

Data / Information Request

Please provide responses for Question 1 and Question 2 in the Microsoft Excel templates provided. Accompanying text for responses to Question 1 and Question 2, if needed, and responses to Question 3 through Question 11 should be provided in Microsoft Word or in unprotected PDFs, to facilitate compilation of the responses.

- 1) Provide a limits distribution of the medical malpractice direct primary written premium for 2012, 2013 and 2014, separately for each state where medical malpractice business is written, using bands of per incident policy limits. An Excel template is provided.
- 2) For primary policies, provide the Pennsylvania premium produced by application of manual rates (before filed deductible or retention credits, experience rating, individual risk rating, or schedule rating), the amount of deductible or retention credits within the manual premium, the amount of modification to manual rates resulting from experience rating, individual risk rating, or schedule rating, and the resulting written (charged) premium for each calendar year from 2002 to 2014, separately for (a) physicians/surgeons, (b) hospitals, and (c) other medical malpractice insureds. Please provide the information separately for claims-made and occurrence policies. An Excel template is provided.
- 3) Discuss the Company's actual and target level of insured exposure for Pennsylvania medical malpractice business for 2013, 2014, and 2015. At a minimum, include for each year a discussion of (a) the new business strategy, (b) the renewal business strategy, and (c) the impact of the business strategy on the Company's level of insured exposure.
- 4) Discuss the impact on the Company of an increase in the Pennsylvania mandatory primary limits of insurance to \$750,000 per claim. At a minimum, include a discussion of (a) the expected impact on the assumed reinsurance and ceded reinsurance programs, (b) the estimated impact on the net earned premium to surplus ratio for 2016 and 2017, (c) the estimated impact on the RBC ratio for 2016 and 2017, (d) the expected impact on the Company's target level of insured exposure for 2016 and 2017, and (e) the expected change in the rate level (due to the increase in limits) relative to current limits.
- 5) Discuss the Company's perception of the impact of the following Act 13 and other Pennsylvania reform measures: (a) certificate of merit, (b) venue reform, (c) patient safety (Chapter 3), (d) collateral sources (Section 508), (e) payment of damages (Section 509), (f) reduction to present value (Section 510), (g) expert qualifications (Section 512), (h) statute of repose (Section 513), (i) remittitur (Section 515), and (j) ostensible agency (Section 516).
- 6) Discuss the Company's perception of the potential impact of Act 13, other Pennsylvania reform measures, and subsequent changes in case law on medical malpractice claims in Pennsylvania including but not necessarily limited to the impact on (a) the number of cases / claims filed, (b) the proportion of claims closing with indemnity payment, (c) the cost of indemnity, (d) the cost of providing defense, and (e) other costs.
- 7) For any Pennsylvania claim in (a), (b), or (c) below, provide the following as applicable: county of venue, county case number, the verdict slip, plaintiff name, insured defendant, the court opinion and order, date of order, the current status of the claim (closed at verdict amount, settled

with post-verdict negotiations, on appeal, etc.), and a discussion of how the cost of the claim was impacted by the respective Act 13 section:

- a) Any claim where a motion of remittitur was granted under Section 515 of Act 13;
 - b) Any claim where future medical and other related expenses by year have been funded via an annuity or trust under Section 509 of Act 13; and
 - c) Any claim where future damages for loss of earnings or earning capacity has been reduced to present value under Section 510 of Act 13.
- 8) Describe each method of alternative dispute resolution utilized by the Company to resolve Pennsylvania medical malpractice claims for 2012, 2013 and 2014. For each year, provide the number of claims resolved for each method of alternative dispute resolution, including (a) arbitration, (b) mediation, and (c) other agreements (provide description).
- 9) Discuss the Company's ability to provide basic insurance coverage capacity at \$750,000 per claim for policies incepting on and after January 1, 2016. This discussion may also include your Company's perception of the basic insurance coverage capacity that would be available from other providers of medical professional liability insurance in this Commonwealth.
- 10) Discuss the Company's willingness to provide basic insurance coverage capacity at \$750,000 per claim for policies incepting on and after January 1, 2016 for (a) specific jurisdictions (including Philadelphia county), and (b) specific specialties (including obstetrics/gynecology and general surgery). As part of this discussion, if there has been a significant change in the Company's mix of business with respect to physician specialty, territory or total in-force physician counts, please describe the change.
- 11) Discuss the impact of the following, if any, on the Company's willingness to provide basic insurance coverage capacity at \$750,000 per claim for policies incepting on or after January 1, 2016:
- a) The Affordable Care Act; and
 - b) The Medicare, Medicaid and SCHIP Extension Act of 2007 (in particular, the Medicare offset requirements).

Provide contact information regarding the data call, including:

Name:

Title:

Address:

Phone:

E-mail address:

Company name:

Company NAIC#: