

State of West Virginia

Medical Malpractice Report on Insurers with over 5% Market Share



*Provided by the West Virginia Offices of the
Insurance Commissioner*

November 2007

Introduction

The West Virginia Offices of the Insurance Commissioner has prepared this report on Medical Professional Liability Insurance 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 a 5% or greater written premium 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, and data from the West Virginia Board of Medicine.

A “*claim for medical malpractice*”¹ means a claim arising out of the rendering of, or the failure to render, medical care services. An “*action of medical malpractice*” is a tort or breach of contract claim for damages due to the death, injury, or monetary loss to any person arising out of any medical, dental, or surgical diagnosis, treatment, or care of any provider of healthcare.

In any action for the recovery of damages based upon medical malpractice, a claimant has the burden of proving the alleged actions of the healthcare provider represented a breach of or failure to meet the prevailing standard of care for that type of healthcare provider. The prevailing professional standard of care for a given healthcare provider is the level of care, skill and treatment which, in light of all relevant surrounding circumstances, is recognized as acceptable and appropriate by reasonably prudent similar healthcare providers.

¹ 2003 University of Central Florida Governor’s Select Task Force on Healthcare Professional Liability Insurance

The medical malpractice insurance market has gone through three crisis periods or “hard” markets during the past thirty years. The first medical malpractice crisis occurred in the mid-to-late 1970s. The second medical malpractice crisis occurred in the mid-1980s. The latest medical malpractice crisis began in early 2001. The most recent hard insurance market was driven by a number of factors²:

- Rising loss trends;
- Higher and more volatile jury awards;
- Adverse reserve development on prior accident/report year reserves;
- Reduced carrier capacities;
- Rising costs and availability of reinsurance;
- Varying success of tort reform packages in multiple states (e.g., constitutionality, ability to pass reforms); and
- Declining investment returns.

As this report will show, West Virginia’s **medical malpractice insurance results have displayed continuous improvements over the 2004-2006 period as compared to that of the years subsequent to the recent “hard” market period.** Rate level changes which have been approved over the last four years, the passage of H.B. 601 and H.B. 2122 creating the policyholder owned *West Virginia Mutual Insurance Company* have all contributed to the change in the Medical Malpractice Liability results in West Virginia. In fact, we are now commonly experiencing rate reduction and/or general stabilization from many of the writers in West Virginia.

² July/August 2004 Contingencies Magazine (www.contingencies.org), *The Medical Malpractice Market: From National Dominance to Regional Focus*, Kevin Bingham.

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

- **Section I:** An overview of the Industry's *by-line* insurance results in 2006 together with a *comparison* of Industry results and West Virginia results for the Medical Malpractice Insurance line.
- **Section II:** A review of the West Virginia Board of Medicine paid claim data covering 1994–2006.
- **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 also provided. Additionally, a sample comparison of current approved physician's and surgeon's rates in West Virginia is included.
- **Section IV:** A review of Medical Liability Fund data and other claim data gathered from Company financial statements.
- **Section V:** Summary observations

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

Table of Contents

Introduction	1
Section I: Overview of Countrywide Insurance Results for 2006	6
I-A: Medical Malpractice Insurance Results for the Industry	9
I-B: Industry vs. West Virginia Comparison	11
I-C: Key Drivers of West Virginia Med Mal Insurance Results	16
I-D: Loss & Defense Costs vs. Incurred Premiums Earned	17
I-E: A Cautionary Note	18
Section II: A Review of Paid Claim Data	19
II-A: How Malpractice claims are disposed in West Virginia	21
II-B: Historical Judgments	23
II-C: Historical Settlements	26
II-D: Paid Data Collection	29
Section III: Review of 5% Market Share Companies	31
III-A: Enabling Legislation	35
III-B: Market Positions	36
III-C: Rating Plans and Rules	40
III-D: Reconciliation of Information	41
III-E: Rate Filings	43
III-F: Investment Portfolio	44
Section IV: Other Sources of Data	45

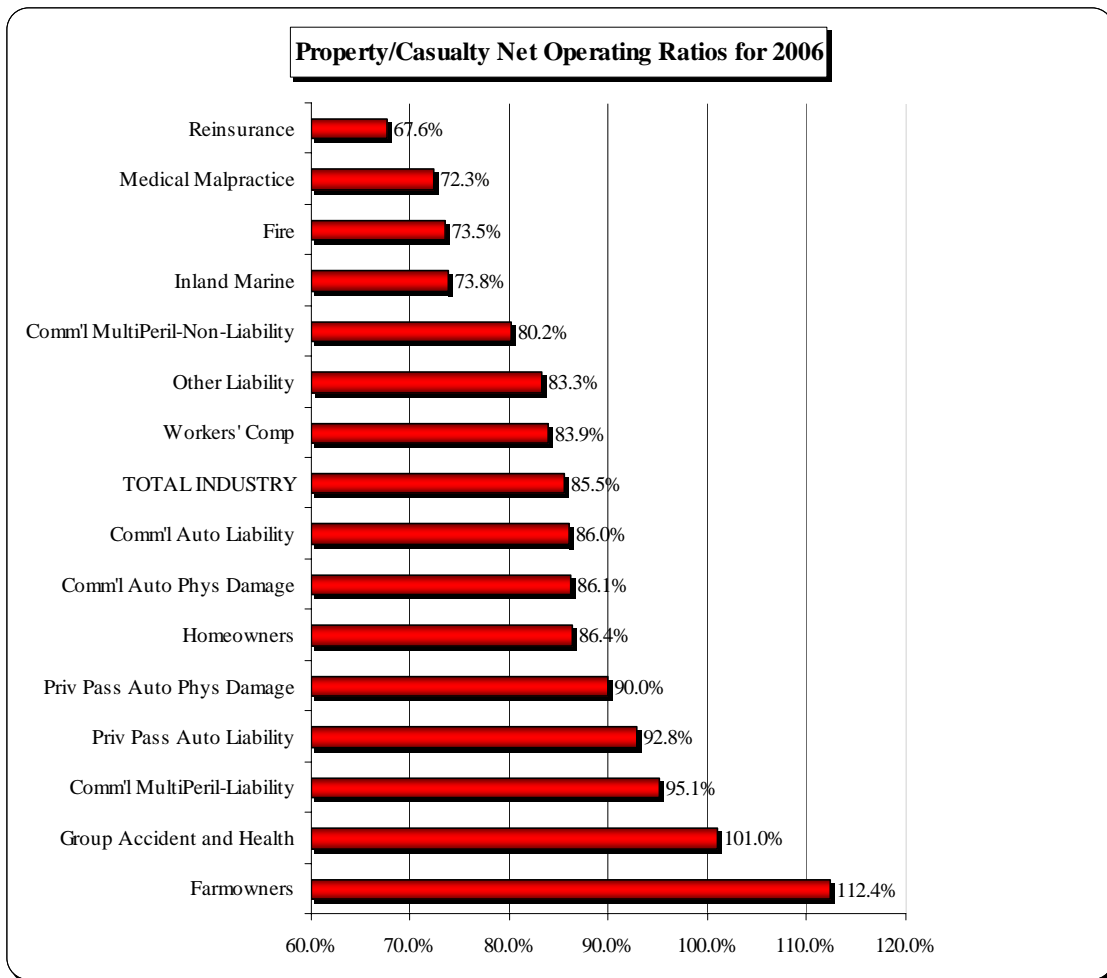
Section V: Summary Observations	50
Glossary of Terms	53
Exhibits	57
I: Loss and Premium Information/Reconciliation	58
II: Comparison of Budgeted Expenses	62
III: Comparison of Investment Income Provisions	63
IV: Comparison of Pure Premium Trends	64
V: Comparison of Loss Development Factors	65
VI: Premium Reconciliation	66
VII: Sample Comparison of Physicians Rates	67
Appendix:	
Supplemental and Supporting Information	68
Physicians/Hospitals/Other Facilities/Professionals-Totals	69
Medical Liability Fund Suits by Year and County	77
2006 to 2000 Paid and Reserved Physicians Claims by Year	78
Historical top Companies in WV Market for Med Mal (Admitted)	85
Historical top Companies in WV Market for Med Mal (Business Written)	87
Approved Rate Change History for Admitted Carriers in WV	89
West Virginia Population by County	90

Section I

Overview

Section I. Overview of Countrywide Insurance Results for 2006

The noted general improvements in the countrywide **combined all lines property and casualty insurance industry results** from our two previous Medical Malpractice reports has again continued and even further decreased for the 2006 time period to its lowest point since prior to 1997. The all lines combined industry results for 2006 were 85.5%. (*The 2005 results were at a 93.7% combined level.*) 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. The 2006 net operating experience for the industry total as compared to some of its key element lines were as follows:



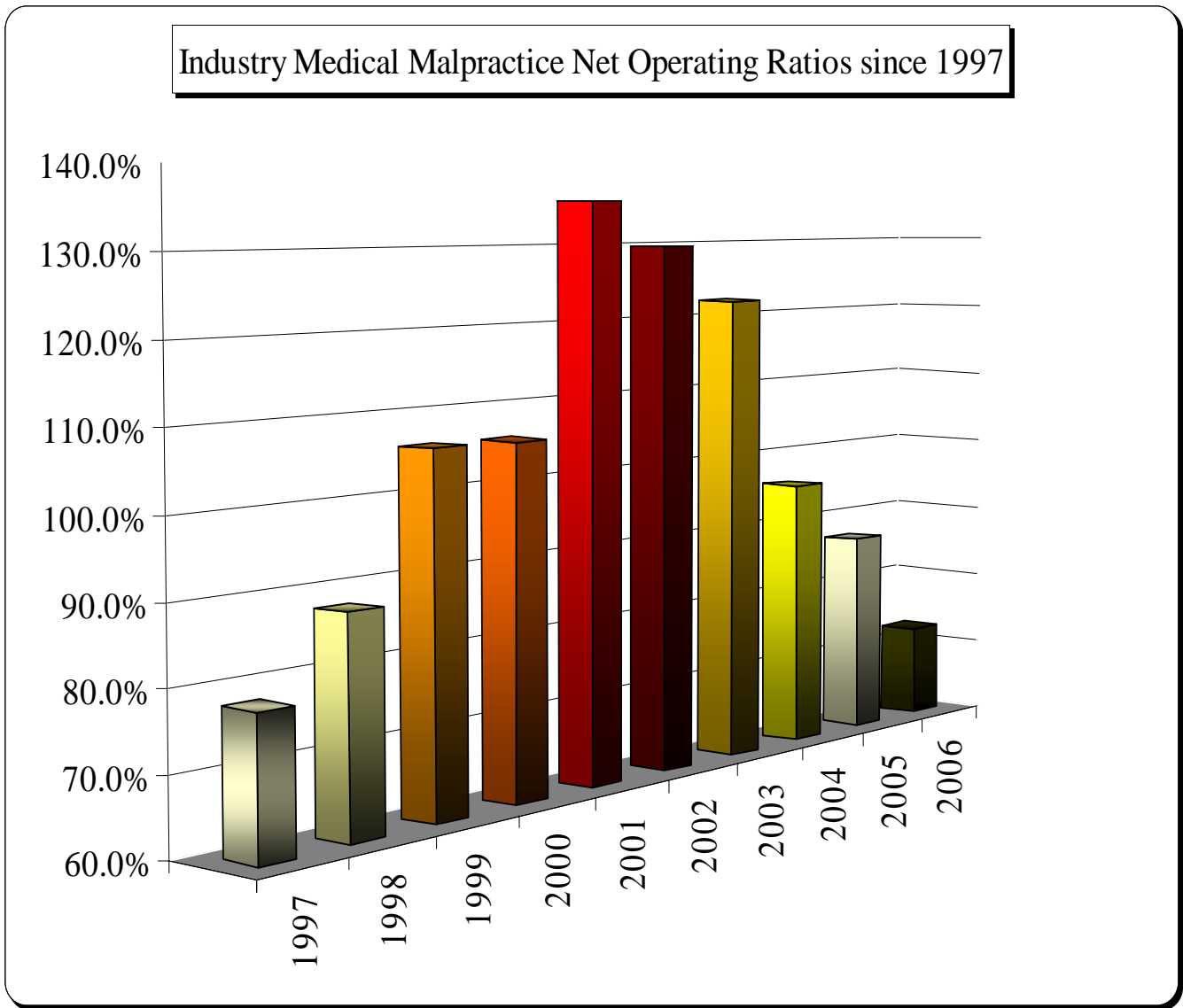
Source: A. M. Best

Several points could be noted from the industry results for 2006:

- The reinsurance industry has displayed significantly improved operating results for 2006 as its net operating ratio was 234.4% in 2005.
- The Group Accident and Health results are those of this line as written by Property and Casualty Companies.
- The results for several of the more competitive Personal Lines (i.e. Personal Auto and Home) exceeded that of the combined total industry results.

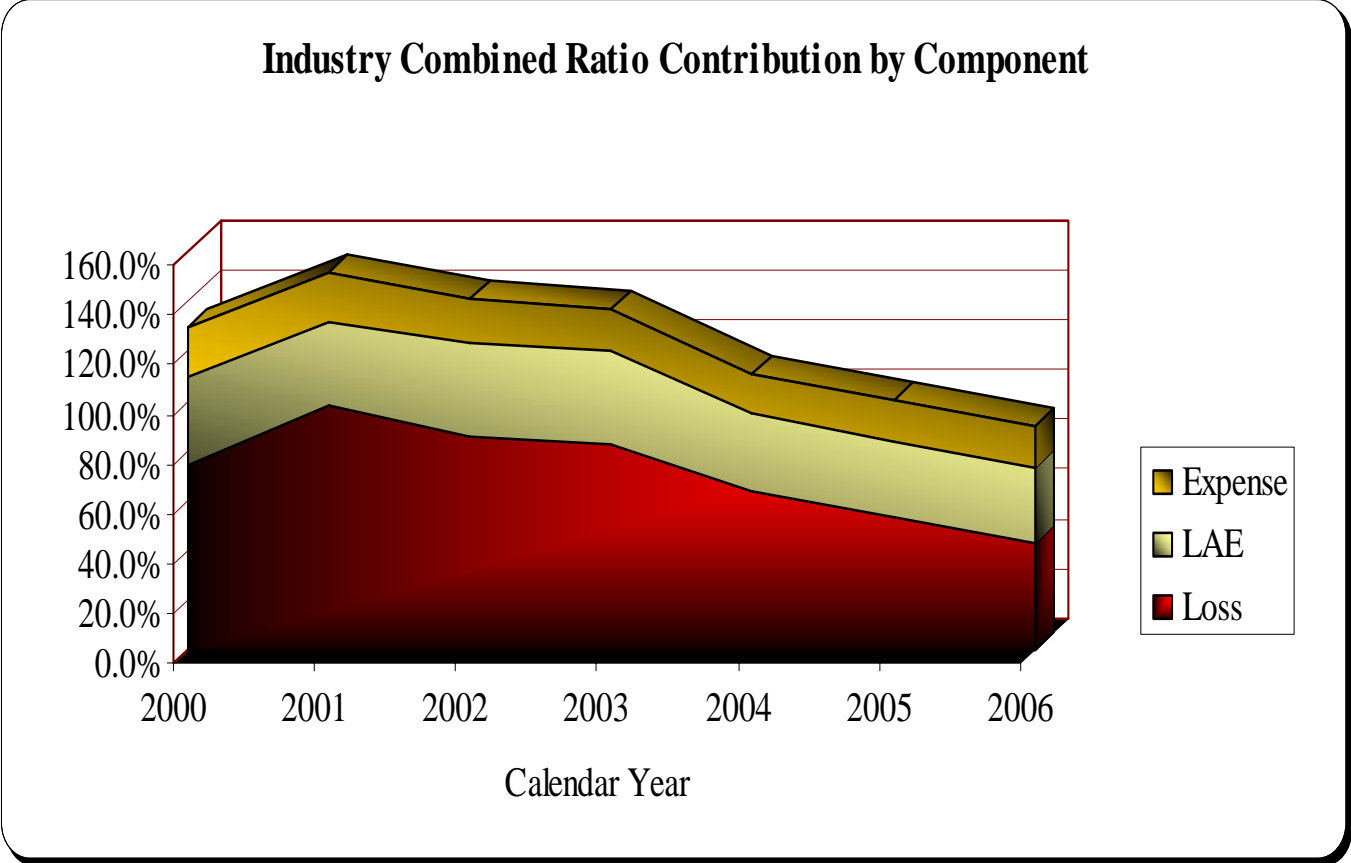
I-A. Medical Malpractice Insurance Results for the Industry

Medical Malpractice, which was the poorest performing line of insurance shortly after the millennium, has continued to show improvement since its 10 year high which occurred in 2001 and is now performing below the total combined industry results. *The graph below displays industry net operating ratios since 1997:*



Source: A. M. Best

The next chart displays the combined ratio contribution by component since 2000 excluding and investment income:



Source: A. M. Best

Profitability for medical malpractice writers can be examined in the following table. Profitability can be volatile from year to year, thus *it is important to look at a number of years*:

Profitability - 77 Medical Malpractice Organizations							
	2000	2001	2002	2003	2004	2005	2006
Net Income (\$M)	\$523	(\$263)	(\$782)	(\$544)	\$77	\$652	\$1,615
Surplus (\$M)	\$7,102	\$6,678	\$5,786	\$6,150	\$6,638	\$7,195	\$7,958
Return on Surplus	7.4%	-3.9%	-13.5%	-8.8%	1.2%	9.1%	20.3%

Source: A. M. Best

Over the past seven years, the 77 medical malpractice organizations above have gained \$1.278 billion on a countrywide basis. Note that the previous report which had reviewed the same period except for the addition of 2006 data had indicated an overall loss in net income in the hundreds of millions of dollars.

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

The exhibit on the following page provides a comparison of Medical Malpractice results for the Industry with results for West Virginia over the 2000 – 2006 time periods. In reviewing this exhibit, a few key areas of difference (other than premium totals) are noted. A general decline in the total West Virginia premiums since 2004, versus Countrywide; a more steep decline in the direct loss ratio since 2002 when the experience of both West Virginia and Countrywide had peaked, and a quicker return to profitability than that which was experienced on a Countrywide basis.

Industry vs. West Virginia Medical Malpractice Results

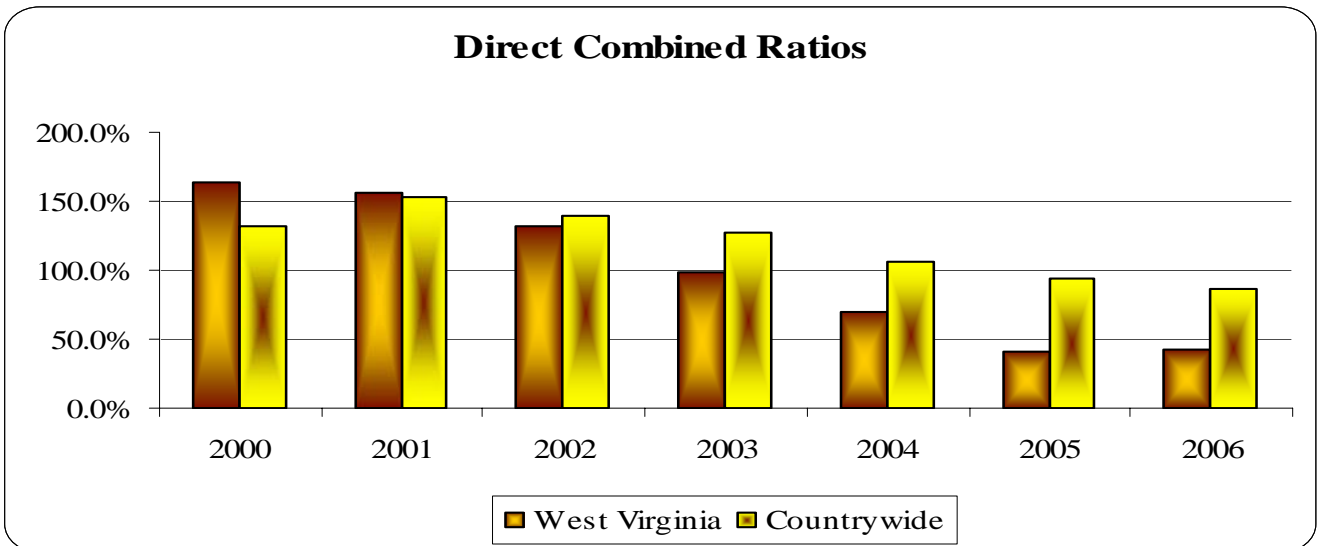
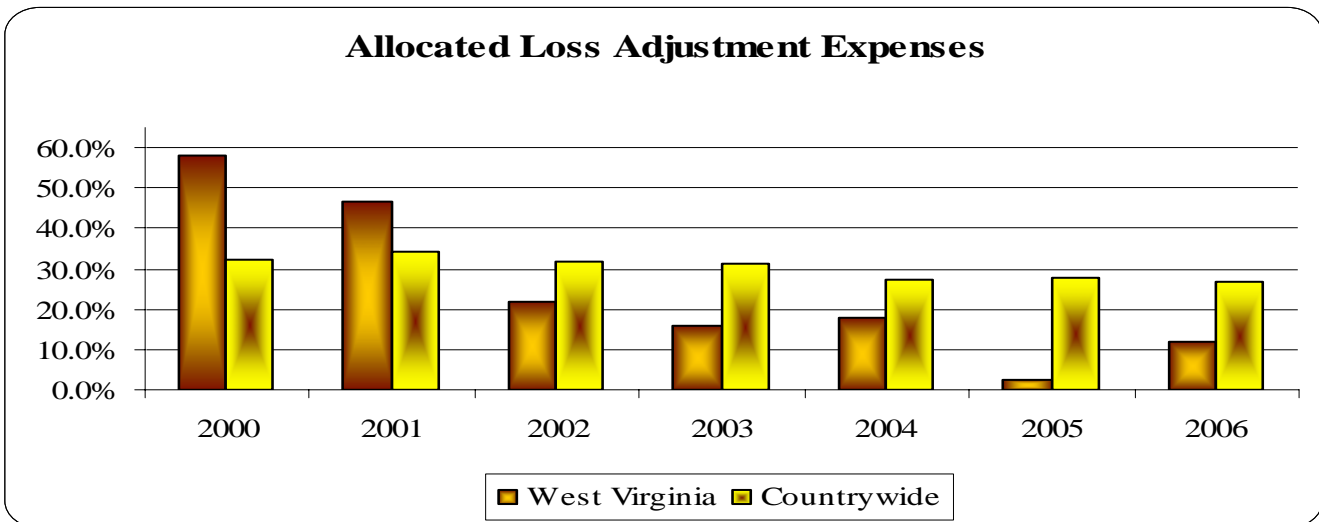
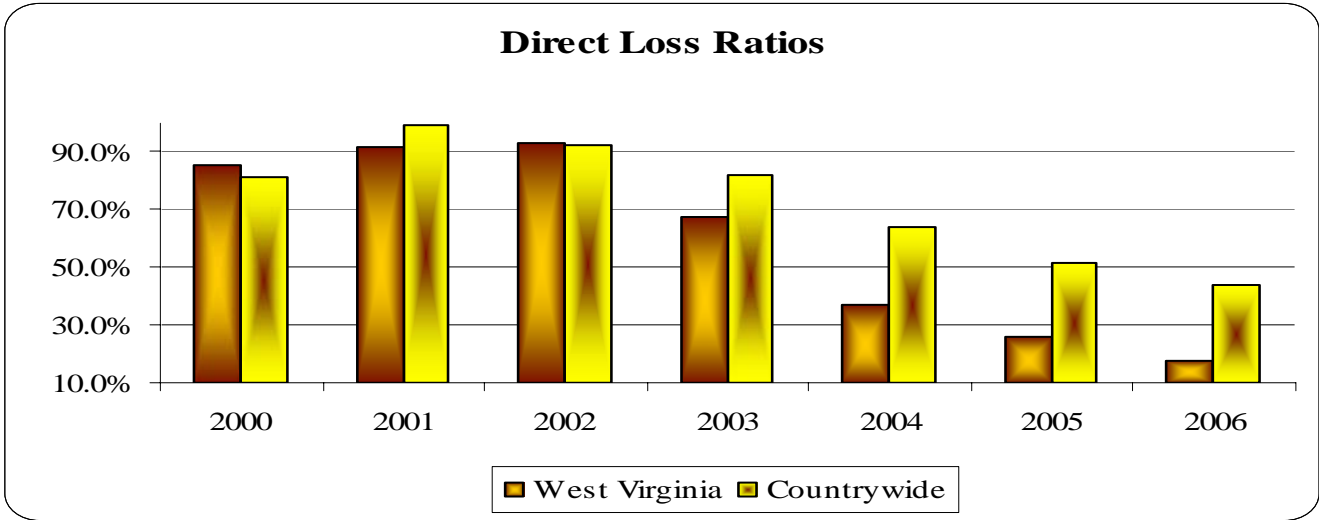
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INDUSTRY (<i>Best's Aggregates & Averages</i>)						
Year	Direct Written Premium	Direct Earned Premium	Direct Loss Ratio	Loss Adjustment Expense	Underwriting Expense	Direct Combined Ratio
2000	\$6,376,040	\$6,329,556	81.0%	32.1%	19.2%	132.3%
2001	\$7,457,325	\$6,928,413	99.6%	34.3%	18.5%	152.4%
2002	\$9,280,247	\$8,778,178	92.2%	31.7%	16.1%	140.0%
2003	\$10,731,311	\$10,234,413	81.7%	31.1%	15.2%	128.0%
2004	\$10,614,856	\$10,287,709	63.9%	27.4%	14.2%	105.5%
2005	\$10,930,597	\$10,743,277	51.3%	27.8%	15.5%	94.6%
2006	\$11,222,671	\$11,132,918	43.6%	27.0%	15.7%	86.3%
Total	\$66,613,047	\$64,434,464	70.5%	29.8%	16.1%	116.3%

WEST VIRGINIA (<i>NAIC Annual Statement Data</i>)						
Year	Direct Written Premium	Direct Earned Premium	Direct Loss Ratio	Loss Adjustment Expense	Underwriting Expense	Direct Combined Ratio
2000	\$73,320	\$62,785	85.6%	58.1%	19.4%	163.1%
2001	\$77,963	\$76,937	91.4%	46.5%	18.8%	156.6%
2002	\$91,978	\$100,563	93.3%	21.8%	16.5%	131.6%
2003	\$76,766	\$76,685	67.2%	16.0%	15.6%	98.8%
2004	\$142,976	\$123,472	36.8%	17.9%	14.4%	69.2%
2005	\$113,255	\$111,619	25.9%	2.4%	13.2%	41.5%
2006	\$110,870	\$107,296	17.4%	11.7%	12.9%	42.0%
Total	\$687,128	\$659,357	55.0%	21.8%	15.4%	92.2%

Note that the favorable results in West Virginia which began in 2004 have continued.

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



A number of observations can be made from the Countrywide versus West Virginia Medical Malpractice comparison:

- The results for 2006 maintained the previously noted **improvements in West Virginia**.
- The combined ratio fell to **42.0% in West Virginia** compared with 86.3% countrywide.
- The decline in the West Virginia **direct loss ratio** continued dropping to 17.4% in 2006.
- The improvement in loss adjustment expenses in West Virginia has also continued.
- In 1999, the direct combined ratio in West Virginia was 182.2%; it now stands at 42.0%.
- Note that figures prior to 2004 **exclude BRIM results**, thus the drop in written premium from 2002 to 2003. The results for **2004 include** the **BRIM II** novation to the new **Mutual**. This explains the large increase in written premium shown in 2004.

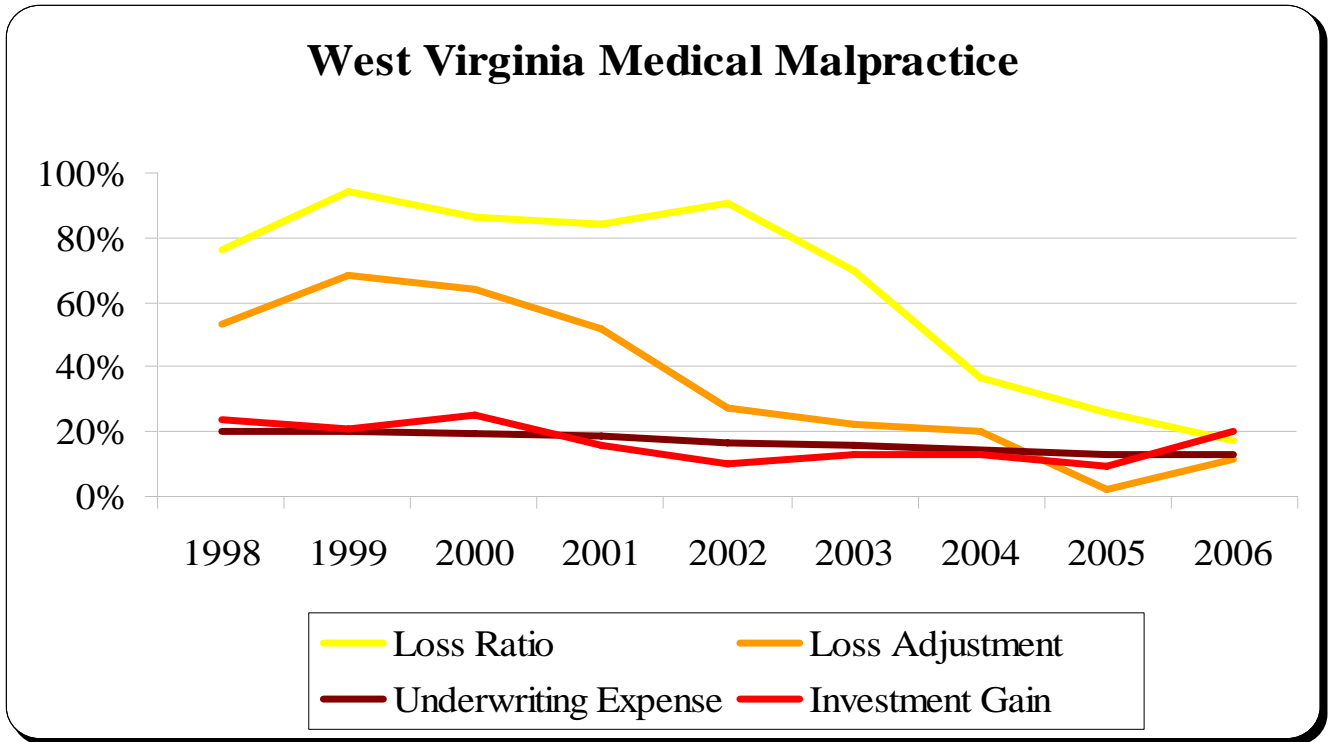
A review of the Direct *Operating* Ratio (which further reflects Dividends Paid and Investment Gain/Loss) produces the results which follow:

INDUSTRY (<i>Best's Aggregates & Averages</i>)					
Year	Direct Combined Ratio	Dividend	Combined Ratio (after Dividend)	Investment Gain	Direct Operating Ratio
2000	132.3%	3.70%	136.0%	7.4%	128.6%
2001	152.4%	2.70%	155.1%	-3.9%	159.0%
2002	140.0%	1.60%	141.6%	-13.5%	155.1%
2003	128.0%	0.40%	128.4%	-8.8%	137.2%
2004	105.5%	0.50%	106.0%	1.2%	104.8%
2005	94.6%	0.60%	95.2%	9.1%	86.1%
2006	86.3%	0.70%	87.0%	20.3%	66.7%
Total	116.3%	1.2%	117.6%	2.3%	115.3%

WEST VIRGINIA (<i>NAIC Annual Statement Data</i>)					
Year	Direct Combined Ratio	Dividend	Combined Ratio (after Dividend)	Investment Gain	Direct Operating Ratio
2000	163.1%	0.08%	163.2%	7.4%	155.8%
2001	156.6%	0.07%	156.7%	-3.9%	160.6%
2002	131.6%	0.05%	131.6%	-13.5%	145.1%
2003	98.8%	0.03%	98.8%	-8.8%	107.6%
2004	69.2%	0.02%	69.2%	1.2%	68.0%
2005	41.5%	0.07%	41.6%	9.1%	32.5%
2006	42.0%	0.04%	42.1%	20.3%	21.8%
Total	92.2%	0.05%	92.2%	2.2%	90.0%

- These figures show that after accounting for dividends and investment gain, medical malpractice has produced an *operating profit* in West Virginia since 2004.

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



Negative Factors

- None

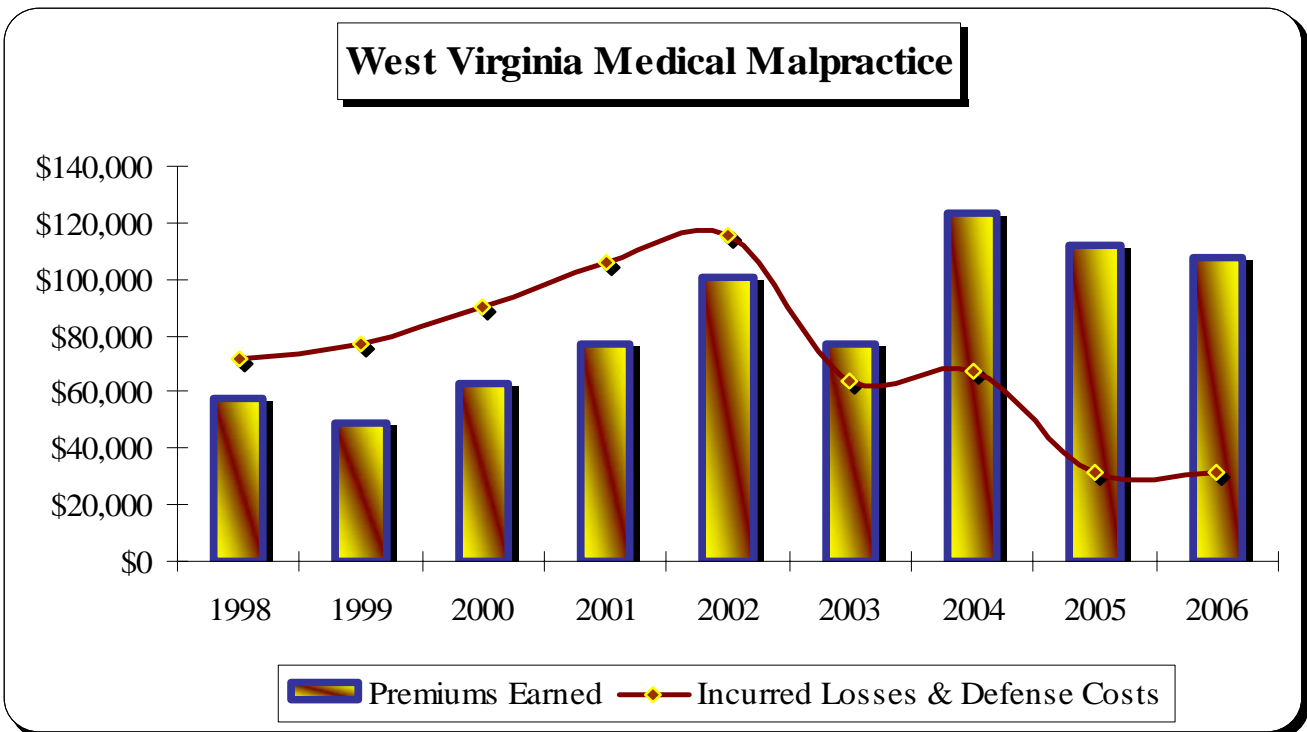
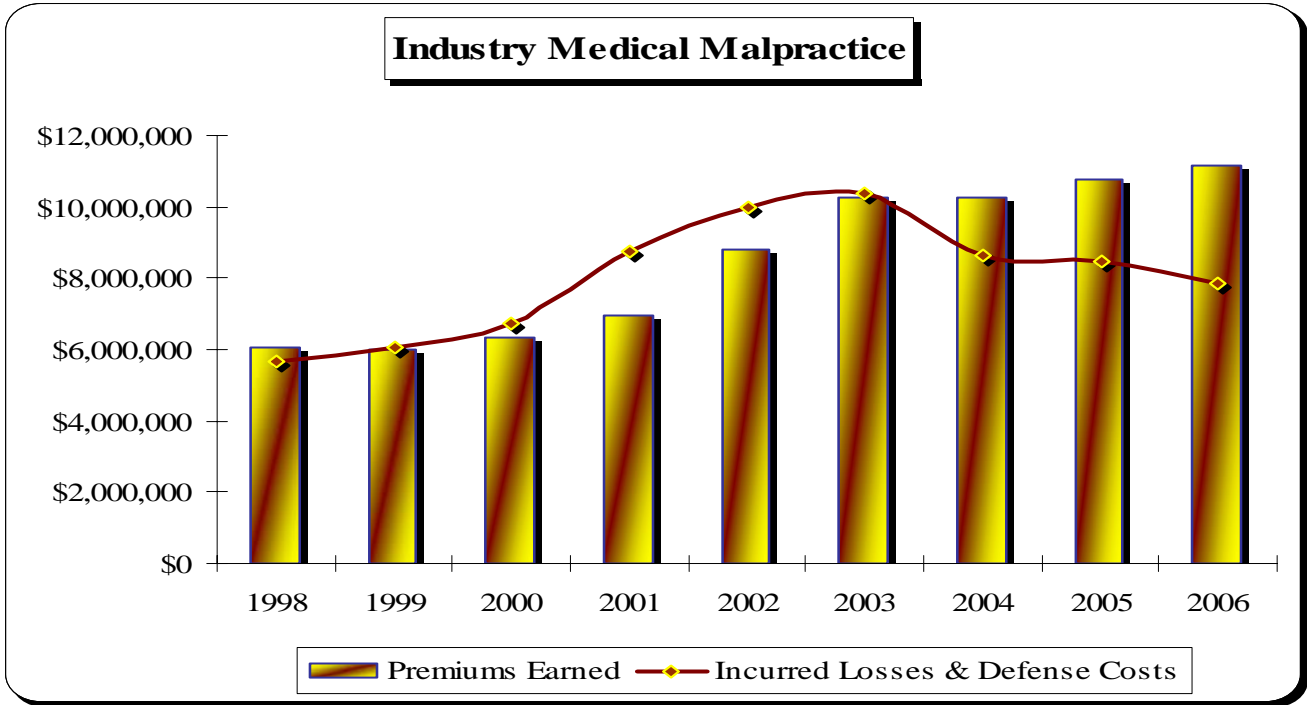
Positive Factors

- Sharp decline in Loss Ratio
- Continued decline in Loss Adjustment Expense
- Decline in Underwriting Expense
- Recovering and Stabilizing Investment Gains

Overall, the *graph above visually shows a return to stability and profitability in the West Virginia Medical Malpractice market.*

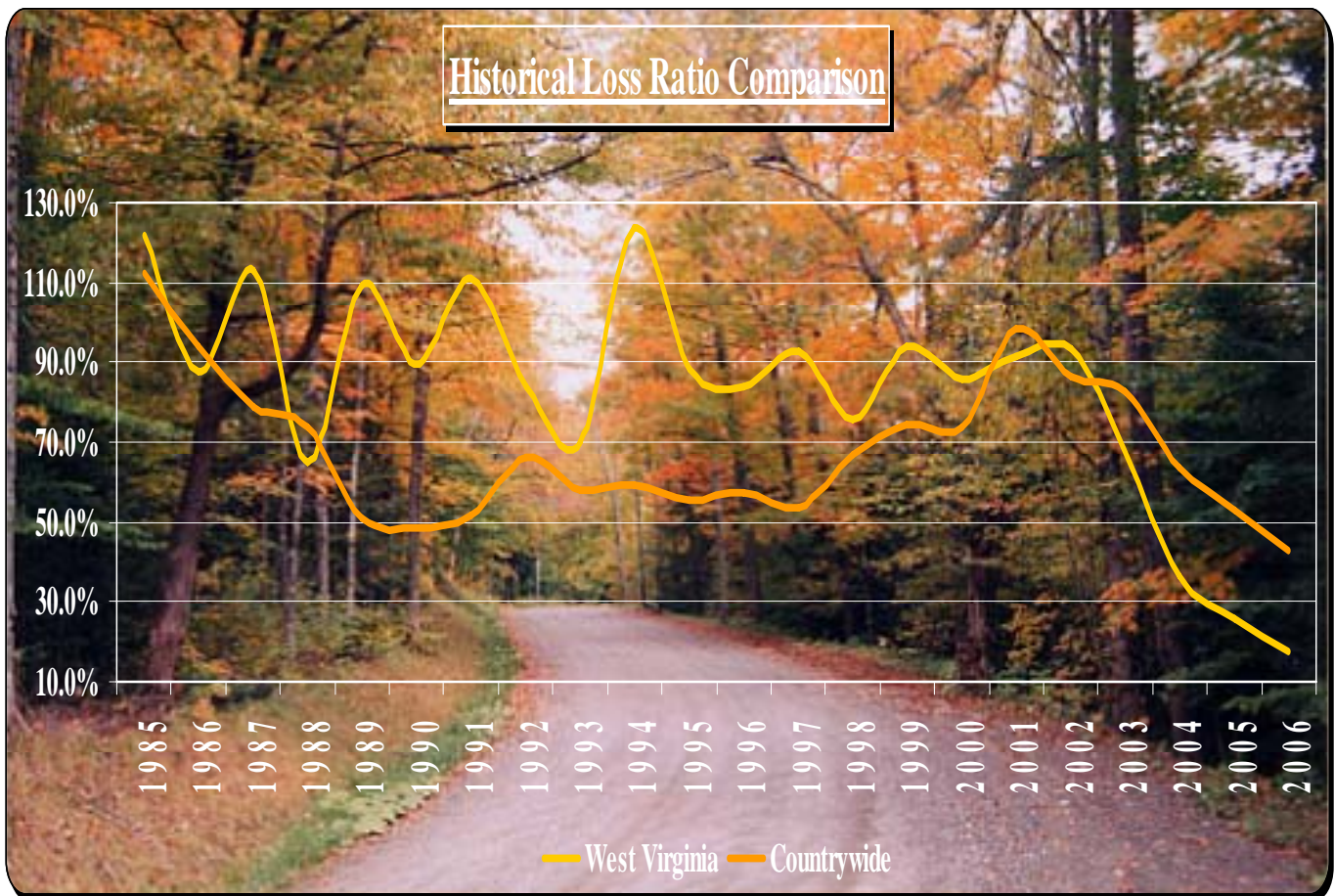
I-D. Loss and Defense Costs Incurred vs. Premiums Earned

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 turnaround reported for 2003 and more dramatically, in 2004 and 2005.



I-E. A Cautionary Note

The loss ratio in West Virginia for Medical Malpractice in 2006 is an 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. West Virginia's loss ratio has shown significant improvement over the past few years. As a result, *rate changes stabilized around 2004 and the improved results thereafter are continuing to lead to rate reductions.*



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 WV Board of Medicine

Cautionary note: The following information is **not insurance data**; rather it is information provided to the **West Virginia Board of Medicine** about 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 data represent indemnity payments only, thus, loss adjustment expense amounts are necessarily excluded. While not strictly matching insurance data, this information is valuable in attempting to identifying trends. It should also be noted that the data does not include hospitals or doctors working within a corporate structure. Even with fourteen years worth of data, the number of claims and loss dollars are still small enough to limit the credibility of the information. This information does include **BRIM** claim payments.

Advisory: The sections below which review both Judgments and Settlements with payment where the data is noted to have been capped at \$1,000,000 differs from that previously reported due to the application of the \$1,000,000 cap. The 2004 report only considered Judgments and Settlements under \$1,000,000 (excluding all those above that amount), the 2005-2006 reports continued to provide the data in this manner, but noted it as having been capped at \$1,000,000 (i.e. all individual payment amounts greater than \$1M only count only as \$1M each) as a smoothing procedure. This report actually applies the noted capping methodology in order to limit large swings in the data from year to year, but still also fully considers indemnity amounts over \$1,000,000 (counted as capped at \$1M) in order to attempt to identify any notable trends in payments. This creates some disparity between the figures provided within this report and that of previous reports.

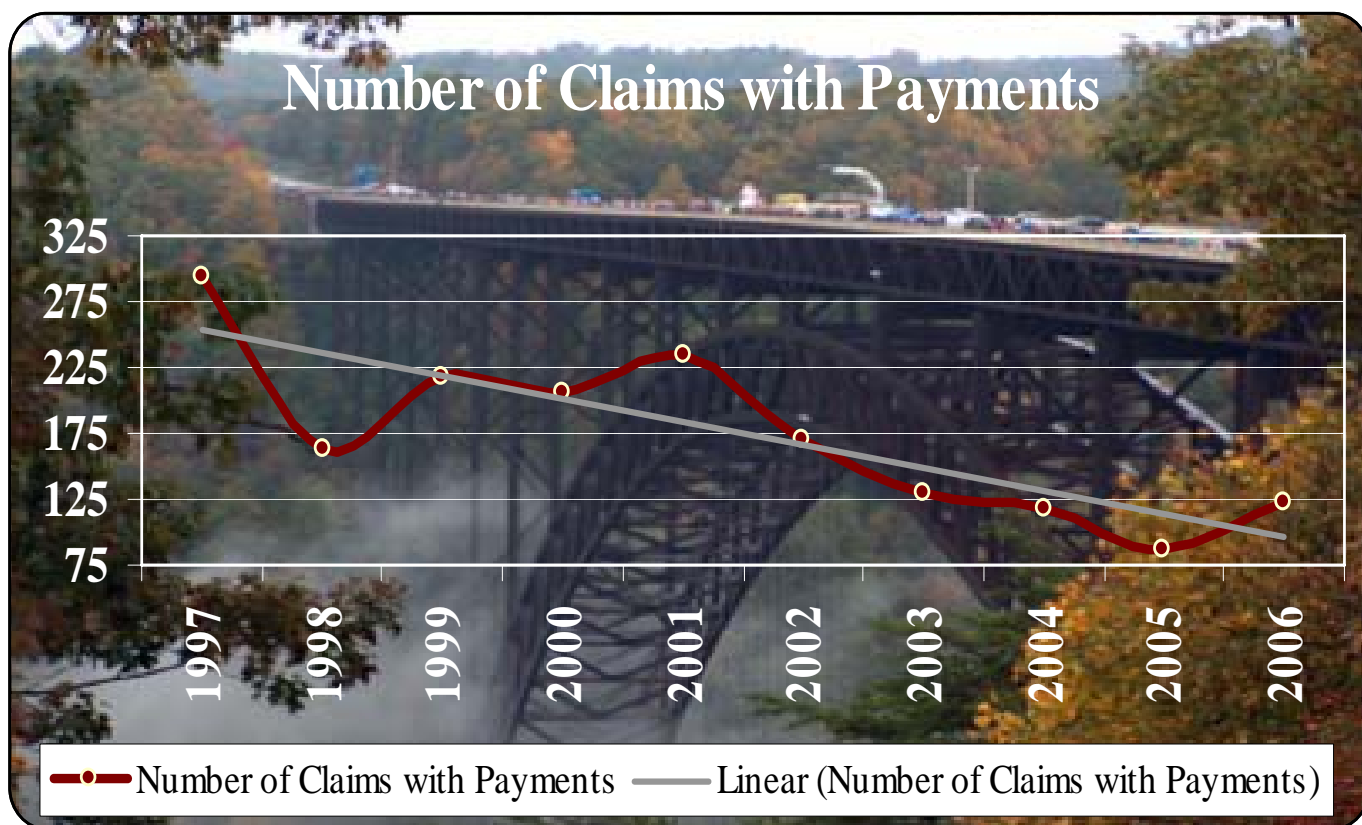
II-A. How Malpractice Claims are disposed in West Virginia

The exhibit below displays paid claim count information for 1993 – 2006.

West Virginia Board of Medicine									
Claim Count Review									
Year	Number of Dismissals	% of Total	<u>Judgments</u>		% of Total	<u>Settlements</u>		% of Total	All Total
			With Payment	Total		With Payment	Total		
1993	79	28%	8	18	6%	186	187	66%	284
1994	74	23%	10	36	11%	203	208	65%	318
1995	103	31%	14	38	11%	187	190	57%	331
1996	81	27%	5	20	7%	191	194	66%	295
1997	114	27%	9	28	7%	286	286	67%	428
1998	53	22%	9	27	11%	153	156	66%	236
1999	99	30%	15	28	8%	203	206	62%	333
2000	104	30%	7	37	11%	199	203	59%	344
2001	112	30%	9	37	10%	225	226	60%	375
2002	122	39%	7	25	8%	164	165	53%	312
2003	108	42%	4	23	9%	125	127	49%	258
2004	87	39%	6	24	11%	113	113	50%	224
2005	77	44%	5	15	9%	81	82	47%	174
2006	72	35%	3	12	6%	120	120	59%	204
Total	1,285	31%	111	368	9%	2,436	2,463	60%	4,116

- West Virginia averages 294 malpractice claims per year. Over the past fourteen years, **31% of malpractice claims have been dismissed**. In 2001, H.B. 601 was passed. One of its key elements was §55-7B-6, requiring that a “*certificate of merit*” be obtained 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*”’. (Emphasis Added) We believe that this new **screening process explains in part the increase in the percentage of dismissals seen beginning in 2002**.

- Generally, **the number of claims filed has dropped significantly since the passage of the 2001 legislation.**
- 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 about 30% of the claims that are adjudicated actually receive a judgment with payment.
- On average, **60% of malpractice claims are settled** without court involvement.
- Graphically, note the downward linear trend in the number of paid claims since 1997:



This is consistent with previous reports which have noted a decline in Medical Malpractice claims countrywide.

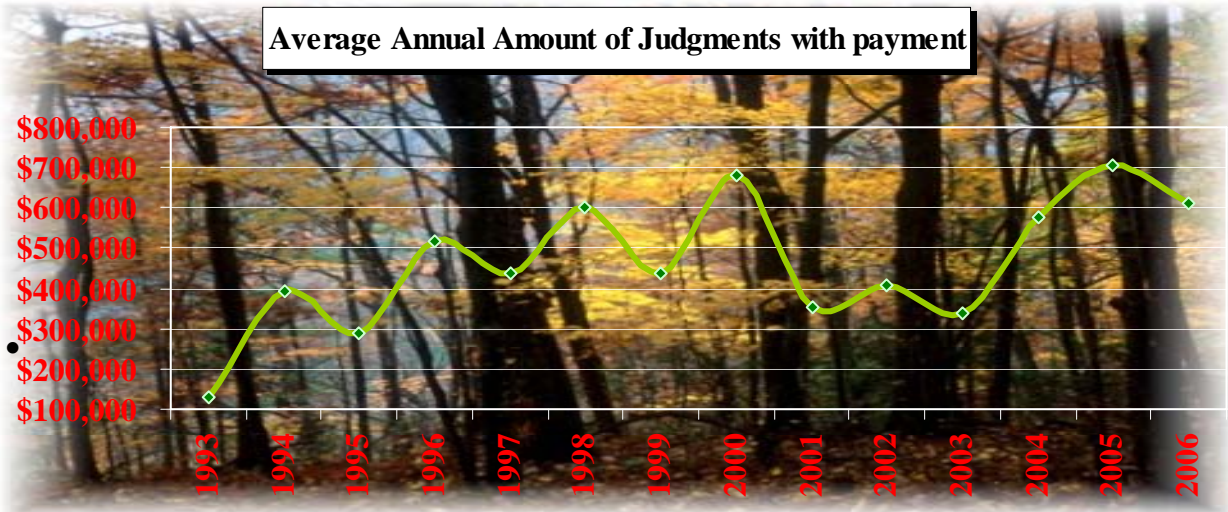
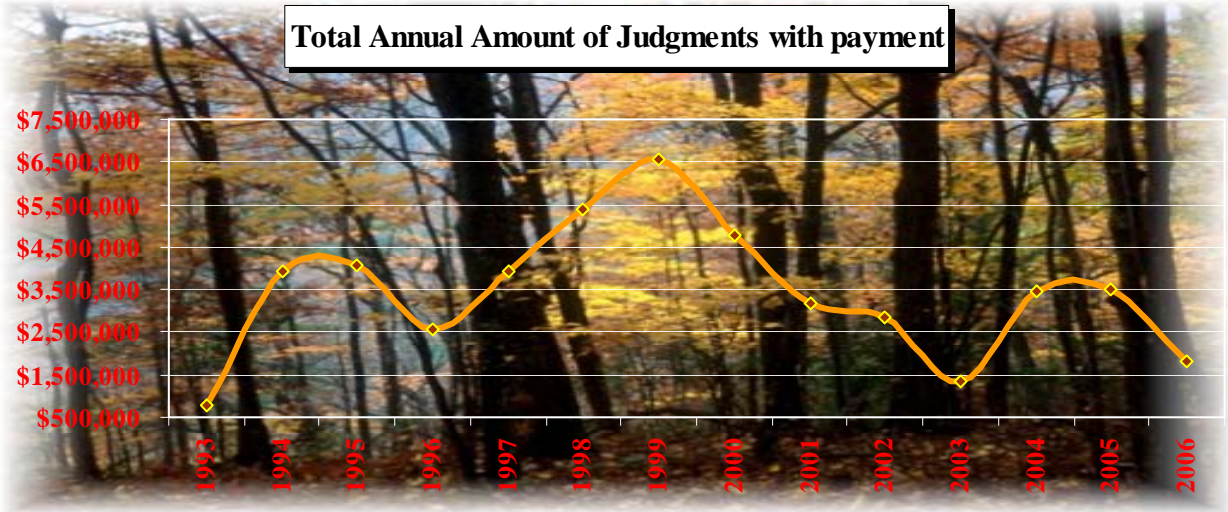
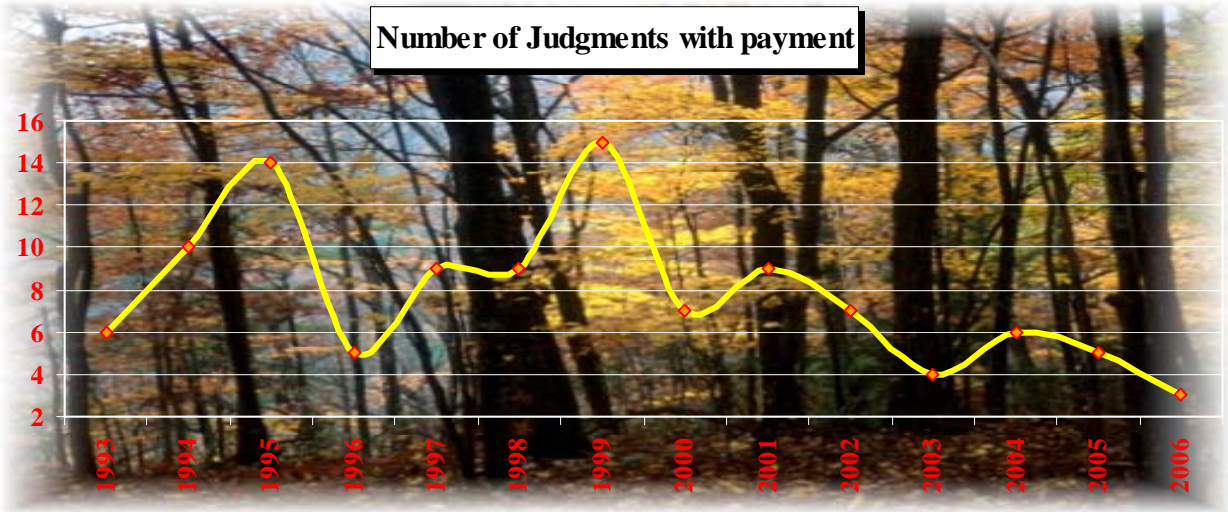
II-B. Historical Judgments

Capping large awards at \$1,000,000 leads to the following:

West Virginia Board of Medicine			
Judgments with payments capped at \$1,000,000			
Year	No:	Amount	Average
1993	6	\$785,547	\$130,925
1994	10	\$3,946,419	\$394,642
1995	14	\$4,055,745	\$289,696
1996	5	\$2,585,837	\$517,167
1997	9	\$3,951,907	\$439,101
1998	9	\$5,409,154	\$601,017
1999	15	\$6,566,669	\$437,778
2000	7	\$4,767,554	\$681,079
2001	9	\$3,179,290	\$353,254
2002	7	\$2,855,223	\$407,889
2003	4	\$1,355,000	\$338,750
2004	6	\$3,456,244	\$576,041
2005	5	\$3,524,909	\$704,982
2006	3	\$1,830,989	\$610,330
14 Years	109	\$48,270,487	\$442,849

- Considering only judgments in excess of \$1,000,000, the 14 year *average* judgment is slightly over \$2,000,000. From the year 2000 onward, this has increased to approximately \$2,400,000.
- There has been a general historical decline in the number of judgments with payment over the period reviewed above.
- 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 total paid judgments. Rather, the *small number of judgments restricts credible inferences.*

Graphical linear representations of the tabled data from the previous page:



It should be noted that the number of judgments in each year is rather small and actual paid amounts may vary significantly from year to year. The next exhibit displays Paid Judgments by size of payment.

West Virginia Board of Medicine								
Size of Paid Judgments								
Interval	1994		1995		1996		1997	
	#	\$	#	\$	#	\$	#	\$
Loss = \$0	26	\$0	24	\$0	15	\$0	19	\$0
\$0 < loss <= \$100K	0	\$0	7	\$301,907	1	\$18,000	0	\$0
\$100K < loss <= \$250K	2	\$320,000	2	\$355,200	1	\$130,337	5	\$914,921
\$250K < loss <= \$500K	5	\$1,731,819	2	\$647,127	1	\$437,500	0	\$0
\$500K < loss <= \$1M	3	\$1,894,600	1	\$751,511	1	\$1,000,000	3	\$2,036,986
\$1M < loss	0	\$0	2	\$3,966,624	1	\$1,500,000	1	\$3,684,822
Total Judgments	36	\$3,946,419	38	\$6,022,369	20	\$3,085,837	28	\$6,636,729
<i>Total with payment*</i>	<i>10</i>	<i>\$3,946,419</i>	<i>14</i>	<i>\$6,022,369</i>	<i>5</i>	<i>\$3,085,837</i>	<i>9</i>	<i>\$6,636,729</i>

Interval	1998		1999		2000		2001	
	#	\$	#	\$	#	\$	#	\$
Loss = \$0	18	\$0	13	\$0	30	\$0	28	\$0
\$0 < loss <= \$100K	2	\$132,514	6	\$197,576	0	\$0	3	\$210,000
\$100K < loss <= \$250K	2	\$336,640	2	\$371,829	0	\$0	3	\$440,557
\$250K < loss <= \$500K	0	\$0	0	\$0	3	\$1,157,054	0	\$0
\$500K < loss <= \$1M	2	\$1,940,000	4	\$2,997,264	2	\$1,610,500	1	\$528,733
\$1M < loss	3	\$4,270,552	3	\$3,527,451	2	\$2,381,508	2	\$3,612,000
Total Judgments	27	\$6,679,706	28	\$7,094,120	37	\$5,149,062	37	\$4,791,290
<i>Total with payment*</i>	<i>9</i>	<i>\$6,679,706</i>	<i>15</i>	<i>\$7,094,120</i>	<i>7</i>	<i>\$5,149,062</i>	<i>9</i>	<i>\$4,791,290</i>

Interval	2002		2003		2004		2005		2006	
	#	\$	#	\$	#	\$	#	\$	#	\$
Loss = \$0	18	\$0	19	\$0	18	\$0	10	\$0	9	\$0
\$0 < loss <= \$100K	3	\$175,073	0	\$0	1	\$75,000	0	\$0	0	\$0
\$100K < loss <= \$250K	0	\$0	1	\$160,000	0	\$0	1	\$250,000	1	\$227,449
\$250K < loss <= \$500K	2	\$680,150	3	\$1,195,000	2	\$811,994	1	\$274,909	0	\$0
\$500K < loss <= \$1M	1	\$1,000,000	0	\$0	3	\$2,569,250	0	\$0	1	\$603,540
\$1M < loss	1	\$6,238,000	0	\$0	0	\$0	3	\$8,321,888	1	\$1,014,165
Total Judgments	25	\$8,093,223	23	\$1,355,000	24	\$3,456,244	15	\$8,846,797	12	\$1,845,154
<i>Total with payment*</i>	<i>7</i>	<i>\$8,093,223</i>	<i>4</i>	<i>\$1,355,000</i>	<i>6</i>	<i>\$3,456,244</i>	<i>5</i>	<i>\$8,846,797</i>	<i>3</i>	<i>\$1,845,154</i>

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

- Over the last 14 years, there have been a total of 19 judgments in excess of \$1,000,000; or an average of 1.4 per year.

II-C. Historical Settlements

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

West Virginia Board of Medicine

Size of Paid Settlements

Interval	1994		1995		1996		1997	
	#	\$	#	\$	#	\$	#	\$
Loss = \$0	5	\$0	3	\$0	3	\$0	3	\$0
\$0 < loss <= \$50K	78	\$1,704,102	79	\$1,811,405	75	\$1,718,264	177	\$1,756,801
\$50K < loss <= \$100K	40	\$3,199,200	23	\$1,892,250	33	\$2,642,584	24	\$2,040,933
\$100K < loss <= \$250K	38	\$6,665,678	44	\$8,410,952	37	\$6,786,025	33	\$5,987,500
\$250K < loss <= \$500K	32	\$11,980,951	26	\$10,015,000	33	\$11,947,319	39	\$14,664,111
\$500K < loss <= \$1M	15	\$11,694,010	15	\$11,940,000	13	\$8,560,000	13	\$9,425,000
\$1M < loss	5	\$9,175,000	3	\$7,650,000	3	\$4,159,000	3	\$6,550,000
Total Settlements	208	\$44,418,941	190	\$41,719,607	194	\$35,813,192	289	\$40,424,345
<i>Total with payment*</i>	<i>203</i>	<i>\$44,418,941</i>	<i>187</i>	<i>\$41,719,607</i>	<i>191</i>	<i>\$35,813,192</i>	<i>286</i>	<i>\$40,424,345</i>

Interval	1998		1999		2000		2001	
	#	\$	#	\$	#	\$	#	\$
Loss = \$0	3	\$0	3	\$0	4	\$0	1	\$0
\$0 < loss <= \$50K	67	\$1,152,744	87	\$1,488,737	65	\$1,633,255	84	\$1,806,781
\$50K < loss <= \$100K	19	\$1,612,092	28	\$2,278,500	36	\$2,892,600	37	\$2,934,401
\$100K < loss <= \$250K	28	\$4,700,000	34	\$5,936,000	45	\$8,124,710	48	\$8,350,814
\$250K < loss <= \$500K	21	\$7,188,000	42	\$13,884,542	34	\$12,753,796	29	\$10,671,417
\$500K < loss <= \$1M	18	\$13,660,000	12	\$9,615,000	19	\$16,152,535	27	\$21,817,833
\$1M < loss	3	\$5,468,431	3	\$10,995,605	4	\$5,675,000	1	\$1,250,000
Total Settlements	156	\$33,781,267	206	\$44,198,384	203	\$47,231,896	226	\$46,831,246
<i>Total with payment*</i>	<i>153</i>	<i>\$33,781,267</i>	<i>203</i>	<i>\$44,198,384</i>	<i>199</i>	<i>\$47,231,896</i>	<i>225</i>	<i>\$46,831,246</i>

Interval	2002		2003		2004		2005		2006	
	#	\$	#	\$	#	\$	#	\$	#	\$
Loss = \$0	1	\$0	2	\$0	0	\$0	1	\$0	0	\$0
\$0 < loss <= \$50K	57	\$1,229,665	26	\$625,434	40	\$861,532	29	\$803,164	47	\$1,352,631
\$50K < loss <= \$100K	15	\$1,214,000	15	\$1,252,000	16	\$1,362,500	8	\$660,000	19	\$1,452,250
\$100K < loss <= \$250K	49	\$8,500,031	35	\$6,725,418	21	\$4,016,403	19	\$3,198,750	26	\$4,812,500
\$250K < loss <= \$500K	26	\$10,065,000	29	\$11,363,125	24	\$9,529,000	16	\$5,752,500	18	\$6,393,000
\$500K < loss <= \$1M	18	\$13,255,516	16	\$13,878,750	5	\$3,550,000	8	\$5,731,250	7	\$5,400,000
\$1M < loss	0	\$0	6	\$14,438,368	7	\$11,500,000	2	\$3,250,000	3	\$6,350,000
Total Settlements	165	\$34,264,212	127	\$48,283,095	113	\$30,819,435	82	\$19,395,664	120	\$25,760,381
<i>Total with payment*</i>	<i>164</i>	<i>\$34,264,212</i>	<i>125</i>	<i>\$48,283,095</i>	<i>113</i>	<i>\$30,819,435</i>	<i>81</i>	<i>\$19,395,664</i>	<i>120</i>	<i>\$25,760,381</i>

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

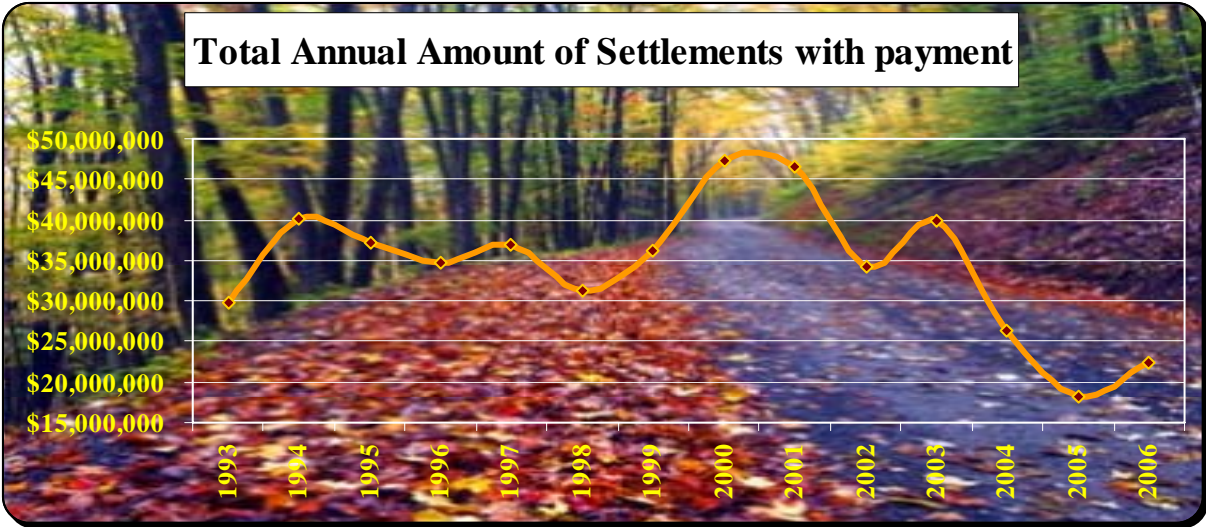
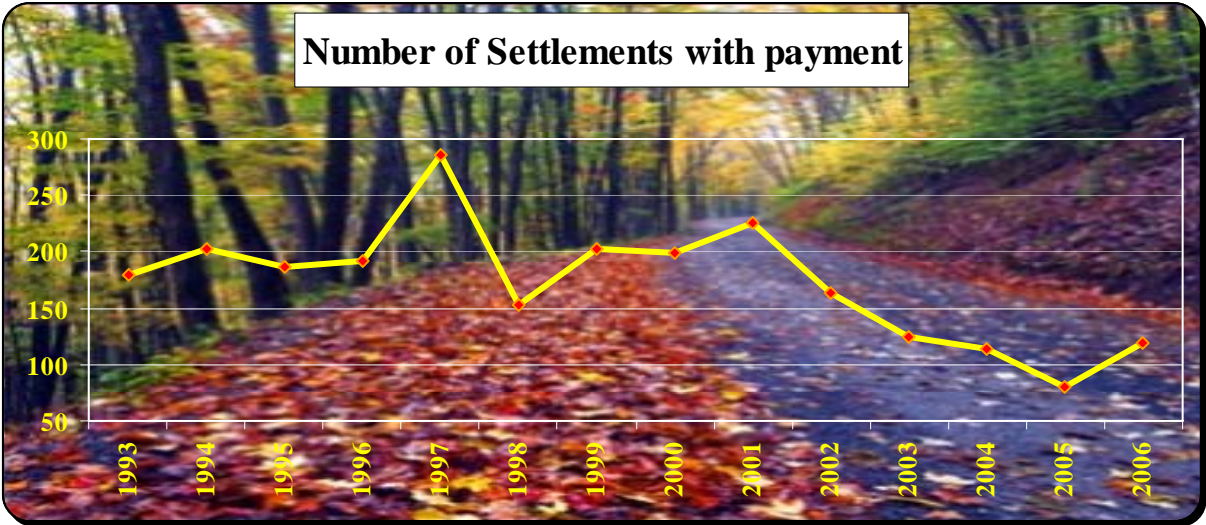
- Settlements comprise the most common resolution for claim payments. Over the last 14 years, 43 settlements have exceeded \$1,000,000, or a bit over 3 per year on average.

- The average settlement over \$1,000,000 has been slightly more than \$2,000,000. As was done for judgments, we will cap claims at \$1,000,000 and look for trends:

West Virginia Board of Medicine			
Settlements with payment capped at \$1,000,000			
Year	#	Amount	Average
1993	180	\$29,789,721	\$165,498
1994	203	\$40,243,941	\$198,246
1995	187	\$37,069,607	\$198,233
1996	191	\$34,654,192	\$181,436
1997	286	\$36,874,345	\$128,931
1998	153	\$31,312,836	\$204,659
1999	203	\$36,202,779	\$178,339
2000	199	\$47,231,896	\$237,346
2001	225	\$46,581,246	\$207,028
2002	164	\$34,264,212	\$208,928
2003	125	\$39,844,727	\$318,758
2004	113	\$26,319,435	\$232,915
2005	81	\$18,145,664	\$224,021
2006	120	\$22,410,381	\$186,753
14 Years	2430	\$480,944,982	\$214,563

- From the above data, which limits claims to \$1,000,000, there has been only a small escalation in the average settlement paid. From the combined years of 1993 – 1999 the average paid settlement was \$175,444. From 2000 – 2006 combined, the average paid settlement was \$228,625. The average limited paid settlement in the year 2006 alone dropped to \$186,753. The 2004 – 2006 average is \$212,979.
- As with judgments, the small number of settlements restricts the credibility of the data. The actual number of settlements occurring since 2001 indicates a general decline in the number of paid settlements.

Graphical linear representations of the above tabled data:



II-D. Paid data collection

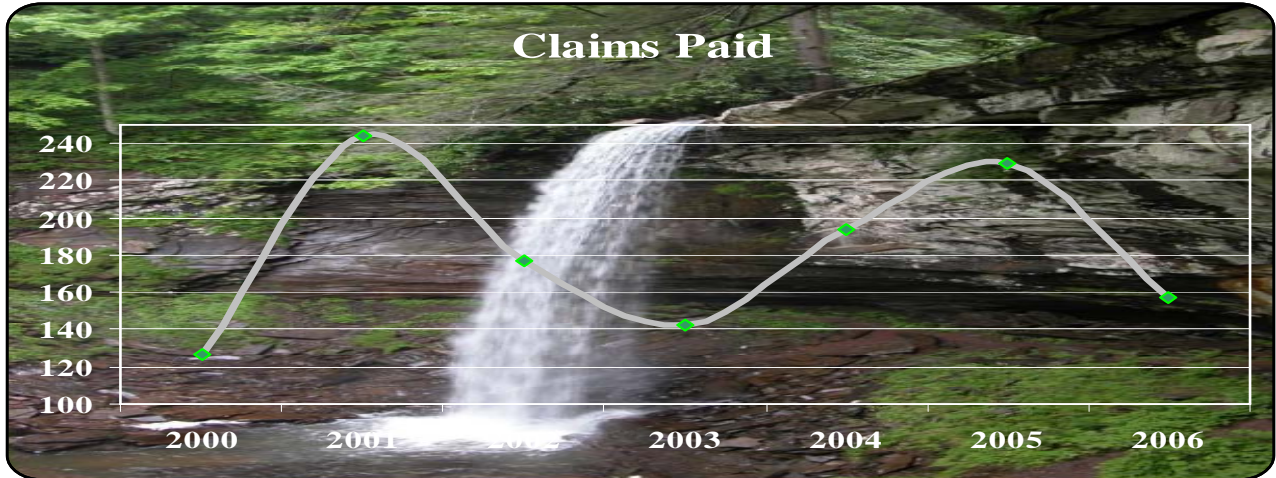
Enhanced paid medical malpractice information is now being collected from insurers. Such information as the physician's primary specialty, the 'cause of loss', amounts paid on defense costs for each filed claim and the split of the indemnity payment between economic and non-economic damages is now being collected. It is too early in the collection process to use that data at this time. However, looking forward, this information should prove invaluable should another malpractice crisis occur in the future.

Examining financial statement information provided by insurance companies provides some insight as to the total number of active paid and reserved claims by year. However, these counts do not tie the claims which are either paid or reserved in the reporting year to the year in which the claim initially occurred. For example, a claim payment by an insurer during 2006 may have been for a claim that was filed during 2006 or it may have just as easily been for a claim that was filed in any year prior to 2006.

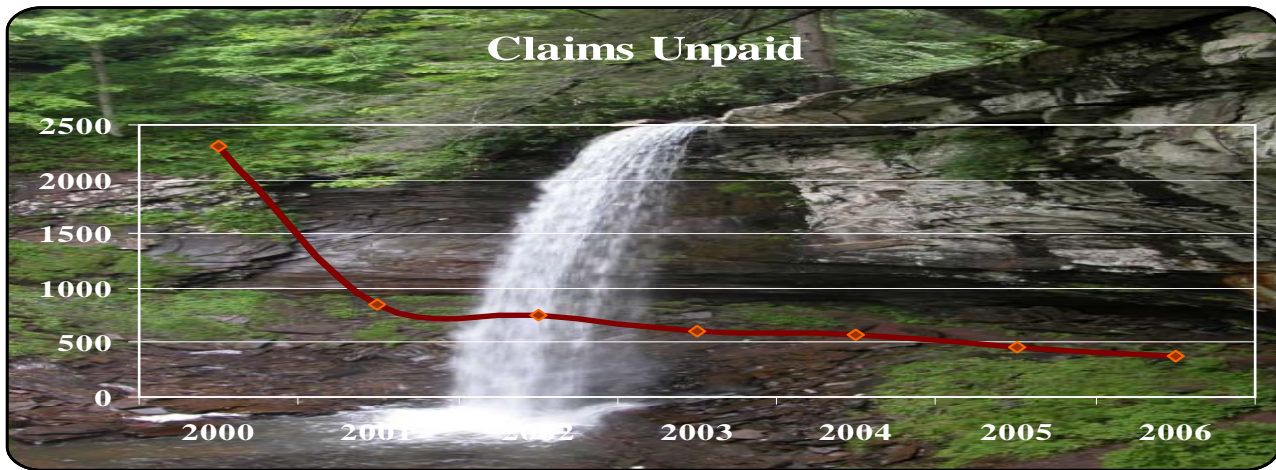
In looking at the paid and open claim information provided by insurers since 2000 who write Malpractice insurance in West Virginia for Physicians and Surgeons, the following aggregated data is found.

	# of Paid Claims	# of Unpaid Claims	Total
2000	127	2297	2424
2001	244	848	1092
2002	177	758	935
2003	142	611	753
2004	194	578	772
2005	229	455	684
2006	157	375	532

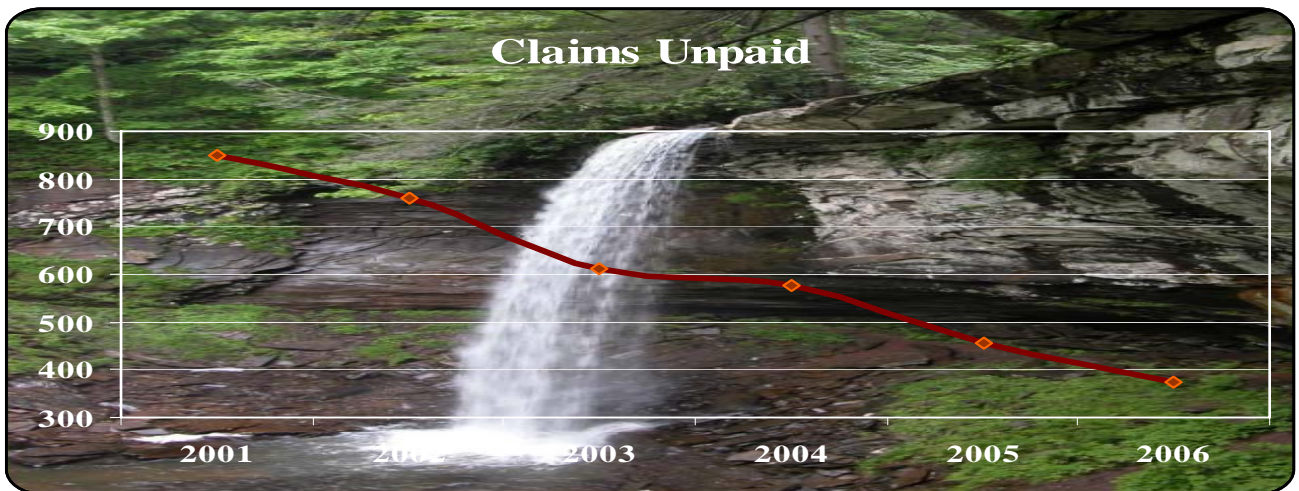
Again, graphical linear representations make the data a little easier to interpret:



The claims paid data shows little in the way of any historical pattern.



Looking at only the reserved claims by year since 2000 does appear to show a general decline with the year 2000 appearing to be somewhat of an anomaly. Eliminating that outlier and rescaling does demonstrate a favorable trend in the number of open claims by year for the Physicians and Surgeons line in West Virginia.

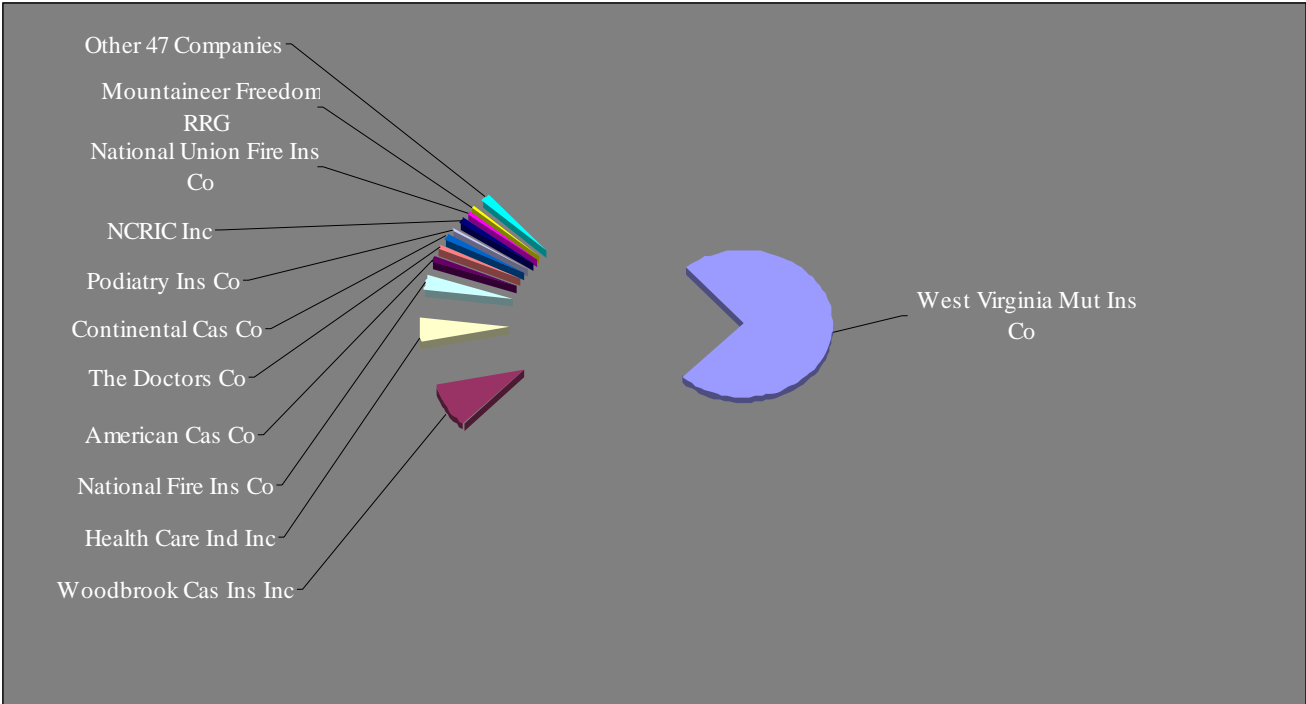


Section III

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. Based on admitted Company written premiums for 2006, the West Virginia medical malpractice market currently looks like this:



Shown below are the three insurers currently meeting the 5% threshold in 2006:

Total Medical Malpractice (NAIC Database) Company	2006 West Virginia Licensed Companies				
	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Pure Direct Loss Ratio*
<i>West Virginia Mutual Ins Co</i>	\$57,582,673	73.13%	\$52,490,641	-\$1,893,473	-3.61%
<i>Woodbrook Cas Ins Inc</i>	\$7,690,628	9.77%	\$8,560,748	-\$1,080,039	-12.62%
<i>Health Care Indemnity Inc</i>	\$4,109,074	5.22%	\$4,111,077	\$843,692	20.52%
<i>National Fire Ins Co Of Hartford</i>	\$2,539,486	3.23%	\$3,647,699	\$1,295,156	35.51%
<i>American Cas Co Of Reading PA</i>	\$1,112,374	1.41%	\$1,048,954	\$366,239	34.91%
<i>All Other Companies</i>	\$5,704,423	7.24%	\$8,110,002	\$12,724,926	156.90%
Total	\$78,738,658	100.00%	\$77,969,121	\$12,256,501	15.72%

*Direct Loss Ratio does not include LAE or other expenses

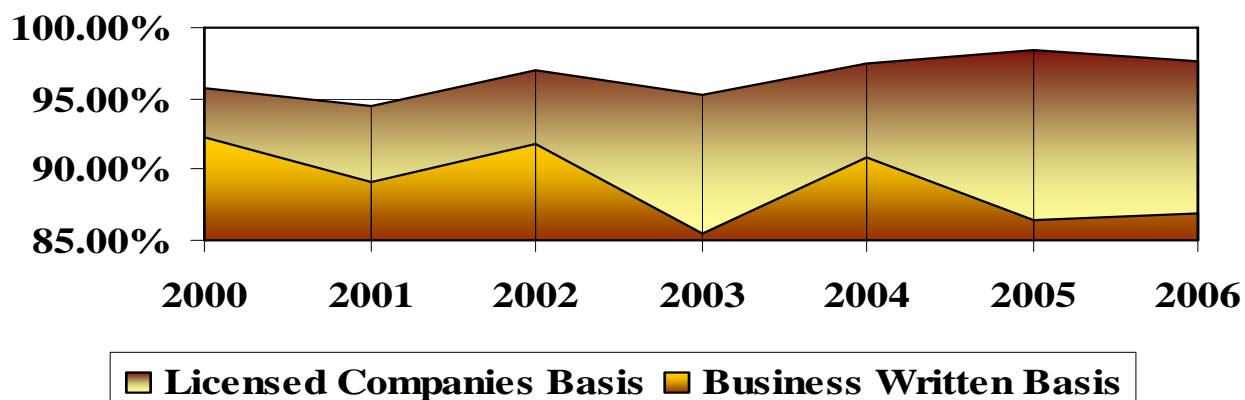
The three companies highlighted above comprise 88.12% of the 2006 admitted West Virginia Medical Malpractice market. In looking at the entire market, which includes the Excess & Surplus writers (i.e. non-admitted insurers), the following information is found:

Total Medical Malpractice (NAIC Database) Company	2006 West Virginia Business Written				
	Direct Premiums Written	Market Share	Direct Premiums Earned	Direct Loss Incurred	Pure Direct Loss Ratio*
<i>West Virginia Mutual Ins Co</i>	57,582,673	51.94%	52,490,641	-1,893,473	-3.61%
<i>Lexington Ins Co</i>	9,422,341	8.50%	10,377,760	2,306,581	22.23%
<i>Darwin Select Ins Co</i>	8,191,264	7.39%	3,955,743	1,697,014	42.90%
<i>Woodbrook Cas Ins Inc</i>	\$7,690,628	6.94%	\$8,560,748	-\$1,080,039	-12.62%
<i>Health Care Indemnity Inc</i>	\$4,109,074	3.71%	\$4,111,077	\$843,692	20.52%
<i>National Fire Ins Co Of Hartford</i>	\$2,539,486	3.23%	\$3,647,699	\$1,295,156	35.51%
<i>Admiral Ins Co</i>	2,184,203	1.97%	1,128,685	645,259	57.17%
<i>Everest Ind Ins Co</i>	1,754,346	1.58%	1,665,121	-763,378	-45.85%
<i>Health Care Industry Liab Recip Ins</i>	1,594,841	1.44%	1,625,260	596,330	36.69%
<i>Ophthalmic Mut Ins Co RRG</i>	1,307,634	1.18%	1,308,392	-209,734	-16.03%
<i>Physicians Specialty Ltd RRG</i>	1,212,662	1.09%	1,212,662	1,270,000	104.73%
<i>American Cas Co Of Reading PA</i>	1,112,374	1.41%	1,048,954	366,239	34.91%
<i>All Other Companies</i>	\$12,168,651	10.98%	\$16,162,820	\$13,635,841	84.37%
Totals	\$110,870,177	100.00%	\$107,295,562	\$18,709,488	17.44%

*Direct Loss Ratio does not include LAE or other expenses

As you can determine, there is currently quite a bit of market penetration by the Excess & Surplus lines writers in the West Virginia Malpractice market. However, considering historical premium volumes it can be found that this penetration has generally declined in recent years:

Combined West Virginia Medical Malpractice Market Share of top 10 Companies



Below is a breakdown, by sub-line, for each of the key Malpractice writers in West Virginia including those writing on an Excess and Surplus basis:

Company	Subline	2006 Written Premium
<i>West Virginia Mutual Ins Co</i>	Physicians & Surgeons	\$57,582,673
	Hospitals	\$0
	Other	\$0
	Total	\$57,582,673
<i>Lexington Ins Co</i>	Physicians & Surgeons	363,013
	Hospitals	8,585,381
	Other	\$473,947
	Total	9,422,341
<i>Darwin Select Ins Co</i>	Physicians & Surgeons	780,689
	Hospitals	7,272,276
	Other	138,299
	Total	8,191,264
<i>Woodbrook Cas Ins Inc</i>	Physicians & Surgeons	7,617,190
	Hospitals	\$0
	Other	73,438
	Total	7,690,628
<i>Health Care Indemnity, Inc</i>	Physicians & Surgeons	320,626
	Hospitals	3,788,448
	Other	\$0
	Total	4,109,074

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.

Pursuant to 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 preceding 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

West Virginia Mutual Insurance Company (WVMIC)

Since its inception in July 1, 2004, **WVMIC** has dominated the Physicians & Surgeons market in West Virginia. During the height of the most recent Medical Malpractice “hard market” in West Virginia, which was somewhat exacerbated by the simultaneous exit of *St. Paul* from the Medical Malpractice line of business on a countrywide basis, a very large number of West Virginia Physicians and Surgeons that were unable to procure coverage via the **admitted market** were ultimately insured by the State of West Virginia utilizing our Board of Risk and Insurance Management (**BRIM**—generally the insurer of State owned properties and liability exposures).

As a long term solution to the availability of coverage for Physicians and Surgeons in West Virginia, §33-20F established **WVMIC** and all policies previously insured in the BRIM Program novated to the new Company upon inception. **WVMIC** has since added additional new business and has worked with the Offices of the Insurance Commissioner to accommodate difficult situations while maintaining their underwriting standards. The rate history of **WVMIC** since inception follows:

2006 Market Share	Company	Effective date	%Requested	% Granted	WV #:
73.71%	<i>West Virginia Mutual Ins Co</i>	1/1/2008	0%	0%	70918006
	<i>*formerly W.V. Physicians Mutual Ins. Co.</i>	1/1/2007	-15.00%	-15.00%	60915016
		1/1/2006	-5.00%	-5.00%	50826007
		1/1/2005	10.20%	10.20%	41006013
		7/1/2004	initial filing	initial filing	40331017

The company’s results continue to improve and the subsequent changes made to their rating plans establishes their January 1, 2008 rates effectively below those utilized at their inception. **WVMIC** writes only Physicians and Surgeons coverages with some ancillary benefits, and only in the State of West Virginia.

Woodbrook Casualty Insurance, Inc

Woodbrook Casualty (formerly **Medical Assurance of West Virginia**) was the leading commercial writer of malpractice insurance for Physicians and Surgeons in West Virginia in the years 2000 and 2003, and was 2nd in West Virginia admitted market share from 2001-2002 and from 2004 to present. **Woodbrook's** in-force policy exposure in West Virginia has generally declined since its peak which occurred in 1998. Dropping from 856 to 417 by 2001, 133 in 2004, and was at 86 by 2006. The rate history of **Woodbrook** since the year 2000 follows:

2006Market Share	Company	Effective date	%Requested	% Granted	WV #:
9.84%	Woodbrook Cas Ins Inc <i>*fka Medical Assurance of WV, Inc</i>	11/1/2007	-10.70%	-10.70%	70810017 (S)
		10/20/2006	-2.80%	-2.80%	60711005
		10/20/2005	-1.10%	-1.10%	50718024
		10/20/2004	18.50%	14.50%	40721020
		10/3/2003	17.30%	13.00%	30623002
		7/1/2002	23.00%	16.00%	161405
		9/14/2001	30.00%	18.00%	155255
		8/1/2000	35.00%	35.00%	50507

Improved experience resulted in overall rate level decreases for **Woodbrook** annually since 2004. The net effect of the decrease filings roughly offsets their most recent rate level decrease filing which became effective in 2004, resulting in their current pricing to be roughly equivalent to their 2003 levels.

Health Care Indemnity, Inc. (HCI)

HCI, a licensed writer in West Virginia since 2003, wrote \$4,109,074 in premium during 2006. **HCI** primarily provides hospital coverage and as such generally only insures their hospital's doctors. Their premium market share in the admitted market has declined from 16% in 2003 down to 5.2% in 2006. Their written premium levels have also steadily declined since 2003 when it was just over \$8M. The rate history of **WVMIC** since inception follows:

Market Share as of 2006	Company	Effective date	%Requested	% Granted	WV #:
5.26%	<i>Health Care Indemnity Inc.</i>	1/5/2007	0%*	0.00%	61103006
	<i>*Annual rate filing-no change requested</i>	1/1/2006	-11.60%	-11.60%	51006015
		1/1/2005	-1.90%	-1.90%	41020017
		1/1/2004	6.70%	6.70%	31010020
		6/17/2003	initial filing	initial filing	30325009

The net impact of **HCI**'s rate filings since inception also generally results in their current rates being below the level at which they had entered the market.

Lexington Insurance Company

Lexington is a **surplus lines** writer (an ***AIG*** subsidiary) writing primarily hospitals and other healthcare facilities. They wrote \$9,422,341 in West Virginia in the Medical Malpractice line during 2006, representing an 8.5% market share in the total market (admitted and non-admitted.) This represents a decrease in written premium in West Virginia for ***Lexington*** over the 2005 and 2004 levels (\$10,819,121 and \$ 13,378,898 respectively.) In the year 2000, ***Lexington*** entered the West Virginia market on a surplus lines basis and reported \$58,000 in written premium that year. This increased to over \$7M by the 2002-2003 time period to the highest levels noted above. As a surplus lines writer ***Lexington*** did not provide 5% market share information for this report and no rate history information is available for this company.

Darwin Select Insurance Company

Darwin is another surplus lines writer (an ***Alleghany Corporation*** subsidiary) domiciled in the state of Arkansas. ***Darwin*** primarily writes professional liability insurance such as Directors & Officers insurance, Errors & Omissions insurance, and Medical Malpractice on a surplus lines basis countrywide and is only an admitted insurer in their home state of Arkansas. Their initial entry into the West Virginia market was in 2006. From the annual statement information provided above, it is evident that ***Darwin*** primarily provides hospital coverage and as such generally only insures their hospital's doctors. Again, as a surplus lines writer ***Darwin*** did not provide 5% market share information for this report and no rate history information is available for this company.

III-C. 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 are 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 (aka 'refer to company') allows underwriters the ability to customize the price and coverage to the risk. Such a feature is common when rating large, unique risks such as hospitals.

**III-D. 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=>3 provide the premium and loss for each carrier.

- ✓ *WVMIC* figures (*Sheet 1*) are noted to be undergoing further development as the experience of the legacy program which they had inherited (*BRIM II*) becomes better known. This development appears to be very favorable to *WVMIC* and generally does not provide concerns.
- ✓ For *Woodbrook Casualty* (*Sheet 2, 2 pages*), the information is highly consistent and raises no concerns.
- ✓ The *Health Care Indemnity* data (*Sheet 3*) demonstrates consistency.

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

- ✓ **Exhibit VI** provides the comparison of Annual Statement information with the filed 5% Report information. With the exception of rounding to 000's, the results wholly reconcile.

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

- ✓ **Exhibits II-V** provide the key assumptions underlying the most recent rate filings to the filed 5% Report information, prior rate filings and abstracts, Annual Statement data, and other source documents.

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

- ✓ It is clear, that to varying degrees, the companies have attempted to provide accurate information in response to the 5% Report data calls.

5. **Does the filed information support our conclusion on the rates as of 12/31/04?**

- ✓ **Exhibit VII** provides a rate comparison for a number of specialties for all companies being examined in the 5% Report. Note that in review of the by-company rate histories as provided in Section III-B above, that **rates have stabilized in West Virginia and are generally declining.**

III-E: Analysis of Rate Filings

West Virginia Mutual Insurance Company

The company most recently filed for and received approval of a 0.0% change to their base rates to become effective on January 1, 2008. Although the base rates themselves remained unchanged in the most current filing, a new renewal discount has been added to their manual pages. In January of 2007, the company filed for and received approval of an overall rate level decrease of -15%; this followed a similar overall decrease of -5% in 2006. As noted in Section **III-B**, the Company's current rates are about -10% below that of their initial rate filing which became effective on July 1, 2004.

Woodbrook Casualty Insurance, Inc.

Woodbrook Casualty's most recent rate level filing became effective on November 1, 2007 and effected a decrease in their rates of -10.7% overall. This followed other decreases of -2.8% on October 20, 2006 and -1.1% on October 20, 2005. As noted in Section **III-B**, the Company's current rates approximate their October 20, 2004 rates.

Health Care Indemnity

HCI's most recent rate filing became effective on January 5, 2007. This filing was submitted in accordance with §33-20B-3 (Annual Rate Filing requirement) and made no changes to the program for the year. The company had previously filed for and received rate decreases of -11.6% on January 1, 2006 and -1.9% on January 1, 2005. Similar to the situation noted with **WVMIC's** rates above, **HCI's** current rates are approximately -6.8% below their initial rates which became effective on June 17, 2003.

III-F: Investment Portfolio

Exhibit III presents a comparison of net investment gains and investment income provisions from rate filings. In previous years, investment gains had generally declined but are now showing upward movement.

Section IV

Other Sources of Data

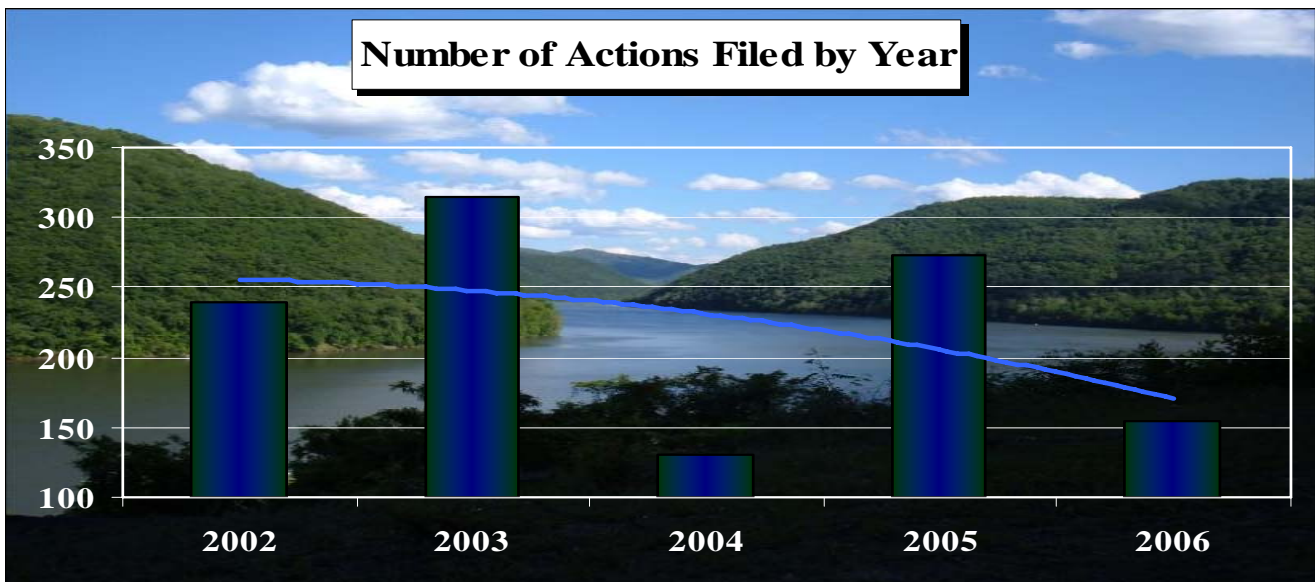
Section IV: Other Sources of Data

Becoming effective on January 1, 2002, *HB 601* increased the fee associated with filing a medical professional liability action in part to support the Medical Liability Fund created pursuant to §29-12B-1 et seq. As part of this change, a portion of the moneys received for each such action filed are received by the State Treasurers Office. It is noted that due to the particular timing involved in posting these transactions the data appears to lag by a period of approximately one month from the actual date that the action in consideration was actually filed in a court of law. The data associated with these transactions can be examined to roughly establish the total number of actions involving Medical Professional Liability filed in West Virginia per year and as well the total number filed by county of venue.

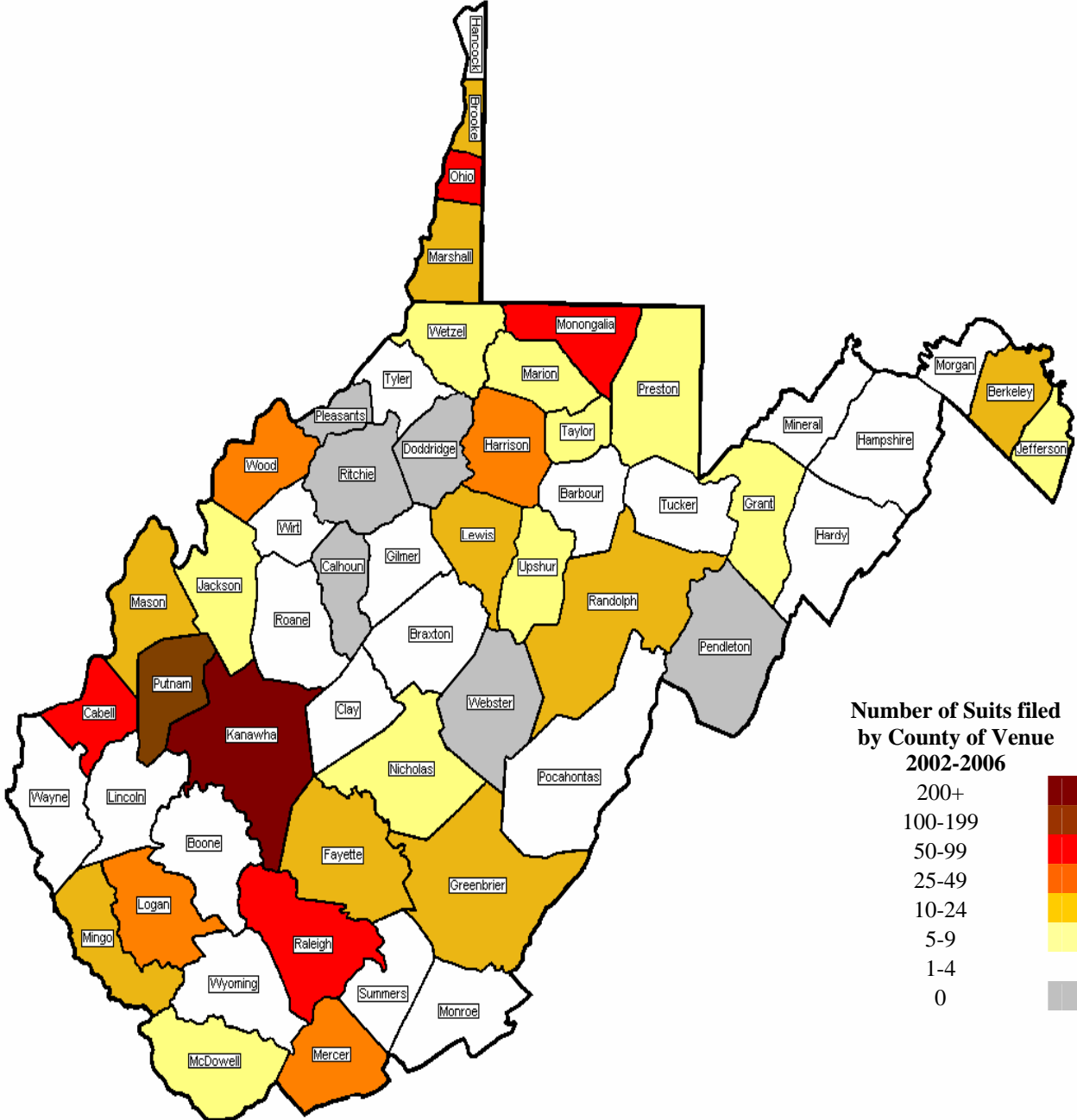
Examining this data in aggregate, the following information is noted:

Year	# of Filed Actions
2002	239
2003	315
2004	130
2005	273
2006	154

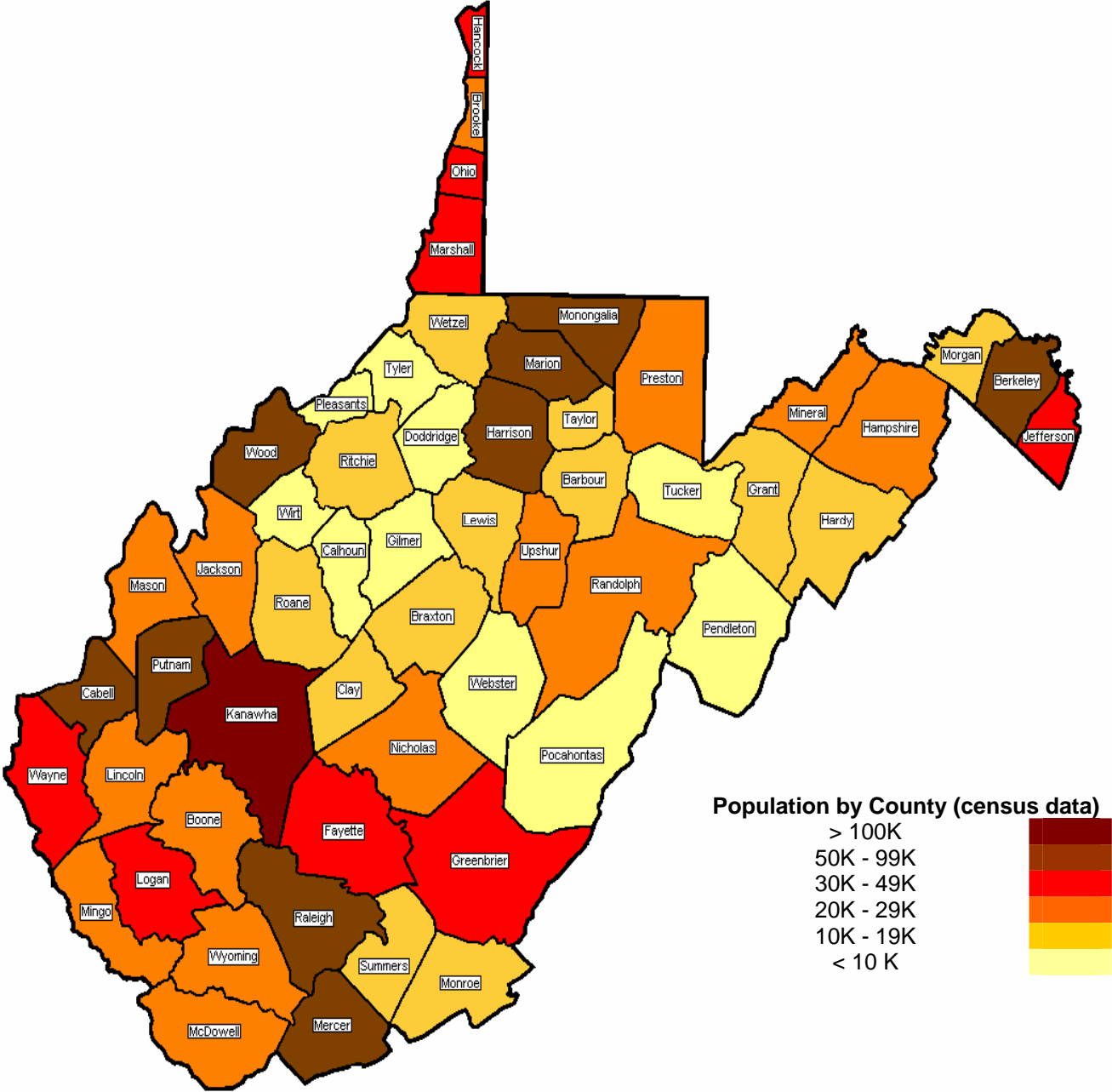
Although 2004 is clearly a low point, and the 2005-2006 figures are generally below that of their 2002-2003 counterparts, not a great deal of information can be gleaned from these figures apart from what appears to be a general decline (indicated by the polynomial trend line in the graph below). At the time of this report, year 2007 data was only available through September (119 suits through 09/30) and thus was not examined.



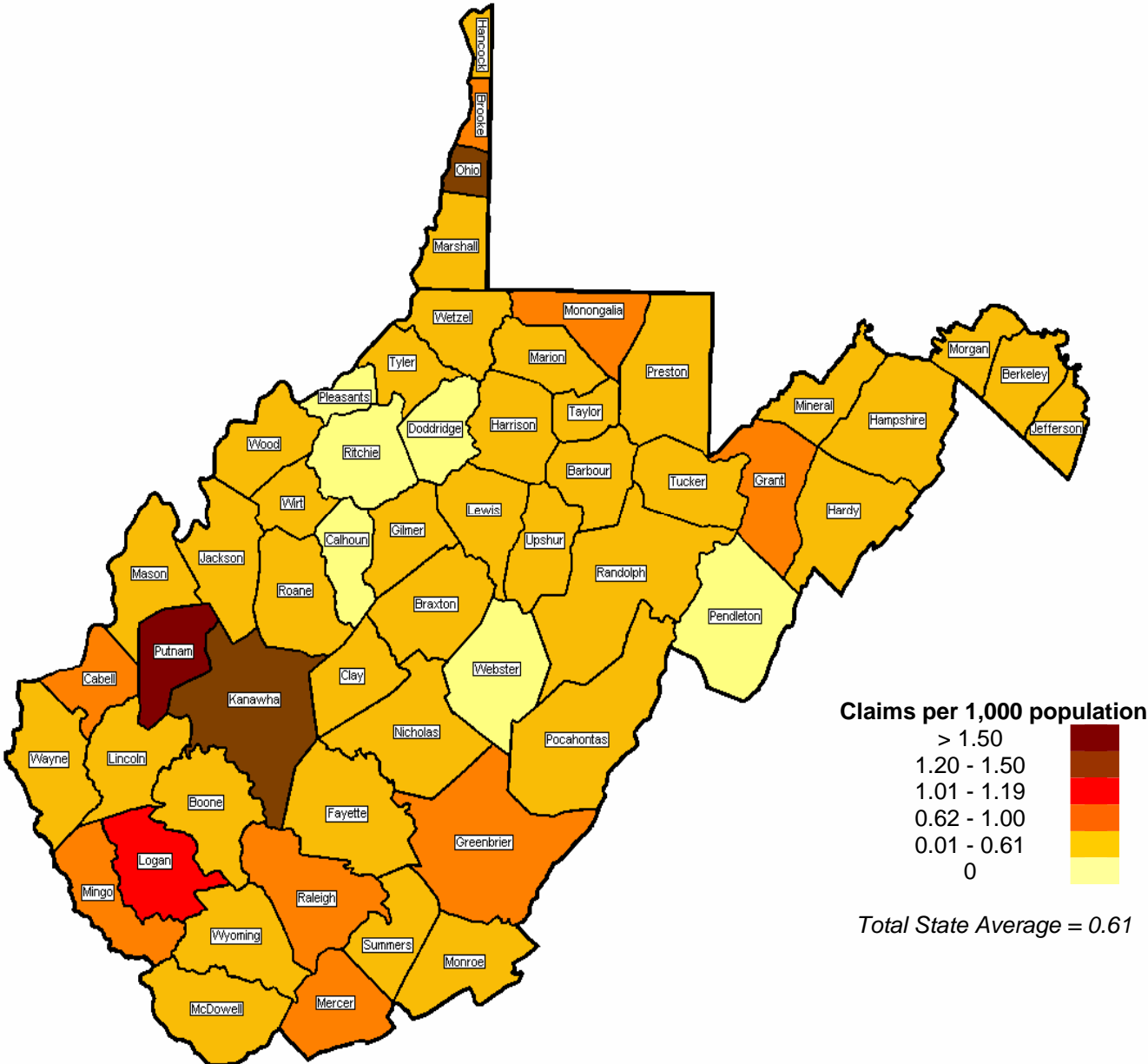
Perhaps of more interest than the annual counts above, the Medical Liability Fund data also provides the county of venue where the action was filed. Compiling this data from 2002-2006 provides the following:



The data on suits by county above appears to be roughly equivalent to population levels by county:



So we will level the data by county in which the suits were filed in order to determine which counties have suit ratios per 1,000 of population that are either below or above the Statewide average accounting for population levels.



It is noted that approximately 146 cases were filed against a single Doctor in Putnam County over the time period being reviewed above. Adjusting the county level data to account for that single outlier would result in a Putnam County ratio of 0.35, and a Statewide average ratio of 0.53.

Section V

Summary Observations

Section V. Summary Observations

- **West Virginia again experienced significant and exceptional results** for medical malpractice in 2006. A profitable combined ratio of 42.0% for West Virginia out-paced the industry medical malpractice combined ratio of 86.3%.
- The key volume writer in the state, *West Virginia Mutual Insurance Company* which holds 73.1% of the admitted market and 51.9% of the entire West Virginia market, **experienced a favorable year in 2006**, posting a pure direct loss ratio of -3.6%.
- Medical Malpractice **rates appear to have genuinely stabilized and are now declining** in West Virginia.
- As pointed out in previous reports, one of the key elements in the adverse results for West Virginia had been a very high level of defense cost. Loss adjustment expenses in West Virginia have fallen from a high of 68.4% in 1999 to now be more in line with (or better) than the industry countrywide. Examining the data from 2000-2006, Countrywide LAE averaged 29.8% to premium, whereas in West Virginia alone the combined average is now 21.8%.
- In the admitted market, the top five malpractice writers in West Virginia by premiums written accounted for 92.8% of the entire admitted market. In the entire market (admitted and non-admitted), the top five writers account for 78.5% of the market. The key Excess & Surplus writer was *Lexington Insurance Company* (an AIG surplus lines writer).
- An analysis of West Virginia Board of Medicine data revealed the following:
 - The number of paid claims had dropped every year since 2001 and increased for 2006 to approximately the 2004 level.
 - Roughly 31% of claims filed are still being dismissed.
 - The five years with the highest dismissal rates occurring between 1993 and 2006 have all occurred between 2002 and 2006.

This appears to suggest that the “*certificate of merit*”, required by H. B. 601, is having a diminishing impact on medical malpractice claims.

- Approximately 9% of claims filed actually go to court.
- Only 30% of claims adjudicated received a judgment with payment.
- 60% of Malpractice claims are settled outside of court.
- There does not appear to be any clear pattern of escalating jury awards; however, the small number of jury awards yields little in the way of credible data for drawing conclusions.

Glossary of Terms

Admitted Market: Comprised of only Insurance Companies that are specifically authorized and licensed to write business in a given state. Contrast this with the market as a whole which would also include non admitted insurers who write in a given state on an Excess and Surplus lines basis. (i.e. Business Written Basis.)

BRIM: *West Virginia 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. All **BRIM II** business novated to the *West Virginia Mutual Insurance Company* (*WVMIC*) on July 1, 2004.

Claims-made Coverage: A policy which provides coverage only when a claim is made during its active policy period or any automatic or purchased supplemental extended reporting period. For example, generally a claim that is made in the current year will be charged against the current policy even if the injury or loss giving rise to the claim had occurred many years in the past. However, a claims-made policy will also have a set specific retroactive date, prior to which any occurrence giving rise to a claim will not be covered. From a pricing perspective, claims-made coverage is much more straightforward since it strictly limits the insurers' exposure only to unknown future liabilities (called "incurred but not reported" claims). Contrast this coverage with "***Occurrence Coverage***". Claims-made coverage became a more accepted approach towards writing long-tailed exposure lines like medical malpractice and products liability during the mid-'80's after its introduction by the *Insurance Services Organization (ISO)*.

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 that they are deteriorating. When the ratio is over 100%, the insurer has an *underwriting* loss.

Direct Combined Ratio: The sum of expenses and incurred losses combined versus earned premiums. On a direct basis, this ratio does not take into account any adjustments for reinsurance recoveries or payments for reinsurance coverage.

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

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, i.e. fifty dollars earned in 2001 and fifty dollars in 2002.

Guide (a) rating (also known as 'refer to company' 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 will be determined by an experienced underwriter. In this situation, actual filed rates are superseded by the underwriter's judgment.

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

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 to be held in reserves and surplus.

Loss Adjustment Expense: Costs on the part of an insurance company to cover expenses incurred in settling their claims. This expense can be divided into two types: Allocated Loss Adjustment Expenses (ALAE aka Direct Cost Containment [DCC]) which are those expenses such as outside attorney and necessary court fees which can be directly tied to a specific claim, and Unallocated Loss Adjustment Expenses (ULAE aka Adjusting and Other [AO]) which are insurance company general claim department expenses, etc. and are not directly allocated to a particular claim.

Loss Development Factors: Designed to account for the subsequent development of losses or those that are late in being reported in order to attempt to reasonably estimate ultimate settlement amounts. Loss development factors are frequently utilized in those lines of insurance where claims develop slowly or are commonly reported later than the year in which the original premiums were earned. Prospective loss development factors are based upon changes in the relationships of historical claim data at specific and set periods during their subsequent development, such as after 12, 24, and 36 months, etc.

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.

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

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.

Pure Premium: The portion of the total premium only 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.)

Risk Retention Group: Liability Insurance Companies which are owned by their policyholders. Membership is limited to people in the same business or activity which exposes them to similar risks. The purpose is to assume and spread liability exposure to group members and to provide an alternative risk financing mechanism for liability. (See also the federal Liability Risk Retention Act of 1986.)

Severity: Average loss per claim.

Surplus Line: (aka **Excess Line**) A risk or part of a risk for which there is no market available through the original broker or agent in its jurisdiction. Therefore, it is placed with non-admitted insurers on an unregulated basis, in accordance with the surplus or excess lines provisions of the state law.

Underwriting Expense: The expenses which are realized by an insurance company in acquiring, selecting, and servicing policies. Underwriting expense includes agents' commissions, general administration expenses, inspection & bureau expenses, and taxes, licenses and fees. It does not include any loss adjustment expenses.

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

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

Exhibits

**West Virginia Offices of the Insurance Commissioner
5% Market Share Report**

Loss and Premium Information/Reconciliation

Exhibit I--Sheet 1

West Virginia Mutual Ins Co

Physicians & Surgeons

<u>2007 Rate Filing</u>				<u>2006 Rate Filing</u>				<u>2005 Rate Filing</u>			
	Adjusted	Trended,			Adjusted	Trended,			Adjusted	Trended,	
	On-Level	Developed	Loss &		On-Level	Developed	Loss &		On-Level	Developed	Loss &
Report	Earned	Ultimate	ALAE	Report	Earned	Ultimate	ALAE	Report	Earned	Ultimate	ALAE
Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio
2000	---	---	---	2000	---	---	---	2000	---	---	---
2001	\$104,072	\$435,307	418.3%	2001	\$104,072	\$424,135	407.5%	2001	\$109,340	\$596,784	545.8%
2002	\$7,341,768	\$1,074,647	14.6%	2002	\$7,341,768	\$998,079	13.6%	2002	\$7,713,356	\$3,020,844	39.2%
2003	\$24,848,844	\$13,215,724	53.2%	2003	\$24,848,844	\$14,669,012	59.0%	2003	\$26,106,517	\$17,615,263	67.5%
2004	\$45,745,391	\$5,171,540	11.3%	2004	\$43,605,369	\$11,063,944	25.4%	2004	\$44,434,475	\$23,339,607	52.5%
2005	\$39,504,147	\$18,815,166	47.6%	2005	\$51,300,290	\$28,416,681	55.4%	2005	\$23,102,934	\$16,236,906	70.3%
2006	\$43,510,815	\$16,550,040	38.0%	2006*	\$26,274,295	\$16,601,162	63.2%	2006	---	---	---
2007*	\$21,755,014	\$13,081,000	60.1%	2007	---	---	---	2007	---	---	---
*half year				*half year							

Physicians & Surgeons

<u>2007 Filed Information</u>				<u>2006 Filed Information</u>				<u>2005 Filed Information</u>			
Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss
Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio
2000	---	---	---	2000	---	---	---	2000	---	---	---
2001	---	---	---	2001	---	---	---	2001	---	---	---
2002	---	---	---	2002	---	---	---	2002	---	---	---
2003	---	---	---	2003	---	---	---	2003	---	---	---
2004	\$52,850,000	\$45,549,000	86.2%	2004	\$57,965,000	\$32,051,000	55.3%	2004	---	---	---
2005	\$40,429,000	\$16,203,000	40.1%	2005	\$51,303,000	\$15,521,000	30.3%	2005	---	---	---
2006	\$44,959,000	\$1,837,000	4.1%	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---
	Current	Trended,			Current	Trended,			Current	Trended,	
	Level	Developed	Loss &		Level	Developed	Loss &		Level	Developed	Loss &
Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE
Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio
2000	---	---	---	2000	---	---	---	2000	---	---	---
2001	\$104,072	\$490,362	471.2%	2001	---	---	---	2001	---	---	---
2002	\$7,341,768	\$1,312,395	17.9%	2002	---	---	---	2002	---	---	---
2003	\$24,848,844	\$15,847,538	63.8%	2003	---	---	---	2003	---	---	---
2004	\$43,605,369	\$12,026,064	27.6%	2004	---	---	---	2004	---	---	---
2005	\$51,300,290	\$29,260,900	57.0%	2005	\$71,232,000	\$51,017,000	71.6%	2005	---	---	---
2006	\$44,959,028	\$21,595,000	48.0%	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---

West Virginia Offices of the Insurance Commissioner

5% Market Share Report

Loss and Premium Information/Reconciliation

Exhibit I--Sheet 2

Woodbrook Casualty Insurance, Inc

Physicians & Surgeons

<u>2007 Rate Filing</u>				<u>2006 Rate Filing</u>				<u>2005 Rate Filing</u>			
	Adjusted	Trended,			Adjusted	Trended,			Adjusted	Trended,	
	On-Level	Developed	Loss &		On-Level	Developed	Loss &		On-Level	Developed	Loss &
Report	Earned	Ultimate	ALAE	Report	Earned	Ultimate	ALAE	Report	Earned	Ultimate	ALAE
Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio
2000	---	---	---	2000	---	---	---	2000	52,541,000	26,767,000	50.9%
2001	---	---	---	2001	34,357,000	12,781,000	37.2%	2001	34,958,000	16,871,000	48.3%
2002	25,758,000	11,237,000	43.6%	2002	25,998,000	9,938,000	38.2%	2002	26,752,000	10,628,000	39.7%
2003	17,110,000	8,343,000	48.8%	2003	17,268,000	11,198,000	64.8%	2003	17,771,000	11,662,000	65.6%
2004	8,892,000	2,063,000	23.2%	2004	8,978,000	4,835,000	53.9%	2004	9,236,000	4,986,000	54.0%
2005	6,902,000	3,175,000	46.0%	2005	6,970,000	5,126,000	73.5%	2005	---	---	---
2006	6,595,000	3,936,000	59.7%	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---

Physicians & Surgeons

<u>2007 Filed Information</u>				<u>2006 Filed Information</u>				<u>2005 Filed Information</u>			
Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss
Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio
2000	---	---	---	2000	22,500,000	16,784,000	74.6%	2000	20,624,000	15,345,000	74.4%
2001	21,491,000	16,414,000	76.4%	2001	21,491,000	16,414,000	76.4%	2001	20,427,000	15,273,000	74.8%
2002	22,805,000	23,359,000	102.4%	2002	22,805,000	23,349,000	102.4%	2002	24,392,000	28,044,000	115.0%
2003	17,944,000	8,282,000	46.2%	2003	17,944,000	8,282,000	46.2%	2003	19,306,000	8,996,000	46.6%
2004	11,297,000	604,000	5.3%	2004	11,297,000	604,000	5.3%	2004	11,320,000	2,832,000	25.0%
2005	7,968,000	4,187,000	52.5%	2005	7,968,000	4,187,000	52.5%	2005	---	---	---
2006	8,561,000	-1,011,000	-11.8%	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---

	Current	Trended,			Current	Trended,			Current	Trended,	
	Level	Developed	Loss &		Level	Developed	Loss &		Level	Developed	Loss &
Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE
Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio
2000	---	---	---	2000	51,060,000	24,800,000	48.6%	2000	52,541,000	26,767,000	50.9%
2001	34,054,000	9,681,000	28.4%	2001	34,357,000	12,781,000	37.2%	2001	34,958,000	16,871,000	48.3%
2002	25,758,000	11,237,000	43.6%	2002	25,998,000	9,938,000	38.2%	2002	26,752,000	10,628,000	39.7%
2003	17,110,000	8,343,000	48.8%	2003	17,268,000	11,198,000	64.8%	2003	17,771,000	11,682,000	65.7%
2004	8,892,000	2,063,000	23.2%	2004	8,978,000	4,835,000	53.9%	2004	9,235,000	4,965,000	53.8%
2005	6,902,000	3,175,000	46.0%	2005	6,970,000	5,126,000	73.5%	2005	---	---	---
2006	6,595,000	3,936,000	59.7%	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---

West Virginia Offices of the Insurance Commissioner

5% Market Share Report

Loss and Premium Information/Reconciliation

Exhibit I--Sheet 2

Woodbrook Casualty Insurance, Inc

Hospitals

<u>2007 Filed Information</u>				<u>2006 Filed Information</u>				<u>2005 Filed Information</u>			
Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss
Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio
2000	---	---	---	2000	2,469,000	1,876,000	76.0%	2000	2,459,000	1,876,000	76.3%
2001	3,163,000	1,776,000	56.1%	2001	3,163,000	1,776,000	56.1%	2001	3,163,000	1,776,000	56.1%
2002	1,185,000	-2,048,000	-172.8%	2002	1,185,000	-2,048,000	-172.8%	2002	1,185,000	-2,048,000	-172.8%
2003	92,000	-378,000	-410.9%	2003	92,000	-378,000	-410.9%	2003	92,000	-378,000	-410.9%
2004	77,000	-291,000	-377.9%	2004	77,000	-291,000	-377.9%	2004	77,000	-291,000	-377.9%
2005	0	-2,063,000	---	2005	---	---	---	2005	---	---	---
2006	0	-69,000	---	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---
	Current	Trended,			Current	Trended,			Current	Trended,	
	Level	Developed	Loss &		Level	Developed	Loss &		Level	Developed	Loss &
Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE
Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio
2000	---	---	---	2000	2,469,000	5,861,000	237.4%	2000	2,459,000	7,062,000	287.2%
2001	3,163,000	9,396,000	297.1%	2001	3,163,000	8,170,000	258.3%	2001	3,163,000	7,029,000	222.2%
2002	1,185,000	2,774,000	234.1%	2002	1,185,000	2,412,000	203.5%	2002	1,185,000	2,436,000	205.6%
2003	92,000	4,373,000	4753.3%	2003	92,000	3,802,000	4132.6%	2003	92,000	3,306,000	3593.5%
2004	77,000	152,000	197.4%	2004	77,000	132,000	171.4%	2004	77,000	173,000	224.7%
2005	0	132,000	---	2005	---	---	---	2005	---	---	---
2006	0	0	---	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---

West Virginia Offices of the Insurance Commissioner

5% Market Share Report

Loss and Premium Information/Reconciliation

Exhibit I--Sheet 3

Health Care Indemnity, Inc.

Hospitals

2007 Rate Filing				2006 Rate Filing				2005 Rate Filing			
	Adjusted	Trended,			Adjusted	Trended,			Adjusted	Trended,	
	On-Level	Developed	Loss &		On-Level	Developed	Loss &		On-Level	Developed	Loss &
Report	Earned	Ultimate	ALAE	Report	Earned	Ultimate	ALAE	Report	Earned	Ultimate	ALAE
Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio
2000	---	---	---	2000	2,703,000	3,231,000	119.5%	2000	2,703,000	3,525,000	130.4%
2001	---	---	---	2001	3,961,000	4,475,000	113.0%	2001	3,961,000	4,925,000	124.3%
2002	---	---	---	2002	5,474,000	11,711,000	213.9%	2002	5,474,000	12,472,000	227.8%
2003	---	---	---	2003	7,788,000	6,620,000	85.0%	2003	7,788,000	6,434,000	82.6%
2004	---	---	---	2004	6,829,000	5,106,000	74.8%	2004	6,829,000	6,140,000	89.9%
2005	---	---	---	2005	6,562,000	13,198,000	201.1%	2005	---	---	---
2006	---	---	---	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---
2007 Filed Information				2006 Filed Information				2005 Filed Information			
Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss	Calendar	Earned	Incurred	Loss
Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio	Year	Premium	Losses	Ratio
2000	---	---	---	2000	2,703,000	3,231,000	119.5%	2000	2,703,000	3,525,000	130.4%
2001	3,961,000	4,330,000	109.3%	2001	3,961,000	4,475,000	113.0%	2001	3,961,000	4,925,000	124.3%
2002	5,474,000	11,995,000	219.1%	2002	5,474,000	11,711,000	213.9%	2002	5,474,000	12,472,000	227.8%
2003	7,788,000	5,277,000	67.8%	2003	7,778,000	6,620,000	85.1%	2003	7,788,000	6,434,000	82.6%
2004	6,829,000	4,090,000	59.9%	2004	6,829,000	5,106,000	74.8%	2004	6,829,000	6,140,000	89.9%
2005	6,562,000	11,000,000	167.6%	2005	6,652,000	13,198,000	198.4%	2005	---	---	---
2006	4,017,000	2,119,000	52.8%	2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---	2007	---	---	---
	Current	Trended,			Current	Trended,			Current	Trended,	
	Level	Developed	Loss &		Level	Developed	Loss &		Level	Developed	Loss &
Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE	Report	Earned	Incurred	ALAE
Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio	Year	Premium	Loss & ALAE	Ratio
2000				2000				2000			
2001				2001				2001			
2002				2002				2002			
2003				2003				2003			
2004				2004				2004			
2005				2005				2005			
2006				2006				2006			
2007				2007				2007			

West Virginia Offices of the Insurance Commissioner				
5% Market Share Report				
Comparison of Budgeted Expenses			Exhibit II	
West Virginia Mutual Ins Co				
<u>Physicians & Surgeons</u>				
	2007	2006	2005	Filing
	Rate Filing	Rate Filing	Rate Filing	Forms
Commission & Brokerage	5.00%	5.00%	5.00%	5.00%
New Acquisition	--	--	--	--
General	7.50%	8.20%	8.20%	8.20%
Taxes, Licenses, & Fees	5.00%	5.00%	5.00%	5.00%
Other	4.80%	5.50%	5.50%	5.46%
Profit & Contingency	6.10%	6.10%	6.10%	6.10%
TOTAL	23.40%	29.80%	29.80%	29.76%
Woodbrook Casualty Ins Inc				
<u>Physicians & Surgeons</u>				
	2007	2006	2005	Filing
	Rate Filing	Rate Filing	Rate Filing	Forms
Commission & Brokerage	4.00%	4.00%	4.90%	4.00%
New Acquisition	1.60%	2.60%	4.10%	2.60%
General	5.60%	5.20%	5.80%	5.20%
Taxes, Licenses, & Fees	4.00%	4.30%	4.20%	4.30%
Other	--	--	--	--
Profit & Contingency	2.50%	5.00%	7.00%	5.00%
TOTAL	17.70%	21.10%	26.00%	21.10%
Health Care Indemnity				
<u>Hospitals</u>				
	2007	2006	2005	Filing
	Rate Filing	Rate Filing	Rate Filing	Forms
Commission & Brokerage		1.00%	1.00%	0.00%
New Acquisition		--	--	--
General		2.00%	2.00%	3.00%
Taxes, Licenses, & Fees		2.00%	2.00%	2.00%
Other		--	--	--
Profit & Contingency		--	--	--
TOTAL		5.00%	5.00%	5.00%

**West Virginia Offices of the Insurance Commissioner
5% Market Share Report**

Comparison of Investment Income Provisions Exhibit III

Calendar Year		Net Investment Gain
<i>West Virginia Mutual Ins Co</i>		
2000		
2001		
2002		
2003		
2004		0.5%
2005		2.9%
2006		3.6%
Rate of Return Underlying	2005 Filing:	3.50%
	2006 Filing:	N/A
	2007 Filing:	N/A
<i>Woodbrook Casualty Ins</i>		
2000		2.0%
2001		2.6%
2002		1.8%
2003		1.7%
2004		3.6%
2005		8.1%
2006		16.2%
Rate of Return Underlying	2005 Filing:	3.9%
	2006 Filing:	4.1%
	2007 Filing:	4.5%
<i>Health Care Indemnity, Inc</i>		
2000		93.0%
2001		49.0%
2002		-38.0%
2003		14.0%
2004		34.0%
2005		38.0%
2006		89.0%
Rate of Return Underlying	2005 Filing:	N/A
	2006 Filing:	N/A
	2007 Filing:	N/A

West Virginia Offices of the Insurance Commissioner
5% Market Share Report
Comparison of Pure Premium Trends **Exhibit IV**

Rate Filings			5% Report
2007	2006	2005	
<i>West Virginia Mutual Ins Co</i>			<u>Physicians & Surgeons Program</u>
3.00%	3.00%	4.00%	3.00%
<i>Woodbrook Casualty Ins Inc</i>			<u>Physicians & Surgeons Program</u>
0.00%	5.50%	6.50%	0.00%
<i>Health Care Indemnity Inc.</i>			<u>Hospitals Program</u>
6.00%	4.00%	4.00%	6.00%

West Virginia Offices of the Insurance Commissioner
5% Market Share Report
Comparison of Incurred Loss Development Factors **Exhibit V**

Physicians & Surgeons

West Virginia Mutual Insurance Company

<u>Maturity (mos)</u>	Incurred <u>LDFs</u>
6-ultimate	2.160
18-ultimate	1.372
30-ultimate	1.113
42-ultimate	1.032
54-ultimate	1.000
66-ultimate	1.000
78-ultimate	1.000

Woodbrook Casualty Insurance, Inc

<u>Maturity (mos)</u>	Incurred <u>LDFs</u>
3-ultimate	1.435
15-ultimate	1.323
27-ultimate	1.202
39-ultimate	1.129
51-ultimate	1.096
63-ultimate	1.056
75-ultimate	1.044
87-ultimate	1.010
99-ultimate	1.007
111-ultimate	1.004
123-ultimate	1.003
135-ultimate	1.002
147-ultimate	1.001

Health Care Indemnity, Inc

<u>Maturity (mos)</u>	Incurred <u>LDFs</u>
N/A	N/A

West Virginia Offices of the Insurance Commissioner
5% Market Share Report
Premium Reconciliation **Exhibit VI**

<u>Company</u>	<u>Schedule T-Written Premium</u>	<u>Filing Forms</u>
<i>West Virginia Mutual Ins Co</i>	\$57,582,673	\$57,582,673
<i>Woodbrook Casualty Ins</i>	\$7,690,628	\$7,690,000
<i>Health Care Indemnity Inc</i>	\$4,109,074	\$4,109,000
All Other	\$110,870,177	xx
Total	\$180,252,552	xx

**West Virginia Offices of the Insurance Commissioner
5% Market Share Report**

Sample Comparison of Physicians & Surgeons Medical Malpractice Rates

Exhibit VII

Claims Made Policies -- Mature Rate -- \$1M/\$3M Limits

Class Code	Description	Effective Date=>	WVMIC	Woodbrook	HCI-Staff	HCI-Contract	ISO*
			1/1/2008	11/1/2007	1/5/2007	1/5/2007	5/1/2007
80254	Allergy		\$12,989	\$11,842	\$18,548	\$21,164	\$38,270
80151	Anesthesiology - Major Surgery		\$32,589	\$28,664	\$31,980	\$41,617	\$102,052
80150	Cardiovascular Disease - Major Surgery		\$73,295	\$101,558	\$39,505	\$85,296	\$63,783
80282	Dermatology - Minor Surgery		\$28,066	\$34,271	\$25,584	\$26,276	\$114,809
80102 (C)	Emergency Medicine - Minor Surgery		\$35,604	\$45,486	\$31,980	\$41,617	\$57,384
80420	Family Practitioner - No Surgery		\$20,528	\$23,057	\$18,548	\$21,164	\$165,835
80117 (A)	General Practitioner - Major Surgery		\$43,142	\$56,700	\$47,406	\$72,296	\$127,565
80143	General Surgery		\$58,219	\$79,129	\$47,406	\$72,296	\$89,296
80244	Gynecology - No Surgery		\$20,528	\$23,057	\$47,406	\$72,296	\$17,215
80284	Internal Medicine - Minor Surgery		\$28,066	\$34,271	\$25,584	\$26,276	\$13,773
80152	Neurology- Major Surgery		\$110,986	\$157,630	\$75,850	\$143,247	\$17,215
80153	Obstetrics/Gynecology		\$80,834	\$112,772	\$54,781	\$102,975	\$22,953
80286	Oncology - Minor Surgery		\$28,066	\$34,271	\$25,584	\$26,276	\$25,513
80114	Ophthalmology - Major Surgery		\$24,297	\$28,664	\$25,584	\$26,276	\$38,270
80154 (A)	Orthopedics - Incl Spinal Surgery		\$65,757	\$79,129	\$39,505	\$85,296	\$31,891
80155	Otorhinolaryngology-Incl Plastic Surgery		\$50,680	\$67,915	\$31,980	\$41,617	\$22,953
80266	Pathology		\$16,759	\$23,057	\$18,548	\$21,164	\$63,783
80267	Pediatrics - No Surgery		\$20,528	\$23,057	\$18,548	\$21,164	\$76,539
80145 C)	Urology - Major Surgery		\$32,589	\$34,271	\$47,406	\$72,296	\$114,809

*These rates are a starting point for rating a physician. Rates may be further adjusted by other rating plans. HCI has separate rates for staff employed physicians vs contracted physicians in their Hospital Program
*ISO only files loss costs and increased limits factors. Affiliated Insurers may use ISO as a basis for their rates.
An underwriting expense load of 25% was used to convert ISO loss costs to rates.*

Appendix

Physicians (NAIC Database) COMPANY	Direct Premium Written	Physicians Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
West Virginia Mut Ins Co	\$57,582,673	75.65%	\$52,490,641	(\$1,893,573)	-3.61%
Woodbrook Cas Ins Inc	\$7,617,190	10.01%	\$8,486,670	(\$1,010,575)	-11.91%
National Fire Ins Co Of Hartford	\$2,534,848	3.33%	\$3,643,061	\$1,251,545	34.35%
Evanston Ins Co	\$896,271	1.18%	\$650,137	\$175,888	27.05%
Doctors Co An Interins Exchn	\$891,806	1.17%	\$1,053,033	\$390,474	37.08%
Darwin Select Ins Co	\$780,689	1.03%	\$348,658	\$149,574	42.90%
NCRIC Inc	\$752,803	0.99%	\$3,251,968	(\$674,681)	-20.75%
Homeland Ins Co of NY	\$636,756	0.84%	\$236,693	\$158,407	66.93%
National Guardian RRG Inc	\$485,399	0.64%	\$485,399	\$1,369,593	282.16%
National Union Fire Ins Co Of Pitts	\$445,759	0.59%	\$423,614	(\$1,281,693)	-302.56%
Preferred Physicians Medical RRG	\$412,803	0.54%	\$413,024	\$103,066	24.95%
Lexington Ins Co	\$363,013	0.48%	\$274,865	\$313,680	114.12%
General Star Ind Co	\$340,199	0.45%	\$373,167	\$84,000	22.51%
Health Care Ind Inc	\$320,626	0.42%	\$160,313	\$128,250	80.00%
Columbia Cas Co	\$272,320	0.36%	\$293,394	(\$75,106)	-25.60%
Emergency Physicians Ins Co RRG	\$270,106	0.35%	\$175,667	\$0	0.00%
Professional Undrwtrs Liab Ins Co	\$249,623	0.33%	\$286,497	\$27,931	9.75%
Mountaineer Freedom RRG Inc	\$240,961	0.32%	\$34,596	\$0	0.00%
Everest Ind Ins Co	\$209,628	0.28%	\$202,392	\$26,117	12.90%
Green Hills Ins Co RRG	\$183,154	0.24%	\$185,540	\$55,502	29.91%
Oms Natl Ins Co Rrg	\$182,119	0.24%	\$179,309	\$42,398	23.65%
Professionals Advocate Ins Co	\$127,760	0.17%	\$258,046	\$167,074	64.75%
Care RRG Inc	\$111,195	0.15%	\$8,683	\$3,104	35.75%
Novus Ins Co RRG	\$107,166	0.14%	\$95,889	(\$41,302)	-43.07%
Admiral Ins Co	\$76,480	0.10%	\$5,890	\$1,727	29.32%
National Fire & Marine Ins Co	\$45,950	0.06%	\$21,922	(\$4,032)	-18.39%
Darwin Natl Assur Co	\$36,427	0.05%	\$37,746	\$13,901	36.83%
Landmark Amer Ins Co	\$35,000	0.05%	\$15,151	\$23,616	155.87%
American Cas Co Of Reading PA	\$8,687	0.01%	\$7,872	\$35,308	448.53%
Chicago Ins Co	\$7,046	0.01%	\$5,971	\$0	0.00%
Continental Cas Co	\$0	0.00%	(\$59,241)	\$1,404,827	-2371.38%
Ohic Ins Co	\$0	0.00%	\$0	\$1,174,930	--
Standard Fire Ins Co	\$0	0.00%	\$0	\$17,100	--
Travelers Property Cas Co Of Amer	\$0	0.00%	\$0	\$9,241	--
Athena Assur Co	\$0	0.00%	\$0	\$47	--
St Paul Mercury Ins Co	\$0	0.00%	\$0	\$27	--
Nationwide Mut Ins Co	\$0	0.00%	\$0	(\$1)	--
Pacific Employers Ins Co	\$0	0.00%	\$0	(\$542)	--
Safeco Surplus Lines Ins Co	\$0	0.00%	\$0	(\$698)	--
Essex Ins Co	\$0	0.00%	\$1,666	(\$2,120)	-127.25%
American Hlthcare Ind Co	\$0	0.00%	\$0	(\$5,837)	--
Vigilant Ins Co	\$0	0.00%	\$0	(\$7,659)	--
Medical Protective Co	\$0	0.00%	(\$1,025)	(\$13,000)	1268.29%
American Equity Specialty Ins Co	\$0	0.00%	\$0	(\$13,376)	--
Steadfast Ins Co	\$0	0.00%	(\$108)	(\$15,484)	14337.04%
Continental Ins Co	\$0	0.00%	\$0	(\$27,873)	--
Scottsdale Ins Co	\$0	0.00%	\$0	(\$176,713)	--
American Equity Ins Co	\$0	0.00%	\$0	(\$180,612)	--
TIG Specialty Ins Corp	\$0	0.00%	\$0	(\$247,358)	--
TIG Ins Co	\$0	0.00%	\$0	(\$250,000)	--
APSpecialty Ins Corp	\$0	0.00%	\$17,144	(\$265,000)	-1545.73%
St Paul Fire & Marine Ins Co	\$0	0.00%	\$0	(\$3,678,259)	--
Capitol Specialty Ins Corp	(\$106,684)	-0.14%	\$388,441	\$132,282	34.05%
TOTALS	\$76,117,773	100.00%	\$74,452,685	-\$2,605,885	-3.50%
Licensed Companies (27)	\$70,677,781	92.85%	\$69,801,948	(\$4,255,404)	-6.10%
Surplus Line Co's (26)	\$5,439,992	7.15%	\$4,650,737	\$1,649,519	35.47%
Risk Retention Groups (8)	\$1,992,903	2.62%	\$1,578,107	\$1,532,361	97.10%

Hospitals		2006 West Virginia Business Written			
<i>(NAIC Database)</i>	Direct Premium	Hospitals	Direct Premium	Direct	Pure Direct
COMPANY	Written	Market Share	Earned	Loss Incurred	Loss Ratio
<i>Lexington Ins Co</i>	\$8,585,381	35.31%	\$9,674,071	\$1,613,346	16.68%
<i>Darwin Select Ins Co</i>	\$7,272,276	29.91%	\$3,492,323	\$1,498,207	42.90%
Health Care Ind Inc	\$3,788,448	15.58%	\$3,950,764	\$715,442	18.11%
<i>Admiral Ins Co</i>	\$2,005,118	8.25%	\$1,033,475	\$630,480	61.01%
<i>Everest Ind Ins Co</i>	\$1,028,383	4.23%	\$766,876	(\$757,228)	-98.74%
<i>Arch Speciality Ins Co</i>	\$356,500	1.47%	\$356,996	(\$40,685)	-11.40%
<i>American Excess Ins Exch RRG</i>	\$330,650	1.36%	\$418,561	\$226,247	54.05%
Mountaineer Freedom RRG Inc	\$277,731	1.14%	\$277,731	\$0	0.00%
Chicago Ins Co	\$258,221	1.06%	\$251,260	\$10,954	4.36%
<i>Illinois Union Ins Co</i>	\$205,000	0.84%	\$1,197,366	\$1,048,610	87.58%
<i>Evanston Ins Co</i>	\$113,754	0.47%	\$108,344	(\$530,508)	-489.65%
<i>Interstate Fire & Cas Co</i>	\$87,772	0.36%	\$75,066	\$8,108	10.80%
<i>Capitol Specialty Ins Corp</i>	\$3,862	0.02%	\$439,958	\$53,857	12.24%
<i>Steadfast Ins Co</i>	\$505	0.00%	\$344	(\$32,389)	-9415.41%
American Ins Co	\$398	0.00%	\$166	\$0	0.00%
National Union Fire Ins Co Of Pitts	\$0	0.00%	\$0	\$8,501,000	--
St Paul Fire & Marine Ins Co	\$0	0.00%	\$0	\$4,783,105	--
Continental Cas Co	\$0	0.00%	\$0	\$1,667,902	--
American Cas Co Of Reading PA	\$0	0.00%	\$0	\$104,927	--
Cincinnati Ins Co	\$0	0.00%	\$77,802	\$84,717	108.89%
National Fire Ins Co Of Hartford	\$0	0.00%	\$0	\$29,798	--
St Paul Mercury Ins Co	\$0	0.00%	\$0	\$20,451	--
<i>Executive Risk Speciality Ins Co</i>	\$0	0.00%	\$0	\$4,870	--
Standard Fire Ins Co	\$0	0.00%	\$0	\$4,692	--
Travelers Cas & Surety Co	\$0	0.00%	\$0	\$2,350	--
Firemans Fund Ins Co	\$0	0.00%	\$0	\$162	--
Bankers Standard Ins Co	\$0	0.00%	\$0	\$69	--
<i>Century Ind Co</i>	\$0	0.00%	\$0	\$0	--
<i>Firemans Fund Ins Co Of OH</i>	\$0	0.00%	\$0	\$0	--
<i>TIG Specialty Ins Corp</i>	\$0	0.00%	\$0	(\$6)	--
Travelers Ind Co	\$0	0.00%	\$0	(\$100)	--
TIG Ins Co	\$0	0.00%	\$0	(\$149)	--
Pacific Employers Ins Co	\$0	0.00%	\$0	(\$208)	--
Ace Fire Underwriters Ins Co	\$0	0.00%	\$0	(\$292)	--
<i>Essex Ins Co</i>	\$0	0.00%	\$0	(\$694)	--
Ace Amer Ins Co	\$0	0.00%	\$0	(\$1,024)	--
Doctors Co An Interins Exchn	\$0	0.00%	\$0	(\$5,000)	--
Executive Risk Ind Inc	\$0	0.00%	\$0	(\$20,265)	--
<i>Columbia Cas Co</i>	\$0	0.00%	\$0	(\$31,314)	--
Woodbrook Cas Ins Inc	\$0	0.00%	\$0	(\$69,464)	--
<i>Premier Ins Exchange RRG</i>	\$0	0.00%	\$0	(\$88,176)	--
<i>First Specialty Ins Corp</i>	\$0	0.00%	\$79,995	(\$462,446)	-578.09%
TOTALS	\$24,313,999	100.00%	\$22,201,098	\$18,969,346	85.44%
Licensed Companies (23)	\$4,324,798	17.79%	\$4,557,723	\$15,829,067	347.30%
<i>Surplus Line Co's (19)</i>	\$19,989,201	82.21%	\$17,643,375	\$3,140,279	17.80%
Risk Retention Groups (3)	\$608,381	2.50%	\$696,292	\$138,071	19.83%

Other Health Care Facilities <i>(NAIC Database)</i>	2006 West Virginia Business Written				
COMPANY	Direct Premium Written	Other Facilities Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
<i>Everest Ind Ins Co</i>	\$516,335	35.76%	\$695,853	(\$32,268)	-4.64%
<i>Guardian RRG Inc</i>	\$336,247	23.29%	\$336,247	\$61,108	18.17%
<i>Lexington Ins Co</i>	\$207,857	14.39%	\$202,497	\$269,233	132.96%
<i>Arch Speciality Ins Co</i>	\$192,900	13.36%	\$198,366	\$564,607	284.63%
<i>Darwin Select Ins Co</i>	\$138,299	9.58%	\$114,762	\$49,233	42.90%
<i>Landmark Ins Co</i>	\$134,683	9.33%	\$134,680	\$55,165	40.96%
Church Mut Ins Co	\$79,424	5.50%	\$85,698	(\$33,171)	-38.71%
American Alt Ins Corp	\$72,753	5.04%	\$71,628	(\$5,284)	-7.38%
<i>General Star Ind Co</i>	\$64,626	4.48%	\$62,691	\$44,000	70.19%
<i>Western World Ins Co</i>	\$5,829	0.40%	\$8,865	\$214,105	2415.17%
American Home Assur Co	\$867	0.06%	\$691	\$1,618	234.15%
National Union Fire Ins Co Of Pitts	\$387	0.03%	\$385	\$1,857,090	482361.04%
<i>Executive Risk Speciality Ins Co</i>	\$0	0.00%	\$0	\$24,816	--
Travelers Property Cas Co Of Amer	\$0	0.00%	\$0	\$11,341	--
St Paul Mercury Ins Co	\$0	0.00%	\$0	\$6,125	--
<i>Capitol Specialty Ins Corp</i>	\$0	0.00%	\$9,375	\$3,093	32.99%
<i>Admiral Ins Co</i>	\$0	0.00%	\$0	\$716	--
Cincinnati Ins Co	\$0	0.00%	\$0	\$471	--
Standard Fire Ins Co	\$0	0.00%	\$0	\$36	--
Nationwide Mut Ins Co	\$0	0.00%	\$0	\$0	--
<i>Illinois Natl Ins Co</i>	\$0	0.00%	\$0	\$0	--
<i>Essex Ins Co</i>	\$0	0.00%	\$0	(\$12)	--
<i>American Intl Specialty Lines Ins Co</i>	\$0	0.00%	\$0	(\$110)	--
<i>National Fire & Marine Ins Co</i>	\$0	0.00%	\$0	(\$1,572)	--
<i>Landmark Amer Ins Co</i>	\$0	0.00%	\$0	(\$2,165)	--
TIG Ins Co	\$0	0.00%	\$0	(\$5,537)	--
<i>Steadfast Ins Co</i>	\$0	0.00%	(\$9)	(\$12,950)	143888.89%
St Paul Fire & Marine Ins Co	\$0	0.00%	\$0	(\$366,401)	--
<i>Arrowood Surplus Lines Ins Co</i>	(\$13,523)	-0.94%	(\$13,523)	(\$17,127)	126.65%
Executive Risk Ind Inc	(\$292,639)	-20.27%	(\$241,863)	(\$45,708)	18.90%
TOTALS	\$1,444,045	100.00%	\$1,666,343	\$2,640,452	158.46%
Licensed Companies (12)	(\$139,208)	-9.64%	(\$83,461)	\$1,420,580	-1702.09%
<i>Surplus Line Co's (18)</i>	\$1,583,253	109.64%	\$1,749,804	\$1,219,872	69.71%
Risk Retention Groups (1)	\$336,247	23.29%	\$336,247	\$61,108	18.17%

Other Health Care Professionals (NAIC Database) COMPANY	2006 West Virginia Business Written				
	Direct Premium Written	Other Prof'ls Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
American Cas Co Of Reading PA	\$1,103,687	22.79%	1,041,082	226,004	21.71%
Continental Cas Co	\$791,692	16.35%	777,780	34,832	4.48%
Podiatry Ins Co Of Amer A Mut Co	\$754,424	15.58%	715,194	(556,886)	-77.87%
Cincinnati Ins Co	\$440,674	9.10%	317,036	(24,871)	-7.84%
NCMIC Ins Co	\$343,024	7.08%	330,239	111,303	33.70%
Lexington Ins Co	\$266,090	5.50%	226,328	110,323	48.74%
Landmark Amer Ins Co	\$232,800	4.81%	290,309	120,167	41.39%
Western World Ins Co	\$181,565	3.75%	195,620	(22,751)	-11.63%
National Union Fire Ins Co Of Pitts	\$178,903	3.69%	211,009	(963,766)	-456.74%
Columbia Cas Co	\$133,083	2.75%	114,238	(197)	-0.17%
Admiral Ins Co	\$102,605	2.12%	89,320	16,103	18.03%
Ace Amer Ins Co	\$88,181	1.82%	86,862	74,565	85.84%
Woodbrook Cas Ins Inc	\$73,438	1.52%	74,078	0	0.00%
Evanston Ins Co	\$41,029	0.85%	182,938	(11,128)	-6.08%
American Ins Co	\$33,854	0.70%	27,373	5,446	19.90%
Medical Protective Co	\$27,272	0.56%	26,868	1,000	3.72%
Pharmacists Mut Ins Co	\$9,896	0.20%	8,655	680	7.86%
Allied Professionals Ins Co RRG	\$7,887	0.16%	6,833	299	4.38%
American Assoc Of Othodontists RRG	\$7,844	0.16%	7,916	887	11.21%
National Fire Ins Co Of Hartford	\$4,638	0.10%	4,638	13,813	297.82%
Granite State Ins Co	\$4,404	0.09%	37,828	(2,217)	-5.86%
Nationwide Mut Ins Co	\$4,124	0.09%	4,161	(2,327)	-55.92%
Firemans Fund Ins Co	\$3,584	0.07%	2,980	0	0.00%
Fortress Ins Co	\$3,387	0.07%	2,977	719	24.15%
Church Mut Ins Co	\$1,794	0.04%	1,798	(1,406)	-78.20%
Nationwide Mut Fire Ins Co	\$997	0.02%	997	34	3.41%
American Home Assur Co	\$989	0.02%	989	(3,434)	-347.22%
TIG Ins Co	\$0	0.00%	0	424,520	--
Travelers Ind Co	\$0	0.00%	0	154,750	--
Gulf Underwriters Ins Co	\$0	0.00%	0	1,867	--
American Motorists Ins Co	\$0	0.00%	0	807	--
National Surety Corp	\$0	0.00%	1,005	261	25.97%
St Paul Mercury Ins Co	\$0	0.00%	0	27	--
American Automobile Ins Co	\$0	0.00%	0	0	--
Pacific Employers Ins Co	\$0	0.00%	0	0	--
Century Ind Co	\$0	0.00%	0	0	--
Chicago Ins Co	\$0	0.00%	0	0	--
General Ins Co Of Amer	\$0	0.00%	0	(32)	--
Kemper Cas Ins Co	\$0	0.00%	0	(108)	--
Lumbermens Mut Cas Co	\$0	0.00%	0	(320)	--
Ace Fire Underwriters Ins Co	\$0	0.00%	0	(438)	--
Essex Ins Co	\$0	0.00%	2,207	(529)	-23.97%
Westport Ins Corp	\$0	0.00%	5,103	(1,284)	-25.16%
Security Ins Co Of Hartford	\$0	0.00%	0	(2,003)	--
Federal Ins Co	\$0	0.00%	0	(41,867)	--
St Paul Fire & Marine Ins Co	\$0	0.00%	0	(56,283)	--
Ohic Ins Co	\$0	0.00%	0	(119,910)	--
TOTALS	\$4,841,865	100.00%	4,794,361	(513,350)	-10.71%
Licensed Companies (35)	\$3,868,962	79.91%	\$3,678,652	(\$728,391)	-19.80%
Surplus Line Co's (12)	\$972,903	20.09%	\$1,115,709	\$215,041	19.27%
Risk Retention Groups (2)	\$15,731	0.32%	\$14,749	\$1,186	8.04%

Other Med Mal Policies <i>(NAIC Database)</i>	2006 West Virginia Business Written				
COMPANY	Direct Premium Written	Other Med Mal Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
<i>Ophthalmic Mut Ins Co RRG</i>	1,307,634	51.44%	\$1,308,392	(\$209,734)	-16.03%
<i>Physicians Specialty Ltd RRG</i>	1,212,662	47.71%	\$1,212,662	\$1,270,000	104.73%
State Farm Fire And Cas Co	21,572	0.85%	\$21,663	\$0	0.00%
Standard Fire Ins Co	0	0.00%	\$0	\$4,081	--
Travelers Cas & Surety Co	0	0.00%	\$0	\$148	--
United States Fire Ins Co	0	0.00%	\$0	\$0	--
North River Ins Co	0	0.00%	\$0	\$0	--
<i>Clarendon Amer Ins Co</i>	0	0.00%	\$0	(\$1,243,048)	--
TOTALS	2,541,868	100.00%	\$2,542,717	(\$178,553)	-7.02%
Licensed Companies (5)	\$21,572	0.85%	\$21,663	\$4,229	19.52%
<i>Surplus Line Co's (3)</i>	\$2,520,296	99.15%	\$2,521,054	(\$182,782)	-7.25%
Risk Retention Groups (2)	\$2,520,296	99.15%	\$2,521,054	\$1,060,266	42.06%

Total Medical Malpractice (NAIC Database) COMPANY	2006 West Virginia Business Written				
	Direct Premium Written	Total Med Mal Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
West Virginia Mut Ins Co	\$57,582,673	51.94%	\$52,490,641	(\$1,893,473)	-3.61%
<i>Lexington Ins Co</i>	\$9,422,341	8.50%	\$10,377,760	\$2,306,581	22.23%
<i>Darwin Select Ins Co</i>	\$8,191,264	7.39%	\$3,955,743	\$1,697,014	42.90%
Woodbrook Cas Ins Inc	\$7,690,628	6.94%	\$8,560,748	(\$1,080,039)	-12.62%
Health Care Ind Inc	\$4,109,074	3.71%	\$4,111,077	\$843,692	20.52%
National Fire Ins Co Of Hartford	\$2,539,486	2.29%	\$3,647,699	\$1,295,156	35.51%
<i>Admiral Ins Co</i>	\$2,184,203	1.97%	\$1,128,685	\$645,259	57.17%
<i>Everest Ind Ins Co</i>	\$1,754,346	1.58%	\$1,665,121	(\$763,378)	-45.85%
<i>Health Care Industry Liab Recip Ins</i>	\$1,594,841	1.44%	\$1,625,260	\$596,330	36.69%
<i>Ophthalmic Mut Ins Co RRG</i>	\$1,307,634	1.18%	\$1,308,392	(\$209,734)	-16.03%
<i>Physicians Specialty Ltd RRG</i>	\$1,212,662	1.09%	\$1,212,662	\$1,270,000	104.73%
American Cas Co Of Reading PA	\$1,112,374	1.00%	\$1,048,954	\$366,239	34.91%
<i>Evanston Ins Co</i>	\$1,051,054	0.95%	\$941,419	(\$365,748)	-38.85%
Doctors Co An Interins Exchn	\$891,806	0.80%	\$1,053,033	\$385,474	36.61%
Continental Cas Co	\$791,692	0.71%	\$718,539	\$3,107,562	432.48%
Podiatry Ins Co Of Amer A Mut Co	\$754,424	0.68%	\$715,194	(\$556,886)	-77.87%
NCRIC Inc	\$752,803	0.68%	\$3,251,968	(\$674,681)	-20.75%
<i>Homeland Ins Co of NY</i>	\$636,756	0.57%	\$236,693	\$158,407	66.93%
National Union Fire Ins Co Of Pitts	\$625,050	0.56%	\$635,009	\$8,112,630	1277.56%
<i>Arch Speciaity Ins Co</i>	\$549,400	0.50%	\$555,361	\$523,921	94.34%
Mountaineer Freedom RRG Inc	\$503,131	0.45%	\$302,957	\$0	0.00%
<i>National Guardian RRG Inc</i>	\$485,399	0.44%	\$485,399	\$1,369,593	282.16%
Cincinnati Ins Co	\$440,970	0.40%	\$395,923	\$60,317	15.23%
<i>Preferred Physicians Medical RRG</i>	\$412,803	0.37%	\$413,024	\$103,066	24.95%
<i>Columbia Cas Co</i>	\$405,403	0.37%	\$407,632	(\$106,617)	-26.16%
<i>General Star Ind Co</i>	\$404,825	0.37%	\$435,858	\$128,000	29.37%
NCMIC Ins Co	\$343,024	0.31%	\$330,239	\$111,303	33.70%
<i>Guardian RRG Inc</i>	\$336,247	0.30%	\$336,247	\$61,108	18.17%
<i>American Excess Ins Exchange RRG</i>	\$330,650	0.30%	\$418,561	\$226,247	54.05%
<i>Emergency Physicians Ins Co RRG</i>	\$270,106	0.24%	\$175,667	\$1,941	1.10%
<i>Landmark Amer Ins Co</i>	\$267,800	0.24%	\$305,460	\$141,619	46.36%
Chicago Ins Co	\$265,291	0.24%	\$256,156	\$10,954	4.28%
<i>Professional Undrwtrs Liab Ins Co</i>	\$249,623	0.23%	\$286,497	\$27,931	9.75%
<i>Illinois Union Ins Co</i>	\$205,000	0.18%	\$1,197,366	\$1,048,610	87.58%
<i>Western World Ins Co</i>	\$187,394	0.17%	\$204,484	\$191,354	93.58%
<i>Green Hills Ins Co RRG</i>	\$183,154	0.17%	\$185,540	\$55,502	29.91%
<i>Oms Natl Ins Co Rrg</i>	\$182,119	0.16%	\$179,309	\$42,398	23.65%
<i>Landmark Ins Co</i>	\$134,683	0.12%	\$134,680	\$55,165	40.96%
Professionals Advocate Ins Co	\$127,760	0.12%	\$258,046	\$167,074	64.75%
Care RRG Inc	\$111,195	0.10%	\$8,683	\$3,104	35.75%
<i>Novus Ins Co RRG</i>	\$107,166	0.10%	\$95,889	(\$41,302)	-43.07%
Ace Amer Ins Co	\$88,181	0.08%	\$86,862	\$73,540	84.66%
<i>Interstate Fire & Cas Co</i>	\$87,890	0.08%	\$57,079	\$8,108	14.20%
Church Mut Ins Co	\$81,218	0.07%	\$87,497	(\$34,578)	-39.52%
American Alt Ins Corp	\$72,753	0.07%	\$71,628	(\$5,284)	-7.38%

Total Medical Malpractice Cont'd	2006 West Virginia Business Written				
<i>(NAIC Database)</i>	Direct Premium	Total Med Mal	Direct Premium	Direct	Pure Direct
COMPANY	Written	Market Share	Earned	Loss Incurred	Loss Ratio
<i>National Fire & Marine Ins Co</i>	\$45,950	0.04%	\$21,922	(\$5,604)	-25.56%
Darwin Natl Assur Co	\$36,427	0.03%	\$37,746	\$13,901	36.83%
American Ins Co	\$34,252	0.03%	\$29,439	\$5,446	18.50%
<i>Preferred Managed Risk Ltd</i>	\$30,915	0.03%	\$38,492	\$5,552	14.42%
Medical Protective Co	\$27,272	0.02%	\$25,843	(\$12,000)	-46.43%
State Farm Fire And Cas Co	\$21,572	0.02%	\$21,663	\$0	0.00%
Pharmacists Mut Ins Co	\$9,896	0.01%	\$8,655	\$680	7.86%
<i>Allied Professionals Ins Co RRG</i>	\$7,887	0.01%	\$6,833	\$299	4.38%
<i>American Assoc Of Othodontists RRG</i>	\$7,844	0.01%	\$7,916	\$887	11.21%
Granite State Ins Co	\$4,404	0.00%	\$37,828	(\$2,217)	-5.86%
Nationwide Mut Ins Co	\$4,117	0.00%	\$4,155	(\$2,327)	-56.00%
Firemans Fund Ins Co	\$3,584	0.00%	\$2,837	\$162	5.71%
Fortress Ins Co	\$3,387	0.00%	\$2,977	\$719	24.15%
American Home Assur Co	\$1,856	0.00%	\$1,680	(\$1,816)	-108.10%
Nationwide Mut Fire Ins Co	\$997	0.00%	\$997	\$34	3.41%
<i>Steadfast Ins Co</i>	\$505	0.00%	\$227	(\$60,823)	-26794.27%
<i>Essex Ins Co</i>	\$0	0.00%	\$3,873	(\$3,354)	-86.60%
<i>APSpeciality Ins Corp</i>	\$0	0.00%	\$17,144	(\$265,000)	-1545.73%
General Ins Co Of Amer	\$0	0.00%	\$0	(\$32)	--
United States Fire Ins Co	\$0	0.00%	\$0	\$445	--
<i>Reciprocal of America</i>	\$0	0.00%	\$0	(\$194,836)	--
Travelers Ind Co	\$0	0.00%	\$0	\$154,650	--
<i>Premier Ins Exchange RRG</i>	\$0	0.00%	\$0	(\$88,176)	--
<i>American Equity Ins Co</i>	\$0	0.00%	\$0	(\$180,612)	--
<i>American Healthcare Ind Co</i>	\$0	0.00%	\$0	(\$5,837)	--
Ace Fire Underwriters Ins Co	\$0	0.00%	\$0	(\$731)	--
Vigilant Ins Co	\$0	0.00%	\$0	(\$7,659)	--
<i>American Intl Specialty Lines Ins Co</i>	\$0	0.00%	\$0	(\$110)	--
Standard Fire Ins Co	\$0	0.00%	\$0	\$25,909	--
TIG Ins Co	\$0	0.00%	\$0	\$168,832	--
Campmed Cas & Ind Co Inc MD	\$0	0.00%	\$0	(\$8,438)	--
Lumbermens Mut Cas Co	\$0	0.00%	\$0	(\$320)	--
<i>Clarendon Amer Ins Co</i>	\$0	0.00%	\$0	(\$1,243,048)	--
American Motorists Ins Co	\$0	0.00%	\$0	\$807	--
Federal Ins Co	\$0	0.00%	\$0	(\$41,867)	--
Security Ins Co Of Hartford	\$0	0.00%	\$0	(\$2,003)	--
St Paul Mercury Ins Co	\$0	0.00%	\$0	\$26,629	--
<i>TIG Specialty Ins Corp</i>	\$0	0.00%	\$0	(\$247,364)	--
<i>Gulf Underwriters Ins Co</i>	\$0	0.00%	\$0	\$1,867	--
National Surety Corp	\$0	0.00%	\$1,208	\$261	21.61%
St Paul Fire & Marine Ins Co	\$0	0.00%	\$0	\$682,162	--
<i>Safeco Surplus Lines Ins Co</i>	\$0	0.00%	\$0	(\$698)	--
Kemper Cas Ins Co	\$0	0.00%	\$0	(\$108)	--
Travelers Property Cas Co Of Amer	\$0	0.00%	\$0	\$20,582	--
<i>First Specialty Ins Corp</i>	\$0	0.00%	\$79,995	(\$462,446)	-578.09%

Total Medical Malpractice Cont'd	2006 West Virginia Business Written				
(NAIC Database) COMPANY	Direct Premium Written	Total Med Mal Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
Bankers Standard Ins Co	\$0	0.00%	\$0	\$69	--
Athena Assur Co	\$0	0.00%	\$0	\$47	--
Continental Ins Co	\$0	0.00%	\$0	(\$27,873)	--
Travelers Cas & Surety Co	\$0	0.00%	\$0	\$2,498	--
Ohic Ins Co	\$0	0.00%	\$0	\$1,055,020	--
<i>Scottsdale Ins Co</i>	\$0	0.00%	\$0	(\$176,713)	--
American Equity Specialty Ins Co	\$0	0.00%	\$0	(\$13,376)	--
North River Ins Co	\$0	0.00%	\$0	\$155	--
Westport Ins Corp	\$0	0.00%	\$5,103	(\$1,284)	-25.16%
<i>Executive Risk Speciality Ins Co</i>	\$0	0.00%	\$0	\$29,686	--
Pacific Employers Ins Co	\$0	0.00%	\$0	(\$750)	--
<i>Royal Surplus Lines Ins Co</i>	(\$13,523)	-0.01%	(\$13,523)	(\$17,127)	126.65%
<i>Capitol Specialty Ins Corp</i>	(\$102,822)	-0.09%	\$837,774	\$189,232	22.59%
Executive Risk Ind Inc	(\$292,639)	-0.26%	(\$241,863)	(\$65,973)	27.28%
TOTALS	\$110,870,177	100.00%	\$107,295,562	\$18,709,488	17.44%
Licensed Companies (57)	\$78,738,658	71.02%	\$77,969,121	\$12,262,338	15.73%
<i>Surplus Line Co's (47)</i>	\$32,131,519	28.98%	\$29,326,441	\$6,447,150	21.98%
Risk Retention Groups (15)	\$5,457,997	4.92%	\$5,137,079	\$2,794,933	54.41%

Medical Liability Fund suits filed by year and County							
County	2002	2003	2004	2005	2006	2002-6	2007*
Barbour	0	1	0	1	0	2	0
Berkeley	6	9	2	4	3	24	2
Boone	0	1	1	0	1	3	0
Braxton	0	0	1	1	1	3	0
Brooke	5	7	1	4	0	17	1
Cabell	29	28	15	7	14	93	9
Calhoun	0	0	0	0	0	0	0
Clay	1	0	0	0	0	1	0
Doddridge	0	0	0	0	0	0	0
Fayette	1	5	0	1	5	12	1
Gilmer	1	0	0	0	0	1	0
Grant	4	2	0	0	1	7	1
Greenbrier	5	7	3	4	3	22	2
Hampshire	0	1	1	1	0	3	1
Hancock	0	1	2	0	1	4	0
Hardy	0	1	1	0	0	2	0
Harrison	2	14	6	8	5	35	7
Jackson	1	1	1	1	3	7	2
Jefferson	1	2	1	1	0	5	2
Kanawha	70	66	20	37	47	240	29
Lewis	2	2	4	1	1	10	0
Lincoln	0	0	0	0	1	1	0
Logan	15	10	4	9	2	40	4
Marion	0	2	0	2	1	5	0
Marshall	4	6	2	2	2	16	2
Mason	8	2	1	3	1	15	1
McDowell	3	3	1	0	1	8	1
Mercer	8	17	9	4	8	46	7
Mineral	0	0	0	3	0	3	0
Mingo	4	4	2	5	3	18	2
Monongalia	17	31	7	10	15	80	11
Monroe	0	0	0	1	0	1	1
Morgan	0	1	1	0	0	2	0
Nicholas	0	4	1	2	1	8	2
Ohio	15	20	7	10	5	57	5
Pendleton	0	0	0	0	0	0	0
Pleasants	0	0	0	0	0	0	0
Pocahontas	0	0	0	1	0	1	0
Preston	2	1	0	0	2	5	0
Putnam	4	20	10	126	4	164	4
Raleigh	13	21	6	10	7	57	8
Randolph	2	3	3	4	2	14	5
Ritchie	0	0	0	0	0	0	1
Roane	2	0	0	1	0	3	0
Summers	0	0	1	0	0	1	1
Taylor	0	1	3	0	2	6	0
Tucker	0	1	0	0	0	1	1
Tyler	1	1	0	0	0	2	0
Upshur	1	2	1	1	3	8	1
Wayne	0	1	0	0	0	1	0
Webster	0	0	0	0	0	0	0
Wetzel	3	2	1	2	1	9	0
Wirt	0	0	0	0	1	1	0
Wood	9	14	11	6	5	45	4
Wyoming	0	0	0	0	2	2	1
	239	315	130	273	154	1111	119

(through 09/30/07)

2006 PHYSICIANS			
COMPANY	# of Claims Direct	# of Claims Direct	Total # of Direct
	Loss Paid	Loss UnPaid	Claims
West Virginia Mut Ins Co	24	135	159
Woodbrook Cas Ins Inc	9	95	104
Nationwide Mut Ins Co	78	2	80
<i>Essex Ins Co</i>	13	48	61
National Fire Ins Co Of Hartford	6	31	37
NCRIC Inc	4	26	30
National Union Fire Ins Co Of Pitts	12	3	15
Continental Ins Co	3	7	10
Doctors Co An Interins Exchn	2	5	7
Pacific Employers Ins Co	(1)	6	5
<i>National Guardian RRG Inc</i>	1	3	4
<i>Preferred Physicians Medical RRG</i>	0	3	3
American Cas Co Of Reading PA	2	1	3
<i>Evanston Ins Co</i>	1	1	2
<i>Green Hills Ins Co RRG</i>	0	2	2
<i>Oms Natl Ins Co Rrg</i>	0	2	2
Standard Fire Ins Co	0	2	2
Health Care Ind Inc	0	1	1
Professionals Advocate Ins Co	0	1	1
Darwin Natl Assur Co	0	1	1
St Paul Mercury Ins Co	1	0	1
<i>Steadfast Ins Co</i>	1	0	1
<i>Scottsdale Ins Co</i>	1	0	1
TOTALS	157	375	532
Licensed Companies (15)	140	316	456
<i>Surplus Line Co's (8)</i>	17	59	76
<i>Risk Retention Groups (4)</i>	1	10	11

2005 PHYSICIANS	# of Claims Direct	# of Claims Direct	Total # of Direct
COMPANY	Loss Paid	Loss UnPaid	Claims
West Virginia Mut Ins Co	33	125	158
St Paul Fire & Marine Ins Co	74	80	154
Woodbrook Cas Ins Inc	16	129	145
Continental Cas Co	78	4	82
NCRIC Inc	4	71	75
Ohic Ins Co	5	8	13
Doctors Co An Interins Exchn	3	9	12
National Union Fire Ins Co Of Pitts	6	5	11
Standard Fire Ins Co	3	6	9
Podiatry Ins Co Of Amer A Mut Co	1	6	7
Medical Protective Co	1	2	3
<i>Evanston Ins Co</i>	2	1	3
American Cas Co Of Reading PA	2	1	3
<i>Scottsdale Ins Co</i>	0	2	2
<i>APSpeciality Ins Corp</i>	0	1	1
<i>Preferred Physicians Medical RRG</i>	0	1	1
Darwin Natl Assur Co	0	1	1
TIG Ins Co	0	1	1
<i>Steadfast Ins Co</i>	0	1	1
Illinois Natl Ins Co	0	1	1
American Physicians Assur Corp	1	0	1
TOTALS	229	455	684
Licensed Companies (16)	227	449	676
<i>Surplus Line Co's (5)</i>	2	6	8
<i>Risk Retention Groups (1)</i>	0	1	1

2004 PHYSICIANS	# of Claims Direct	# of Claims Direct	Total # of Direct
COMPANY	Loss Paid	Loss UnPaid	Claims
Woodbrook Cas Ins Inc	34	191	225
St Paul Fire & Marine Ins Co	44	140	184
West Virginia Mut Ins Co	3	123	126
Continental Cas Co	80	5	85
NCRIC Inc	7	64	71
Ohic Ins Co	1	15	16
Standard Fire Ins Co	7	8	15
Doctors Co An Interins Exchn	1	8	9
National Union Fire Ins Co Of Pitts	6	3	9
Podiatry Ins Co Of Amer A Mut Co	0	6	6
<i>Evanston Ins Co</i>	4	1	5
<i>Scottsdale Ins Co</i>	3	2	5
<i>APSpeciality Ins Corp</i>	1	2	3
Medical Protective Co	0	3	3
American Cas Co Of Reading PA	2	1	3
<i>Green Hills Ins Co RRG</i>	0	2	2
American Hlthcare Ind Co	0	1	1
<i>Columbia Cas Co</i>	1	0	1
<i>Steadfast Ins Co</i>	0	1	1
Illinois Natl Ins Co	0	1	1
American Physicians Assur Corp	0	1	1
TOTALS	194	578	772
Licensed Companies (15)	185	570	755
<i>Surplus Line Co's (6)</i>	9	8	17
<i>Risk Retention Groups (1)</i>	0	2	2

2003 PHYSICIANS	# of Claims Direct	# of Claims Direct	Total # of Direct
COMPANY	Loss Paid	Loss UnPaid	Claims
Woodbrook Cas Ins Inc	48	244	292
St Paul Fire & Marine Ins Co	53	212	265
NCRIC Inc	2	79	81
National Union Fire Ins Co Of Pitts	10	6	16
Standard Fire Ins Co	1	14	15
Continental Cas Co	1	10	11
Doctors Co An Interins Exchn	2	8	10
Ohic Ins Co	2	8	10
<i>Evanston Ins Co</i>	7	1	8
Podiatry Ins Co Of Amer A Mut Co	2	5	7
Medical Protective Co	1	5	6
<i>Scottsdale Ins Co</i>	0	5	5
<i>APSpeciality Ins Corp</i>	1	2	3
Professionals Advocate Ins Co	2	1	3
Travelers Property Cas Co Of Amer	3	0	3
Illinois Natl Ins Co	2	1	3
<i>Physicians Specialty Ltd RRG</i>	0	2	2
American Hlthcare Ind Co	1	1	2
American Physicians Assur Corp	0	2	2
American Cas Co Of Reading PA	1	1	2
<i>Steadfast Ins Co</i>	0	2	2
<i>Columbia Cas Co</i>	1	0	1
US Fidelity & Guaranty Co	0	1	1
Frontier Ins Co	0	1	1
Medical Assur Co Inc	1	0	1
<i>Safeco Surplus Lines Ins Co</i>	1	0	1
TOTALS	142	611	753
Licensed Companies (19)	132	599	731
<i>Surplus Line Co's (7)</i>	10	10	20
<i>Risk Retention Groups (1)</i>	0	2	2

2002 PHYSICIANS		# of Claims Direct	# of Claims Direct	Total # of Direct
COMPANY	Loss Paid	Loss UnPaid	Claims	
Woodbrook Cas Ins Inc	79	307	386	
St Paul Fire & Marine Ins Co	60	298	358	
Commonwealth Medical Liability Ins C	1	55	56	
Ohic Ins Co	5	19	24	
National Union Fire Ins Co Of Pitts	9	9	18	
Standard Fire Ins Co	1	15	16	
Continental Cas Co	1	14	15	
<i>Evanston Ins Co</i>	6	4	10	
Podiatry Ins Co Of Amer A Mut Co	1	8	9	
Illinois Natl Ins Co	6	3	9	
Medical Protective Co	0	4	4	
<i>Interstate Fire & Cas Co</i>	0	3	3	
Travelers Property Cas Co Of Amer	0	3	3	
<i>APSpeciality Ins Corp</i>	0	2	2	
Professionals Advocate Ins Co	0	2	2	
American Hlthcare Ind Co	0	2	2	
<i>Columbia Cas Co</i>	1	1	2	
American Cas Co Of Reading PA	1	1	2	
American Physicians Assur Corp	0	2	2	
<i>Western Ind Ins Co</i>	2	0	2	
<i>American Equity Ins Co</i>	1	1	2	
<i>Scottsdale Ins Co</i>	1	1	2	
Medical Assur Co Inc	1	1	2	
<i>Preferred Physicians Medical RRG</i>	0	1	1	
American Equity Specialty Ins Co	0	1	1	
Continental Ins Co	1	0	1	
Frontier Ins Co	0	1	1	
TOTALS	177	758	935	
Licensed Companies (19)	166	745	911	
<i>Surplus Line Co's (8)</i>	11	13	24	
Risk Retention Groups (1)	0	1	1	

2001 PHYSICIANS	# of Claims Direct	# of Claims Direct	Total # of Direct
COMPANY	Loss Paid	Loss UnPaid	Claims
Woodbrook Cas Ins Inc	83	387	470
American Continental Ins Co	48	197	245
St Paul Fire & Marine Ins Co	26	161	187
Standard Fire Ins Co	45	15	60
Ohic Ins Co	2	35	37
National Union Fire Ins Co Of Pitts	13	7	20
<i>Evanston Ins Co</i>	7	7	14
Illinois Natl Ins Co	7	4	11
Professionals Advocate Ins Co	1	7	8
<i>American Equity Ins Co</i>	1	4	5
Podiatry Ins Co Of Amer A Mut Co	2	2	4
Continental Ins Co	0	4	4
Travelers Property Cas Co Of Amer	2	2	4
Medical Protective Co	0	2	2
American Hlthcare Ind Co	0	2	2
<i>Scottsdale Ins Co</i>	1	1	2
MIIX Ins Co	1	1	2
Medical Assur Co Inc	0	2	2
American Cas Co Of Reading PA	1	1	2
Continental Cas Co	1	1	2
<i>Columbia Cas Co</i>	1	1	2
<i>Western Ind Ins Co</i>	0	2	2
<i>Preferred Physicians Medical RRG</i>	0	1	1
Travelers Ind Co Of CT	1	0	1
<i>Maxum Ind Co</i>	0	1	1
<i>American Intl Specialty Lines Ins Co</i>	1	0	1
Frontier Ins Co	0	1	1
TOTALS	244	848	1092
Licensed Companies (19)	233	831	1064
<i>Surplus Line Co's (8)</i>	11	17	28
<i>Risk Retention Groups (1)</i>	0	1	1

2000 PHYSICIANS	# of Claims Direct	# of Claims Direct	Total # of Direct
COMPANY	Loss Paid	Loss UnPaid	Claims
Woodbrook Cas Ins Inc	55	1776	1831
American Continental Ins Co	13	211	224
St Paul Fire & Marine Ins Co	21	94	115
Standard Fire Ins Co	20	58	78
Professionals Advocate Ins Co	1	45	46
Phico Ins Co	4	28	32
Ohic Ins Co	0	26	26
<i>Evanston Ins Co</i>	9	8	17
Continental Cas Co	2	15	17
Continental Ins Co	0	13	13
<i>American Equity Ins Co</i>	0	5	5
Podiatry Ins Co Of Amer A Mut Co	1	4	5
<i>Preferred Physicians Medical RRG</i>	0	4	4
<i>Scottsdale Ins Co</i>	0	3	3
MIIX Ins Co	0	2	2
American Cas Co Of Reading PA	1	1	2
<i>Independence Ind Ins Co</i>	0	1	1
Travelers Property Cas Co Of Amer	0	1	1
<i>Columbia Cas Co</i>	0	1	1
Travelers Ind Co Of CT	0	1	1
TOTALS	127	2297	2297
Licensed Companies (14)	118	2275	2393
<i>Surplus Line Co's (6)</i>	9	22	31
<i>Risk Retention Groups (1)</i>	0	4	4

Historical top 10 Companies in WV Market Share for the Medical Malpractice line			
	Admitted Company Basis	Market Share	Pure Direct L/R
2006	West Virginia Mut Ins Co	73.13%	-3.61%
2006	Woodbrook Cas Ins Inc	9.77%	-12.62%
2006	Health Care Ind Inc	5.22%	20.52%
2006	National Fire Ins Co Of Hartford	3.23%	35.51%
2006	American Cas Co Of Reading PA	1.41%	34.91%
2006	Doctors Co An Interins Exchn	1.13%	36.61%
2006	Continental Cas Co	1.01%	432.48%
2006	Podiatry Ins Co Of Amer A Mut Co	0.96%	-77.87%
2006	NCRIC Inc	0.96%	-20.75%
2006	National Union Fire Ins Co Of Pitts	0.79%	1277.56%
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2005	West Virginia Mut Ins Co	65.82%	30.25%
2005	Woodbrook Cas Ins Inc	9.26%	26.65%
2005	Health Care Ind Inc	7.78%	147.73%
2005	National Fire Ins Co Of Hartford	5.20%	35.51%
2005	NCRIC Inc	5.10%	6.95%
2005	Doctors Co An Interins Exchn	1.30%	14.47%
2005	American Cas Co Of Reading PA	1.16%	12.01%
2005	National Union Fire Ins Co Of Pitts	1.03%	-508.11%
2005	Continental Cas Co	0.95%	1007.96%
2005	Podiatry Ins Co Of Amer A Mut Co	0.83%	-111.48%
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2004	West Virginia Physicians Mut Ins Co	68.87%	55.29%
2004	Medical Assur Of WV Inc	8.59%	2.75%
2004	NCRIC Inc	6.34%	49.80%
2004	Health Care Ind Inc	6.23%	44.09%
2004	National Fire Ins Co Of Hartford	3.21%	39.99%
2004	Physicians Specialty Ltd RRG	1.20%	30.44%
2004	Doctors Co An Interins Exchn	1.05%	27.77%
2004	American Cas Co Of Reading PA	0.71%	33.99%
2004	National Union Fire Ins Co Of Pitts	0.66%	212.50%
2004	Continental Cas Co	0.65%	-144.77%
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2003	Medical Assur Of WV Inc	30.59%	43.84%
2003	St Paul Fire & Marine Ins Co	21.04%	99.04%
2003	Health Care Ind Inc	15.97%	77.12%
2003	NCRIC Inc	15.77%	50.55%
2003	National Fire Ins Co Of Hartford	3.34%	104.46%
2003	Doctors Co An Interins Exchn	2.97%	28.34%
2003	Gulf Ins Co	1.59%	214.50%
2003	National Union Fire Ins Co Of Pitts	1.39%	-383.84%
2003	Continental Cas Co	1.36%	-277.27%
2003	American Cas Co Of Reading PA	1.20%	249.04%

Historical top 10 Companies in WV Market Share for the Medical Malpractice line

	Admitted Company Basis	Market Share	Pure Direct L/R
2002	St Paul Fire & Marine Ins Co	41.09%	79.75%
2002	Medical Assur Of WV Inc	29.86%	88.83%
2002	Commonwealth Medical Liability Ins C	10.69%	59.25%
2002	Health Care Ind Inc	8.20%	251.96%
2002	Ohic Ins Co	1.85%	462.81%
2002	Doctors Co An Interins Exchn	1.76%	41.99%
2002	Executive Risk Ind Inc	1.05%	77.80%
2002	National Union Fire Ins Co Of Pitts	0.92%	811.81%
2002	Continental Cas Co	0.82%	-1258.16%
2002	American Cas Co Of Reading PA	0.73%	25.51%
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2001	St Paul Fire & Marine Ins Co	40.46%	95.41%
2001	Medical Assur Of WV Inc	33.18%	73.17%
2001	American Continental Ins Co	8.98%	193.74%
2001	Commonwealth Medical Liability Ins C	4.29%	85.76%
2001	Doctors Co An Interins Exchn	1.78%	69.79%
2001	Ohic Ins Co	1.60%	258.05%
2001	Executive Risk Ind Inc	1.52%	-10.99%
2001	National Union Fire Ins Co Of Pitts	0.94%	120.23%
2001	Medical Protective Co	0.85%	45.90%
2001	Gulf Ins Co	0.85%	90.15%
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2000	Medical Assurance Of W Virginia Inc	42.66%	74.60%
2000	American Continental Ins Co	24.75%	94.60%
2000	National Union Fire Ins Co Of Pitts	12.95%	27.72%
2000	St Paul Fire & Marine Ins Co	7.60%	92.84%
2000	Pennsylvania Casualty Co	2.67%	105.03%
2000	Ohic Ins Co	1.45%	-274.22%
2000	Virginia Ins Recip	1.17%	214.48%
2000	St Paul Mercury Ins Co	0.95%	74.44%
2000	Legion Ins Co	0.84%	155.60%
2000	American Cas Co Of Reading Pa	0.67%	40.16%

Historical top 10 Companies in WV Market Share for the Medical Malpractice line

	Business Written Basis	Market Share	P Direct L/R
2006	West Virginia Mut Ins Co	51.94%	-3.61%
2006	<i>Lexington Ins Co</i>	8.50%	22.23%
2006	<i>Darwin Select Ins Co</i>	7.39%	42.90%
2006	Woodbrook Cas Ins Inc	6.94%	-12.62%
2006	Health Care Ind Inc	3.71%	20.52%
2006	National Fire Ins Co Of Hartford	2.29%	35.51%
2006	<i>Admiral Ins Co</i>	1.97%	57.17%
2006	<i>Everest Ind Ins Co</i>	1.58%	-45.85%
2006	<i>Health Care Industry Liab Recip Ins</i>	1.44%	36.69%
2006	<i>Ophthalmic Mut Ins Co RRG</i>	1.18%	-16.03%
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2005	West Virginia Mut Ins Co	48.63%	30.25%
2005	<i>Lexington Ins Co</i>	9.55%	11.65%
2005	Woodbrook Cas Ins Inc	6.84%	26.65%
2005	Health Care Ind Inc	5.75%	147.73%
2005	<i>Capitol Specialty Ins Corp</i>	3.89%	28.31%
2005	National Fire Ins Co Of Hartford	3.84%	35.51%
2005	NCRIC Inc	3.77%	6.95%
2005	<i>Everest Ind Ins Co</i>	1.47%	45.87%
2005	<i>Health Care Industry Liab Recip Ins</i>	1.38%	51.80%
2005	<i>Illinois Union Ins Co</i>	1.23%	68.36%
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2004	West Virginia Physicians Mut Ins Co	54.55%	55.29%
2004	<i>Lexington Ins Co</i>	9.36%	68.54%
2004	Medical Assur Of WV Inc	6.80%	2.75%
2004	NCRIC Inc	5.02%	49.80%
2004	Health Care Ind Inc	4.94%	44.09%
2004	National Fire Ins Co Of Hartford	2.54%	39.99%
2004	<i>Capitol Specialty Ins Corp</i>	2.38%	42.82%
2004	<i>First Specialty Ins Corp</i>	2.21%	-82.27%
2004	<i>Everest Ind Ins Co</i>	1.63%	41.56%
2004	<i>APSpeciality Ins Corp</i>	1.48%	-1.45%
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2003	Medical Assur Of WV Inc	20.05%	43.84%
2003	St Paul Fire & Marine Ins Co	13.79%	99.04%
2003	Health Care Ind Inc	10.46%	77.12%
2003	NCRIC Inc	10.34%	50.55%
2003	<i>Lexington Ins Co</i>	10.32%	54.18%
2003	<i>First Specialty Ins Corp</i>	8.42%	105.84%
2003	<i>Everest Ind Ins Co</i>	6.01%	29.34%
2003	National Fire Ins Co Of Hartford	2.19%	104.46%
2003	<i>APSpeciality Ins Corp</i>	1.98%	141.28%
2003	Doctors Co An Interins Exchn	1.95%	28.34%

Historical top 10 Companies in WV Market Share for the Medical Malpractice line

	Business Written Basis	Market Share	P Direct L/R
2002	St Paul Fire & Marine Ins Co	32.13%	79.75%
2002	Medical Assur Of WV Inc	23.35%	88.83%
2002	<i>Everest Ind Ins Co</i>	8.75%	55.56%
2002	Commonwealth Medical Liability Ins C	8.36%	59.25%
2002	<i>Lexington Ins Co</i>	7.67%	52.61%
2002	Health Care Ind Inc	6.41%	251.96%
2002	Ohic Ins Co	1.44%	462.81%
2002	Doctors Co An Interins Exchn	1.38%	41.99%
2002	<i>APSpeciality Ins Corp</i>	1.31%	55.91%
2002	Physicians Specialty Ltd RRG	1.04%	57.29%
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2001	St Paul Fire & Marine Ins Co	34.90%	95.41%
2001	Medical Assur Of WV Inc	28.62%	73.17%
2001	American Continental Ins Co	7.75%	193.74%
2001	Health Care Ind Inc	5.61%	133.34%
2001	Commonwealth Medical Liability Ins C	3.70%	85.76%
2001	<i>Clarendon Amer Ins Co</i>	2.41%	72.21%
2001	<i>Lexington Ins Co</i>	1.86%	60.05%
2001	Doctors Co An Interins Exchn	1.54%	69.79%
2001	Ohic Ins Co	1.38%	258.05%
2001	Executive Risk Ind Inc	1.31%	-10.99%
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2000	Medical Assurance Of W Virginia Inc	39.35%	74.60%
2000	American Continental Ins Co	22.83%	94.60%
2000	National Union Fire Ins Co Of Pitts	11.95%	27.72%
2000	St Paul Fire & Marine Ins Co	7.01%	92.84%
2000	Health Care Ind Inc	4.56%	95.52%
2000	Pennsylvania Casualty Co	2.47%	105.03%
2000	Ohic Ins Co	1.34%	-274.22%
2000	Virginia Ins Recip	1.08%	214.48%
2000	St Paul Mercury Ins Co	0.87%	74.44%
2000	Legion Ins Co	0.78%	155.60%

Approved Rate Change History of Admitted Carriers for Medical Malpractice (Physicians & Surgeons unless noted)					
2006 Market Share	Company	Effective date	%Requested	% Granted	WV #:
73.71%	West Virginia Mutual Ins Co <i>*formerly W.V. Physicians Mutual Ins. Co.</i>	1/1/2008	0%	0%	70918006
		1/1/2007	-15.00%	-15.00%	60915016
		1/1/2006	-5.00%	-5.00%	50826007
		1/1/2005	10.20%	10.20%	41006013
		7/1/2004	initial filing	initial filing	40331017
2006 Market Share 9.84%	Woodbrook Cas Ins Inc <i>*formerly Medical Assurance of WV, Inc.</i>	11/1/2007	-10.70%	-10.70%	70810017 (S)
		10/20/2006	-2.80%	-2.80%	60711005
		10/20/2005	-1.10%	-1.10%	50718024
		10/20/2004	18.50%	14.50%	40721020
		10/3/2003	17.30%	13.00%	30623002
		7/1/2002	23.00%	16.00%	161405
		9/14/2001	30.00%	18.00%	155255
		8/1/2000	35.00%	35.00%	50507
2006 Market Share 5.26%	Health Care Indemnity Inc. <i>*Annual rate filing-no change requested Hospitals Program</i>	1/5/2007	0%*	0.00%	61103006
		1/1/2006	-11.60%	-11.60%	51006015
		1/1/2005	-1.90%	-1.90%	41020017
		1/1/2004	6.70%	6.70%	31010020
		6/17/2003	initial filing	initial filing	30325009
2006 Market Share 3.25%	National Fire Insurance Company of Hartford <i>*Annual rate filing-no change requested HCA program</i>	7/11/2007	0%*	0.00%	70705016 (S)
		8/1/2006	0.00%	0.00%	60712001 (S)
		8/12/2005	0.00%	0.00%	50713006
		7/2/2004	0.00%	0.00%	40610009
		5/17/2003	initial filing	initial filing	30428006
2006 Market Share 1.42%	American Casualty Company of Reading, PA <i>Nurse Programs</i>	8/1/2007	2.87%	2.87%	70425011 (S)
		5/1/2006	3.00%	3.00%	60210003 (S)
		12/16/2005	6.20%	6.20%	50831026 (S)
		8/13/2004	26.80%	26.80%	40525004
		n/a	83.40%	0.00%	30819021
		12/1/2002	4.20%	4.20%	20923013
		6/21/2002	12.50%	12.50%	161467
2006 Market Share 0.80%	The Doctors Co., An Interinsurance Exchange	10/1/2005	0.00%	0.00%	50607000
		6/1/2004	4.90%	4.90%	40218038
		10/14/2003	3.10%	0.00%	30528010
		4/1/2003	45.70%	17.00%	21121000
		7/1/2002	87.30%	26.40%	159937
		12/1/2001	7.50%	7.50%	155338
		12/1/2000	-0.70%	-0.70%	100510
		10/1/1999	2.50%	2.50%	99060131
2006 Market Share 0.68%	NCRIC <i>*purchased by ProAssurance Corp</i>	n/a	2.80%	0.00%	50817020
		9/1/2004	9.50%	9.50%	40818017
		3/1/2004	35.20%	9.88%	31001006
		2/1/2003	53.40%	22.70%	21107014
		1/1/2002	39.60%	19.70%	157730
		4/4/2001	?	0.00%	152471
2006 Market Share 0.00%	St. Paul Fire & Marine	8/1/2001	15.00%	15.00%	153563
		7/1/2000	15.00%	15.00%	40460
		9/15/1998	4.90%	4.90%	
2006 Market Share 0.00%	OHIC Insurance Company	7/1/2001	78.60%	0.00%	152960

County	Population
Barbour County	15,557
Berkeley County	75,905
Boone County	25,535
Braxton County	14,702
Brooke County	25,447
Cabell County	96,784
Calhoun County	7,582
Clay County	10,330
Doddridge County	7,403
Fayette County	47,579
Gilmer County	7,160
Grant County	11,299
Greenbrier County	34,453
Hampshire County	20,203
Hancock County	32,667
Hardy County	12,669
Harrison County	68,652
Jackson County	28,000
Jefferson County	42,190
Kanawha County	200,073
Lewis County	16,919
Lincoln County	22,108
Logan County	37,710
McDowell County	27,329
Marion County	56,598
Marshall County	35,519
Mason County	25,957
Mercer County	62,980

County	Population
Mineral County	27,078
Mingo County	28,253
Monongalia County	81,866
Monroe County	14,583
Morgan County	14,943
Nicholas County	26,562
Ohio County	47,427
Pendleton County	8,196
Pleasants County	7,514
Pocahontas County	9,131
Preston County	29,334
Putnam County	51,589
Raleigh County	79,220
Randolph County	28,262
Ritchie County	10,343
Roane County	15,446
Summers County	12,999
Taylor County	16,089
Tucker County	7,321
Tyler County	9,592
Upshur County	23,404
Wayne County	42,903
Webster County	9,719
Wetzel County	17,693
Wirt County	5,873
Wood County	87,986
Wyoming County	25,708
Total West Virginia	1,808,344

*Source: US Census
2000*