



February 28, 2019

Honorable Donald White, Chair
Banking and Insurance Committee
Senate of Pennsylvania
286 Main Capitol
Harrisburg, PA 17120

Honorable Sharif Street, Minority Chair
Banking and Insurance Committee
Senate of Pennsylvania
535 Main Capitol
Harrisburg, PA 17120

Honorable Tina Pickett, Chair
Insurance Committee
Pennsylvania House of Representatives
315-A Main Capitol
Harrisburg, PA 17120

Honorable Anthony DeLuca, Minority Chair
Insurance Committee
Pennsylvania House of Representatives
115 Irvis Office Building
Harrisburg, PA 17120

Dear Senators and Representatives:

We are pleased to provide this Annual Report on the Medical Care Availability and Reduction of Error Fund which includes information on Pennsylvania's patient compensation fund from inception through December 31, 2018.

Newly opened excess claims during the claims year 2018 were 3,253 compared to 2,889 in 2017. Total payments for claims finalized during claims year 2018 were \$211 million as compared to \$181 million for claims finalized in claims year 2017.

The annual actuarial study, prepared by an outside actuarial firm, concludes that an unfunded liability of \$982 million exists as of December 31, 2017. This amount is essentially unchanged over the prior year's estimate of \$975 million.

If you have any questions about this report, please feel free to contact me, Deputy Insurance Commissioner Laura Slaymaker at 717-783-8761 or Mcare Executive Director Theodore Otto at 717-783-7657.

Sincerely,

A handwritten signature in blue ink that reads "Jessica K. Altman". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Jessica K. Altman
Insurance Commissioner

Enclosure