liab Ins Co*	\$203,182	0.5%	\$153,082	\$38,755	25.3%
12	Health Care Indemnity Inc	\$164,482	0.4%	\$164,482	\$114,351	69.5%
13	Medical Protective Co	\$156,000	0.4%	\$133,264	\$61,000	45.8%
14	Professionals Advocate Ins Co	\$103,873	0.3%	\$145,422	-\$31,839	-21.9%
15	Interstate Fire & Casualty Co*	\$94,460	0.2%	\$127,702	-\$237,665	-186.1%
16	Capitol Specialty Ins Corp*	\$79,500	0.2%	\$9,938	\$0	0.0%
17	American Healthcare Indemnity Co	\$48,267	0.1%	\$109,222	-\$192,152	-175.9%
18	General Star Indemnity Co*	\$36,800	0.1%	\$18,450	\$5,000	27.1%
19	National Guardian RRG Inc**	\$25,345	0.1%	\$25,345	\$0	0.0%
20	Ohic Ins Co	\$20,943	0.1%	\$20,365	\$2,029,884	9967.5%
21	Columbia Cas Co*	\$20,124	0.0%	\$19,465	-\$11,001	-56.5%
22	Landmark America Ins Co*	\$11,568	0.0%	\$2,539	\$935	36.8%
23	American Physicians Assur Corp	\$7,908	0.0%	\$7,908	\$640,000	8093.1%
24	American Cas Co Of Reading PA	\$4,934	0.0%	\$4,837	\$25,769	532.7%
25	Steadfast Ins Co*	\$2,976	0.0%	\$2,062	-\$227,080	-11012.6%
	Remaining Insurers excluding BRIM II	-\$109,287	-0.3%	\$46,633	\$428,607	919.1%
	Actively Writing					
	Licensed Companies (13)	\$37,014,325	90.0%	\$39,403,743	\$28,972,648	73.5%
	Surplus Lines Writers* (8)	\$1,966,514	4.8%	\$1,898,931	\$1,780,888	93.8%
	Risk Retention Groups** (4)	\$2,154,553	5.2%	\$1,852,999	\$1,796,579	97.0%
	Grand Total (25) excluding BRIM II	\$41,135,392	100.0%	\$43,155,673	\$32,550,115	75.4%

Physicians, including surgeons and osteopaths

Hospitals

(NAIC Database)

2003 West Virginia Business Written

Rank	Company	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
1	Health Care Ind Inc	\$7,868,057	28.2%	\$7,868,057	\$6,080,414	77.3%
2	Lexington Ins Co*	\$7,793,960	27.9%	\$6,299,288	\$367,947	5.8%
3	First Specialty Ins Corp*	\$6,461,554	23.1%	\$4,398,313	\$4,655,249	105.8%
4	Everest Ind Ins Co*	\$3,903,345	14.0%	\$6,173,281	\$4,655,249	75.4%
5	Gulf Ins Co	\$497,000	1.8%	\$497,000	\$925,602	186.2%
6	Premier Ins Exchange RRG**	\$488,750	1.7%	\$104,160	\$54,155	52.0%
7	Arch Specialty Ins Co*	\$378,930	1.4%	\$190,500	\$113,294	59.5%
8	Cincinnati Ins Co	\$241,758	0.9%	\$180,302	-\$57,361	-31.8%
9	St Paul Mercury Ins Co	\$147,551	0.5%	\$147,551	\$878,984	595.7%
10	Medical Assurance of WV Inc	\$95,505	0.3%	\$92,149	-\$378,310	-410.5%
11	Church Mutual Ins Co	\$35,282	0.1%	\$16,359	\$21,031	128.6%
12	St Paul Fire & Marine Ins Co	\$15,111	0.1%	\$16,947	\$3,555,070	20977.6%
13	Evanston Ins Co*	\$11,881	0.0%	\$13,204	\$211,652	1602.9%
14	American Ins Co	\$1,917	0.0%	\$502	\$0	0.0%
15	Columbia Cas Co*	\$1,335	0.0%	\$1,874	\$0	0.0%
	Remaining Insurers excluding BRIM II	\$0	0.0%	-\$433	-\$4,932,359	1139112.9%
	Actively Writing					
	Licensed Companies (7)	\$8,413,431	30.1%	\$8,714,274	\$6,038,916	69.3%
	Surplus Lines Writers* (7)	\$19,039,755	68.1%	\$17,180,620	\$10,057,546	58.5%
	Risk Retention Groups** (1)	\$488,750	1.7%	\$104,160	\$54,155	52.0%
	Grand Total (15) excluding BRIM II	\$27,941,936	100.0%	\$25,999,054	\$16,150,617	62.1%

Other Health Care Facilities

2003 West Virginia Business Written

(NAIC Database)

Rank	Company	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
1	Executive Risk Specialty Ins Co*	\$854,410	31.1%	\$394,530	\$43,693	11.1%
2	Everest Indemnity Ins Co*	\$708,008	25.8%	\$653,564	\$587,276	89.9%
3	Executive Risk Ind Inc	\$404,064	14.7%	\$894,897	\$1,948,049	217.7%
4	Arch Specialty Ins Co*	\$255,354	9.3%	\$118,217	\$56,145	47.5%
5	Royal Surplus Lines Ins Co*	\$144,541	5.3%	\$153,441	-\$7,844	-5.1%
6	Lexington Ins Co*	\$133,000	4.8%	\$329,437	-\$50,001	-15.2%
7	Landmark Amer Ins Co*	\$96,614	3.5%	\$94,575	\$31,225	33.0%
8	St Paul Fire & Marine Ins Co	\$79,228	2.9%	\$104,655	\$948,776	906.6%
9	Western World Ins Co*	\$56,663	2.1%	\$84,897	\$11,719	13.8%
10	American Home Assur Co	\$9,389	0.3%	\$6,242	\$2,466	39.5%
11	American Intl Specialty Lines Co	\$2,499	0.1%	\$2,485	-\$243,863	-9813.4%
	Remaining Insurers excluding BRIM II	\$0	0.0%	-\$57	-\$194,075	340482.5%
	Actively Writing					
	Licensed Companies (4)	\$495,180	18.0%	\$1,008,222	\$2,461,353	244.1%
	Surplus Lines Writers* (7)	\$2,248,590	82.0%	\$1,828,661	\$672,213	36.8%
	Risk Retention Groups** (0)					
	Grand Total (11) excluding BRIM II	\$2,743,770	100.0%	\$2,836,883	\$3,133,566	110.5%

Other health care facilities including nursing homes, excluding National Union Fire Ins Co of Pitts

OTHER MED MAL POLICIES

2003 West Virginia Business Written

(NAIC Database)		Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
Rank	Company					
1	Ophthalmic Mut Ins Co RRG**	\$1,081,284	85.3%	\$908,011	\$342,863	37.8%
2	Oms Natl Ins Co RRG**	\$164,108	12.9%	\$135,313	-\$2,616	-1.9%
3	American Alt Ins Corp	\$16,568	1.3%	\$16,001	\$1,958	12.2%
4	American Assoc Of Othodontists	\$6,374	0.5%	\$5,908	\$925	15.7%
	Remaining Insurers	\$0		\$206	\$23,778	11542.7%
	Actively Writing					
	Licensed Companies (2)	\$22,942	1.8%	\$21,909	\$2,883	13.2%
	Surplus Lines Writers* (0)					
	Risk Retention Groups** (2)	\$1,245,392	98.2%	\$1,043,324	\$340,247	32.6%
	Grand Total (4) excluding BRIM II	\$1,268,334	100.0%	\$1,065,439	\$366,908	34.4%

Other Health Care Professionals
(NAIC Database)

2003 West Virginia Business Written

Rank	Company	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
1	Lexington Ins Co*	-\$1,692	0.0%	\$139,066	\$0	0.0%
2	Continental Casualty Co	\$685,691	18.7%	\$652,303	-\$3,335,604	-511.4%
3	American Cas Co of Reading PA	\$600,778	16.4%	\$561,433	\$1,394,875	248.4%
4	National Union Fire Ins Co of Pitts	\$441,031	12.0%	\$298,987	\$0	0.0%
5	Gulf Ins Co	\$302,513	8.2%	\$269,078	\$671,635	249.6%
6	Chicago Ins Co	\$290,427	7.9%	\$270,503	\$307,502	113.7%
7	Medical Assurance of WV Inc	\$284,817	7.8%	\$299,262	\$138,174	46.2%
8	NCMIC Ins Co	\$212,607	5.8%	\$215,675	\$92,923	43.1%
9	Cincinnati Ins Co	\$173,884	4.7%	\$181,200	\$481,869	265.9%
10	St Paul Fire & Marine Ins Co	\$160,955	4.4%	\$143,563	-\$373,873	-260.4%
11	TIG Ins Co	\$97,088	2.6%	\$154,438	\$329,750	213.5%
12	Western World Ins Co*	\$96,919	2.6%	\$94,675	\$13,068	13.8%
13	Granite State Ins Co	\$77,364	2.1%	\$66,277	\$100	0.2%
14	Evanston Ins Co*	\$67,657	1.8%	\$115,354	\$1,376,670	1193.4%
15	Landmark American Ins Co*	\$34,645	0.9%	\$7,618	\$2,804	36.8%
16	Connecticut Ind Co	\$28,169	0.8%	\$25,509	\$9,428	37.0%
17	Doctors Co An Interins Exchange	\$24,036	0.7%	\$26,547	\$0	0.0%
18	Medical Protective Co	\$20,897	0.6%	\$20,317	-\$6,000	-29.5%
19	Ace American Ins Co	\$20,155	0.5%	\$23,932	-\$4,051	-16.9%
20	American Ins Co	\$13,041	0.4%	\$6,860	\$5,100	74.3%
21	Westport Ins Corp	\$10,680	0.3%	\$8,741	\$1,137	13.0%
22	Admiral Ins Co	\$10,350	0.3%	\$9,159	-\$99	-1.1%
23	Nationwide Mutual Ins Co	\$5,334	0.1%	\$5,555	-\$892	-16.1%
24	Pharmacists Mutual Ins Co	\$3,662	0.1%	\$3,125	\$970	31.0%
25	Essex Ins Co*	\$3,500	0.1%	\$2,152	\$945	43.9%
26	Lumbermans Mutual Casualty Co	\$3,048	0.1%	\$3,523	-\$297	-8.4%
27	National Fire Ins Co of Hartford	\$1,640	0.0%	\$1,835	\$83,102	4528.7%
28	Church Mutual Ins Co	\$1,452	0.0%	\$1,328	\$152	11.4%
29	Nationwide Mutual Fire Ins Co	\$1,305	0.0%	\$1,272	-\$112	-8.8%
30	American Home Assurance Co	\$687	0.0%	\$343	\$0	0.0%
31	Columbia Casualty Co*	\$373	0.0%	\$1,311	\$0	0.0%
	Remaining Insurers excluding BRIM II	\$0	0.0%	\$3,695	\$81,035	2193.1%
	Actively Writing					
	Licensed Companies (25)	\$3,471,611	94.5%	\$3,254,460	-\$123,176	-3.8%
	Surplus Lines Writers* (6)	\$201,402	5.5%	\$360,176	\$1,393,487	386.9%
	Risk Retention Groups** (0)					
	Grand Total (31) excluding BRIM II	\$3,673,013	100.0%	\$3,614,636	\$1,270,311	35.1%

Total Medical Malpractice
(NAIC Database)

2003 West Virginia Business Written

Rank	Company	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Direct Loss Ratio
1	Medical Assurance of WV Inc	\$15,392,311	20.1%	\$18,029,689	\$7,903,748	43.8%
2	St Paul Fire & Marine Ins Co	\$10,586,973	13.8%	\$11,896,513	\$11,782,580	99.0%
3	Health Care Indemnity Inc	\$8,032,539	10.5%	\$8,032,539	\$6,194,765	77.1%
4	NCRIC Inc	\$7,935,426	10.3%	\$7,288,294	\$3,684,500	50.6%
5	Lexington Ins Co*	\$7,925,268	10.3%	\$6,767,791	\$3,666,937	54.2%
6	First Specialty Ins Corp*	\$6,461,554	8.4%	\$4,398,313	\$4,655,249	105.8%
7	Everest Indemnity Ins Co*	\$4,611,353	6.0%	\$6,826,846	\$2,003,139	29.3%
8	National Fire Ins Co of Hartford	\$1,678,037	2.2%	\$734,414	\$767,204	104.5%
9	APSpeciality Ins Co*	\$1,517,914	2.0%	\$1,565,693	\$2,211,944	141.3%
10	Doctors Co An Interins Exchange	\$1,494,436	1.9%	\$1,310,263	\$371,337	28.3%
11	Physicians Specialty Ltd RRG**	\$1,383,596	1.8%	\$1,061,714	\$429,357	40.4%
12	Ophthalmic Mutual Ins Co RRG**	\$1,081,284	1.4%	\$908,011	\$342,863	37.8%
13	Executive Risk Specialty Ins Co*	\$854,409	1.1%	\$394,526	\$52,272	13.2%
14	Gulf Ins Co	\$799,513	1.0%	\$766,078	\$1,643,200	214.5%
15	National Union Fire Ins Co of Pittsburgh	\$701,419	0.9%	\$598,697	-\$2,298,041	-383.8%
16	Continental Casualty Co	\$685,691	0.9%	\$652,303	-\$1,808,660	-277.3%
17	Arch Specialty Ins Co*	\$634,283	0.8%	\$308,717	\$169,438	54.9%
18	American Cas Co of Reading PA	\$605,712	0.8%	\$566,270	\$1,410,245	249.0%
19	Premier Ins Exchange RRG**	\$488,750	0.6%	\$104,160	\$54,155	52.0%
20	Preferred Physicians Medical RRG**	\$453,479	0.6%	\$456,330	\$89,925	19.7%
21	Cincinnati Ins Co	\$413,852	0.5%	\$360,877	\$243,506	67.5%
22	Executive Risk Indemnity Inc	\$404,061	0.5%	\$894,894	\$1,969,364	220.1%
23	Chicago Ins Co	\$290,769	0.4%	\$270,815	\$189,945	70.1%
24	Podiatry Ins Co of America RRG Mutual Co**	\$223,018	0.3%	\$207,253	\$1,514,962	731.0%
25	NCMIC Ins Co	\$212,607	0.3%	\$215,675	\$92,923	43.1%
26	Professional UW Liab Ins Co*	\$203,182	0.3%	\$153,082	\$38,755	25.3%
27	Medical Protective Co	\$176,897	0.2%	\$153,581	\$55,000	35.8%
28	Oms National Ins Co RRG**	\$164,108	0.2%	\$135,313	-\$2,616	-1.9%
29	Western World Ins Co*	\$153,582	0.2%	\$179,572	\$24,787	13.8%
30	St Paul Mercury Ins Co	\$147,551	0.2%	\$147,308	\$957,963	650.3%
31	Royal Surplus Lines Ins Co*	\$144,541	0.2%	\$153,441	-\$7,844	-5.1%
32	Landmark American Ins Co*	\$142,808	0.2%	\$104,732	\$34,964	33.4%
33	Professionals Advocate Ins Co	\$103,873	0.1%	\$145,422	-\$31,839	-21.9%
34	TIG Ins Co	\$97,088	0.1%	\$154,438	\$329,750	213.5%
35	Interstate Fire & Casualty Co*	\$94,460	0.1%	\$127,702	-\$426,634	-334.1%
36	Evanston Ins Co*	\$79,538	0.1%	\$128,558	\$531,216	413.2%
37	Capitol Specialty Ins Corp*	\$79,500	0.1%	\$9,938	\$6,459	65.0%
38	Granite State Ins Co	\$77,364	0.1%	\$66,277	\$26,141	39.4%
39	American Healthcare Ind Co	\$48,267	0.1%	\$109,222	-\$192,152	-175.9%
40	General Star Ind Co*	\$36,800	0.0%	\$18,450	\$5,000	27.1%
41	Church Mutual Ins Co	\$36,734	0.0%	\$17,687	\$21,183	119.8%
42	Connecticut Indemnity Co	\$28,169	0.0%	\$25,509	\$9,428	37.0%
43	National Guardian RRG Inc**	\$25,345	0.0%	\$25,345	\$0	0.0%
44	Columbia Casualty Co*	\$21,832	0.0%	\$22,650	-\$11,001	-48.6%
45	Ace American Ins Co	\$20,155	0.0%	\$23,932	\$4,144	17.3%
46	American Alternative Ins Co	\$16,568	0.0%	\$16,001	\$1,958	12.2%
47	American Ins Co	\$14,958	0.0%	\$6,984	\$5,100	73.0%
48	Westport Ins Corp	\$10,680	0.0%	\$8,741	\$977	11.2%
49	Admiral Ins Co	\$10,350	0.0%	\$9,159	-\$1,753	-19.1%
50	American Home Assurance Co	\$10,076	0.0%	\$6,585	\$3,232	49.1%
51	American Physicians Assurance Corp	\$7,908	0.0%	\$7,908	\$640,000	8093.1%
52	Amer Assoc of Orthodontists RRG**	\$6,374	0.0%	\$5,908	\$925	15.7%
53	Nationwide Mut Ins Co	\$5,334	0.0%	\$5,555	-\$875	-15.8%
54	Pharmacists Mutual Ins Co	\$3,662	0.0%	\$3,125	\$970	31.0%
55	Essex Ins Co*	\$3,500	0.0%	\$2,152	\$945	43.9%
56	Lumbermens Mutual Casualty Co	\$3,048	0.0%	\$3,523	-\$297	-8.4%
57	Steadfast Ins Co*	\$2,976	0.0%	\$1,572	\$256,289	16303.4%
58	American Intl Specialty Lines Ins Co	\$2,499	0.0%	\$2,485	-\$263,863	-10618.2%
59	Nationwide Mutual Fire Ins Co	\$1,305	0.0%	\$1,272	-\$112	-8.8%

Remaining Insurers	-\$86,841		\$71,881	\$4,118,460	5729.6%
BRIM II	\$32,295,238		\$28,246,823	\$8,694,809	30.8%
<i>Actively Writing</i>					
Licensed Companies (34)	\$45,340,581	59.1%	\$45,993,243	\$39,566,130	86.0%
Surplus Lines Writers* (16)	\$22,873,040	29.8%	\$21,036,033	\$13,638,549	64.8%
Risk Retention Groups** (9)	\$8,548,824	11.1%	\$9,642,409	\$266,838	2.8%
Grand Total (59) excluding BRIM II	\$76,762,445	100.0%	\$76,671,685	\$53,471,517	69.7%