

Review

1st Quarter 2009

A. M. Best Affirms Midwest Medical Insurance Company's "A" Rating

Once again, A. M. Best Co. has affirmed MMIC's financial strength rating of A (Excellent) with a stable outlook. Best wrote, the rating reflects MMIC's strong risk-adjusted capitalization, conservative loss reserving practices and operating philosophy, improved underwriting performance and its leadership in its operating territories. And, the outlook is based on MMIC's solid operating fundamentals and strong balance sheet.

According to A. M. Best, the rating recognizes MMIC's proactive approach to expanding

services and coverage to meet the changing needs of its policyholders. Through strategic subsidiaries, MMIC Technology Solutions Inc. and MMIC Agency Inc., the company is able to provide value-added services such as technical and strategic consulting and insurance agency services to its policyholders.

A.M. Best Company is a leading insurance rating organization whose ratings are recognized worldwide as a benchmark for assessing insurers' financial strength.

2008 Annual Report to be Mailed in June

As mentioned before in this publication, MMIC is implementing a new three-year strategic plan. Senior management and employees are teaming up to put the plan into action. We are delaying mailing the annual report in order to update you on the plan as well as our 2008 financials. When the annual report lands on your desk, please read it and let us know your thoughts.

MMIC Staff Promotions and Transitions

*Focusing on strengths to enhance products and service
And to deliver better customer service*



Elizabeth Lincoln

Elizabeth Lincoln has been promoted to senior vice president of law and health policy and will continue as general counsel. Lincoln will continue to advise The MMIC Group board and management on legal, regulatory, health policy and governance matters.

With more than 20 years of experience with the company, Lincoln has held leadership positions in risk management, and law and health policy.

Niles Cole has been promoted to senior vice president of finance and CFO. Cole joined MMIC in 1996 as assistant vice president of finance. He became vice president of finance in 1998 and took on the added responsibility of overseeing MMIC Information Systems Department in 2002. Prior to joining MMIC, Cole was vice president/controller of Physicians Insurance, a mutual company in Seattle, Washington, from 1990 through 1996.



Niles Cole

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Jeff Pearson

Jeff Pearson has been promoted assistant vice president of underwriting. Pearson has worked in the insurance industry for more than 21 years. Pearson joined MMIC six years ago as senior underwriting manager. Prior to that, he held several leadership positions in underwriting and business development at the St. Paul Companies.



Julie Stafford

Julie Stafford, former vice president of underwriting, transitioned to vice president of sales, marketing and communication and **Jerry O'Connell** transitioned from vice president of sales, marketing and communication to vice president of

underwriting. This change in the senior management structure will enhance collaboration and customer service. Sales, marketing, communication and underwriting departments touch virtually every aspect of MMIC's medical professional liability business. Stafford and O'Connell bring years of successful experience to all four functions. Each looks to inspire creativity and teamwork with a renewed focus on the company's unique purpose – to protect and promote the practice of good medicine.



Jerry O'Connell

New Patient Safety Resource Available to Policyholders

The Risk Management Department is working with ECRI Institute to bring patient safety resources to policyholders. A nationally recognized leader in health care research and patient safety information, the nonprofit has 40 years of experience in researching the best approaches to improving patient care.

Our risk management consultants have used ECRI services for many years, and find it an invaluable resource and think policyholders will find it just as useful. MMIC is offering its hospital and physician policyholders memberships to ECRI at no cost. The hospital membership provides access to ECRI's Healthcare Risk Control (HRC) System, which includes access to HRC System Publications, HRC members' website and HRC

e-mail Alerts that contain breaking healthcare risk management news.

Physician and clinic administrators will receive a subscription to ECRI Institute's Physician Practice Risk Management Services. Membership includes biweekly e-mail newsletters containing patient relations and safety issues, worker and environmental safety information and regulatory news and hazard/recall information; as well as access to the ECRI Physician Practice website and free CME online courses.

The risk management staff are currently contacting policyholders regarding ECRI subscriptions. For more information regarding this new service, contact your risk management representative.

Stimulus Package Includes COBRA Eligibility Rules Change

Premiums to be Subsidized for Some Former Employees and Their Families

Among the provisions of the recently signed stimulus package is a subsidy for unemployed workers who are continuing their health care benefits through COBRA. MMIC's human resource partner, W.J. Flynn & Associates, has written an article about the COBRA eligibility rules

that may be of interest to our policyholders. You can find the article on our website, www.mmicgroup.com, as well as listen to or download a podcast regarding the COBRA rule change.

Reminder to Enroll in Free FDA Patient Safety Alert Service

This is a reminder to physicians to sign up for Health Care Notification Network's online patient safety alerts service at www.hcnn.net. HCNN will e-mail FDA mandated, product alerts to physicians who sign up. The network targets the alerts to a physician's specialty or needs, to keep e-mails to a minimum.

Free to all licensed physicians, the HCNN ensures rapid and effective delivery of alerts. MMIC continues to encourage physicians to enroll in HCNN because it is a quick way to receive reliable patient safety news. These FDA-mandated product recalls and warnings have the potential to prevent patient injuries.



MMIC Enhances Physician Litigation Support Program

Additional Help for Physicians Involved in a Claim

MMIC recently enhanced its Physician Litigation Support Program by adding Ronald Hofeldt, M.D., as director of Physician Support Services. Dr. Hofeldt has many years of experience and study on the subject of litigation stress syndrome. While physicians are working closely with our claim staff and defense team to handle their case, they also can have confidential discussions with Dr. Hofeldt about the range of emotional responses relating to malpractice lawsuits.

We are sending letters explaining the enhanced program to physicians and clinic and hospital administrations. If you have questions, please contact Jerry Zeitlin, vice president of claim, at 800-328-5532 or jerry.zeitlin@mmihc.com

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