



STATE OF WEST VIRGINIA

Offices of the Insurance Commissioner

JOE MANCHIN III  
Governor

JANE L. CLINE  
Insurance Commissioner

November 17, 2008

To Members of the Joint Standing Committee  
on the Judiciary & the Legislature  
State Capitol Complex  
1900 Kanawha Blvd., E  
Charleston, WV 25305

Dear Delegates & Senators:

Enclosed is a copy of the Medical Malpractice Report on insurers with 5% or greater market share. Chapter 33-20B-6 of the Code of West Virginia requires the Insurance Commissioner to submit this report annually to the Joint Standing Committee on the Judiciary during the month of November.

The information used in the preparation of this report was compiled from data in the filed information of those insurers. Included in this data were the rate filings of those companies, the NAIC data base information compiled on those companies annual statements, Insurance Services Office (ISO) loss cost filings, other ISO reports, and Bests Aggregates and Averages. In addition, we have included information that was made available through the West Virginia Board of Medicine.

The overall goal of this report is to provide the reader with an overview of the Medical Liability Insurance market for the previous year and the applicable trends.

Sincerely,

Jane L. Cline  
Commissioner

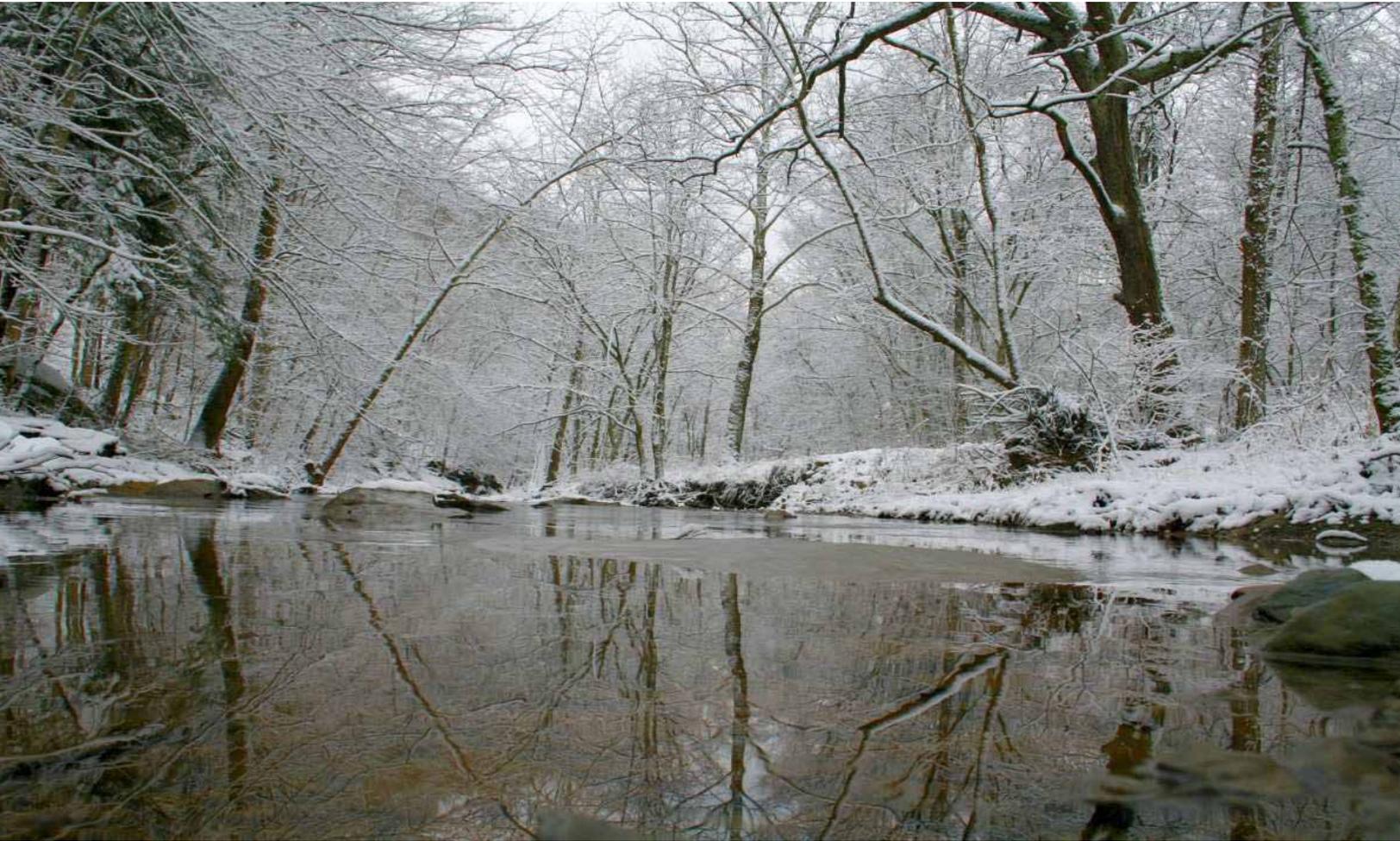
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Enclosure



# State of West Virginia

## Medical Malpractice Report Insurers with 5% Market Share



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

November 2008

# Introduction

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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, West Virginia Code §33-20B-6, and §33-20B-7. 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 and other *ISO* reports, *A. M. Best* reports, and data from the West Virginia Board of Medicine.

A “*claim for medical malpractice*”<sup>1</sup> 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 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.

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<sup>1</sup> 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 factors<sup>2</sup>:

- Rising loss trends;
- Higher and more volatile jury awards;
- Adverse reserve development on prior accident/report year reserves;
- Reduced carrier capacities;
- Rising cost 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 as compared to that of the years subsequent to the recent “hard” market period.** Rate level changes which have been approved over the last few 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 2007, we experienced an overall stabilization in rate (*i.e. little to no change*) from the majority of admitted writers in West Virginia.

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<sup>2</sup> July/August 2004 *Contingencies Magazine* ([www.contingencies.org](http://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 2007 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 1994–2007.
- **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. This section includes a commentary concerning Joint Underwriting Associations pursuant to §33-20B-7. A review of rate filings and investment returns is also provided, as well as a sample comparison of currently approved physician's and surgeon's rates in West Virginia.
- **Section IV:** A review of Medical Liability Fund data, Board of Medicine licensure 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.

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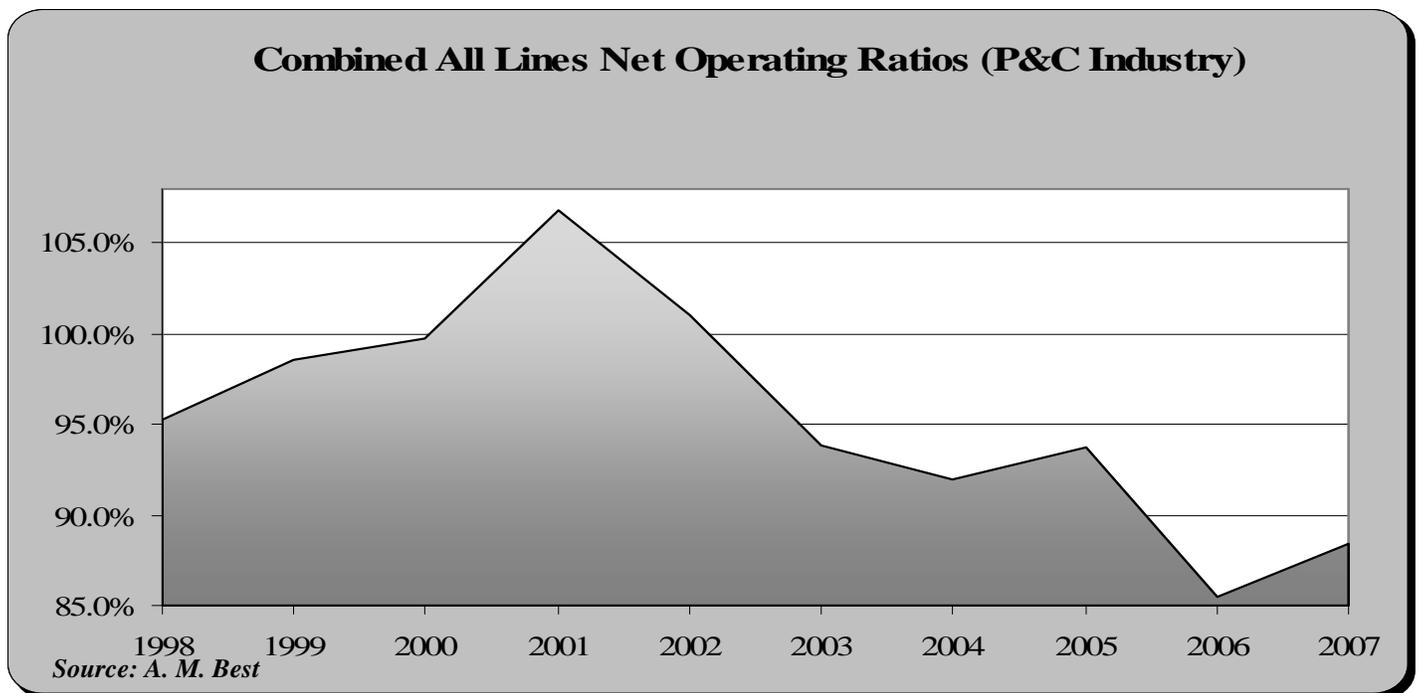
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# **Section I**

## **Overview**

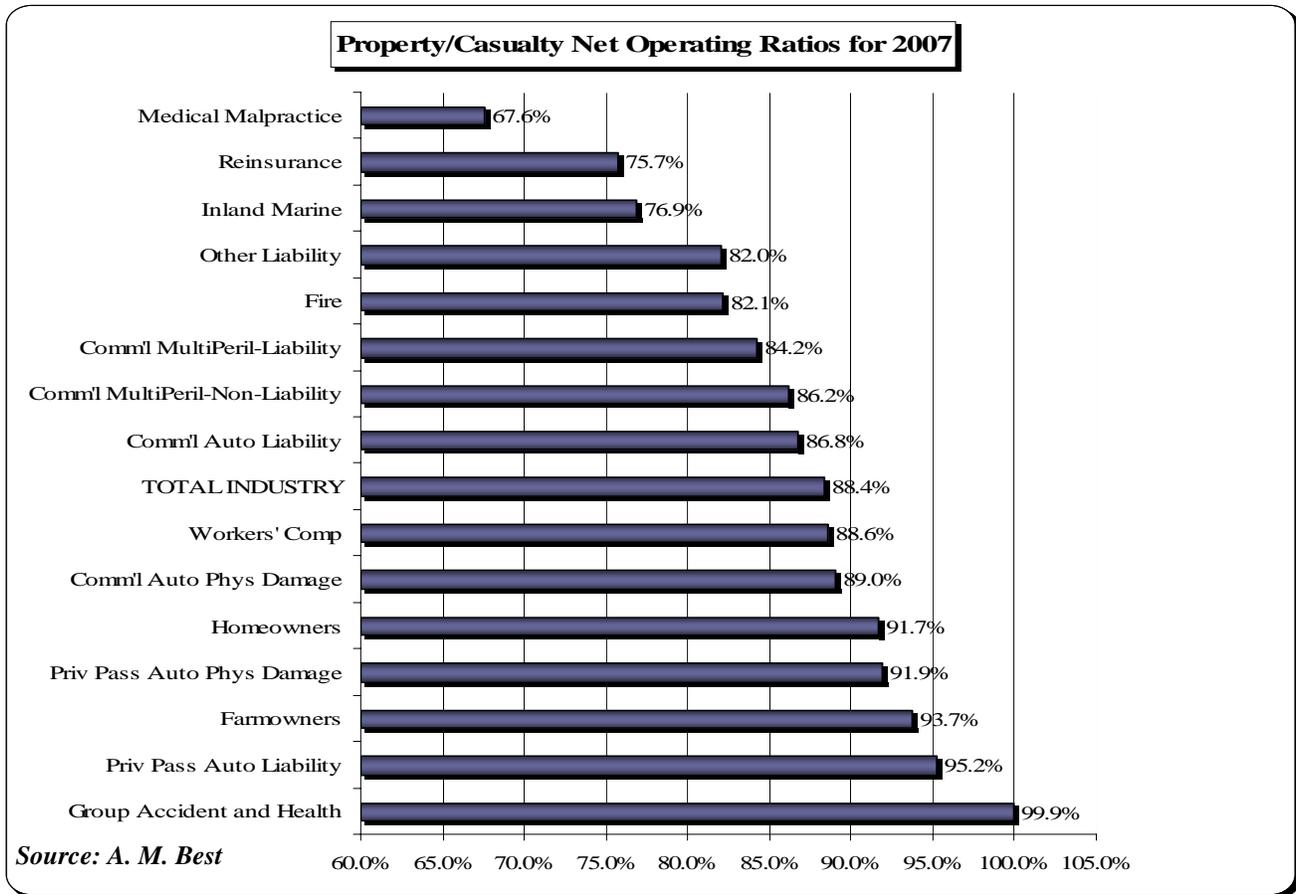
## Section I. Overview of Countrywide P&C Insurance Industry Results for 2007

Experience for the combined all lines property and casualty insurance industry degraded slightly in 2007 compared to the 10 year low which was realized in 2006. However, the results still remain well below the adverse levels that were experienced around 2001.



The combined all lines property and casualty insurance industry operating ratio for 2007 was a very favorable 88.4% (85.5% in 2006). This 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 2007 net operating experience for the TOTAL INDUSTRY as compared to some of its key element lines follows:

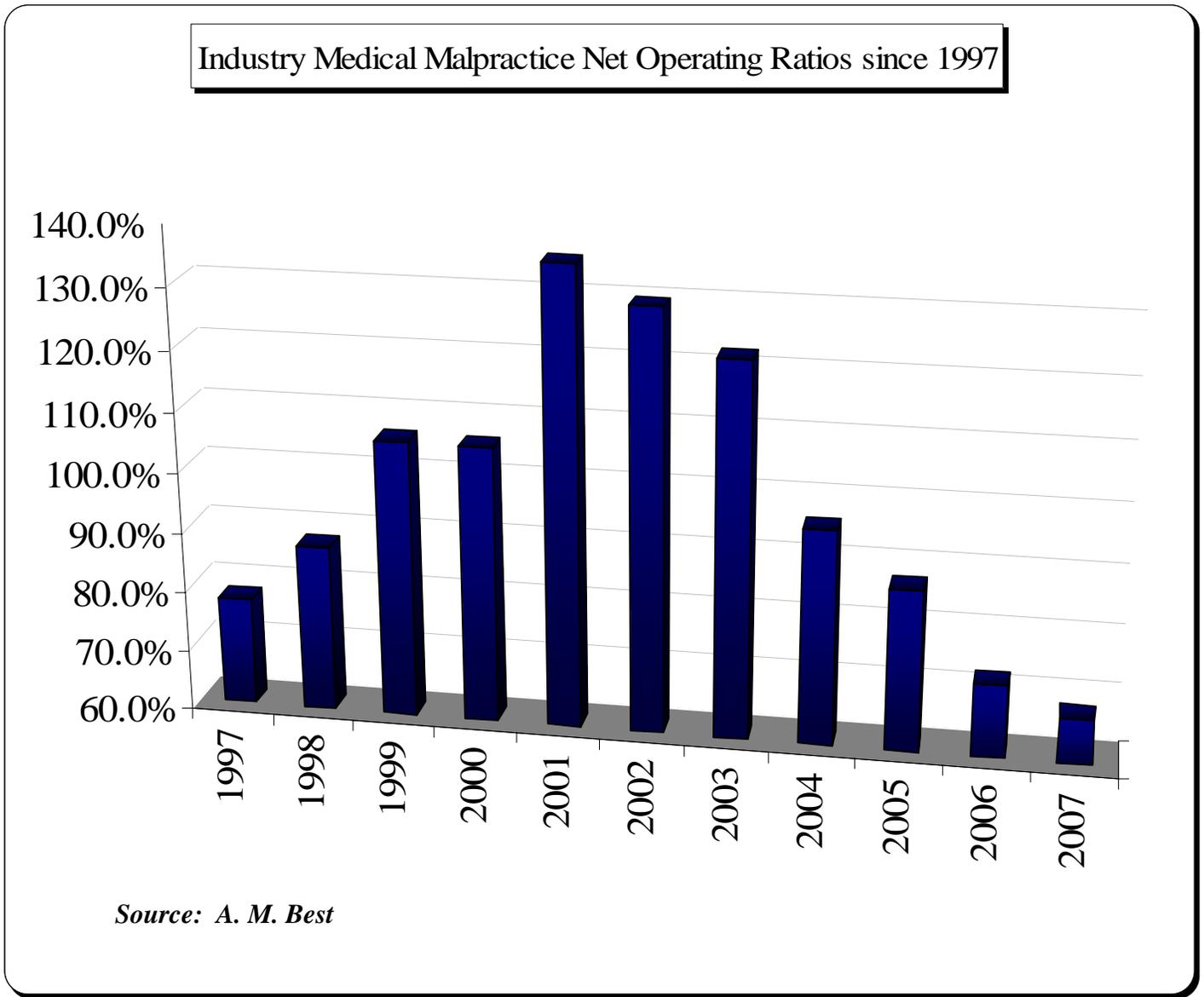


Several points can be noted from the industry results for 2007:

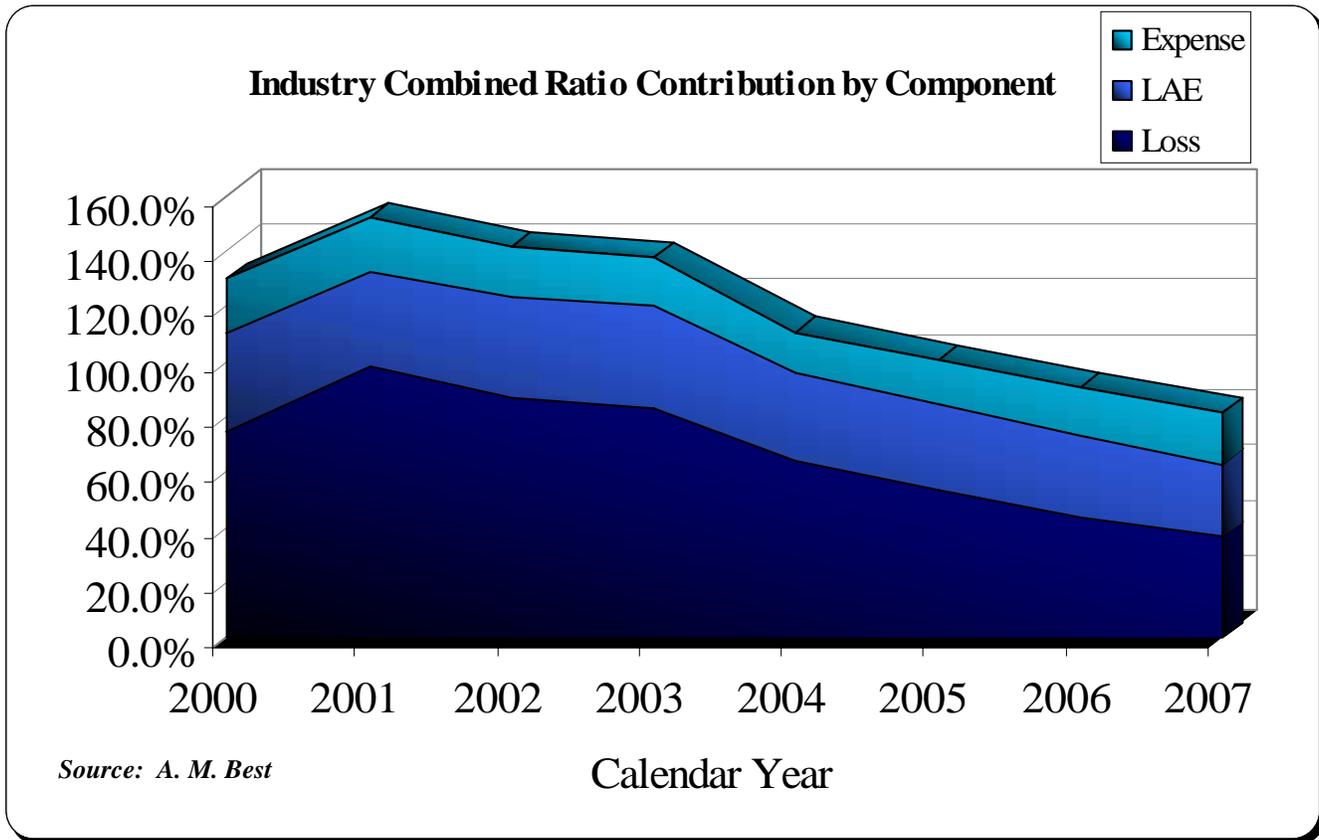
- The reinsurance industry continues to display improved operating results as its net operating ratio was 234.3% in 2005.
- The Group A & H results are those of this line as written by P & C Companies, and they continue to yield roughly “break-even” results. (*Worst experience in the past ten years 104.5% in 1999. Best Experience in the past ten years 91.4% in 2003.*)
- The results for several of the more competitive Personal Lines (i.e. Personal Auto and Home) continue to exceed the combined total industry results. (*PPA 10 year average results are 95.9%. Homeowners 10 year average results are 98.2%.*)

### 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 the adverse 10 year high level which occurred in 2001, and is now performing well below the total combined industry results. The graph below displays industry net operating ratios occurring since 1997:



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



**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 - 86 Medical Malpractice Organizations								
	2000	2001	2002	2003	2004	2005	2006	2007
<b>Net Income (\$M)</b>	\$523	(\$263)	(\$782)	(\$544)	\$77	\$652	\$1,615	\$1,658
<b>Surplus (\$M)</b>	\$7,102	\$6,678	\$5,786	\$6,150	\$6,638	\$7,195	\$7,958	\$9,443
<b>Return on Surplus</b>	7.4%	-3.9%	-13.5%	-8.8%	1.2%	9.1%	20.3%	17.0%

Source: A. M. Best

Over the past seven years, the 86 medical malpractice organizations included above have gained \$2.9 billion on a countrywide basis. Note that the 2005 report which had reviewed the same period except for the addition of 2006 and 2007 data indicated an overall loss in net income in the hundreds of millions of dollars. Noting the general financial crisis occurring in the U.S. financial markets during 2008, the favorable gains of 2007 are likely to differ significantly for the upcoming year.

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

The following exhibits provide a comparison of Medical Malpractice results for the Industry along with results for West Virginia specifically over the 2000 – 2007 time periods. In reviewing this exhibit, a few key areas of difference (other than the premium totals) are noted. A continued decline in total West Virginia premiums since 2004; a more steep decline in the direct loss ratio from 2002 to 2006, and a quicker return to profitability than that which was experienced on a countrywide basis (*A less than 100% combined ratio occurred in WV in 2003. It did not occur countrywide until 2005*).

### Industry vs. West Virginia Medical Malpractice Results

(000's)

<b>INDUSTRY (Best's Aggregates &amp; Averages)</b>						
<b>Year</b>	<b>Direct Written Premium</b>	<b>Direct Earned Premium</b>	<b>Direct Loss Ratio</b>	<b>Loss Adjustment Expense</b>	<b>Underwriting Expense</b>	<b>Direct Combined Ratio</b>
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%
2007	\$10,504,818	\$10,626,523	40.8%	23.4%	17.4%	81.6%
<b>Total</b>	<b>\$77,117,865</b>	<b>\$75,060,987</b>	<b>66.3%</b>	<b>28.9%</b>	<b>16.2%</b>	<b>99.8%</b>

<b>WEST VIRGINIA (NAIC Annual Statement Data)</b>						
<b>Year</b>	<b>Direct Written Premium</b>	<b>Direct Earned Premium</b>	<b>Direct Loss Ratio</b>	<b>Loss Adjustment Expense</b>	<b>Underwriting Expense</b>	<b>Direct Combined Ratio</b>
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%
2007	\$82,701	\$87,570	51.9%	<b>37.7%</b>	14.3%	103.94%
<b>Total</b>	<b>\$769,829</b>	<b>\$746,927</b>	<b>54.6%</b>	<b>19.3%</b>	<b>13.7%</b>	<b>87.6%</b>

Note that the 2007 Loss Adjustment Expense for West Virginia in the table above appears to be somewhat of an anomaly, and upon detailed review is shown to be largely driven by the exit of just two companies from our market. Specifically, **Health Care Indemnity Incorporated** (a hospital policy writer, included in the 2006 report with 5.26% market share) did not renew their single hospital policy for 2007 and posted a Direct Defense Cost Containment and Expense Incurred figure of \$19.3M for the year. Note that this amount (\$19.3M) is 4.7 times larger than their entire earned premium for that same exposure (\$4.1M) in 2006, and that the same heavily influences the 50.8% LAE ratio noted above as it is more than half of all incurred LAE (\$30.6M).

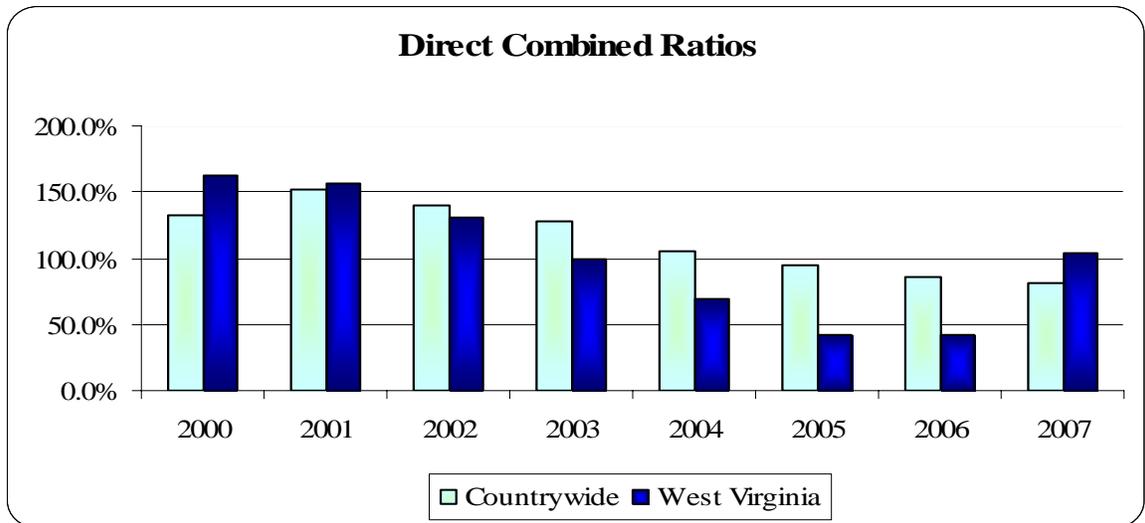
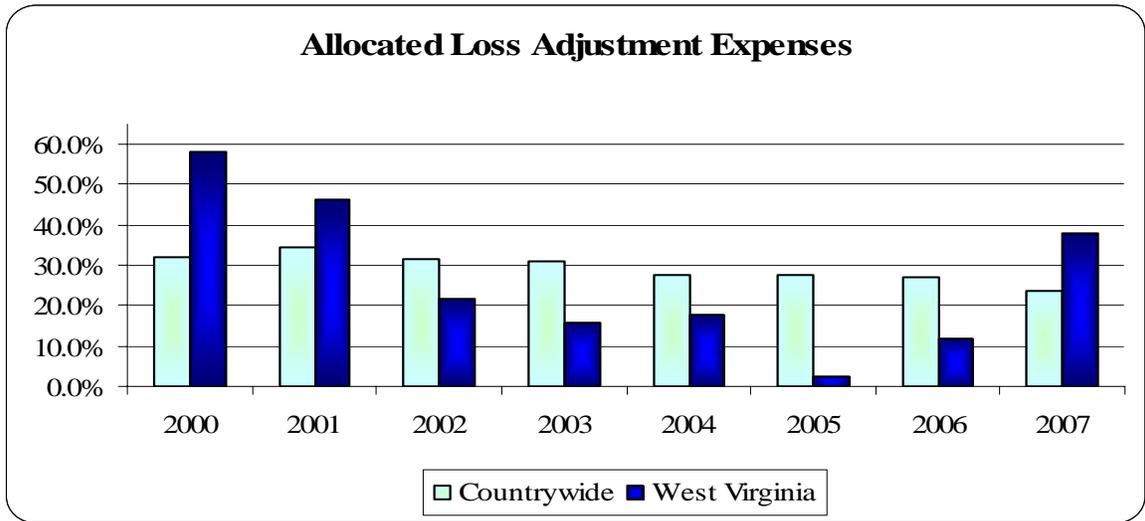
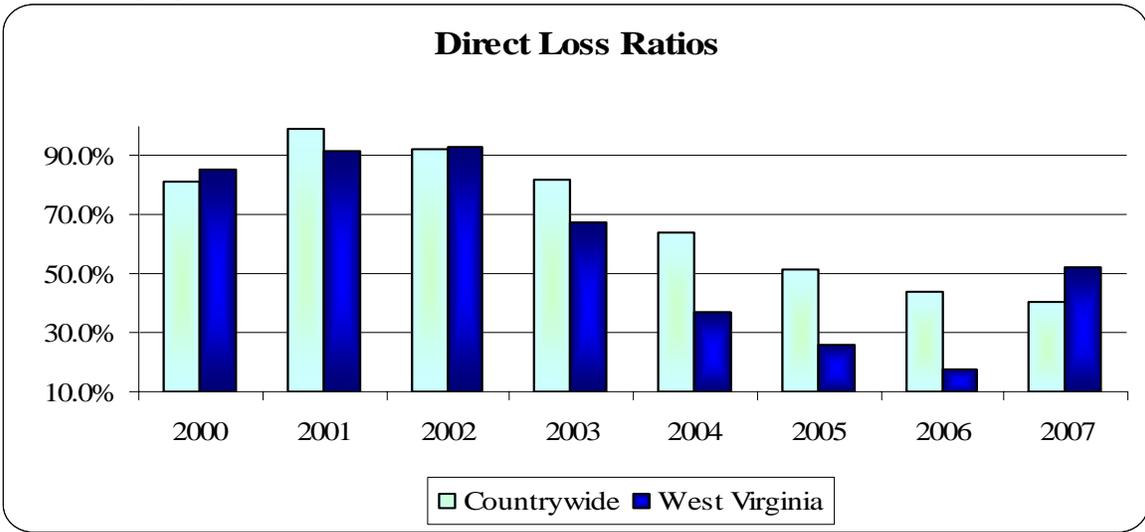
Secondly, **NCRIC, Inc.** (our 9<sup>th</sup> largest admitted writer by market share in 2006, and 4<sup>th</sup> largest in 2004) has now fully exited the West Virginia market, posting negative earned premium figures for 2007, and a direct incurred DCCE figure (\$1.7M) that was more than 50% of their last positive earned premium (\$3.3M) amount for 2006.

Were it not for the two companies mentioned above leaving our market during 2007, the 2007 State-wide results would have been significantly different.

Specifically:

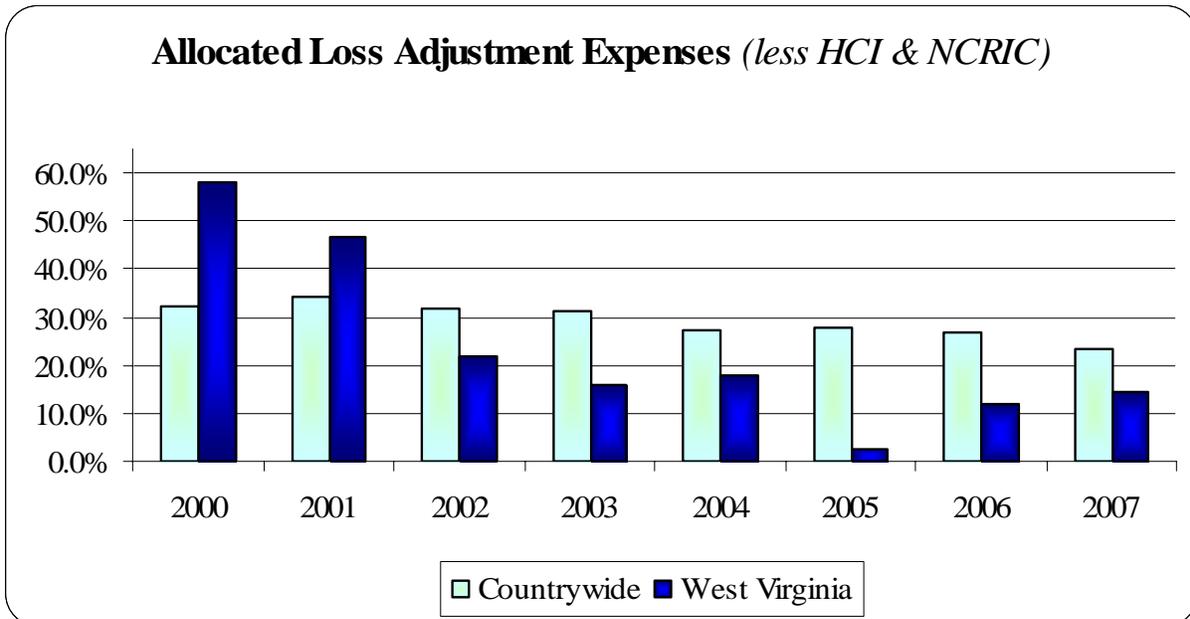
Year	Direct Written Premium	Direct Earned Premium	Direct Loss Ratio	Loss Adjustment Expense	Underwriting Expense	Direct Combined Ratio
2007	\$82,701	\$87,570	51.9%	14.2%	14.3%	80.4%
<b>2000-07 Total</b>	<b>\$1,302,332</b>	<b>\$1,264,454</b>	<b>46.8%</b>	<b>16.9%</b>	<b>12.9%</b>	<b>76.6%</b>

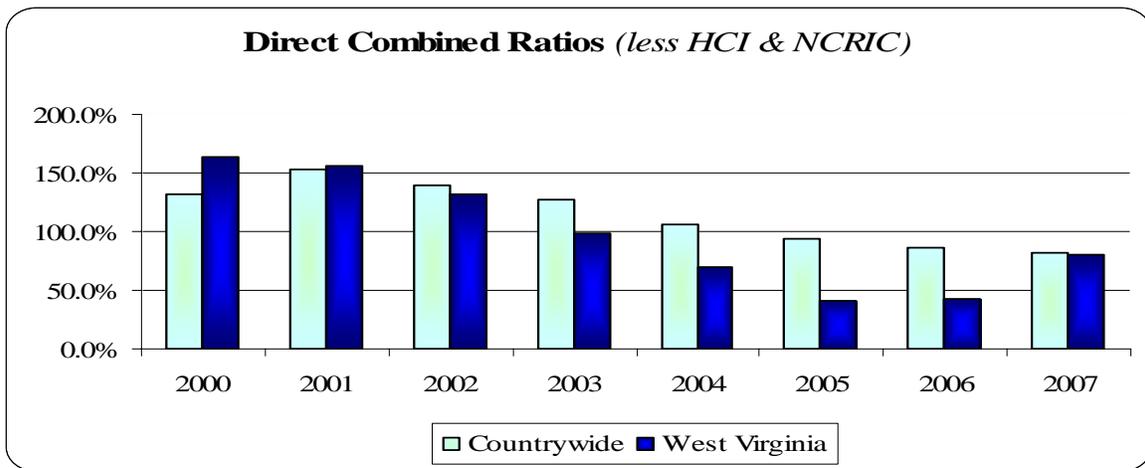
Visually, a comparison of Industry results with West Virginia results for Medical Malpractice can be seen in the three graphs which follow:



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

- The results for 2007 reversed the recent “more favorable” historical relationship between West Virginia experience and countrywide experience that had existed since 2003.
- While the Direct Loss Ratio for 2007 in West Virginia itself approached the 2003 percentage (67.2%), note from the tabled data that both the 2007 Written and Earned Premium amounts were actually lower in 2007 than at any time in the past 3 years.
- The Incurred Loss for the entire market in 2007 was only \$45.4M. This is the 3<sup>rd</sup> lowest total amount over the 8 year history shown.
- Again, the Loss Adjustment Expense ratio to Earned Premium appears to have been skewed by the exit of just two companies from our marketplace. The West Virginia market would have more closely reflected the experience of the countrywide market in 2007, were it not for those exits and the great impact that it created upon these percentages for our relatively small market.





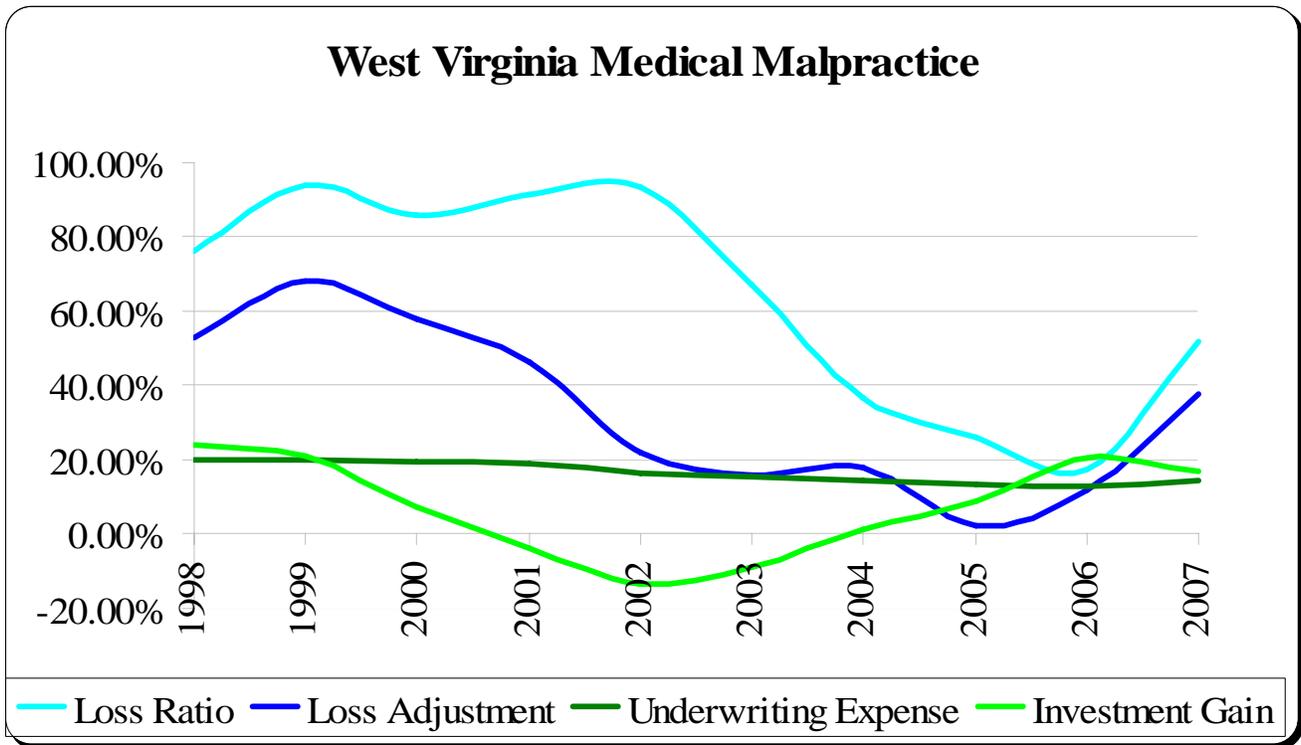
A review of the Direct *Operating* Ratio (which further reflects Dividends Paid and Investment Gain/Loss) produces the results which follow:

<b>INDUSTRY (Best's Aggregates &amp; Averages)</b>					
Year	Direct Combined Ratio	Dividend	Combined Ratio (after Dividend)	Investment Gain	Direct Operating Ratio
2000	132.3%	3.70%	136.0%	7.4%	<b>128.6%</b>
2001	152.4%	2.70%	155.1%	-3.9%	<b>159.0%</b>
2002	140.0%	1.60%	141.6%	-13.5%	<b>155.1%</b>
2003	128.0%	0.40%	128.4%	-8.8%	<b>137.2%</b>
2004	105.5%	0.50%	106.0%	1.2%	<b>104.8%</b>
2005	94.6%	0.60%	95.2%	9.1%	<b>86.1%</b>
2006	86.3%	0.70%	87.0%	20.3%	<b>66.7%</b>
2007	81.6%	2.30%	83.9%	17.0%	<b>66.9%</b>
<b>Total</b>	<b>99.8%</b>	<b>1.1%</b>	<b>100.9%</b>	<b>2.0%</b>	<b>98.9%</b>

<b>WEST VIRGINIA (NAIC Annual Statement Data)</b>					
Year	Direct Combined Ratio	Dividend	Combined Ratio (after Dividend)	Investment Gain	Direct Operating Ratio
2000	163.1%	0.08%	163.2%	7.4%	<b>155.8%</b>
2001	156.6%	0.07%	156.7%	-3.9%	<b>160.6%</b>
2002	131.6%	0.05%	131.6%	-13.5%	<b>145.1%</b>
2003	98.8%	0.03%	98.8%	-8.8%	<b>107.6%</b>
2004	69.2%	0.02%	69.2%	1.2%	<b>68.0%</b>
2005	41.5%	0.07%	41.6%	9.1%	<b>32.5%</b>
2006	42.0%	0.04%	42.1%	20.3%	<b>21.8%</b>
2007	103.9%	0.11%	104.0%	17.0%	<b>87.0%</b>
<b>Total</b>	<b>87.6%</b>	<b>0.04%</b>	<b>87.7%</b>	<b>2.0%</b>	<b>85.7%</b>

- The figures above demonstrate that after accounting for dividends and investment gain, medical malpractice produced an *operating profit* in West Virginia annually from 2004 to 2006, and over the total of the 8 years shown above, remains profitable overall and specifically more profitable than that of the countrywide average.

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



#### Negative Factors

- Increase in Loss Ratio and particularly Loss Adjustment Expenses for 2007

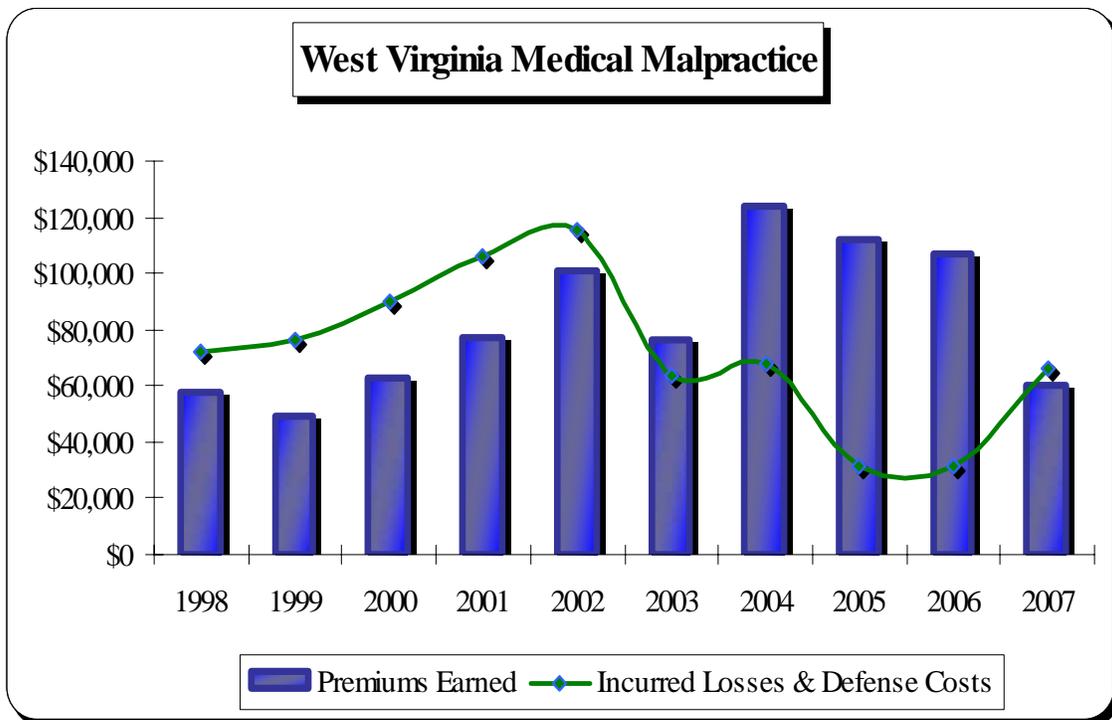
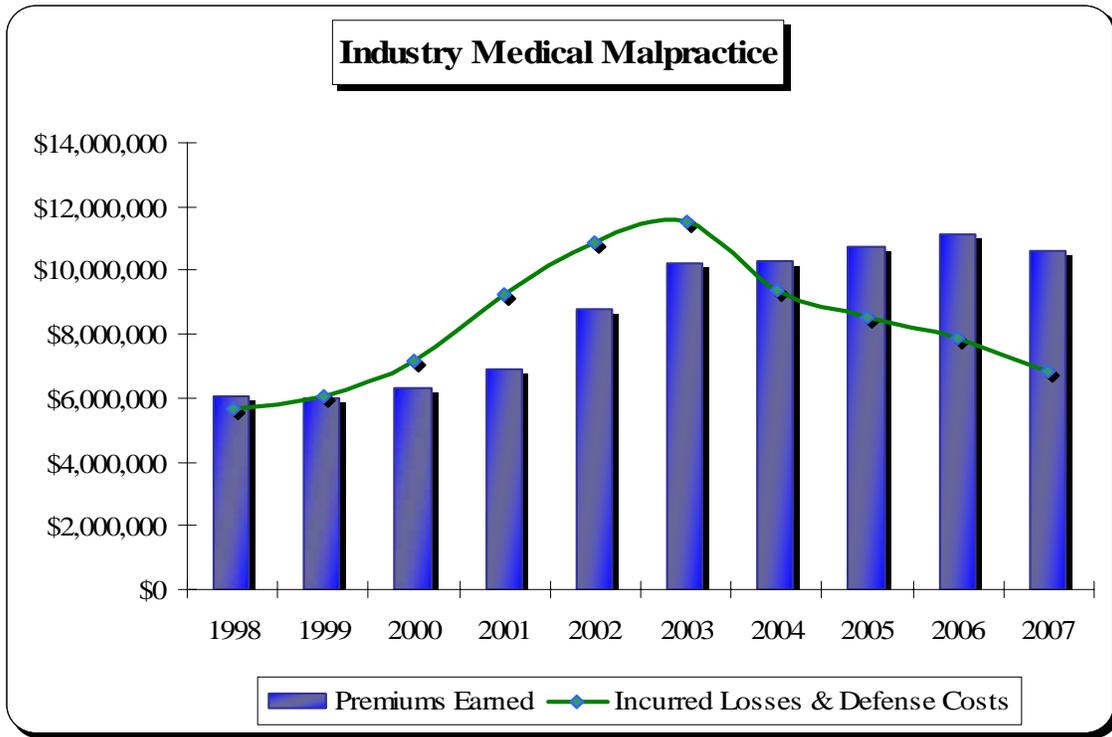
#### Positive Factors

- General decline in Loss Ratio since 2002
- Relatively stable Underwriting Expense
- Generally favorable Investment income (offset)

Overall, the *graph above visually demonstrates a marked and continued improvement over the experience of earlier years for the West Virginia Medical Malpractice market.*

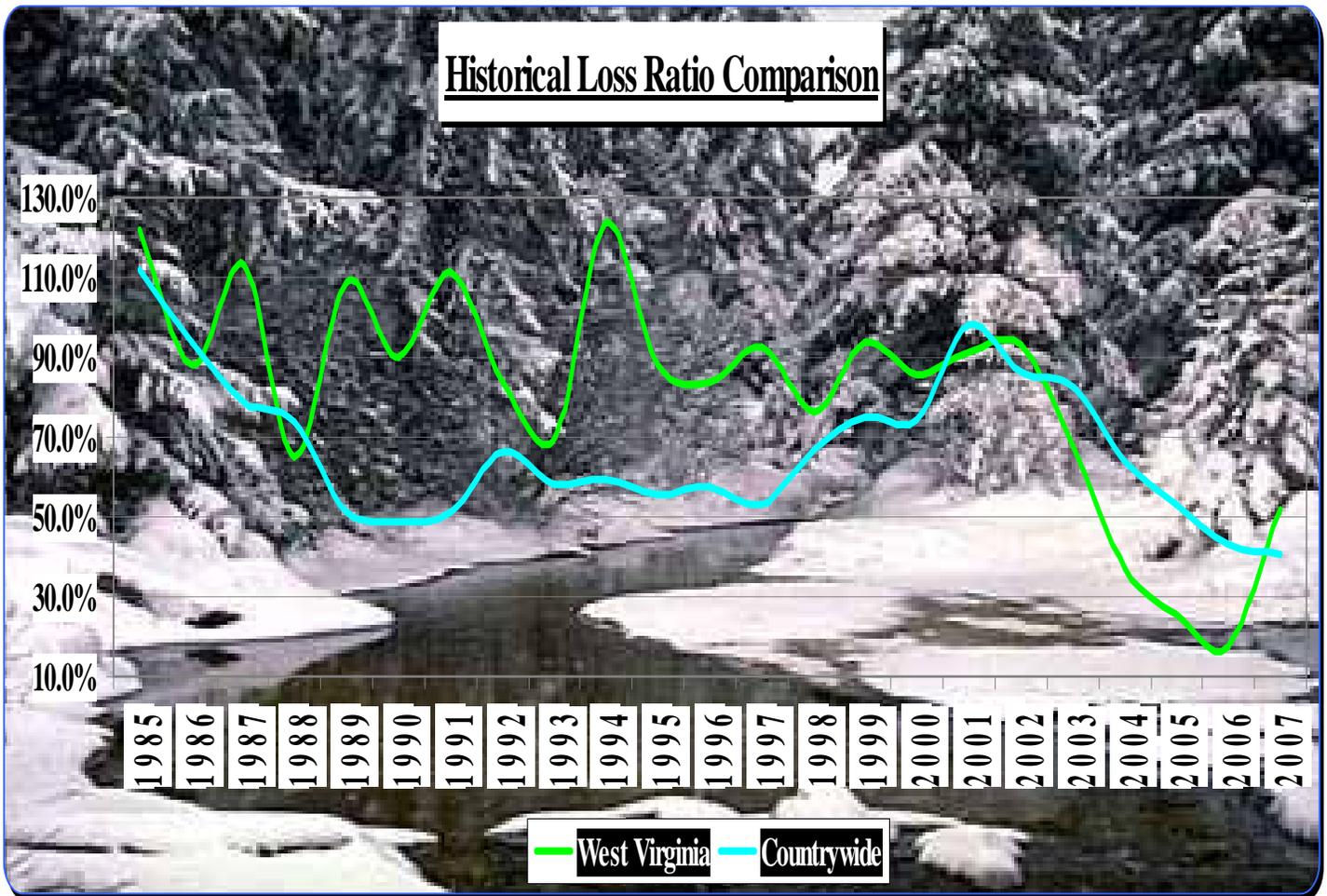
## I-D. Loss and Defense Costs Incurred vs. Premiums Earned

The charts below compare losses and defense costs for the Industry against the comparable figures for West Virginia. They clearly show that results for loss and defense cost in West Virginia had exceeded premiums until the turnaround reported for 2003 and more dramatically, in 2004 through 2006.



### I-E. A Cautionary Note

The 2007 loss ratio in West Virginia for Medical Malpractice clearly remains as an improvement over that experienced during the 1980's and 1990's despite comparison to all but the most recent years. However, as the graph below (*comparing West Virginia Loss Ratios with those countrywide*) suggests, West Virginia Medical Malpractice loss ratios have not been stable historically. This is likely the result of the limited volume of business written in our State, and the potential for significant variance will likely increase if overall premium volumes continue their decline. Accordingly, *rate changes (or stabilization provided by a lack thereof)* will likely play an increasingly crucial role for future results.



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## **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, and 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 useful in attempting to identifying trends. It should also be noted that the data does not include hospitals or doctors working within corporate structures. Even with fifteen years of data, the number of claims and loss dollars are still small enough to limit the credibility of the information. Additionally note that 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 included in reports prior to 2007 due to the application of the \$1,000,000 cap. Specifically, 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. However, only the 2007 report and this report actually apply the noted capping methodologies in order to limit large swings in the data from year to year, yet also fully consider indemnity amounts over \$1,000,000 (counted as capped at \$1M) in order to attempt to identify any notable trend in payments. This creates some disparity between the figures provided within this report and that of earlier reports.*

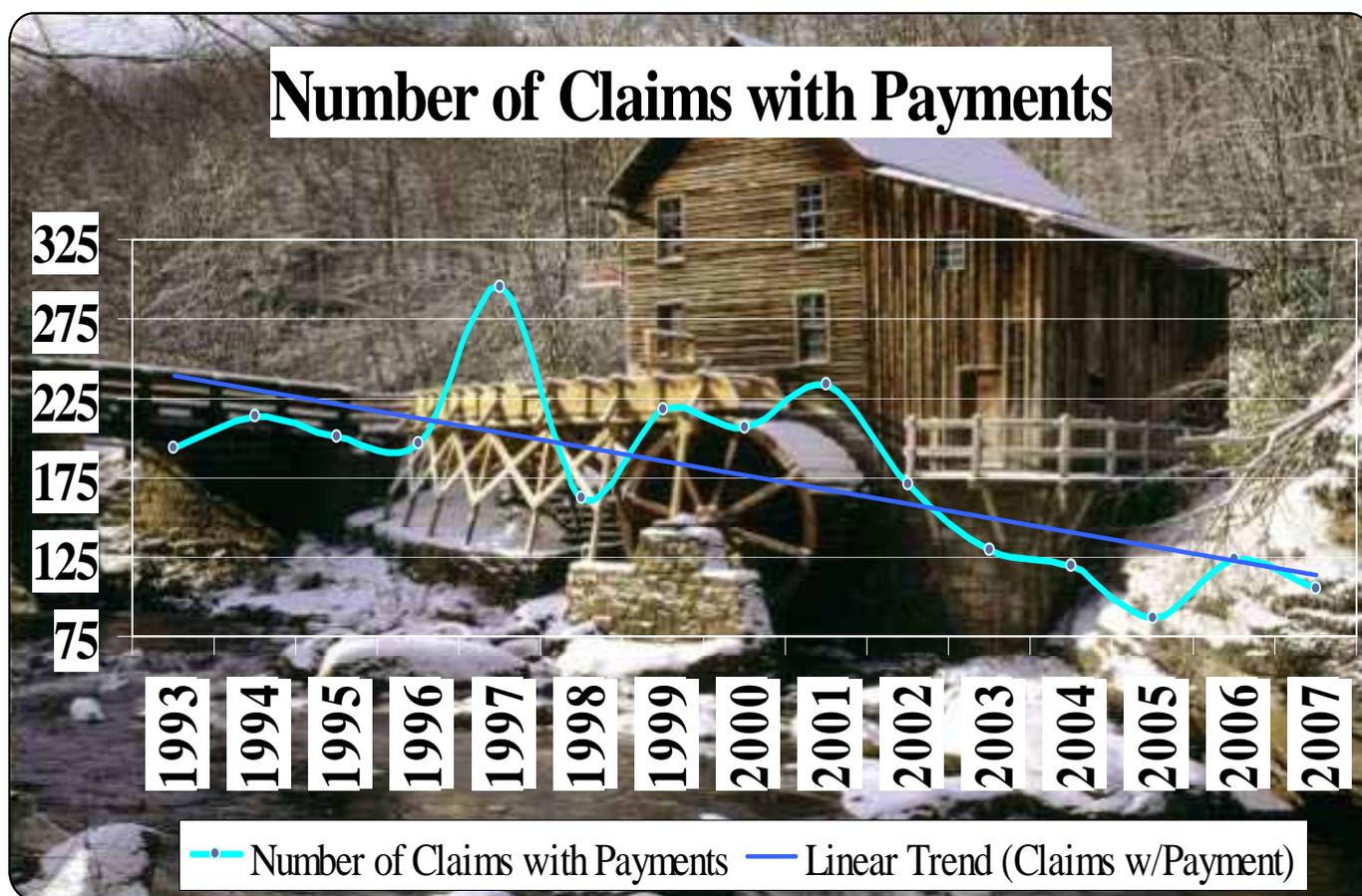
## II-A. How Malpractice Claims are disposed in West Virginia

The exhibit below displays paid claim count information for 1993 – 2007.

West Virginia Board of Medicine									
Claim Count Review									
Year	Number of <b>Dismissals</b>	% of Total	<b>Judgments</b>			<b>Settlements</b>			<b>All Total</b>
			Non Zero	Total	% of Total	Non Zero	Total	% of Total	
<b>1993</b>	79	28%	8	18	6%	186	187	66%	<b>284</b>
<b>1994</b>	74	23%	10	36	11%	203	208	65%	<b>318</b>
<b>1995</b>	103	31%	14	38	11%	187	190	57%	<b>331</b>
<b>1996</b>	81	27%	5	20	7%	191	194	66%	<b>295</b>
<b>1997</b>	114	27%	9	28	7%	286	286	67%	<b>428</b>
<b>1998</b>	53	22%	9	27	11%	153	156	66%	<b>236</b>
<b>1999</b>	99	30%	15	28	8%	203	206	62%	<b>333</b>
<b>2000</b>	104	30%	7	37	11%	199	203	59%	<b>344</b>
<b>2001</b>	112	30%	9	37	10%	225	226	60%	<b>375</b>
<b>2002</b>	122	39%	7	25	8%	164	165	53%	<b>312</b>
<b>2003</b>	108	42%	4	23	9%	125	127	49%	<b>258</b>
<b>2004</b>	87	39%	6	24	11%	113	113	50%	<b>224</b>
<b>2005</b>	77	44%	5	15	9%	81	82	47%	<b>174</b>
<b>2006</b>	72	35%	3	12	6%	120	120	59%	<b>204</b>
<b>2007</b>	40	24%	1	15	9%	104	109	66%	<b>164</b>
<b>Total</b>	<b>1,325</b>	<b>31%</b>	<b>112</b>	<b>383</b>	<b>9%</b>	<b>2,540</b>	<b>2,572</b>	<b>60%</b>	<b>4,280</b>

- West Virginia now averages 285 malpractice claims per year (*down from 294 in 2006*). Over the past fourteen years, **31% of malpractice claims have been dismissed** (*the exact same figure was achieved for 2006*). 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*.

- In general, **the number of claims filed has dropped significantly since the passage of the 2001 legislation**. Specifically, the 2007 claim count is about 44% of the 2001 total.
- 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. In other words, 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 from 1997 to 2007:



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

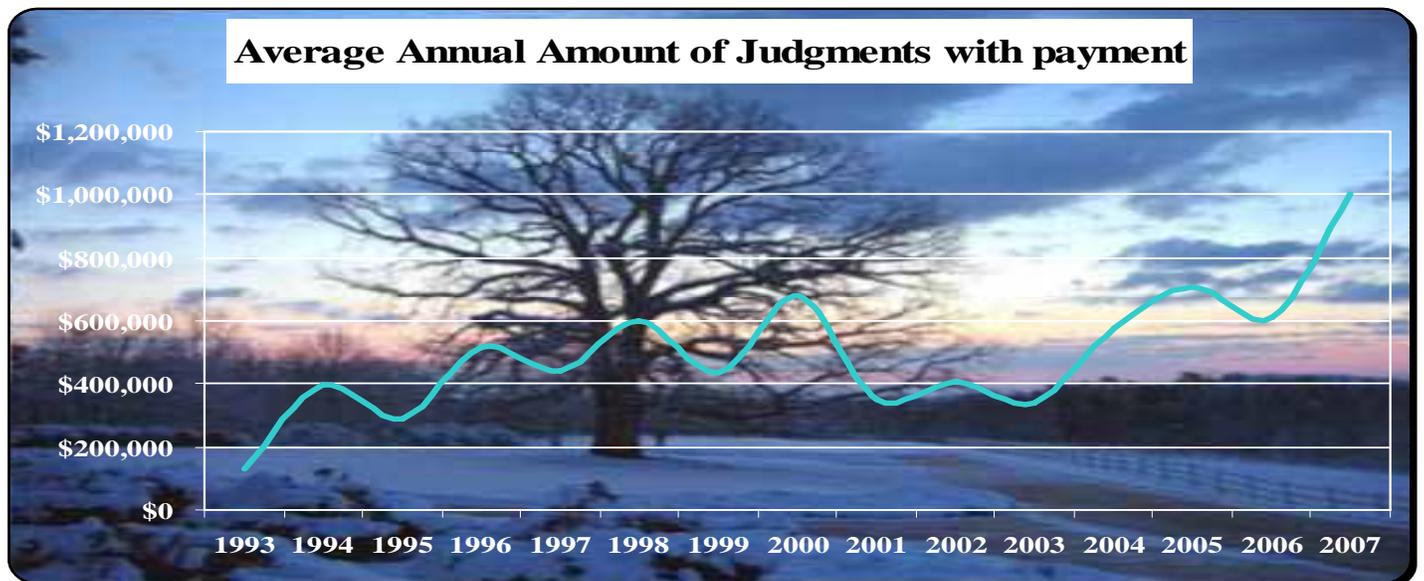
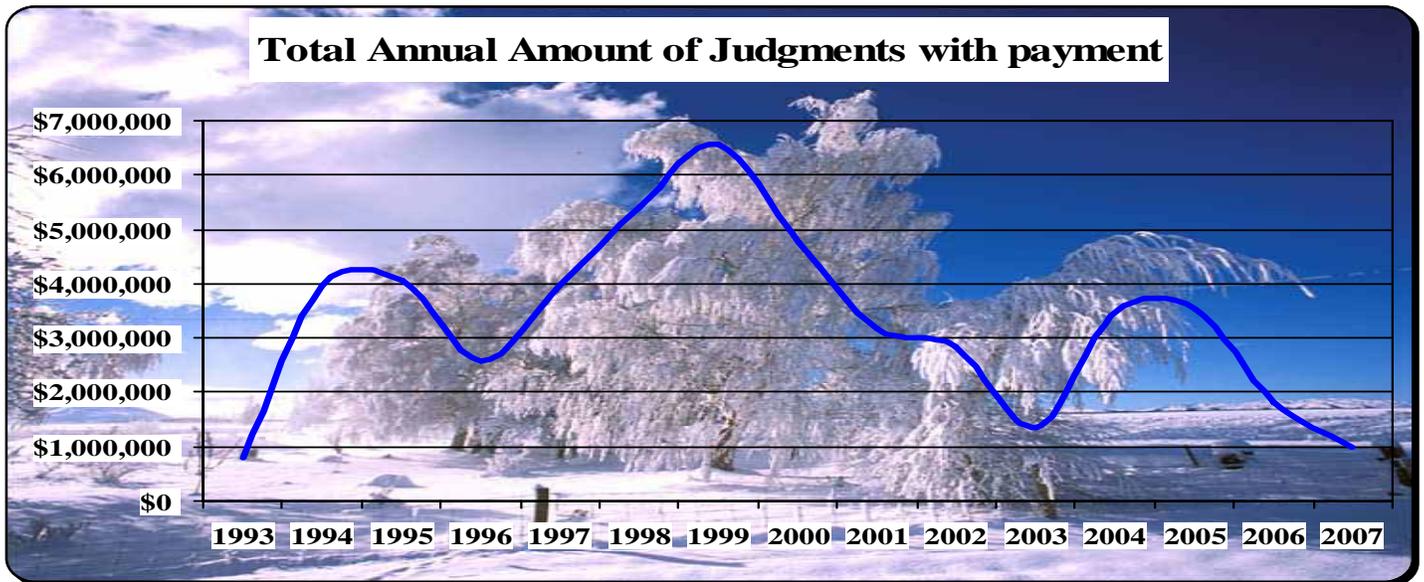
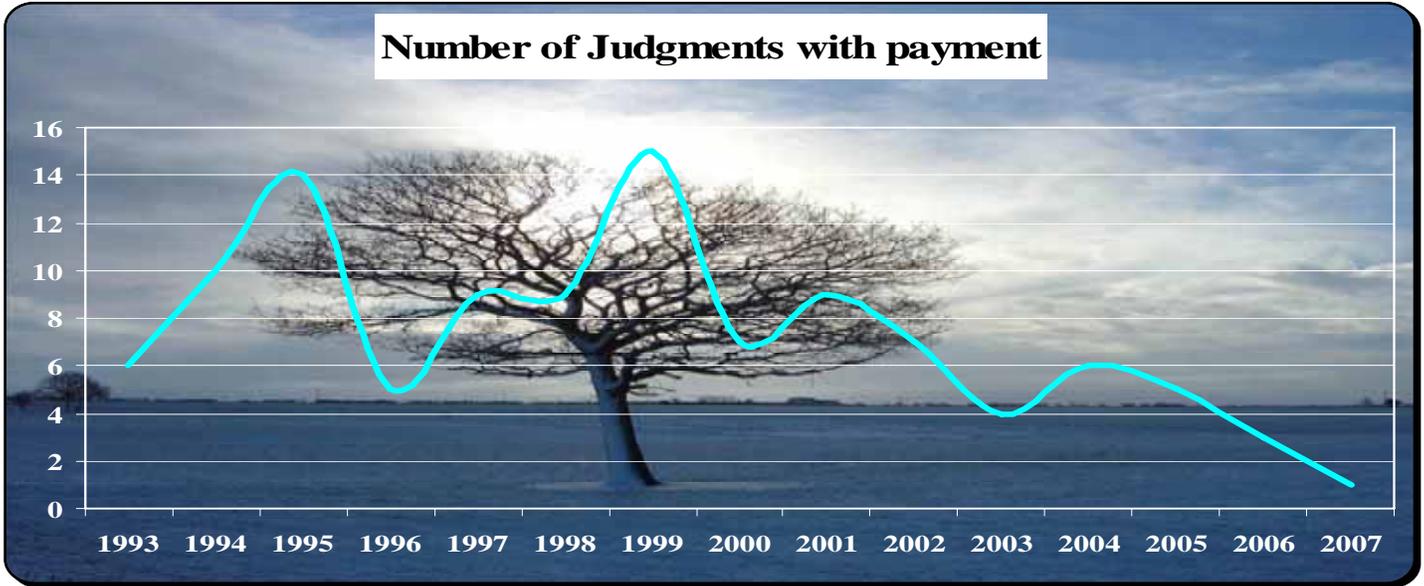
## II-B. Historical Judgments

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

West Virginia Board of Medicine			
<b>Judgments</b> with payments capped at \$1,000,000			
Year	#	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
2007	1	\$1,000,000	\$1,000,000
<b>15 Years</b>	<b>110</b>	<b>\$49,270,487</b>	<b>\$447,914</b>

- Considering only judgments in excess of \$1,000,000, the 15 year *average* judgment is slightly over \$2,000,000. In just the 2000-2007 time period, this increased to approximately \$2,327,350. However, that figure has decreased since the 2000-2006 period, where the same metric yielded \$2,396,396.
- 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 total paid judgments. Rather, the *small number of judgments restricts credible inferences*.

Graphical linear representations of the above tabled data:



- It should be noted that the number of judgments in each year is very small and that actual paid amounts can vary significantly from year to year. For example, the Average Annual Amount of Judgments with Payment graphic above appears to indicate a significant increase in this average for 2007. Yet, note in the tabled data that the number of non-zero judgments for 2007 was only 1.

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
<b>Total Judgments</b>	36	\$3,946,419	38	\$6,022,369	20	\$3,085,837	28	\$6,636,729
<b>Total Non-Zero*</b>	10	\$3,946,419	14	\$4,055,745	5	\$2,585,837	9	\$3,951,907

Interval	1998		1999		2000		2001		2002	
	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	18	\$0	13	\$0	30	\$0	28	\$0	18	\$0
\$0<loss<=\$100K	2	\$132,514	6	\$197,576	0	\$0	3	\$210,000	3	\$175,073
\$100K<loss<=\$250K	2	\$336,640	2	\$371,829	0	\$0	3	\$440,557	0	\$0
\$250K<loss<=\$500K	0	\$0	0	\$0	3	\$1,157,054	0	\$0	2	\$680,150
\$500K<loss<=\$1M	2	\$1,940,000	4	\$2,997,264	2	\$1,610,500	1	\$528,733	1	\$1,000,000
\$1M<loss	3	\$4,270,552	3	\$3,527,451	2	\$2,381,508	2	\$3,612,000	1	\$6,238,000
<b>Total Judgments</b>	27	\$6,679,706	28	\$7,094,120	37	\$5,149,062	37	\$4,791,290	25	\$8,093,223
<b>Total Non-Zero*</b>	9	\$5,409,154	15	\$6,566,669	7	\$4,767,554	9	\$3,179,290	7	\$2,855,223

Interval	2003		2004		2005		2006		2007	
	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	19	\$0	18	\$0	10	\$0	9	\$0	14	\$0
\$0<loss<=\$100K	0	\$0	1	\$75,000	0	\$0	0	\$0	0	\$0
\$100K<loss<=\$250K	1	\$160,000	0	\$0	1	\$250,000	1	\$227,449	0	\$0
\$250K<loss<=\$500K	3	\$1,195,000	2	\$811,994	1	\$274,909	0	\$0	0	\$0
\$500K<loss<=\$1M	0	\$0	3	\$2,569,250	0	\$0	1	\$603,540	0	\$0
\$1M<loss	0	\$0	0	\$0	3	\$8,321,888	1	\$1,014,165	1	\$1,705,936
<b>Total Judgments</b>	23	\$1,355,000	24	\$3,456,244	15	\$8,846,797	12	\$1,845,154	15	\$1,705,936
<b>Total Non-Zero*</b>	4	\$1,355,000	6	\$3,456,244	5	\$3,524,909	3	\$1,830,989	1	\$1,000,000

\*The second Total excludes claims which resulted in no indemnity payment and caps individual claims greater than \$1M at a \$1M value.

- Over the last 14 years, there have been a total of 20 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
<b>Total Non-Zero*</b>	203	\$40,243,941	187	\$37,069,607	191	\$34,654,192	286	\$36,874,345

Interval	1998		1999		2000		2001		2002	
	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	3	\$0	3	\$0	4	\$0	1	\$0	1	\$0
\$0<loss<=\$50K	67	\$1,152,744	87	\$1,488,737	65	\$1,633,255	84	\$1,806,781	57	\$1,229,665
\$50K<loss<=\$100K	19	\$1,612,092	28	\$2,278,500	36	\$2,892,600	37	\$2,934,401	15	\$1,214,000
\$100K<loss<=\$250K	28	\$4,700,000	34	\$5,936,000	45	\$8,124,710	48	\$8,350,814	49	\$8,500,031
\$250K<loss<=\$500K	21	\$7,188,000	42	\$13,884,542	34	\$12,753,796	29	\$10,671,417	26	\$10,065,000
\$500K<loss<=\$1M	18	\$13,660,000	12	\$9,615,000	19	\$16,152,535	27	\$21,817,833	18	\$13,255,516
\$1M<loss	3	\$5,468,431	3	\$10,995,605	4	\$5,675,000	1	\$1,250,000	0	\$0
Total Settlements	156	\$33,781,267	206	\$44,198,384	203	\$47,231,896	226	\$46,831,246	165	\$34,264,212
<b>Total Non-Zero*</b>	153	\$31,312,836	203	\$36,202,779	199	\$47,231,896	225	\$46,581,246	164	\$34,264,212

Interval	2003		2004		2005		2006		2007	
	#	\$	#	\$	#	\$	#	\$	#	\$
Loss=\$0	2	\$0	0	\$0	1	\$0	0	\$0	5	\$0
\$0<loss<=\$50K	26	\$625,434	40	\$861,532	29	\$803,164	47	\$1,352,631	27	\$605,014
\$50K<loss<=\$100K	15	\$1,252,000	16	\$1,362,500	8	\$660,000	19	\$1,452,250	11	\$705,800
\$100K<loss<=\$250K	35	\$6,725,418	21	\$4,016,403	19	\$3,198,750	26	\$4,812,500	29	\$4,486,666
\$250K<loss<=\$500K	29	\$11,363,125	24	\$9,529,000	16	\$5,752,500	18	\$6,393,000	17	\$6,062,500
\$500K<loss<=\$1M	16	\$13,878,750	5	\$3,550,000	8	\$5,731,250	7	\$5,400,000	13	\$9,288,182
\$1M<loss	6	\$14,438,368	7	\$11,500,000	2	\$3,250,000	3	\$6,350,000	7	\$8,896,822
Total Settlements	127	\$48,283,095	113	\$30,819,435	82	\$19,395,664	120	\$25,760,381	104	\$30,044,984
<b>Total Non-Zero*</b>	125	\$39,844,727	113	\$26,319,435	81	\$18,145,664	120	\$22,410,381	99	\$28,148,162

\*The second Total excludes claims which resulted in no indemnity payment and caps individual claims greater than \$1M at a \$1M value.

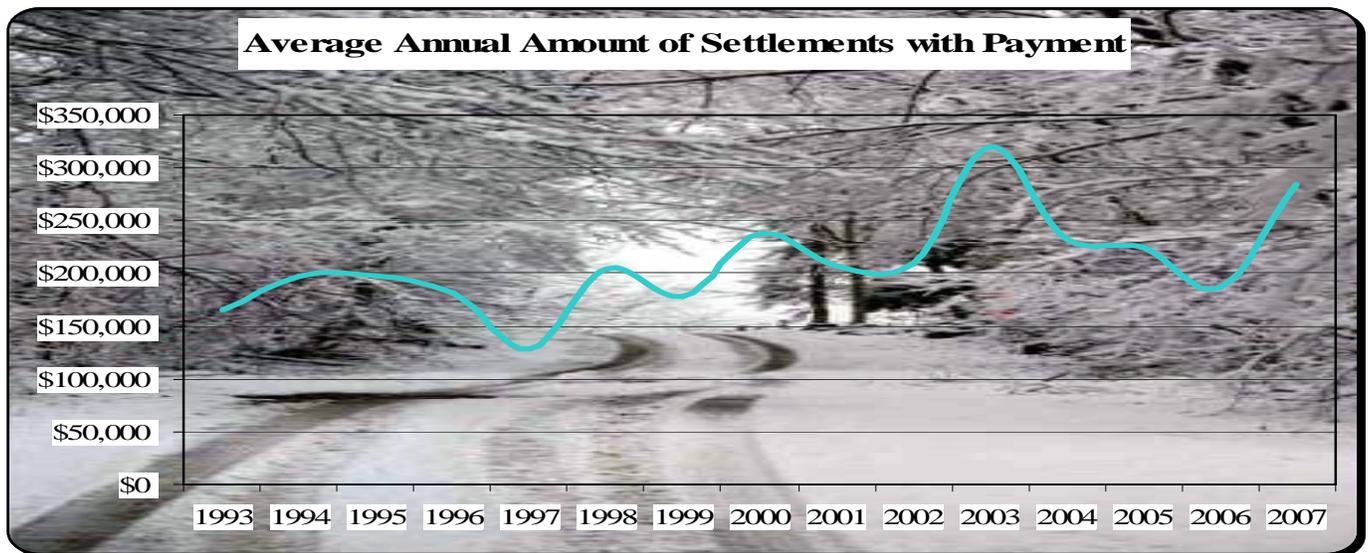
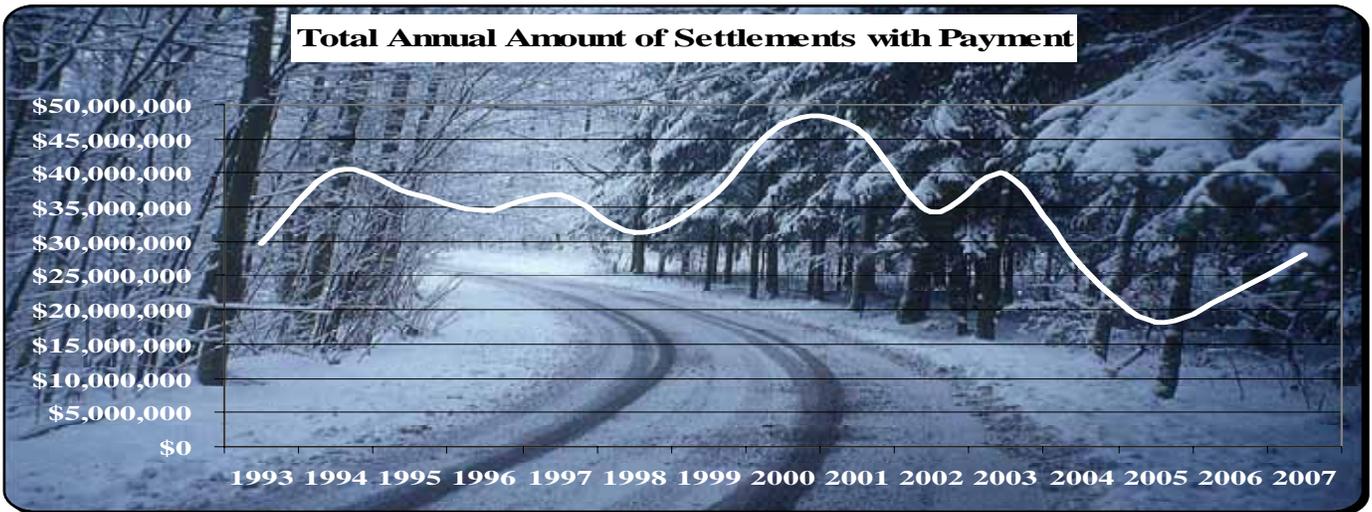
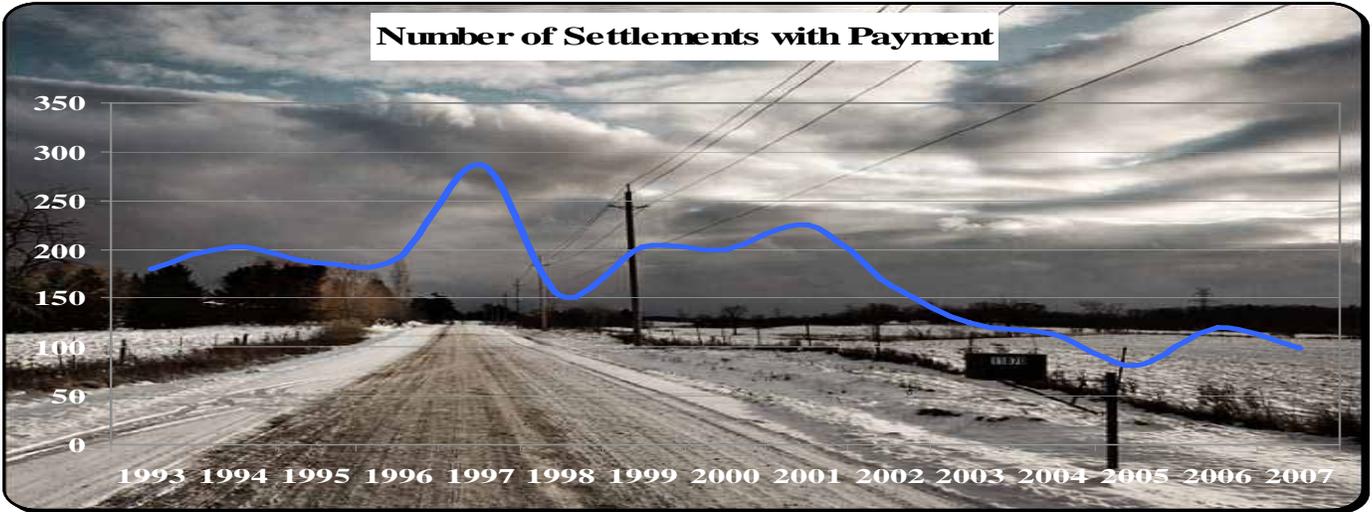
- Settlements comprise the most common resolution for claim payments. Over the last 14 years, 50 settlements have exceeded \$1,000,000, or just over 3.5 per year on average.
- The average settlement over \$1,000,000 averages \$1,907,164. The average prior to the addition of data from 2007 averaged slightly 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			
<i>Settlements</i> with payment capped at \$1,000,000			
<b>Year</b>	<b>#</b>	<b>Amount</b>	<b>Average</b>
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
2007	99	\$28,148,162	\$284,325
<b>15 Years</b>	<b>2,529</b>	<b>\$509,093,144</b>	<b>\$201,302</b>

- From the above data, which limits claims to \$1,000,000, a general escalation in the average settlement paid can be observed. For example, for the years of 1993-1999 combined the average paid settlement was \$179,335. For 2000-2007 combined, the average paid settlement was \$237,509.
- 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 frequency of paid settlements.

Again, graphical linear representations of the Settlement data:



## II-D. Paid data collection

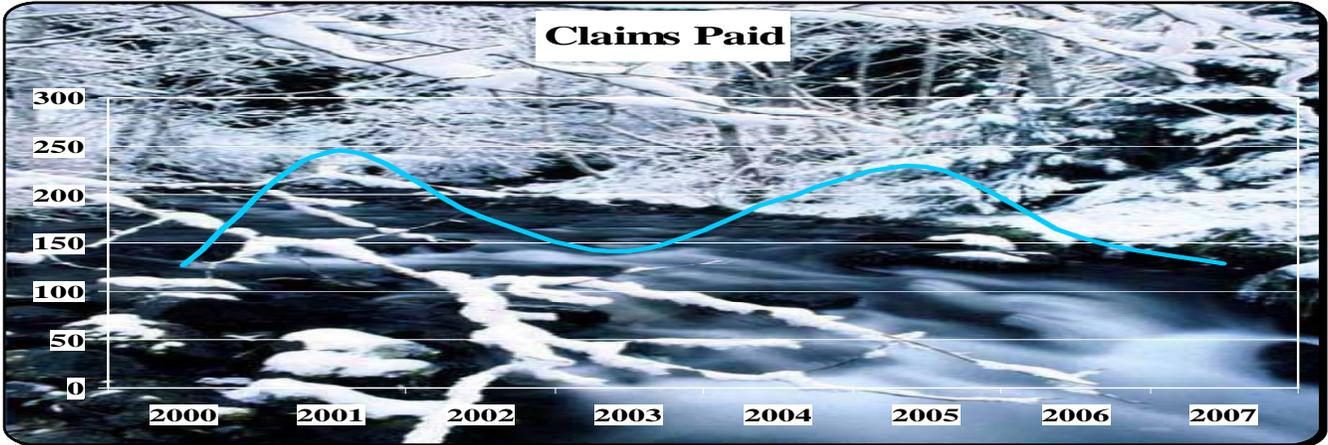
Enhanced paid medical malpractice information is now being collected from insurers. Such information includes the physician's primary specialty, the 'cause of loss', amount paid on defense costs for each filed claim and the split of the indemnity payment between economic and non-economic damages. It 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.

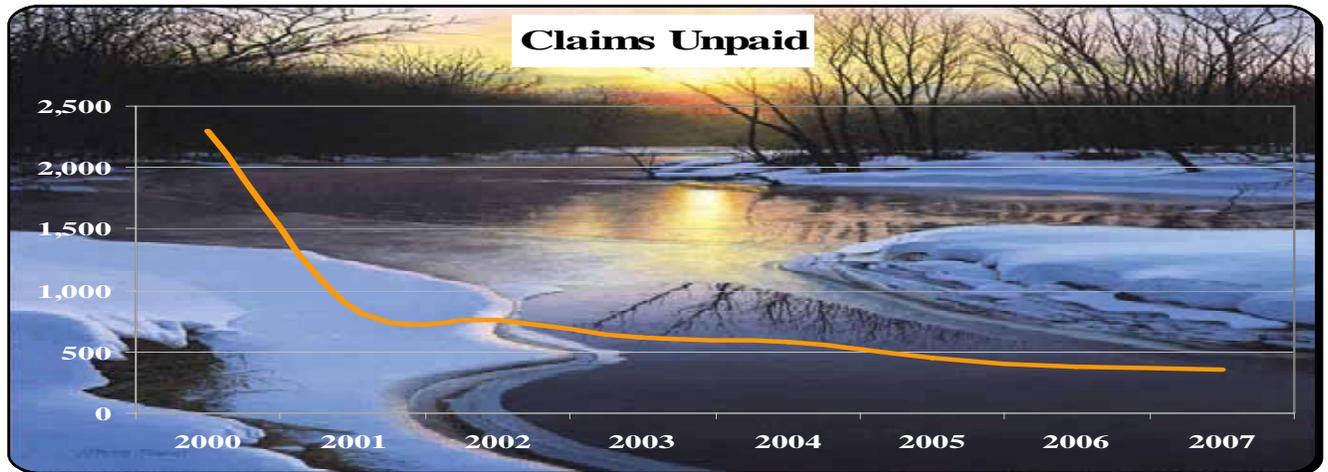
In looking at the paid and open claim information provided by insurers since 2000 who write Malpractice insurance in West Virginia for Physicians and Surgeons, the following aggregated data is found.

	# of Paid Claims	# of Unpaid Claims	Total Claims
2000	127	2,297	2,424
2001	244	848	1,092
2002	177	758	935
2003	142	611	753
2004	194	578	772
2005	229	455	684
2006	157	375	532
2007	128	350	478

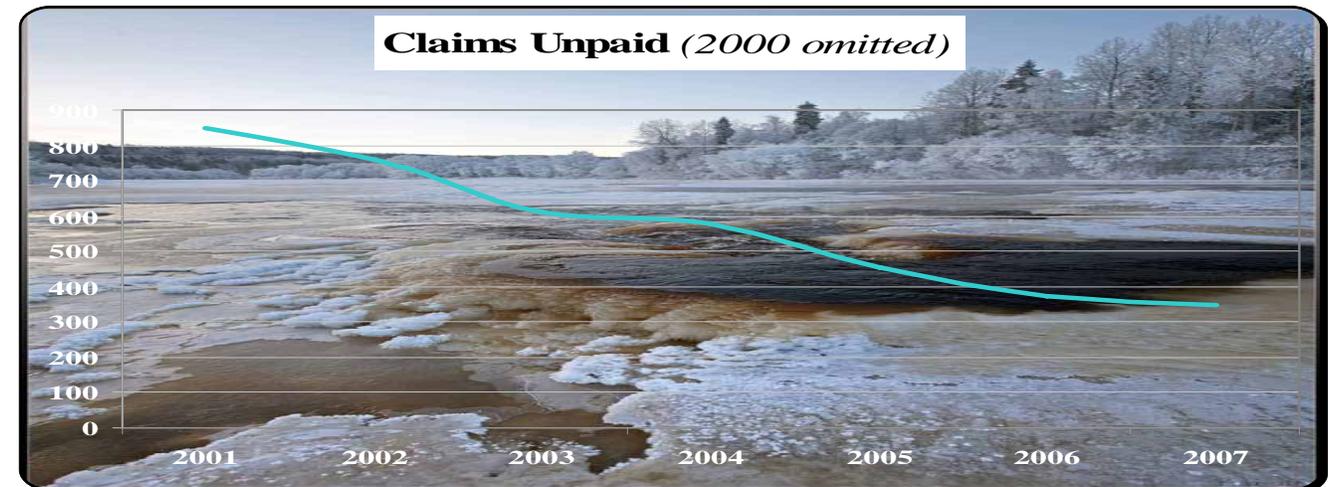
Again, graphical linear representations make the data a little easier to interpret:



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.



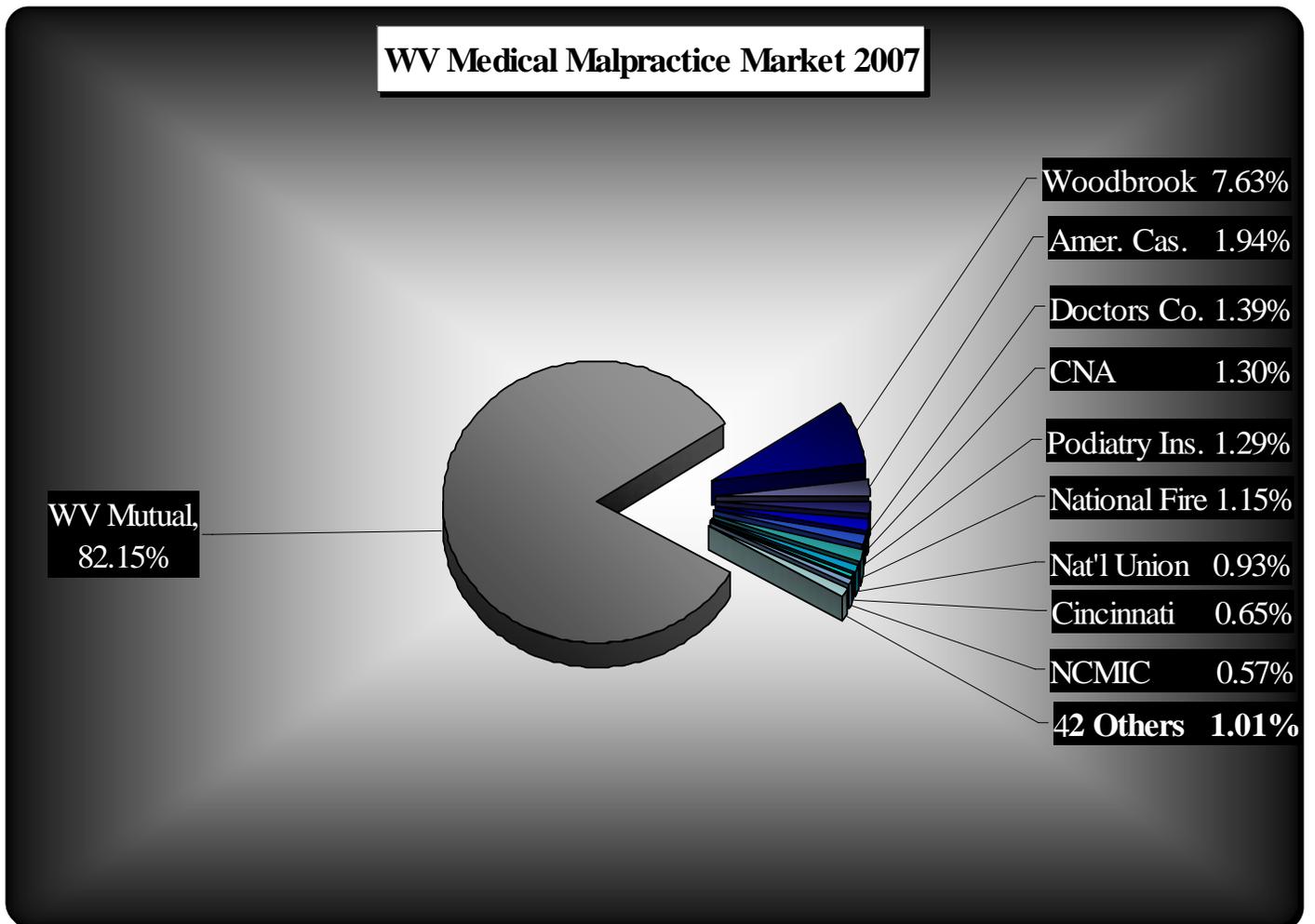
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## **Section III**

# **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 2007, the West Virginia medical malpractice market currently looks like this:



In the table below, the two insurers who met the statutory 5% reporting requirement threshold for 2007 are highlighted in blue:

<b>Total Medical Malpractice</b>	<b>2007 West Virginia Licensed Companies</b>				
<i>(NAIC Database)</i> <b>Company</b>	<b>Direct Premiums Written</b>	<b>Market Share</b>	<b>Direct Premiums Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio*</b>
<i>West Virginia Mutual Ins Co</i>	\$49,554,896	<b>82.15%</b>	\$48,366,654	\$19,526,827	40.37%
<i>Woodbrook Cas Ins Inc</i>	\$4,600,270	<b>7.63%</b>	\$5,056,688	-\$613,704	-12.14%
<i>American Cas Co Of Reading PA</i>	\$1,171,178	1.94%	\$1,160,634	\$524,783	45.22%
<i>Doctors Co An Interins Exch</i>	\$838,538	1.39%	\$880,969	-\$884,957	-100.45%
<i>Continental Cas Co</i>	\$783,472	1.30%	\$821,368	-\$1,529,428	-186.21%
<i>All Other Companies (47)</i>	\$3,374,600	5.59%	\$3,977,947	\$18,767,178	471.78%
<b>Total</b>	<b>\$60,322,954</b>	<b>100.00%</b>	<b>\$60,264,260</b>	<b>\$35,790,699</b>	<b>59.39%</b>

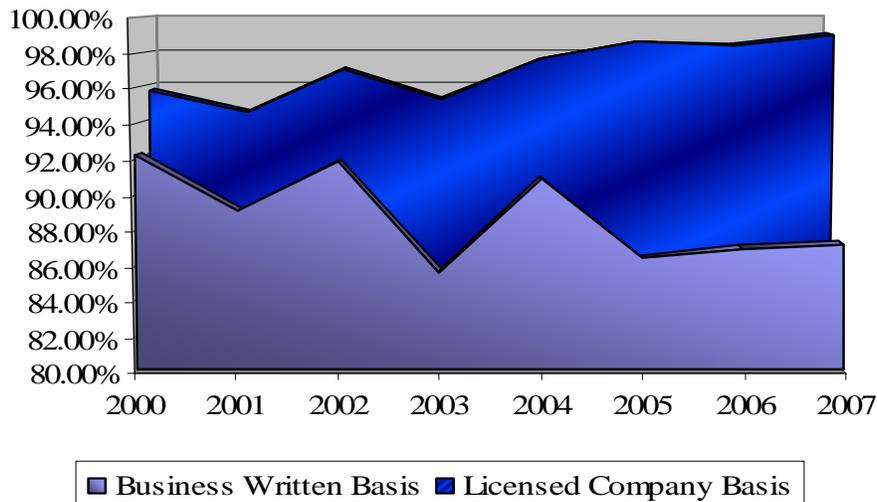
These two companies comprised just under 90% of the admitted West Virginia Medical Malpractice market. However, by looking at the entire market, which includes the Excess & Surplus writers (*i.e.* *non-admitted insurers including Risk Retention Groups [RRG's]*), the following information is found:

<b>Total Medical Malpractice</b>	<b>2007 West Virginia Business Written</b>				
<i>(NAIC Database)</i> <b>Company</b>	<b>Direct Premiums Written</b>	<b>Market Share</b>	<b>Direct Premiums Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio*</b>
<i>West Virginia Mutual Ins Co</i>	49,554,896	59.92%	48,366,654	19,526,827	40.37%
<i>Lexington Ins Co</i>	7,951,210	9.61%	8,828,010	-299,979	-3.40%
<i>Woodbrook Cas Ins Inc</i>	4,600,270	5.56%	5,056,688	-613,704	-12.14%
<i>Mountaineer Freedom RRG Inc</i>	1,929,249	2.33%	1,921,865	1,498,817	77.99%
<i>Evanston Ins Co</i>	1,681,314	2.03%	1,422,821	143,276	10.07%
<i>Columbia Cas Co</i>	1,483,524	1.79%	1,347,334	1,228,790	91.20%
<i>Health Care Industry Liab Recip Ins</i>	1,389,039	1.68%	1,656,346	1,057,883	63.87%
<i>Darwin Select Ins Co</i>	1,190,183	1.44%	4,217,234	1,619,165	38.39%
<i>American Cas Co Of Reading PA</i>	1,171,178	1.42%	1,160,634	524,783	45.22%
<i>Ophthalmic Mut Ins Co RRG</i>	1,147,974	1.39%	1,173,581	1,061,521	90.45%
<i>Physicians Specialty Ltd RRG</i>	999,159	1.21%	999,159	-285,309	-28.55%
<i>Arch Speciaity Ins Co</i>	981,381	1.19%	1,023,032	4,366,206	426.79%
<i>Doctors Co An Interins Exch</i>	838,538	1.01%	880,969	-884,957	-100.45%
<i>All Other (90) Companies</i>	\$7,782,588	9.41%	\$9,515,945	\$16,467,713	173.05%
<b>Totals</b>	<b>\$82,700,503</b>	<b>100.00%</b>	<b>\$87,570,272</b>	<b>\$45,411,032</b>	<b>51.86%</b>

\*Direct Loss Ratio does not include LAE or other expenses

As you can determine, the Excess & Surplus lines writers (highlighted indigo) have a significant amount of penetration into our Malpractice market. However, considering historical premium volumes it can be found that this penetration has generally declined over recent years:

**West Virginia Medical Malpractice Combined Market Share of Top 10 Companies**



On a business written basis (which includes E&S Companies and RRG's), the 8 year average market share for the top 10 writers (by premium volume) captures about 89% of the entire market. Taking this same metric for the most recent three years only captures 87% of the entire market.

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

Company	Subline	2007 Written Premium
<i>West Virginia Mutual Ins. Co.</i>	Physicians & Surgeons	49,554,896
	Hospitals	\$0
	Other	\$0
	<b>Total</b>	<b>\$49,554,896</b>
<i>Lexington Insurance Co.</i>	Physicians & Surgeons	\$52,338
	Hospitals	\$6,697,255
	Other	\$1,201,617
	<b>Total</b>	<b>\$7,951,210</b>
<i>Woodbrook Casualty Ins., Inc.</i>	Physicians & Surgeons	\$4,554,612
	Hospitals	\$0
	Other	\$45,658
	<b>Total</b>	<b>\$4,600,270</b>
<i>Mountaineer Freedom, RRG</i>	Physicians & Surgeons	\$684,311
	Hospitals	\$1,304,606
	Other	\$0
	<b>Total</b>	<b>\$1,988,917</b>

### **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. 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.*

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 proceeding calendar year to determine whether such filings continue to meet the requirements of this article and whether such filings are unfair or inappropriate given the loss experience in this state in the preceding year.*”

In 1986, the legislature passed §33-20B-7 which required a study of the feasibility and desirability of creating a joint underwriting association or alternative pooling agreement to facilitate the issuance and underwriting of malpractice policies in West Virginia. As nothing in Chapter 33 (Insurance) of the Code of West Virginia would expressly prohibit the forming of any such JUA, it can only be assumed that desirability for the same has historically been absent and remains so to this day as no JUA has ever been formed in West Virginia for the purposes of issuing or underwriting policies of medical malpractice insurance.

### 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 West Virginia Insurance Commissioner to accommodate difficult situations while maintaining underwriting standards. The rate history of **WVMIC** since inception follows:

2007 Market Share	Company	Effective date	%Requested	% Granted	WV #:
82.15%	<i>West Virginia Mutual Ins Co</i>	1/1/2009	0%	0%	80903007
	<i>*formerly W.V. Physicians Mutual Ins. Co.</i>	3/1/2008	-0.01%	-0.01%	80129001
		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

The company’s results continue to be favorable and the subsequent changes made to their rating plans establishes their current rates effectively below those which were utilized upon 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 2<sup>nd</sup> 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 72 for 2007. The rate history of **Woodbrook** since the year 2000 follows:

2007Market Share	Company	Effective date	%Requested	% Granted	WV #:
7.63%	<b>Woodbrook Cas Ins Inc</b>	11/01/2008	-8.30%	-8.30%	80827030 (S)
	<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 has resulted in overall rate level decreases for **Woodbrook** annually since 2004. The net effect of the rate decrease filings roughly offset their two most recent rate level increase filings which became effective in 2003 and 2004, and resulting in their current pricing being roughly equivalent to the 2002-2003 levels.

### ***Lexington Insurance Company***

***Lexington*** is a **surplus lines** writer (an **AIG** subsidiary) writing primarily hospitals and other healthcare facilities. They wrote \$7,951,210 in West Virginia in the Medical Malpractice line during 2007, representing a 9.61% market share in the total market (combined admitted and non-admitted.) This again represents a further decrease in written premium in West Virginia for ***Lexington*** over the past three years (\$13,378,898, \$10,819,121, \$9,422,341 respectively.) In the year 2000, ***Lexington*** entered the West Virginia market on a surplus lines basis and reported \$58,000 in written premium for 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.

### ***Mountaineer Freedom RRG, Inc.***

***Mountaineer Freedom*** is a West Virginia domiciled risk retention group which was newly incorporated during 2006. This RRG was formed in order to provide professional and general liability coverage to Wheeling Hospital and its affiliated staff (*previously self-insured.*) As ***Mountaineer Freedom*** did not have a market share in 2007 which exceeded 5%, they did not provide information for this report.

### **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.

The coverage provided by 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. Reconciliation of Filed Information to Rate Filing 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 & 2 provide the premium and loss for each carrier. (Exhibits begin on page 60.)

- ✓ *WVMIC* figures (*Sheets 1a and 1b*) are noted to have undergone further development as the experience of the legacy program which they had inherited (*BRIM II*) became better known. This development appears to have been favorable to *WVMIC* and generally does not provide concerns.
- ✓ For *Woodbrook Casualty* (*Sheets 2a through 2d*), the information is highly consistent and raises no concerns.

**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. The results are demonstrated to 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. A notable increase in underwriting expense provisions were observed for both writers over the prior year alone.

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

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

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 both companies being examined in the 5% Report as well as those of a Rating Organization. Note that in review of the by-company rate histories as provided in Section III-B above, that **rates have stabilized in West Virginia after generally declining during the most recent prior years.**

**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, 2009. A similar “no change” filing was approved for January 1, 2008, and also added a new renewal discount to the rating manual. 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 indicated 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, 2008 and effected a decrease in their rates of -8.3% overall. This filing had been preceded by other overall rate level decrease filings of -10.7% for November 1, 2007, -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 2002-2003 rates.

**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. Noting the general financial crisis occurring in the financial markets during 2008, the favorable gains of 2007 may be unlikely to continue in the same manner unimpeded.

### III-G: Overall Medical Malpractice Market (Annual Statement Line of Business II)

Although sub-lines of medical malpractice (e.g. physicians, hospitals, etc) are considered individually in the Appendix of this report, a detailed view of the entire medical malpractice line of business on an admitted company basis for 2007 provides the following:

Company Name	Premiums Written	Market Share	Premiums Earned	Loss Incurred	Loss Ratio
West Virginia Mut Ins Co	49,554,896	82.15%	48,366,654	19,526,827	40.37%
Woodbrook Cas Ins Inc	4,600,270	7.63%	5,056,688	-613,704	-12.14%
American Cas Co Of Reading PA	1,171,178	1.94%	1,160,634	524,783	45.22%
Doctors Co An Interins Exch	838,538	1.39%	880,969	-884,957	-100.45%
Continental Cas Co	783,472	1.30%	821,368	-1,529,428	-186.21%
Podiatry Ins Co Of Amer A Mut Co	776,465	1.29%	746,393	-28,016	-3.75%
National Fire Ins Co Of Hartford	691,001	1.15%	1,249,930	-1,284,868	-102.80%
National Union Fire Ins Co Of Pitts	560,051	0.93%	567,210	2,118,679	373.53%
Cincinnati Ins Co	394,245	0.65%	439,355	238,769	54.35%
NCMIC Ins Co	344,147	0.57%	340,073	22,222	6.53%
Chicago Ins Co	257,962	0.43%	258,996	1,097,352	423.69%
Ace Amer Ins Co	106,405	0.18%	99,973	57,508	57.52%
Church Mut Ins Co	67,834	0.11%	86,497	-5,356	-6.19%
American Alt Ins Corp	66,729	0.11%	64,647	46,947	72.62%
Darwin Natl Assur Co	58,574	0.10%	45,655	14,772	32.36%
Campmed Cas & Ind Co Inc MD	46,253	0.08%	13,397	12,774	95.35%
Health Care Ind Inc	43,643	0.07%	42,508	17,752,874	41763.61%
American Ins Co	35,473	0.06%	36,241	21,335	58.87%
State Farm Fire And Cas Co	20,323	0.03%	20,856	0	0%
Medical Protective Co	19,202	0.03%	21,272	1,264,500	5944.43%
Pharmacists Mut Ins Co	12,606	0.02%	11,012	1,000	9.08%
St Paul Fire & Marine Ins Co	7,275	0.01%	7,275	-2,081,990	-28618.42%
Fortress Ins Co	5,350	0.01%	4,216	319	7.57%
Granite State Ins Co	4,659	0.01%	4,711	-243	-5.16%
Nationwide Mut Ins Co	4,025	0.01%	4,058	28	0.69%
American Home Assur Co	1,133	0.00%	1,235	784	63.48%
Nationwide Mut Fire Ins Co	900	0.00%	929	130	13.99%
Professionals Advocate Ins Co	189	0.00%	189	-61,473	-32525.40%
American Automobile Ins Co	0	0%	0	-686	0%
Pacific Employers Ins Co	0	0%	0	732	0%
Firemans Fund Ins Co	0	0%	747	1,073	143.64%
TIG Ins Co	0	0%	0	-353	0%
St Paul Mercury Ins Co	0	0%	0	-48,754	0%
Lumbermens Mut Cas Co	0	0%	0	-1	0%
Ace Fire Underwriters Ins Co	0	0%	0	13,579	0%
United States Fire Ins Co	0	0%	0	-557	0%
Travelers Ind Co	0	0%	0	-309,415	0%
Standard Fire Ins Co	0	0%	0	4,765	0%
Arrowood Ind Co	0	0%	0	-991	0%
National Surety Corp	0	0%	0	141	0%
American Motorists Ins Co	0	0%	0	-626	0%
North River Ins Co	0	0%	0	-121	0%
Travelers Property Cas Co Of Amer	0	0%	0	-10,306	0%
American Hlthcare Ind Co	0	0%	0	10,048	0%
Executive Risk Ind Inc	0	0%	50,777	-332,495	-654.81%
Athena Assur Co	0	0%	0	48	0%
Ohic Ins Co	0	0%	0	87,500	0%
Westport Ins Corp	0	0%	0	-2,575	0%
Bankers Standard Ins Co	0	0%	0	15	0%
General Ins Co Of Amer	0	0%	0	-36	0%
Travelers Cas & Surety Co	0	0%	0	457	0%
NCRIC Inc	-149,844	-0.25%	-140,205	167,689	-119.60%
<b>52 Companies in Report</b>	<b>60,322,954</b>	<b>100%</b>	<b>60,264,260</b>	<b>35,790,699</b>	<b>59.39%</b>

Note that only a very small number of companies (52) are reporting any activity in West Virginia for 2007, and further that our domiciled mutual company (West Virginia Mutual) appears to have a material and significant concentration of the total market share. Looking back on these considerations historically, on an admitted basis as well as on a business written basis (*which includes the excess and surplus writers*), the following summary information can be found.

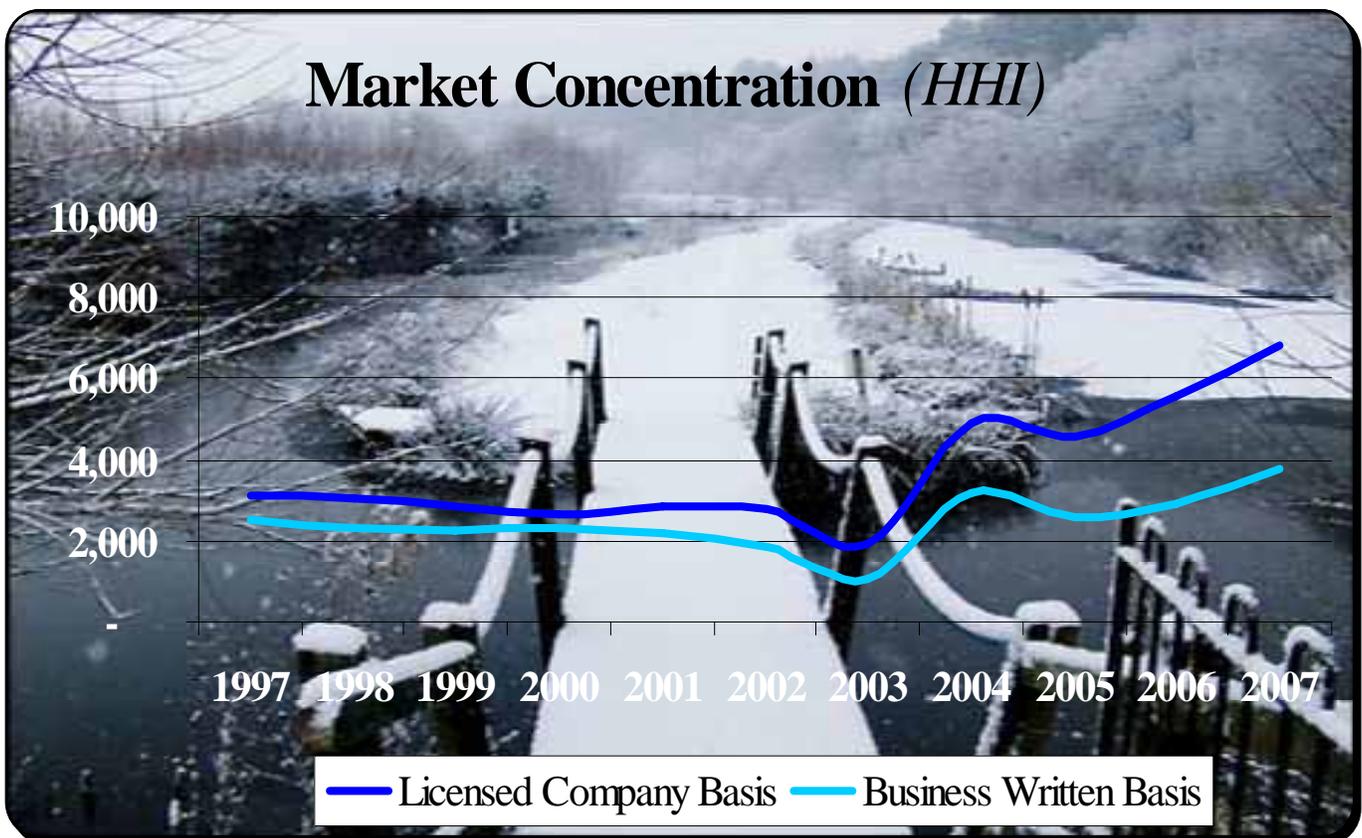
<b>Licensed Company Basis</b>			
	<b>Active Co's</b>	<b>Loss Ratio</b>	<b>HHI</b>
1997	59	90.69%	3,142
1998	58	79.77%	3,038
1999	60	93.82%	2,829
2000	61	76.51%	2,672
2001	61	89.68%	2,850
2002	60	97.76%	2,773
2003	58	70.17%	1,913
2004	65	38.23%	4,911
2005	59	26.54%	4,547
2006	56	15.78%	5,575
2007	52	59.39%	6,819

<b>Business Written Basis</b>			
	<b>Active Co's</b>	<b>Loss Ratio</b>	<b>HHI</b>
1997	79	92.81%	2,512
1998	87	76.04%	2,335
1999	91	93.69%	2,252
2000	93	85.64%	2,295
2001	93	91.36%	2,163
2002	94	93.27%	1,834
2003	94	67.19%	1,047
2004	100	36.84%	3,185
2005	104	25.85%	2,595
2006	104	17.44%	2,909
2007	102	51.90%	3,746

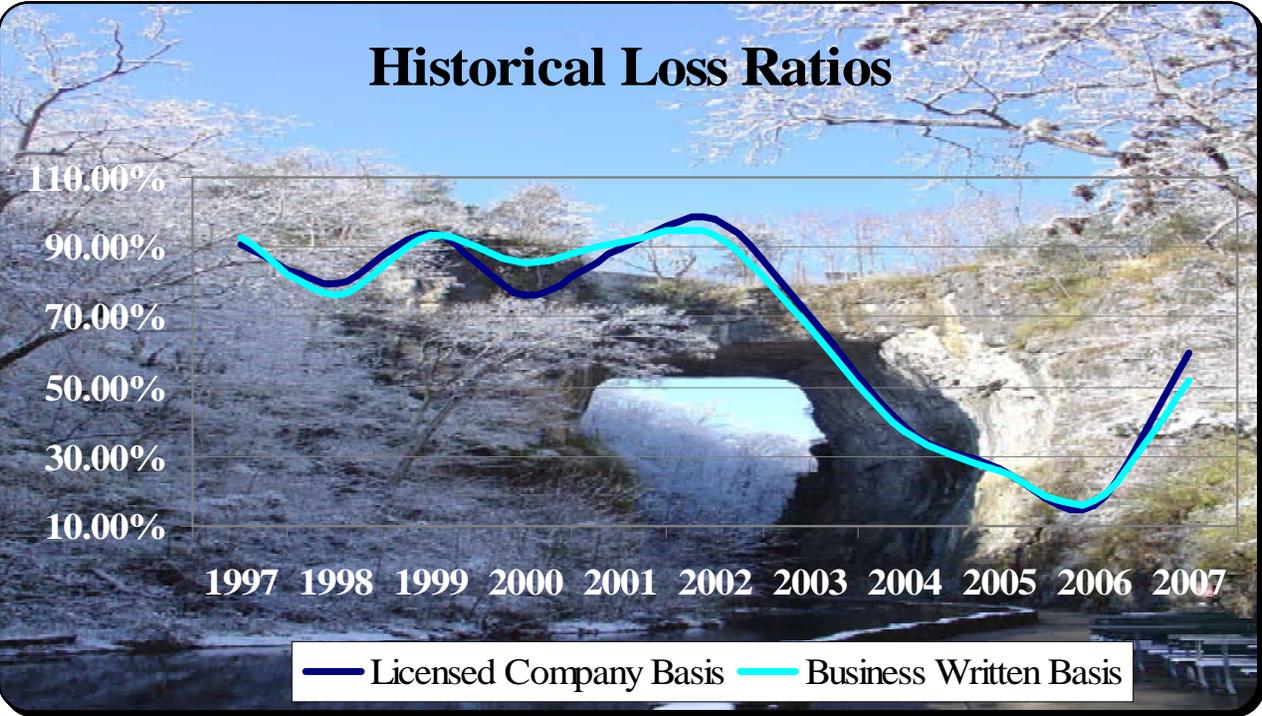
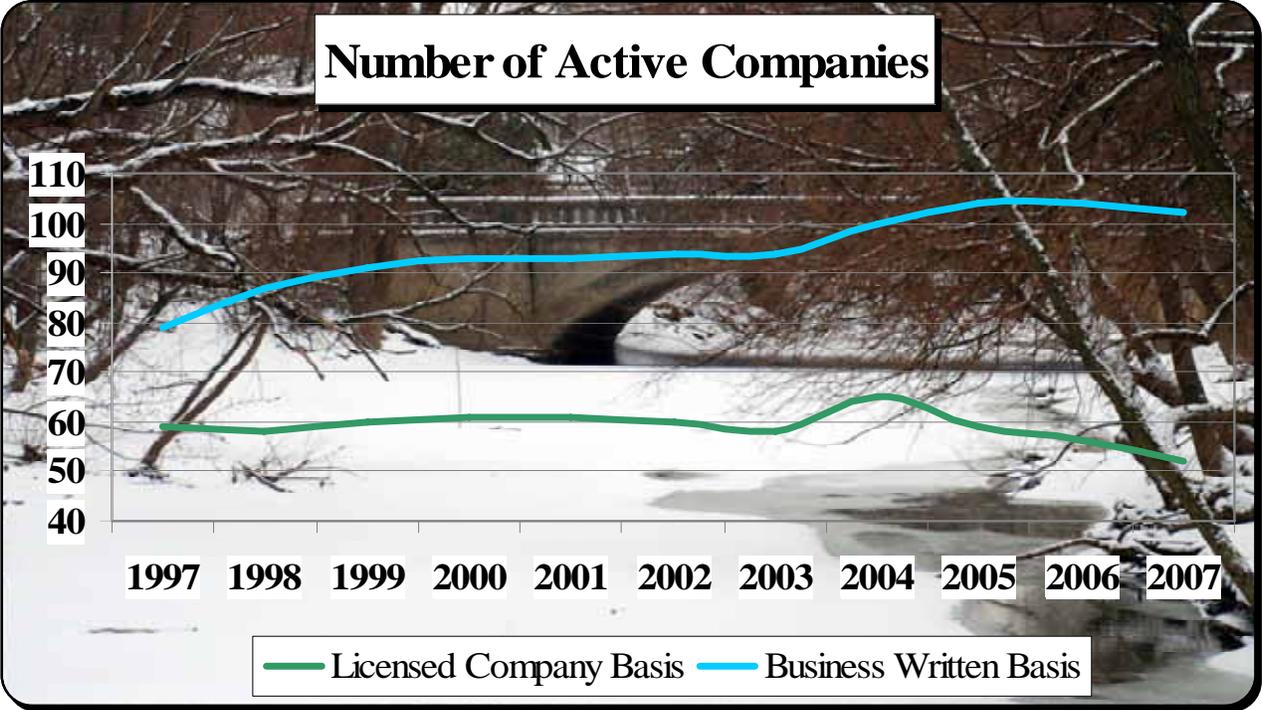
Note that "**HHI**" represents the *Herfindahl-Hirschman Index*, a metric named for its originators. This is a commonly accepted measure of marketplace concentration. It is calculated by squaring the market share of each firm competing in a market and then summing the resulting numbers for all firms. For example, in a market consisting of only four firms with market shares of 30%, 30%, 20% and 20%, the **HHI** would be found to be 2600 or  $(30^2 + 30^2 + 20^2 + 20^2)$ . A market having only a single firm with a market share of 100% would be found to be 10,000 or  $(100^2)$  in what is otherwise known as a monopoly.

The **HHI** takes into account the relative size and distribution of the firms in a market and approaches zero when a market consists of a large number of firms of relatively equal size. The **HHI** increases both as the number of firms in the market decreases and as the disparity in size between those firms increases. Markets in which the **HHI** is between 1000 and 1800 points are considered to be moderately concentrated and those in which the **HHI** is in excess of 1800 points are considered to be concentrated.

While the general medical malpractice market is demonstrated to be in somewhat more of a healthy state simply due to the presence of the excess and surplus markets, both markets (admitted and non-admitted) have been becoming more concentrated since 2003, and only once (2003 Business Written basis) in the past 11 years would have been defined as having been only moderately concentrated.



Other graphical representations of the historical market data:



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## **Section IV**

# **Other Sources of Data**

## Section IV: Other Sources of Data

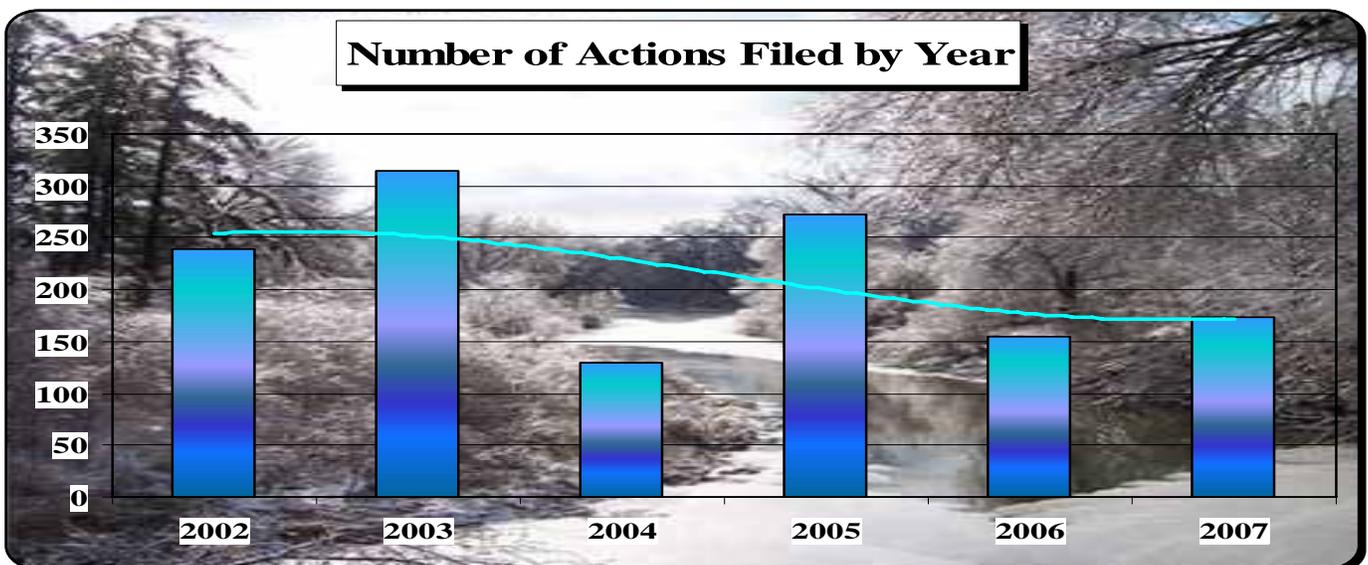
### A: Medical Liability Fund Data

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:

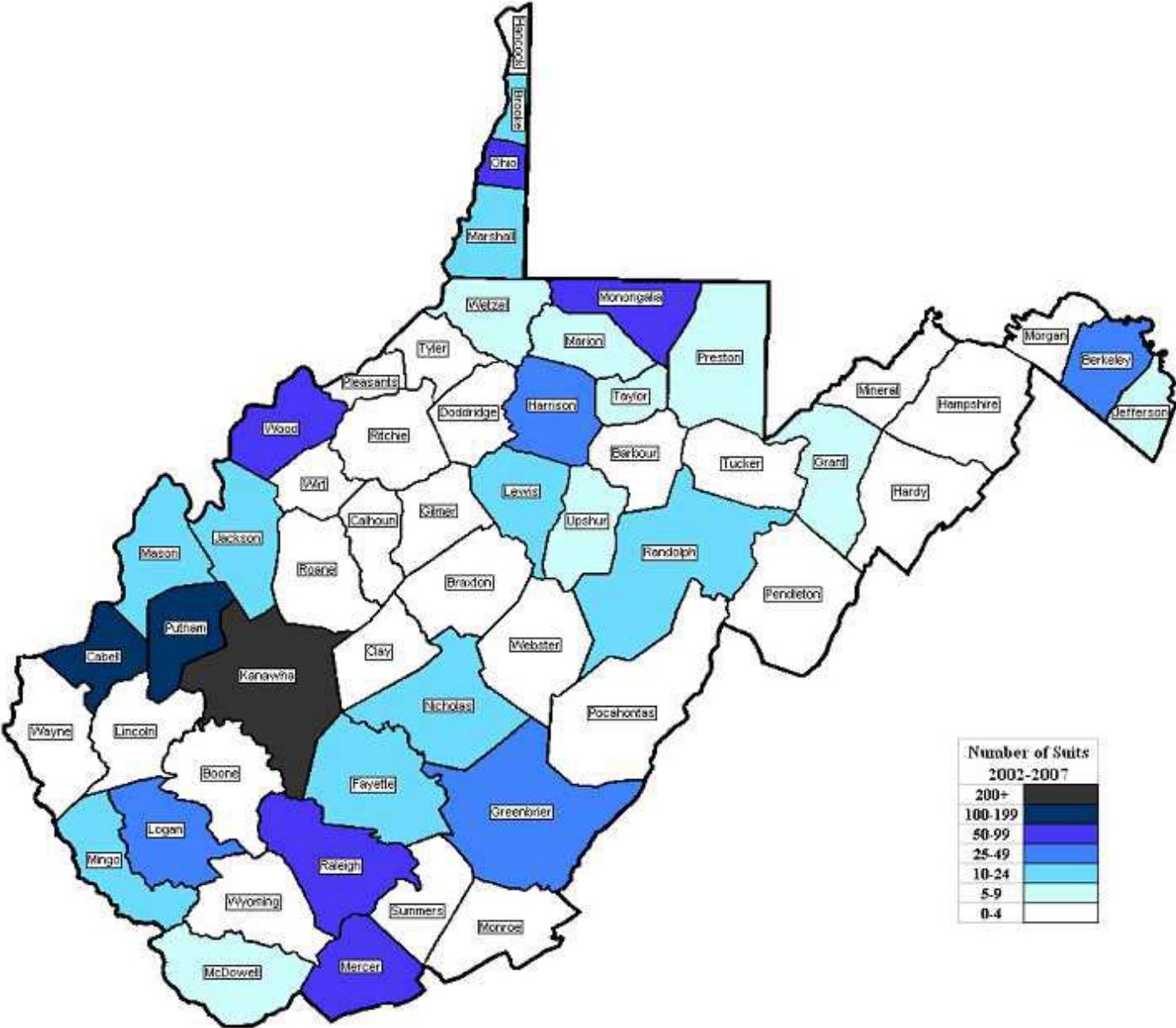
Year	# of Filed Actions
2002	239
2003	315
2004	130
2005	273
2006	154
2007	174

Although 2004 is clearly a low point, and the 2006-2007 figures are generally below the six year average of 214, 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) in the number of actions filed by year.



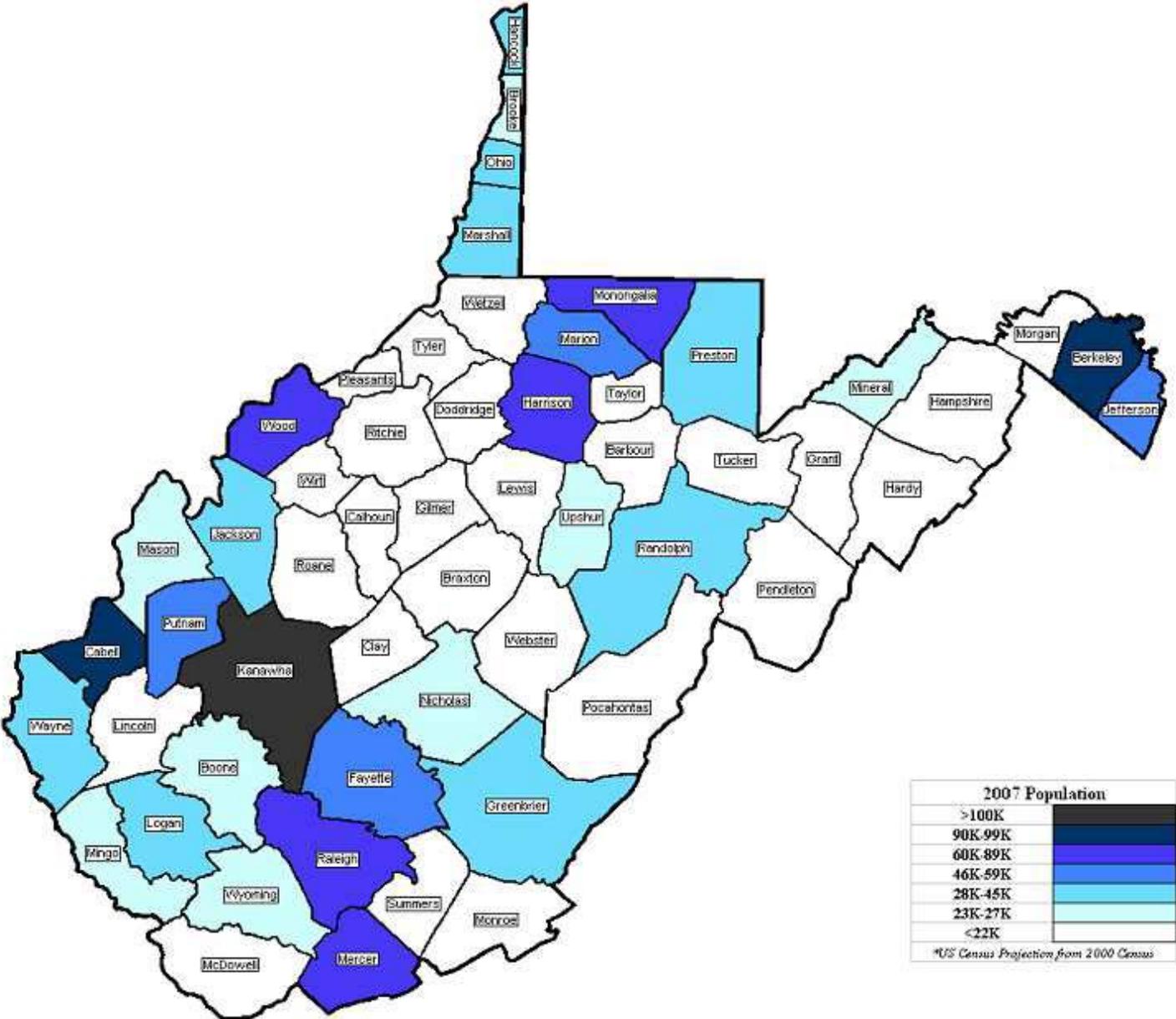
Perhaps of more interest than the annual counts above, the Medical Liability Fund data also provides the county of venue where the action was filed. Compiling this data from 2002-2007 provides the following: (See also Appendix page 80.)

**Number of Actions Filed by County of Venue 2002-2007**



The data on suits by county above appears to be roughly equivalent to population levels by county:  
 (See also Appendix page 94.)

**West Virginia Population (2007 U.S. Census Projection)**

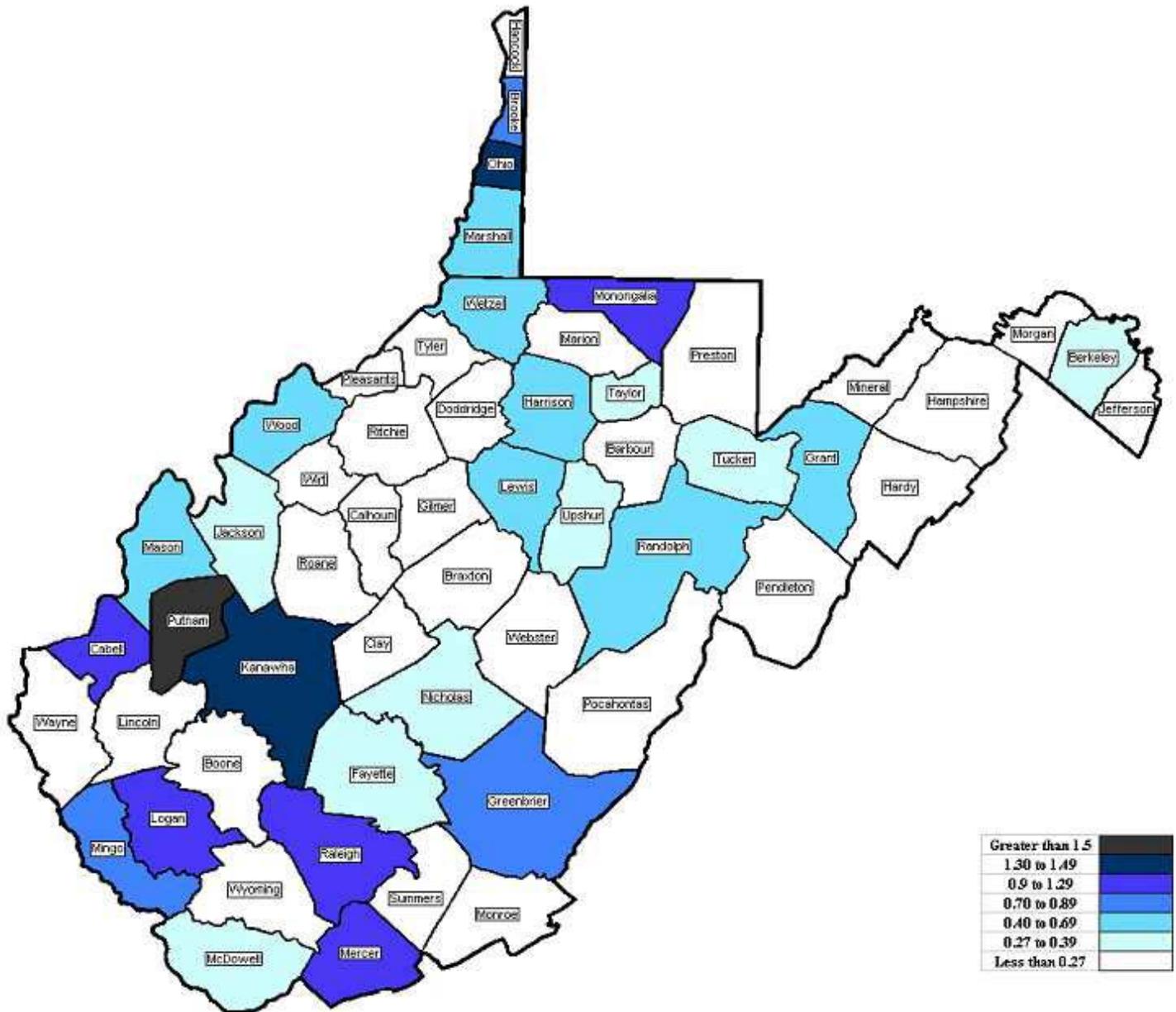


2007 Population	
>100K	Dark Blue/Black
90K-99K	Dark Blue
60K-89K	Medium Blue
46K-59K	Light Blue
28K-45K	Yellow-Green
23K-27K	Light Yellow
<22K	White

\*US Census Projection from 2000 Census

By making the suits by county data relative to the number of residents per county, we can determine which counties have the highest suit ratios per 1,000 of population.

**Total 2002-2007 Claims per 1,000 Population (2007 U.S. Census Projection)**



*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 0.44, and a Statewide average ratio of 0.63.*

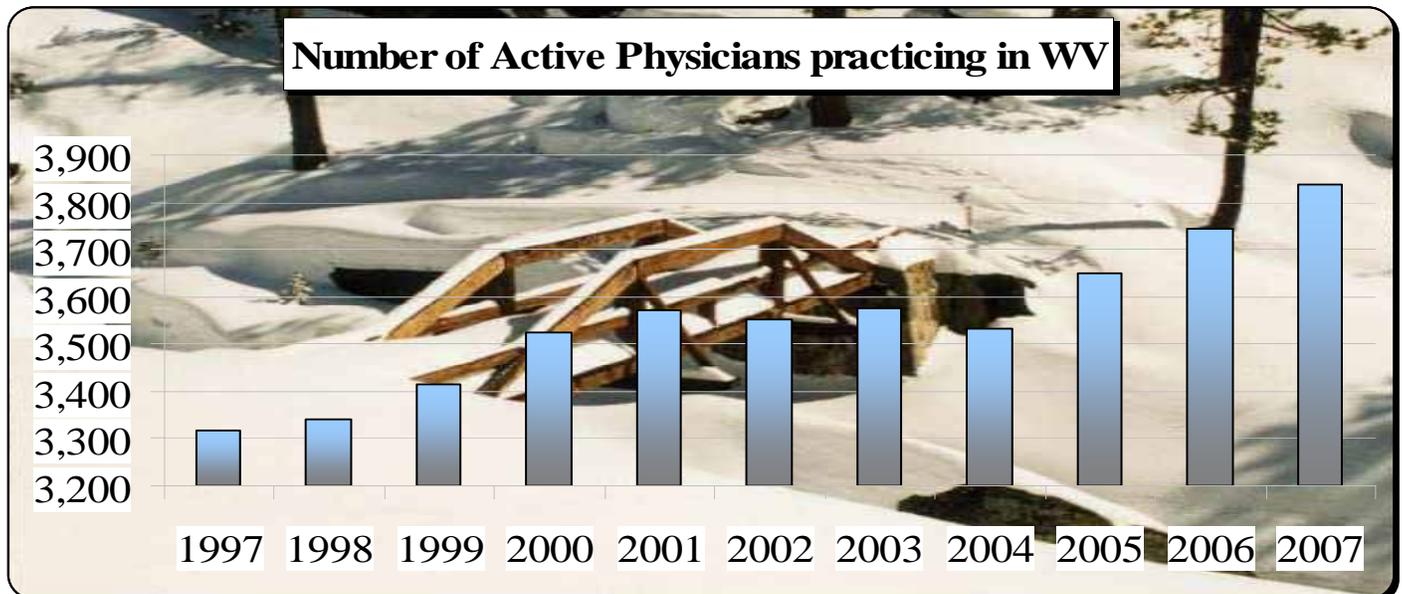
## B: Board of Medicine Data

Obtaining data from the West Virginia Board of Medicine regarding physician licensure in West Virginia, the following history can be observed.

West Virginia Board of Medicine Licensure Data	1997	1998	1999	2000	2001	2002
Actively Licensed Physicians (M.D.)	5,026	5,107	5,251	5,212	5,246	5,199
Inactively Licensed Physicians	937	896	869	920	947	901
Actively Licensed Podiatrists (D.P.M.)	102	115	104	110	104	114
Inactively Licensed Podiatrists	13	13	22	24	22	22
Actively Licensed Physicians Practicing in WV	3,317	3,339	3,415	3,525	3,570	3,552
Actively Licensed Podiatrists Practicing in WV	58	59	65	67	68	71
Physician Assistants (P.A.)	289	333	335	371	378	405
Medical Corporations	585	595	590	603	611	568
Professional Limited Liability Companies	11	26	34	42	41	45
Special Volunteer Medical Licenses	-----	-----	-----	4	9	13
Medical School Faculty Limited Licenses	-----	-----	-----	-----	-----	-----

West Virginia Board of Medicine Licensure Data	2003	2004	2005	2006	2007
Actively Licensed Physicians (M.D.)	5,182	4,873	5,058	5,187	5,379
Inactively Licensed Physicians	631	853	757	734	692
Actively Licensed Podiatrists (D.P.M.)	110	105	99	105	103
Inactively Licensed Podiatrists	17	22	20	20	16
Actively Licensed Physicians Practicing in WV	3,575	3,532	3,650	3,743	3,837
Actively Licensed Podiatrists Practicing in WV	73	72	68	66	75
Physician Assistants (P.A.)	421	467	480	540	542
Medical Corporations	565	557	540	521	513
Professional Limited Liability Companies	55	57	54	51	47
Special Volunteer Medical Licenses	21	20	16	15	13
Medical School Faculty Limited Licenses	2	4	4	4	4

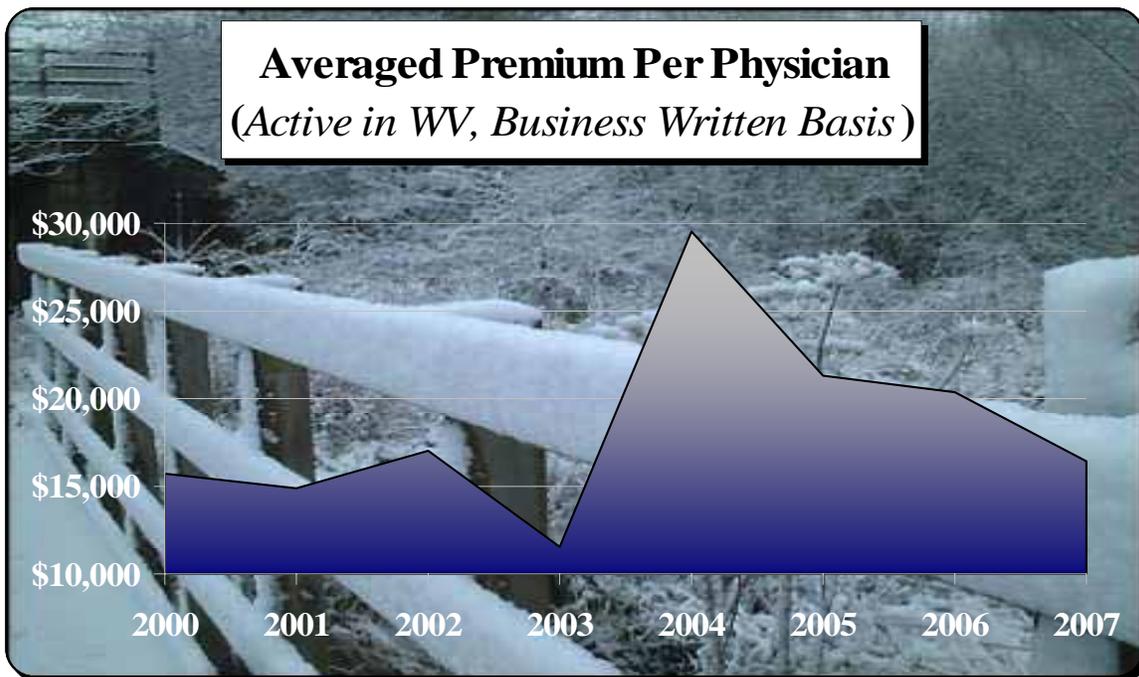
Looking at only actively licensed physicians that are reported to actually practice in West Virginia, a favorable increase can be observed for the State.



Tying the physician licensure data to historical premium data for the physician sub-line of medical malpractice, we can estimate how the cost of malpractice premiums may be spread on average throughout the physician population.

	<b>Business Written Basis</b>		
	<b>Physicians Written Premiums</b>	<b>Licensed Physicians practicing in WV</b>	<b>Averaged Premium per Physician</b>
<b>2000</b>	<b>\$55,569,269</b>	<b>3,525</b>	<b>\$15,764.33</b>
<b>2001</b>	<b>\$53,014,374</b>	<b>3,570</b>	<b>\$14,849.96</b>
<b>2002</b>	<b>\$60,438,081</b>	<b>3,552</b>	<b>\$17,015.23</b>
<b>2003</b>	<b>\$41,135,392</b>	<b>3,575</b>	<b>\$11,506.40</b>
<b>2004</b>	<b>\$104,451,130</b>	<b>3,532</b>	<b>\$29,572.80</b>
<b>2005</b>	<b>\$77,791,000</b>	<b>3,650</b>	<b>\$21,312.60</b>
<b>2006</b>	<b>\$76,117,773</b>	<b>3,743</b>	<b>\$20,336.03</b>
<b>2007</b>	<b>\$63,070,586</b>	<b>3,837</b>	<b>\$16,437.47</b>

Note the significant decrease in average premium occurring from 2004 to present.



Note also that the “averaged” premiums above are not necessarily representative of the premium that a given physician doing business in West Virginia may actually be paying, as that premium would be influenced by the physicians specialty (e.g. physician classes versus surgeon classes), the maturity of their claims-made policy, the limits of insurance afforded, presence of rating credits and debits, etc. However it is clear from the representative information above that, on average, malpractice rates in West Virginia are continuing to decline. This is also directly observable via the rate filing history appearing on page 93.

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# **Section V**

## **Summary Observations**

## Section V. Summary Observations

- **West Virginia's** overall medical malpractice experience in 2007 **declined from** the exceptional results realized during **2006**. It is notable however, that the written premium volume for 2007 (\$60,322,954) was at its **lowest overall level since 1999** (\$44,387,157).
- **Countrywide** net operating results for all lines of business in 2007 **remained favorable** (88.4%), and **overall medical malpractice results improved** to 67.6% (from 72.3% in 2006.)
- The key volume writer in the state, *West Virginia Mutual Insurance Company* which holds 82.2% of the admitted market and 59.9% of the entire West Virginia market, again **experienced a favorable year in 2007**, posting a pure direct loss ratio of only 40.37%. However, only 2 companies were found to meet the 5% or more market share threshold for inclusion in the 2007 report. There were 3 companies which met this criteria in 2006.
- During 2007 Medical Malpractice **rates continued to decline** in West Virginia.
- As noted in previous reports, one of the key elements underlying the historical adverse results for West Virginia had been a very high level of defense cost. Loss adjustment expenses in West Virginia had fallen from a high of 68.4% in 1999 to be more in line with (or better) than the industry countrywide as of last year's report. However, this favorable change **did not continue** in 2007 as **Loss Adjustment Expense grew to 50.8% of premium** (up from only 11.7% in 2006). Examining the company level data, a majority of this change appears to have been driven by two companies exiting the West Virginia medical malpractice market.
- In the admitted market, the top five malpractice writers in West Virginia by premium written accounted for 94.4% of the entire admitted market. In the whole market (admitted and non-admitted), the top five writers account for 79.5% of the market. The key Excess & Surplus writer was *Lexington Insurance Company* (an AIG surplus lines writer). For 2007, our **medical malpractice market became even more concentrated** indicating a general lack of competition.

- The **small size** of our medical malpractice marketplace in West Virginia, with only 3,837 active physicians practicing in our State, inherently **lends itself toward volatility**, as can be demonstrated by simply comparing the 2006 results to the 2007 results alone.
- An analysis of West Virginia Board of Medicine data revealed the following:
  - The number of **paid claims** continues to generally **decline** in West Virginia.
  - Roughly **31% of claims** filed are still being **dismissed**.
  - The total number of **claims in 2007** (164) is less than **half** of that experienced in 2004 (375).

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

- Approximately **10% of claims** filed actually **go to court**.
  - **60% of Malpractice claims are settled** outside of court.
  - There does not appear to be any clear and credible pattern of escalating jury awards, as the small number of awards yields little in the way of credible data upon which to draw sound conclusions.
- A review of Medical Liability fund data indicates that **the number of filed actions** in West Virginia **continued to decline in 2007**. This appears to be generally consistent with other similar measurements contained within this report.
  - Examination of the **5% market share companies data** as required by §114CSR22, §114CSR23, and §33-20B-6 **found no areas of concern**.

## 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.

**"HHI":** The *Herfindahl-Hirschman Index*. A commonly accepted measure of marketplace concentration, calculated by squaring the market share of each firm competing in a market and then summing the resulting numbers for all firms. The measurement accounts for the relative size and distribution of firms within a market. It approaches 0 when a market consists of a large number of firms of relatively equal size, and 10,000 when a monopoly is measured.

**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.

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# Exhibits

**West Virginia Offices of the Insurance Commissioner**  
**5% Market Share Report**  
**Loss and Premium Information/Reconciliation**

**Exhibit I--Sheet 1a**

**West Virginia Mutual Ins Co**

**Physicians & Surgeons**

Report Year	<u>2008 Rate Filing</u>				<u>2007 Rate Filing</u>			
	Adjusted On-Level Earned Premium	Trended, Developed, Ultimate Loss & ALAE	Loss & ALAE Ratio		Report Year	Adjusted On-Level Earned Premium	Trended, Developed, Ultimate Loss & ALAE	Loss & ALAE Ratio
2001	---	---	---		2001	\$104,072	\$435,307	418.3%
2002	---	---	---		2002	\$7,341,768	\$1,074,647	14.6%
2003	\$18,332,000	\$15,599,000	85.1%		2003	\$24,848,844	\$13,215,724	53.2%
2004	\$34,424,000	\$5,567,000	16.2%		2004	\$45,745,391	\$5,171,540	11.3%
2005	\$44,832,000	\$15,340,000	34.2%		2005	\$39,504,147	\$18,815,166	47.6%
2006	\$42,951,000	\$14,595,000	34.0%		2006	\$43,510,815	\$16,550,040	38.0%
2007	\$44,979,000	\$33,415,000	74.3%		2007*	\$21,755,014	\$13,081,000	60.1%

\*half year

Calendar Year	<u>2008 Filed Information</u>				<u>2007 Filed Information</u>			
	Earned Premium	Incurred Losses	Loss Ratio		Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
2001	---	---	---		2001	---	---	---
2002	---	---	---		2002	---	---	---
2003	---	---	---		2003	---	---	---
2004	\$52,850,000	\$45,549,000	86.2%		2004	\$52,850,000	\$45,549,000	86.2%
2005	\$40,429,000	\$16,203,000	40.1%		2005	\$40,429,000	\$16,203,000	40.1%
2006	\$44,959,000	\$1,837,000	4.1%		2006	\$44,959,000	\$1,837,000	4.1%
2007	\$44,390,000	\$28,544,000	64.3%		2007	---	---	---

Report Year	Current Level				Current Level			
	Earned Premium	Trended, Developed, Incurred Loss & ALAE	Loss & ALAE Ratio		Report Year	Earned Premium	Trended, Developed, Incurred Loss & ALAE	Loss & ALAE Ratio
2001	---	---	---		2001	\$104,072	\$490,362	471.2%
2002	\$7,342,000	\$1,244,000	16.9%		2002	\$7,341,768	\$1,312,395	17.9%
2003	\$24,849,000	\$13,860,000	55.8%		2003	\$24,848,844	\$15,847,538	63.8%
2004	\$45,745,000	\$5,362,000	11.7%		2004	\$43,605,369	\$12,026,064	27.6%
2005	\$39,504,000	\$18,541,000	46.9%		2005	\$51,300,290	\$29,260,900	57.0%
2006	\$45,511,000	\$16,205,000	35.6%		2006	\$44,959,028	\$21,595,000	48.0%
2007	---	---	---		2007	---	---	---

**West Virginia Offices of the Insurance Commissioner**  
**5% Market Share Report**  
**Loss and Premium Information/Reconciliation**

**Exhibit I--Sheet 1b**

**West Virginia Mutual Ins Co**

**Physicians & Surgeons**

Report Year	<u>2006 Rate Filing</u>				Report Year	<u>2005 Rate Filing</u>		
	Adjusted On-Level Earned Premium	Trended, Developed Ultimate Loss & ALAE	Loss & ALAE Ratio			Adjusted On-Level Earned Premium	Trended, Developed Ultimate Loss & ALAE	Loss & ALAE Ratio
2001	\$104,072	\$424,135	407.5%		2001	\$109,340	\$596,784	545.8%
2002	\$7,341,768	\$998,079	13.6%		2002	\$7,713,356	\$3,020,844	39.2%
2003	\$24,848,844	\$14,669,012	59.0%		2003	\$26,106,517	\$17,615,263	67.5%
2004	\$43,605,369	\$11,063,944	25.4%		2004	\$44,434,475	\$23,339,607	52.5%
2005	\$51,300,290	\$28,416,681	55.4%		2005	\$23,102,934	\$16,236,906	70.3%
2006*	\$26,274,295	\$16,601,162	63.2%		2006	---	---	---
2007	---	---	---		2007	---	---	---

\*half year

Calendar Year	<u>2006 Filed Information</u>				Calendar Year	<u>2005 Filed Information</u>		
	Earned Premium	Incurred Losses	Loss Ratio			Earned Premium	Incurred Losses	Loss Ratio
2001	---	---	---		2001	---	---	---
2002	---	---	---		2002	---	---	---
2003	---	---	---		2003	---	---	---
2004	\$57,965,000	\$32,051,000	55.3%		2004	---	---	---
2005	\$51,303,000	\$15,521,000	30.3%		2005	---	---	---
2006	---	---	---		2006	---	---	---
2007	---	---	---		2007	---	---	---

Report Year	<u>2006 Filed Information</u>				Report Year	<u>2005 Filed Information</u>		
	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio			Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio
2001	---	---	---		2001	---	---	---
2002	---	---	---		2002	---	---	---
2003	---	---	---		2003	---	---	---
2004	---	---	---		2004	---	---	---
2005	\$71,232,000	\$51,017,000	71.6%		2005	---	---	---
2006	---	---	---		2006	---	---	---
2007	---	---	---		2007	---	---	---

**West Virginia Offices of the Insurance Commissioner**  
**5% Market Share Report**  
**Loss and Premium Information/Reconciliation**

**Exhibit I--Sheet 2a**

**Woodbrook Casualty Insurance, Inc.**

**Physicians & Surgeons**

Report Year	<u>2008 Rate Filing</u>				<u>2007 Rate Filing</u>			
	Adjusted On-Level Earned Premium	Trended, Developed Ultimate Loss & ALAE	Loss & ALAE Ratio		Report Year	Adjusted On-Level Earned Premium	Trended, Developed Ultimate Loss & ALAE	Loss & ALAE Ratio
2000	---	---	---		2000	---	---	---
2001	---	---	---		2001	---	---	---
2002	---	---	---		2002	25,758,000	11,237,000	43.6%
2003	15,285,000	7,788,000	51.0%		2003	17,110,000	8,343,000	48.8%
2004	7,942,000	1,839,000	23.2%		2004	8,892,000	2,063,000	23.2%
2005	6,165,000	3,211,000	52.1%		2005	6,902,000	3,175,000	46.0%
2006	6,191,000	2,722,000	44.0%		2006	6,595,000	3,936,000	59.7%
2007	4,544,000	2,278,000	50.1%		2007	---	---	---

Calendar Year	<u>2008 Filed Information</u>				<u>2007 Filed Information</u>			
	Earned Premium	Incurred Losses	Loss Ratio		Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
2000	---	---	---		2000	---	---	---
2001	---	---	---		2001	21,491,000	16,414,000	76.4%
2002	22,805,000	23,359,000	102.4%		2002	22,805,000	23,359,000	102.4%
2003	17,944,000	8,282,000	46.2%		2003	17,944,000	8,282,000	46.2%
2004	11,297,000	604,000	5.3%		2004	11,297,000	604,000	5.3%
2005	7,968,000	4,187,000	52.5%		2005	7,968,000	4,187,000	52.5%
2006	8,561,000	-1,011,000	-11.8%		2006	8,561,000	-1,011,000	-11.8%
2007	5,056,000	97,000	1.9%		2007	---	---	---

Report Year	<u>2008 Rate Filing</u>				<u>2007 Rate Filing</u>			
	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio		Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio
2000	---	---	---		2000	---	---	---
2001	---	---	---		2001	34,054,000	9,681,000	28.4%
2002	22,997,000	12,049,000	52.4%		2002	25,758,000	11,237,000	43.6%
2003	15,285,000	8,251,000	54.0%		2003	17,110,000	8,343,000	48.8%
2004	7,942,000	1,896,000	23.9%		2004	8,892,000	2,063,000	23.2%
2005	6,165,000	3,319,000	53.8%		2005	6,902,000	3,175,000	46.0%
2006	6,191,000	2,818,000	45.5%		2006	6,595,000	3,936,000	59.7%
2007	4,544,000	2,278,000	50.1%		2007	---	---	---

**West Virginia Offices of the Insurance Commissioner**  
**5% Market Share Report**  
**Loss and Premium Information/Reconciliation**

**Exhibit I--Sheet 2b**

**Woodbrook Casualty Insurance, Inc.**

**Physicians & Surgeons**

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

<u>2006 Filed Information</u>				<u>2005 Filed Information</u>			
Calendar Year	Earned Premium	Incurred Losses	Loss Ratio	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
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	20,427,000	15,273,000	74.8%
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	19,306,000	8,996,000	46.6%
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	---	---	---
2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---

Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio	Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio
2000	51,060,000	24,800,000	48.6%	2000	52,541,000	26,767,000	50.9%
2001	34,357,000	12,781,000	37.2%	2001	34,958,000	16,871,000	48.3%
2002	25,998,000	9,938,000	38.2%	2002	26,752,000	10,628,000	39.7%
2003	17,268,000	11,198,000	64.8%	2003	17,771,000	11,682,000	65.7%
2004	8,978,000	4,835,000	53.9%	2004	9,235,000	4,965,000	53.8%
2005	6,970,000	5,126,000	73.5%	2005	---	---	---
2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---

**West Virginia Offices of the Insurance Commissioner**  
**5% Market Share Report** **Exhibit I--Sheet 2c**  
**Loss and Premium Information/Reconciliation**

**Woodbrook Casualty Insurance, Inc.**

**Hospitals**

<u>2008 Filed Information</u>				<u>2007 Filed Information</u>			
Calendar Year	Earned Premium	Incurred Losses	Loss Ratio	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
2000	---	---	---	2000	---	---	---
2001	---	---	---	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%
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%
2005	0	-2,063,000	---	2005	0	-2,063,000	---
2006	0	-69,000	---	2006	0	-69,000	---
2007	0	-710,000	---	2007	---	---	---

Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio	Report Year	Current Level Earned Premium	Trended, Developed Incurred Loss & ALAE	Loss & ALAE Ratio
2000	---	---	---	2000	---	---	---
2001	---	---	---	2001	3,163,000	9,396,000	297.1%
2002	1,185,000	2,774,000	234.1%	2002	1,185,000	2,774,000	234.1%
2003	92,000	4,373,000	4753.3%	2003	92,000	4,373,000	4753.3%
2004	77,000	152,000	197.4%	2004	77,000	152,000	197.4%
2005	0	132,000	---	2005	0	132,000	---
2006	0	0	---	2006	0	0	---
2007	0	0	---	2007	---	---	---

**West Virginia Offices of the Insurance Commissioner**  
**5% Market Share Report** **Exhibit I--Sheet 2d**  
**Loss and Premium Information/Reconciliation**

**Woodbrook Casualty Insurance, Inc.**

**Hospitals**

<u>2006 Filed Information</u>				<u>2005 Filed Information</u>			
Calendar Year	Earned Premium	Incurred Losses	Loss Ratio	Calendar Year	Earned Premium	Incurred Losses	Loss Ratio
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%
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%
2004	77,000	-291,000	-377.9%	2004	77,000	-291,000	-377.9%
2005	---	---	---	2005	---	---	---
2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---

Report Year	Current Level Earned Premium	Trended, Developed, Incurred Loss & ALAE	Loss & ALAE Ratio	Report Year	Current Level Earned Premium	Trended, Developed, Incurred Loss & ALAE	Loss & ALAE Ratio
2000	2,469,000	5,861,000	237.4%	2000	2,459,000	7,062,000	287.2%
2001	3,163,000	8,170,000	258.3%	2001	3,163,000	7,029,000	222.2%
2002	1,185,000	2,412,000	203.5%	2002	1,185,000	2,436,000	205.6%
2003	92,000	3,802,000	4132.6%	2003	92,000	3,306,000	3593.5%
2004	77,000	132,000	171.4%	2004	77,000	173,000	224.7%
2005	---	---	---	2005	---	---	---
2006	---	---	---	2006	---	---	---
2007	---	---	---	2007	---	---	---

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

**Comparison of Budgeted Expenses**

**Exhibit II**

**West Virginia Mutual Ins Co**

Physicians & Surgeons

	<b>2008 Rate Filing</b>	<b>2007 Rate Filing</b>	<b>2006 Rate Filing</b>	<b>2005 Rate Filing</b>	<b>Filing Forms</b>
Commission & Brokerage	6.00%	5.00%	5.00%	5.00%	5.00%
New Acquisition	--	--	--	--	--
General	16.80%	7.50%	8.20%	8.20%	18.40%
Taxes, Licenses, & Fees	5.00%	5.00%	5.00%	5.00%	5.00%
Other	3.80%	4.80%	5.50%	5.50%	4.80%
Profit & Contingency	6.10%	6.10%	6.10%	6.10%	6.10%
<b>TOTALS</b>	<b>37.70%</b>	<b>28.40%</b>	<b>29.80%</b>	<b>29.80%</b>	<b>39.30%</b>

**Woodbrook Casualty Ins Inc**

Physicians & Surgeons

	<b>2008 Rate Filing</b>	<b>2007 Rate Filing</b>	<b>2006 Rate Filing</b>	<b>2005 Rate Filing</b>	<b>Filing Forms</b>
Commission & Brokerage	4.00%	4.00%	4.00%	4.90%	4.00%
New Acquisition	1.60%	1.60%	2.60%	4.10%	1.60%
General	5.90%	5.60%	5.20%	5.80%	6.70%
Taxes, Licenses, & Fees	5.00%	4.00%	4.30%	4.20%	5.00%
Other	--	--	--	--	--
Profit & Contingency	6.80%	2.50%	5.00%	7.00%	6.80%
<b>TOTALS</b>	<b>23.30%</b>	<b>17.70%</b>	<b>21.10%</b>	<b>26.00%</b>	<b>24.10%</b>

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

**Comparison of Investment Income Provisions      Exhibit III**

Calendar Year	Net Investment Gain
<b>West Virginia Mutual Insurance Company</b>	
2000	N/A
2001	N/A
2002	N/A
2003	N/A
2004	0.5%
2005	2.9%
2006	3.6%
2007	10.1%

Rate of Return Underlying	2005 Filing:	3.50%
	2006 Filing:	N/A
	2007 Filing:	N/A
	2008 Filing:	N/A

Calendar Year	Net Investment Gain
<b>Woodbrook Casualty Insurance, Inc.</b>	
2000	2.0%
2001	2.6%
2002	1.8%
2003	1.7%
2004	3.6%
2005	8.1%
2006	16.2%
2007	28.9%

Rate of Return Underlying	2005 Filing:	3.85%
	2006 Filing:	4.11%
	2007 Filing:	4.50%
	2008 Filing:	3.75%

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

**Comparison of Pure Premium Trends**

**Exhibit IV**

	<b>Rate Filings</b>				<b>5% Report</b>
	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<u>Physicians &amp; Surgeons Program</u>
<i>West Virginia Mutual Ins Co</i>	4.00%	3.00%	3.00%	3.00%	3.00%
<i>Woodbrook Casualty Ins Inc</i>	6.50%	5.50%	0.00%	0.00%	0.00%

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

**Comparison of Incurred Loss Development Factors    Exhibit V**

**Physicians & Surgeons**

<b>West Virginia Mutual Insurance Company</b>	
<u><b>Maturity (mos)</b></u>	<b>Incurred LDFs</b>
6-ultimate	2.568
18-ultimate	1.428
30-ultimate	1.110
42-ultimate	1.025
54-ultimate	1.001
66-ultimate	0.993
78-ultimate	0.989
90-ultimate	0.992
<b>Woodbrook Casualty Insurance, Inc</b>	
<u><b>Maturity (mos)</b></u>	<b>Incurred LDFs</b>
3-ultimate	2.658
15-ultimate	1.527
27-ultimate	1.514
39-ultimate	1.515
51-ultimate	1.682
63-ultimate	1.609
75-ultimate	1.525
87-ultimate	1.391
99-ultimate	1.363
111-ultimate	1.430
123-ultimate	1.275
135-ultimate	1.350
147-ultimate	1.510

**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>	\$49,554,896		\$49,554,896
<i>Woodbrook Casualty Ins, Inc.</i>	\$4,600,270		\$4,600,270
All Other	\$6,167,788		n/a
<b>Total</b>	<b>\$60,322,954</b>		n/a

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

**Sample Comparison of Physicians & Surgeons Rates**

**Exhibit VII**

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

<b>Class Code</b>	<b>Description</b>	<b>Effective Date=&gt;</b>	<b>WVMIC</b>	<b>Woodbrook</b>	<b>ISO*</b>
			<b>1/1/2009</b>	<b>11/1/2008</b>	<b>11/1/2008</b>
80254	Allergy		\$12,989	\$10,984	\$11,263
80151	Anesthesiology - Major Surgery		\$32,589	\$26,285	\$50,345
80150	Cardiovascular Disease - Major Surgery		\$73,295	\$92,980	\$90,622
80282	Dermatology - Minor Surgery		\$28,066	\$31,415	\$18,768
80102 (C)	Emergency Medicine - Minor Surgery		\$35,604	\$41,676	\$45,279
80420	Family Practitioner - No Surgery		\$20,528	\$21,155	\$18,768
80117 (A)	General Practitioner - Major Surgery		\$43,142	\$51,937	\$60,414
80143	General Surgery		\$58,219	\$72,458	\$80,553
80244	Gynecology - No Surgery		\$20,528	\$21,155	\$13,584
80284	Internal Medicine - Minor Surgery		\$28,066	\$31,415	\$27,168
80152	Neurology- Major Surgery		\$110,986	\$144,284	\$126,320
80153	Obstetrics/Gynecology		\$80,834	\$103,241	\$97,170
80286	Oncology - Minor Surgery		\$28,066	\$31,415	\$32,846
80114	Ophthalmology - Major Surgery		\$24,297	\$26,285	\$30,206
80154 (B)	Orthopedics - Incl Spinal Surgery		\$73,295	\$92,980	\$90,622
80155	Otorhinolaryngology-Incl Plastic Surgery		\$50,680	\$62,198	\$68,018
80266	Pathology		\$16,759	\$21,155	\$14,076
80267	Pediatrics - No Surgery		\$20,528	\$21,155	\$18,768
80145 (C)	Urology - Major Surgery		\$32,589	\$31,415	\$50,345

*These rates are a starting point for rating a physician. Rates may be further adjusted by other rating plans.*

*\*ISO only files loss costs and increased limit 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.*

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# Appendix

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Physicians		2007 West Virginia Business Written			
(NAIC Database) COMPANY	Direct Premium Written	Physicians Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
West Virginia Mut Ins Co	\$49,554,896	78.57%	\$48,824,763	\$19,526,827	39.99%
Woodbrook Cas Ins Inc	\$4,554,612	7.22%	\$5,006,390	\$125,901	2.51%
Evanston Ins Co	\$1,395,759	2.21%	\$1,164,530	\$270,223	23.20%
Columbia Cas Co	\$1,350,075	2.14%	\$1,226,363	\$644,910	52.59%
Physicians Specialty Ltd RRG	\$999,159	1.58%	\$999,159	(\$285,309)	-28.55%
Doctors Co An Interins Exch	\$838,538	1.33%	\$880,969	(\$884,957)	-100.45%
National Fire Ins Co Of Hartford	\$691,001	1.10%	\$1,249,930	(\$463,430)	-37.08%
Mountaineer Freedom RRG Inc	\$684,311	1.08%	\$676,698	\$0	0.00%
National Union Fire Ins Co Of Pitts	\$473,651	0.75%	\$467,682	\$599,488	128.18%
Preferred Physicians Medical RRG	\$325,239	0.52%	\$328,403	(\$1,294,149)	-394.07%
Darwin Select Ins Co	\$321,436	0.51%	\$580,798	\$239,579	41.25%
National Guardian RRG Inc	\$307,423	0.49%	\$307,423	\$213,886	69.57%
Admiral Ins Co	\$263,783	0.42%	\$215,297	\$79,743	37.04%
Oceanus Ins Co A RRG	\$218,262	0.35%	\$58,527	\$22,665	38.73%
Oms Natl Ins Co Rrg	\$207,189	0.33%	\$186,056	\$33,568	18.04%
General Star Ind Co	\$203,960	0.32%	\$297,842	(\$2,000)	-0.67%
Green Hills Ins Co RRG	\$196,828	0.31%	\$192,270	\$19,170	9.97%
Novus Ins Co RRG	\$125,790	0.20%	\$116,558	\$7,486	6.42%
Care RRG Inc	\$124,784	0.20%	\$170,806	\$105,119	61.54%
National Fire & Marine Ins Co	\$98,228	0.16%	\$50,904	(\$11,661)	-22.91%
Darwin Natl Assur Co	\$58,574	0.09%	\$45,655	\$14,772	32.36%
Lexington Ins Co	\$52,338	0.08%	\$241,711	\$59,712	24.70%
Steadfast Ins Co	\$50,000	0.08%	\$25,562	\$10,374	40.58%
Health Care Ind Inc	\$43,642	0.07%	\$32,732	\$25,599	78.21%
Applied Medico Legal Solutions RRG	\$42,024	0.07%	\$7,004	\$0	0.00%
Professional Undrwtrs Liab Ins Co	\$34,476	0.05%	\$15,377	(\$130,576)	-849.16%
Landmark Amer Ins Co	\$10,938	0.02%	\$30,787	\$24,745	80.37%
American Cas Co Of Reading PA	\$3,035	0.00%	\$4,966	\$128,758	2592.79%
Professionals Advocate Ins Co	\$189	0.00%	\$189	(\$61,472)	-32524.87%
Medical Protective Co	\$0	0.00%	\$0	\$1,265,500	-----
Continental Cas Co	\$0	0.00%	\$38,539	\$672,070	1743.87%
Ohic Ins Co	\$0	0.00%	\$0	\$109,046	-----
Interstate Fire & Cas Co	\$0	0.00%	\$0	\$38,794	-----
American Hlthcare Ind Co	\$0	0.00%	\$0	\$10,048	-----
Standard Fire Ins Co	\$0	0.00%	\$0	\$3,145	-----
Athena Assur Co	\$0	0.00%	\$0	\$48	-----
St Paul Mercury Ins Co	\$0	0.00%	\$0	\$44	-----
Safeco Surplus Lines Ins Co	\$0	0.00%	\$0	\$25	-----
Red Mountain Cas Ins Co Inc	\$0	0.00%	\$0	\$0	-----
APSpecialty Ins Corp	\$0	0.00%	\$14,322	\$0	0.00%
Emergency Physicians Ins Co RRG	\$0	0.00%	\$94,439	\$0	0.00%
North River Ins Co	\$0	0.00%	\$0	(\$44)	-----
United States Fire Ins Co	\$0	0.00%	\$0	(\$107)	-----
Ironshore Specialty Ins Co	\$0	0.00%	\$0	(\$873)	-----
Scottsdale Ins Co	\$0	0.00%	\$0	(\$1,440)	-----
Essex Ins Co	\$0	0.00%	\$0	(\$1,640)	-----
Travelers Property Cas Co Of Amer	\$0	0.00%	\$0	(\$4,627)	-----
Capitol Specialty Ins Corp	\$0	0.00%	\$0	(\$99,889)	-----
St Paul Fire & Marine Ins Co	\$0	0.00%	\$0	(\$2,368,055)	-----
Everest Ind Ins Co	(\$9,710)	-0.02%	\$14,491	(\$7,829)	-54.03%
NCRIC Inc	(\$149,844)	-0.24%	(\$140,204)	\$167,689	-119.60%
<b>TOTALS</b>	<b>\$63,070,586</b>	<b>100.00%</b>	<b>\$63,426,938</b>	<b>\$18,800,876</b>	<b>29.64%</b>

Licensed Companies (21)	\$56,068,294	88.90%	\$56,411,611	\$18,866,199	33.44%
Surplus Line Co's (19)	\$3,771,283	5.98%	\$3,877,984	\$1,112,197	28.68%
Risk Retention Groups (11)	\$3,231,009	5.12%	\$3,137,343	(\$1,177,564)	-37.53%

<b>Hospitals</b>		<b>2007 West Virginia Business Written</b>			
<i>(NAIC Database)</i> <b>COMPANY</b>	<b>Direct Premium Written</b>	<b>Hospitals Market Share</b>	<b>Direct Premium Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio</b>
<i>Lexington Ins Co</i>	\$6,697,255	68.34%	\$7,446,787	(\$1,578,100)	-21.19%
<b>Mountaineer Freedom RRG Inc</b>	\$1,304,606	13.31%	\$1,304,606	\$1,568,134	120.20%
<i>Arch Specialty Ins Co</i>	\$872,297	8.90%	\$891,697	\$393,456	44.12%
<i>Darwin Select Ins Co</i>	\$764,116	7.80%	\$3,521,347	\$1,452,556	41.25%
<b>American Excess Ins Exch RRG</b>	\$577,320	5.89%	\$453,860	\$327,343	72.12%
<b>Community Hospital RRG</b>	\$106,369	1.09%	\$106,369	\$92,431	86.90%
<i>Illinois Union Ins Co</i>	\$83,091	0.85%	\$134,198	(\$62,338)	-46.45%
<i>Homeland Ins Co of NY</i>	\$25,260	0.26%	\$49,332	\$18,972	38.46%
<i>Columbia Cas Co</i>	\$13,002	0.13%	\$5,225	\$528,573	10116.23%
<b>St Paul Fire &amp; Marine Ins Co</b>	\$7,275	0.07%	\$7,275	\$318,445	4377.25%
<b>Ace Amer Ins Co</b>	\$464	0.00%	\$464	\$16,875	3636.85%
<i>Essex Ins Co</i>	\$0	0.00%	\$0	(\$1,020)	-----
<b>Continental Cas Co</b>	\$0	0.00%	\$0	(\$1,542,987)	-----
<b>American Cas Co Of Reading PA</b>	\$0	0.00%	\$0	\$35,077	-----
<b>National Fire Ins Co Of Hartford</b>	\$0	0.00%	\$0	(\$717,501)	-----
<i>Steadfast Ins Co</i>	\$0	0.00%	\$121	(\$71,758)	-59304.13%
<b>Premier Ins Exch RRG</b>	\$0	0.00%	\$0	(\$19,886)	-----
<i>Evanston Ins Co</i>	\$0	0.00%	\$0	(\$165,927)	-----
<i>Capitol Specialty Ins Corp</i>	\$0	0.00%	\$0	(\$369,782)	-----
<b>Travelers Cas &amp; Surety Co</b>	\$0	0.00%	\$0	\$430	-----
<b>Standard Fire Ins Co</b>	\$0	0.00%	\$0	\$863	-----
<b>Woodbrook Cas Ins Inc</b>	\$0	0.00%	\$0	(\$710,387)	-----
<b>St Paul Mercury Ins Co</b>	\$0	0.00%	\$0	(\$58,903)	-----
<i>Admiral Ins Co</i>	\$0	0.00%	\$808,399	(\$393,917)	-48.73%
<i>First Specialty Ins Corp</i>	\$0	0.00%	\$0	(\$35,219)	-----
<b>Cincinnati Ins Co</b>	\$0	0.00%	\$0	(\$110,394)	-----
<b>TIG Ins Co</b>	\$0	0.00%	\$0	(\$11)	-----
<b>Health Care Ind Inc</b>	\$0	0.00%	\$9,776	\$17,727,275	181334.65%
<b>Pacific Employers Ins Co</b>	\$0	0.00%	\$0	\$732	-----
<b>Bankers Standard Ins Co</b>	\$0	0.00%	\$0	\$15	-----
<b>National Union Fire Ins Co Of Pitts</b>	\$0	0.00%	\$0	(\$1,000)	-----
<b>Ace Fire Underwriters Ins Co</b>	\$0	0.00%	\$0	\$633	-----
<b>Executive Risk Ind Inc</b>	\$0	0.00%	\$0	(\$37,290)	-----
<i>Executive Risk Speciality Ins Co</i>	\$0	0.00%	\$0	\$52,023	-----
<b>United States Fire Ins Co</b>	\$0	0.00%	\$0	(\$394)	-----
<b>North River Ins Co</b>	\$0	0.00%	\$0	(\$67)	-----
<i>Everest Ind Ins Co</i>	(\$651,146)	-6.64%	(\$389,299)	(\$391,304)	100.52%
<b>TOTALS</b>	<b>\$9,799,909</b>	<b>100.00%</b>	<b>\$14,350,157</b>	<b>\$16,265,648</b>	<b>113.35%</b>

<b>Licensed Companies (19)</b>	\$7,739	0.08%	\$17,515	\$14,921,411	85192.18%
<i>Surplus Line Co's (14)</i>	\$7,803,875	79.63%	\$12,467,807	(\$623,785)	-5.00%
<b>Risk Retention Groups (4)</b>	\$1,988,295	20.29%	\$1,864,835	\$1,968,022	105.53%

Other Health Care Facilities		2007 West Virginia Business Written			
(NAIC Database) COMPANY	Direct Premium Written	Other Facilities Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
<i>Lexington Ins Co</i>	\$749,363	39.60%	\$751,803	\$770,784	102.52%
<b>Guardian RRG Inc</b>	\$318,968	16.86%	\$318,968	\$335,872	105.30%
<i>Homeland Ins Co of NY</i>	\$143,140	7.56%	\$279,550	\$107,508	38.46%
<i>Evanston Ins Co</i>	\$142,473	7.53%	\$125,634	\$68,000	54.13%
<i>Landmark Ins Co</i>	\$127,891	6.76%	\$127,928	\$30,830	24.10%
<i>Arch Speciality Ins Co</i>	\$109,084	5.76%	\$131,335	\$3,972,749	3024.90%
<i>Darwin Select Ins Co</i>	\$104,631	5.53%	\$115,090	(\$72,970)	-63.40%
<i>General Star Ind Co</i>	\$73,499	3.88%	\$72,647	\$0	0.00%
<b>American Alt Ins Corp</b>	\$66,729	3.53%	\$64,647	\$46,947	72.62%
<b>Church Mut Ins Co</b>	\$65,854	3.48%	\$84,663	(\$5,092)	-6.01%
<b>Cincinnati Ins Co</b>	\$65,273	3.45%	\$8,319	\$211,875	2546.88%
<i>Western World Ins Co</i>	\$1,468	0.08%	\$4,237	\$13,323	314.44%
<b>Executive Risk Ind Inc</b>	\$0	0.00%	\$50,777	(\$295,205)	-581.38%
<b>American Home Assur Co</b>	\$0	0.00%	\$175	(\$948)	-541.71%
<b>St Paul Fire &amp; Marine Ins Co</b>	\$0	0.00%	\$0	\$54,294	-----
<b>St Paul Mercury Ins Co</b>	\$0	0.00%	\$0	\$10,062	-----
<i>Essex Ins Co</i>	\$0	0.00%	\$0	\$989	-----
<b>Standard Fire Ins Co</b>	\$0	0.00%	\$0	\$7	-----
<b>Nationwide Mut Ins Co</b>	\$0	0.00%	\$0	\$5	-----
<b>North River Ins Co</b>	\$0	0.00%	\$0	(\$3)	-----
<b>United States Fire Ins Co</b>	\$0	0.00%	\$0	(\$22)	-----
<i>Landmark Amer Ins Co</i>	\$0	0.00%	\$0	(\$394)	-----
<b>TIG Ins Co</b>	\$0	0.00%	\$0	(\$989)	-----
<i>National Fire &amp; Marine Ins Co</i>	\$0	0.00%	\$0	(\$1,508)	-----
<i>Interstate Fire &amp; Cas Co</i>	\$0	0.00%	\$0	(\$1,565)	-----
<i>Capitol Specialty Ins Corp</i>	\$0	0.00%	\$0	(\$2,486)	-----
<i>Arrowood Surplus Lines Ins Co</i>	\$0	0.00%	\$0	(\$4,810)	-----
<b>Travelers Property Cas Co Of Amer</b>	\$0	0.00%	\$0	(\$5,679)	-----
<i>Steadfast Ins Co</i>	\$0	0.00%	\$0	(\$39,291)	-----
<i>Admiral Ins Co</i>	\$0	0.00%	\$0	(\$50,898)	-----
<i>Executive Risk Speciality Ins Co</i>	\$0	0.00%	\$0	(\$172,223)	-----
<b>National Union Fire Ins Co Of Pitts</b>	(\$387)	-0.02%	(\$385)	\$2,092,349	-543467.27%
<i>Everest Ind Ins Co</i>	(\$75,610)	-4.00%	(\$19,228)	\$667,318	-3470.55%
<b>TOTALS</b>	<b>\$1,892,376</b>	<b>100.00%</b>	<b>\$2,116,160</b>	<b>\$7,728,829</b>	<b>365.23%</b>

**Licensed Companies (14)**

*Surplus Line Co's (18)*

**Risk Retention Groups (1)**

\$197,469	10.43%	\$208,196	\$2,107,601	1012.32%
\$1,375,939	72.71%	\$1,588,996	\$5,285,356	332.62%
\$318,968	16.86%	\$318,968	\$335,872	105.30%

Other Health Care Professionals		2007 West Virginia Business Written			
(NAIC Database) COMPANY	Direct Premium Written	Other Prof'ls Market Share	Direct Premium Earned	Direct Loss Incurred	Pure Direct Loss Ratio
American Cas Co Of Reading PA	\$1,168,143	21.53%	\$1,155,668	\$360,948	31.23%
Continental Cas Co	\$783,472	14.44%	\$782,829	(\$658,511)	-84.12%
Podiatry Ins Co Of Amer A Mut Co	\$776,465	14.31%	\$746,393	(\$28,016)	-3.75%
Lexington Ins Co	\$452,254	8.33%	\$387,710	\$447,625	115.45%
NCMIC Ins Co	\$344,147	6.34%	\$340,073	\$22,222	6.53%
Cincinnati Ins Co	\$328,972	6.06%	\$431,036	\$131,628	30.54%
Landmark Amer Ins Co	\$282,310	5.20%	\$254,194	(\$73,203)	-28.80%
Chicago Ins Co	\$257,962	4.75%	\$258,996	\$1,097,352	423.69%
Western World Ins Co	\$205,866	3.79%	\$201,772	\$253,512	125.64%
Evanston Ins Co	\$143,082	2.64%	\$132,655	(\$29,020)	-21.88%
Admiral Ins Co	\$126,703	2.33%	\$104,194	\$22,057	21.17%
Columbia Cas Co	\$120,447	2.22%	\$115,746	\$55,307	47.78%
Ace Amer Ins Co	\$105,941	1.95%	\$99,509	\$40,634	40.83%
National Union Fire Ins Co Of Pitts	\$86,788	1.60%	\$99,913	(\$572,158)	-572.66%
Woodbrook Cas Ins Inc	\$45,658	0.84%	\$50,299	(\$29,218)	-58.09%
Campmed Cas & Ind Co Inc MD	\$40,253	0.74%	\$12,135	\$5,602	46.16%
American Ins Co	\$35,473	0.65%	\$36,241	\$21,335	58.87%
Interstate Fire & Cas Co	\$22,779	0.42%	\$49,858	(\$19,924)	-39.96%
State Farm Fire And Cas Co	\$20,323	0.37%	\$20,856	\$0	0.00%
Medical Protective Co	\$19,202	0.35%	\$21,272	(\$1,000)	-4.70%
Pharmacists Mut Ins Co	\$12,606	0.23%	\$11,012	\$1,000	9.08%
Professional Undrwtrs Liab Ins Co	\$11,080	0.20%	\$9,866	\$0	0.00%
American Assoc Of Othodontists RRG	\$8,584	0.16%	\$7,431	\$5,040	67.82%
Allied Professionals Ins Co RRG	\$8,055	0.15%	\$8,148	(\$94)	-1.15%
Fortress Ins Co	\$5,350	0.10%	\$4,216	\$319	7.57%
Granite State Ins Co	\$4,659	0.09%	\$4,711	(\$243)	-5.16%
Nationwide Mut Ins Co	\$4,025	0.07%	\$4,058	\$22	0.54%
Church Mut Ins Co	\$1,980	0.04%	\$1,834	(\$264)	-14.39%
Red Mountain Cas Ins Co Inc	\$1,923	0.04%	\$634	\$190	29.97%
American Home Assur Co	\$1,133	0.02%	\$1,059	\$1,732	163.55%
Nationwide Mut Fire Ins Co	\$900	0.02%	\$929	\$130	13.99%
Firemans Fund Ins Co	\$0	0.00%	\$747	\$1,073	143.64%
Ace Fire Underwriters Ins Co	\$0	0.00%	\$0	\$12,946	-----
Gulf Underwriters Ins Co	\$0	0.00%	\$0	\$1,413	-----
TIG Ins Co	\$0	0.00%	\$0	\$645	-----
National Surety Corp	\$0	0.00%	\$0	\$141	-----
St Paul Mercury Ins Co	\$0	0.00%	\$0	\$44	-----
Lumbermens Mut Cas Co	\$0	0.00%	\$0	(\$1)	-----
North River Ins Co	\$0	0.00%	\$0	(\$7)	-----
United States Fire Ins Co	\$0	0.00%	\$0	(\$34)	-----
General Ins Co Of Amer	\$0	0.00%	\$0	(\$36)	-----
Firemans Fund Ins Co Of OH	\$0	0.00%	\$0	(\$342)	-----
American Motorists Ins Co	\$0	0.00%	\$0	(\$626)	-----
Essex Ins Co	\$0	0.00%	\$0	(\$686)	-----
American Automobile Ins Co	\$0	0.00%	\$0	(\$686)	-----
Arrowood Ind Co	\$0	0.00%	\$0	(\$950)	-----
Westport Ins Corp	\$0	0.00%	\$0	(\$2,575)	-----
St Paul Fire & Marine Ins Co	\$0	0.00%	\$0	(\$86,675)	-----
National Fire Ins Co Of Hartford	\$0	0.00%	\$0	(\$103,937)	-----
Travelers Ind Co	\$0	0.00%	\$0	(\$309,415)	-----
<b>TOTALS</b>	<b>\$5,426,535</b>	<b>100.00%</b>	<b>\$5,355,994</b>	<b>\$565,296</b>	<b>10.55%</b>
Licensed Companies (36)	\$4,043,452	74.51%	\$4,083,786	(\$96,579)	-2.36%
Surplus Line Co's (12)	\$1,366,444	25.18%	\$1,256,629	\$656,929	52.28%
Risk Retention Groups (2)	\$16,639	0.31%	\$15,579	\$4,946	31.75%

<b>Other Medical Malpractice Policies</b>		<b>2007 West Virginia Business Written</b>			
<i>(NAIC Database)</i> <b>COMPANY</b>	<b>Direct Premium Written</b>	<b>Other Med Mal Market Share</b>	<b>Direct Premium Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio</b>
Ophthalmic Mut Ins Co RRG	\$1,147,974	100.00%	\$1,173,581	\$1,061,521	90.45%
Clarendon Amer Ins Co	\$0	0.00%	\$0	\$26,054	-----
Standard Fire Ins Co	\$0	0.00%	\$0	\$750	-----
Travelers Cas & Surety Co	\$0	0.00%	\$0	\$27	-----
<b>TOTALS</b>	<b>\$1,147,974</b>	<b>100.00%</b>	<b>\$1,173,581</b>	<b>\$1,088,352</b>	<b>92.74%</b>
<b>Licensed Companies (2)</b>	\$0	0.00%	\$0	\$777	-----
<i>Surplus Line Co's (1)</i>	\$0	0.00%	\$0	\$26,054	-----
Risk Retention Groups (1)	\$1,147,974	100.00%	\$1,173,581	\$1,061,521	90.45%

<b>Total Medical Malpractice</b>		<b>2007 West Virginia Business Written</b>			
<i>(NAIC Database)</i> <b>COMPANY</b>	<b>Direct Premium Written</b>	<b>Total Med Mal Market Share</b>	<b>Direct Premium Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio</b>
<b>West Virginia Mut Ins Co</b>	49,554,896	59.92%	48,366,654	19,526,827	40.37%
<i>Lexington Ins Co</i>	7,951,210	9.61%	8,828,010	-299,979	-3.40%
<b>Woodbrook Cas Ins Inc</b>	4,600,270	5.56%	5,056,688	-613,704	-12.14%
<b>Mountaineer Freedom RRG Inc</b>	1,929,249	2.33%	1,921,865	1,498,817	77.99%
<i>Evanston Ins Co</i>	1,681,314	2.03%	1,422,821	143,276	10.07%
<i>Columbia Cas Co</i>	1,483,524	1.79%	1,347,334	1,228,790	91.20%
<i>Health Care Industry Liab Recip Ins</i>	1,389,039	1.68%	1,656,346	1,057,883	63.87%
<i>Darwin Select Ins Co</i>	1,190,183	1.44%	4,217,234	1,619,165	38.39%
<b>American Cas Co Of Reading PA</b>	1,171,178	1.42%	1,160,634	524,783	45.22%
<b>Ophthalmic Mut Ins Co RRG</b>	1,147,974	1.39%	1,173,581	1,061,521	90.45%
<b>Physicians Specialty Ltd RRG</b>	999,159	1.21%	999,159	-285,309	-28.55%
<i>Arch Speciaity Ins Co</i>	981,381	1.19%	1,023,032	4,366,206	426.79%
<b>Doctors Co An Interins Exch</b>	838,538	1.01%	880,969	-884,957	-100.45%
<b>Continental Cas Co</b>	783,472	0.95%	821,368	-1,529,428	-186.20%
<b>Podiatry Ins Co Of Amer A Mut Co</b>	776,465	0.94%	746,393	-28,016	-3.75%
<b>National Fire Ins Co Of Hartford</b>	691,001	0.84%	1,249,930	-1,284,868	-102.80%
<b>American Excess Ins Exch RRG</b>	577,320	0.70%	453,860	327,343	72.12%
<b>National Union Fire Ins Co Of Pitts</b>	560,051	0.68%	567,210	2,118,679	373.53%
<b>Cincinnati Ins Co</b>	394,245	0.48%	439,355	204,757	46.60%
<i>Admiral Ins Co</i>	390,486	0.47%	1,127,890	-305,941	-27.13%
<b>NCMIC Ins Co</b>	344,147	0.42%	340,073	22,222	6.53%
<b>Preferred Physicians Medical RRG</b>	325,239	0.39%	328,403	-1,294,149	-394.07%
<b>Guardian RRG Inc</b>	318,968	0.39%	318,968	337,508	105.81%
<b>National Guardian RRG Inc</b>	307,423	0.37%	307,423	213,886	69.57%
<i>Landmark Amer Ins Co</i>	293,248	0.35%	284,981	-48,852	-17.14%
<i>General Star Ind Co</i>	277,459	0.34%	370,489	-2,000	-0.54%
<b>Chicago Ins Co</b>	257,962	0.31%	258,996	1,097,352	423.69%
<b>Oceanus Ins Co A RRG</b>	218,262	0.26%	58,527	22,665	38.73%
<i>Western World Ins Co</i>	207,334	0.25%	206,009	266,835	129.53%
<b>Oms Natl Ins Co Rrg</b>	207,189	0.25%	186,056	33,568	18.04%
<b>Green Hills Ins Co RRG</b>	196,828	0.24%	192,270	19,170	9.97%
<i>Homeland Ins Co of NY</i>	168,400	0.20%	328,882	126,480	38.46%
<i>Landmark Ins Co</i>	127,891	0.15%	127,928	30,830	24.10%
<b>Novus Ins Co RRG</b>	125,790	0.15%	116,555	7,488	6.42%
<b>Care RRG Inc</b>	124,784	0.15%	170,806	105,119	61.54%
<b>Ace Amer Ins Co</b>	106,405	0.13%	99,973	57,508	57.52%
<b>Community Hospital RRG</b>	106,369	0.13%	106,369	92,431	86.90%
<i>National Fire &amp; Marine Ins Co</i>	98,228	0.12%	50,904	-13,169	-25.87%
<i>Illinois Union Ins Co</i>	83,091	0.10%	134,198	-62,338	-46.45%
<b>Church Mut Ins Co</b>	67,834	0.08%	86,497	-5,356	-6.19%
<b>American Alt Ins Corp</b>	66,729	0.08%	64,647	46,947	72.62%
<b>Darwin Natl Assur Co</b>	58,574	0.07%	45,655	14,772	32.36%
<i>Steadfast Ins Co</i>	50,000	0.06%	25,683	-100,675	-391.99%
<b>Campmed Cas &amp; Ind Co Inc MD</b>	46,253	0.06%	13,397	12,774	95.35%
<i>Professional Undrwtrs Liab Ins Co</i>	45,556	0.06%	25,243	-130,576	-517.28%
<b>Health Care Ind Inc</b>	43,643	0.05%	42,508	17,752,874	41763.61%
<b>Applied Medico Legal Solutions RRG</b>	42,024	0.05%	7,004	0	0.00%
<b>Total Medical Malpractice</b>		<b>2007 West Virginia Business Written</b>			
<i>(NAIC Database)</i> <b>COMPANY</b>	<b>Direct Premium Written</b>	<b>Total Med Mal Market Share</b>	<b>Direct Premium Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio</b>

<b>Total Medical Malpractice, cont.</b>		<b>2007 West Virginia Business Written</b>			
<i>(NAIC Database)</i> <b>COMPANY</b>	<b>Direct Premium Written</b>	<b>Total Med Mal Market Share</b>	<b>Direct Premium Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio</b>
<b>American Ins Co</b>	35,473	0.04%	36,241	21,335	58.87%
<i>American Intl Specialty Lines Ins Co</i>	27,752	0.03%	7,387	11,050	149.59%
<i>Interstate Fire &amp; Cas Co</i>	22,779	0.03%	49,858	17,305	34.71%
<b>State Farm Fire And Cas Co</b>	20,323	0.02%	20,856	0	0.00%
<b>Medical Protective Co</b>	19,202	0.02%	21,272	1,264,500	5944.43%
<b>Pharmacists Mut Ins Co</b>	12,606	0.02%	11,012	1,000	9.08%
<i>American Assoc Of Othodontists RRG</i>	8,584	0.01%	7,431	5,040	67.82%
<i>Allied Professionals Ins Co RRG</i>	8,055	0.01%	8,148	-94	-1.15%
<b>St Paul Fire &amp; Marine Ins Co</b>	7,275	0.01%	7,275	-2,081,990	-28618.42%
<b>Fortress Ins Co</b>	5,350	0.01%	4,216	319	7.57%
<b>Granite State Ins Co</b>	4,659	0.01%	4,711	-243	-5.16%
<b>Nationwide Mut Ins Co</b>	4,025	0.00%	4,058	28	0.69%
<i>Red Mountain Cas Ins Co Inc</i>	1,923	0.00%	634	190	29.97%
<b>American Home Assur Co</b>	1,133	0.00%	1,235	784	63.48%
<b>Nationwide Mut Fire Ins Co</b>	900	0.00%	929	130	13.99%
<b>Professionals Advocate Ins Co</b>	189	0.00%	189	-61,473	-32525.40%
<i>APSpeciality Ins Corp</i>	0	0.00%	14,322	0	0.00%
<i>Scottsdale Ins Co</i>	0	0.00%	0	-1,440	-----
<b>American Motorists Ins Co</b>	0	0.00%	0	-626	-----
<b>General Ins Co Of Amer</b>	0	0.00%	0	-36	-----
<i>First Specialty Ins Corp</i>	0	0.00%	0	-35,219	-----
<i>Essex Ins Co</i>	0	0.00%	0	-2,357	-----
<i>Arrowood Surplus Lines Ins Co</i>	0	0.00%	0	-4,810	-----
<i>Clarendon Amer Ins Co</i>	0	0.00%	0	26,054	-----
<i>Executive Risk Speciality Ins Co</i>	0	0.00%	0	-120,200	-----
<i>Emergency Physicians Ins Co RRG</i>	0	0.00%	94,439	0	0.00%
<b>Westport Ins Corp</b>	0	0.00%	0	-2,575	-----
<b>Executive Risk Ind Inc</b>	0	0.00%	50,777	-332,495	-654.81%
<b>Ace Fire Underwriters Ins Co</b>	0	0.00%	0	13,579	-----
<b>National Surety Corp</b>	0	0.00%	0	141	-----
<b>American Hlthcare Ind Co</b>	0	0.00%	0	10,048	-----
<b>Travelers Cas &amp; Surety Co</b>	0	0.00%	0	457	-----
<b>Lumbermens Mut Cas Co</b>	0	0.00%	0	-1	-----
<i>Firemans Fund Ins Co Of OH</i>	0	0.00%	0	-342	-----
<b>Athena Assur Co</b>	0	0.00%	0	48	-----
<i>Gulf Underwriters Ins Co</i>	0	0.00%	0	1,413	-----
<b>St Paul Mercury Ins Co</b>	0	0.00%	0	-48,754	-----
<b>Travelers Property Cas Co Of Amer</b>	0	0.00%	0	-10,306	-----
<i>Premier Ins Exchange RRG</i>	0	0.00%	0	-19,886	-----
<b>Firemans Fund Ins Co</b>	0	0.00%	747	1,073	143.64%
<b>Pacific Employers Ins Co</b>	0	0.00%	0	732	-----
<b>Arrowood Ind Co</b>	0	0.00%	0	-991	-----
<b>TIG Ins Co</b>	0	0.00%	0	-353	-----
<b>Ohic Ins Co</b>	0	0.00%	0	87,500	-----
<b>Standard Fire Ins Co</b>	0	0.00%	0	4,765	-----
<b>American Automobile Ins Co</b>	0	0.00%	0	-686	-----
<b>Travelers Ind Co</b>	0	0.00%	0	-309,415	-----
<i>Capitol Specialty Ins Corp</i>	0	0.00%	0	-472,156	-----
<b>Total Medical Malpractice</b>		<b>2007 West Virginia Business Written</b>			
<i>(NAIC Database)</i> <b>COMPANY</b>	<b>Direct Premium Written</b>	<b>Total Med Mal Market Share</b>	<b>Direct Premium Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio</b>

<b>Total Medical Malpractice, cont.</b>		<b>2007 West Virginia Business Written</b>			
<i>(NAIC Database)</i> <b>COMPANY</b>	<b>Direct Premium Written</b>	<b>Total Med Mal Market Share</b>	<b>Direct Premium Earned</b>	<b>Direct Loss Incurred</b>	<b>Pure Direct Loss Ratio</b>
<b>Bankers Standard Ins Co</b>	0	0.00%	0	15	-----
<b>North River Ins Co</b>	0	0.00%	0	-121	-----
<b>United States Fire Ins Co</b>	0	0.00%	0	-557	-----
<i>TIG Specialty Ins Corp</i>	0	0.00%	0	-874	-----
<i>Safeco Surplus Lines Ins Co</i>	0	0.00%	0	25	-----
<b>NCRIC Inc</b>	-149,844	-0.18%	-140,205	167,689	-119.60%
<i>Everest Ind Ins Co</i>	-736,466	-0.89%	-394,037	268,185	-68.06%
<b>TOTALS</b>	<b>82,700,503</b>	<b>100%</b>	<b>87,570,272</b>	<b>45,444,564</b>	<b>51.89%</b>

<b>Licensed Companies (52)</b>	\$60,322,954	314149.33%	\$60,228,019	\$35,735,352	59.33%
<i>Surplus Line Co's (32)</i>	\$15,734,332	81941.11%	\$20,855,148	\$7,562,759	36.26%
<b>Risk Retention Groups (18)</b>	\$6,643,217	34596.48%	\$6,450,864	\$2,125,118	32.94%

**Medical Liability Fund suits filed by year and County**

<b>County</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2002-7</b>
Barbour	0	1	0	1	0	0	2
Berkeley	6	9	2	4	3	3	27
Boone	0	1	1	0	1	1	4
Braxton	0	0	1	1	1	0	3
Brooke	5	7	1	4	0	2	19
Cabell	29	28	15	7	14	14	107
Calhoun	0	0	0	0	0	0	0
Clay	1	0	0	0	0	0	1
Doddridge	0	0	0	0	0	1	1
Fayette	1	5	0	1	5	3	15
Gilmer	1	0	0	0	0	0	1
Grant	4	2	0	0	1	1	8
Greenbrier	5	7	3	4	3	5	27
Hampshire	0	1	1	1	0	1	4
Hancock	0	1	2	0	1	0	4
Hardy	0	1	1	0	0	0	2
Harrison	2	14	6	8	5	9	44
Jackson	1	1	1	1	3	4	11
Jefferson	1	2	1	1	0	2	7
Kanawha	70	66	20	37	47	46	286
Lewis	2	2	4	1	1	1	11
Lincoln	0	0	0	0	1	0	1
Logan	15	10	4	9	2	4	44
Marion	0	2	0	2	1	0	5
Marshall	4	6	2	2	2	2	18
Mason	8	2	1	3	1	2	17
McDowell	3	3	1	0	1	1	9
Mercer	8	17	9	4	8	9	55
Mineral	0	0	0	3	0	0	3
Mingo	4	4	2	5	3	3	21
Monongalia	17	31	7	10	15	15	95
Monroe	0	0	0	1	0	1	2
Morgan	0	1	1	0	0	0	2
Nicholas	0	4	1	2	1	2	10
Ohio	15	20	7	10	5	6	63
Pendleton	0	0	0	0	0	0	0
Pleasants	0	0	0	0	0	0	0
Pocahontas	0	0	0	1	0	0	1
Preston	2	1	0	0	2	0	5
Putnam	4	20	10	126	4	5	169
Raleigh	13	21	6	10	7	14	71
Randolph	2	3	3	4	2	5	19
Ritchie	0	0	0	0	0	1	1
Roane	2	0	0	1	0	1	4
Summers	0	0	1	0	0	1	2
Taylor	0	1	3	0	2	0	6
Tucker	0	1	0	0	0	1	2
Tyler	1	1	0	0	0	0	2
Upshur	1	2	1	1	3	1	9
Wayne	0	1	0	0	0	0	1
Webster	0	0	0	0	0	0	0
Wetzel	3	2	1	2	1	0	9
Wirt	0	0	0	0	1	0	1
Wood	9	14	11	6	5	6	51
Wyoming	0	0	0	0	2	1	3
	<b>239</b>	<b>315</b>	<b>130</b>	<b>273</b>	<b>154</b>	<b>174</b>	<b>1285</b>

<b>2007 PHYSICIANS</b>	<b># of Claims Direct</b>	<b># of Claims Direct</b>	<b>Total # of Direct</b>
<b>COMPANY</b>	<b>Loss Paid</b>	<b>Loss UnPaid</b>	<b>Claims</b>
<b>West Virginia Mut Ins Co</b>	41	167	208
<b>St Paul Fire &amp; Marine Ins Co</b>	20	30	50
<b>Woodbrook Cas Ins Inc</b>	19	63	82
<b>National Union Fire Ins Co Of Pitts</b>	19	6	25
<b>National Fire Ins Co Of Hartford</b>	6	22	28
<b>NCRIC Inc</b>	6	17	23
Physicians Specialty Ltd RRG	5	4	9
<b>Continental Cas Co</b>	3	8	11
<b>Standard Fire Ins Co</b>	3	4	7
<b>Medical Protective Co</b>	3	1	4
<b>Ohic Ins Co</b>	2	5	7
Preferred Physicians Medical RRG	1	2	3
<b>Doctors Co An Interins Exch</b>	0	8	8
National Guardian RRG Inc	0	3	3
Oms Natl Ins Co Rrg	0	3	3
Green Hills Ins Co RRG	0	1	1
Care RRG Inc	0	1	1
<b>Darwin Natl Assur Co</b>	0	1	1
<i>Lexington Ins Co</i>	0	1	1
<b>Health Care Ind Inc</b>	0	1	1
<b>American Cas Co Of Reading PA</b>	0	1	1
<b>Professionals Advocate Ins Co</b>	0	1	1
<b>TOTALS</b>	<b>128</b>	<b>350</b>	<b>478</b>
<b>Licensed Companies (15)</b>	122	335	457
<i>Surplus Line Co's (1)</i>	0	1	1
Risk Retention Groups (6)	6	14	20

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

<b>2005 PHYSICIANS</b>	<b># of Claims Direct</b>	<b># of Claims Direct</b>	<b>Total # of Direct</b>
<b>COMPANY</b>	<b>Loss Paid</b>	<b>Loss UnPaid</b>	<b>Claims</b>
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
<b>TOTALS</b>	<b>229</b>	<b>455</b>	<b>684</b>
<b>Licensed Companies (16)</b>	<b>227</b>	<b>449</b>	<b>676</b>
<i>Surplus Line Co's (5)</i>	2	6	8
<i>Risk Retention Groups (1)</i>	0	1	1

<b>2004 PHYSICIANS</b>	<b># of Claims Direct</b>	<b># of Claims Direct</b>	<b>Total # of Direct</b>
<b>COMPANY</b>	<b>Loss Paid</b>	<b>Loss UnPaid</b>	<b>Claims</b>
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
<b>TOTALS</b>	<b>194</b>	<b>578</b>	<b>772</b>
<b>Licensed Companies (15)</b>	<b>185</b>	<b>570</b>	<b>755</b>
<i>Surplus Line Co's (6)</i>	9	8	17
<i>Risk Retention Groups (1)</i>	0	2	2

<b>2003 PHYSICIANS</b>	<b># of Claims Direct</b>	<b># of Claims Direct</b>	<b>Total # of Direct</b>
<b>COMPANY</b>	<b>Loss Paid</b>	<b>Loss UnPaid</b>	<b>Claims</b>
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
<b>TOTALS</b>	<b>142</b>	<b>611</b>	<b>753</b>
<b>Licensed Companies (19)</b>	<b>132</b>	<b>599</b>	<b>731</b>
<i>Surplus Line Co's (7)</i>	<b>10</b>	<b>10</b>	<b>20</b>
<i>Risk Retention Groups (1)</i>	<b>0</b>	<b>2</b>	<b>2</b>

<b>2002 PHYSICIANS</b>	<b># of Claims Direct</b>	<b># of Claims Direct</b>	<b>Total # of Direct</b>
<b>COMPANY</b>	<b>Loss Paid</b>	<b>Loss UnPaid</b>	<b>Claims</b>
Woodbrook Cas Ins Inc	79	307	386
St Paul Fire & Marine Ins Co	60	298	358
Commonwealth Medical Liability Ins Co	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 &amp; 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
<b>TOTALS</b>	<b>177</b>	<b>758</b>	<b>935</b>
<b>Licensed Companies (19)</b>	166	745	911
<i>Surplus Line Co's (8)</i>	11	13	24
<i>Risk Retention Groups (1)</i>	0	1	1

<b>2001 PHYSICIANS</b>	<b># of Claims Direct</b>	<b># of Claims Direct</b>	<b>Total # of Direct</b>
<b>COMPANY</b>	<b>Loss Paid</b>	<b>Loss UnPaid</b>	<b>Claims</b>
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
<b>TOTALS</b>	<b>244</b>	<b>848</b>	<b>1092</b>
<b>Licensed Companies (19)</b>	233	831	1064
<i>Surplus Line Co's (8)</i>	11	17	28
<i>Risk Retention Groups (1)</i>	0	1	1

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

<b>Historical top 10 Companies in WV Market Share for the Medical Malpractice line</b>			
	<b>Admitted Company Basis</b>	<b>Market Share</b>	<b>Pure Direct L/R</b>
2007	<b>West Virginia Mut Ins Co</b>	82.15%	40.37%
2007	<b>Woodbrook Cas Ins Inc</b>	7.63%	-12.14%
2007	<b>American Cas Co Of Reading PA</b>	1.94%	45.22%
2007	<b>Doctors Co An Interins Exch</b>	1.39%	-100.45%
2007	<b>Continental Cas Co</b>	1.30%	-186.21%
2007	<b>Podiatry Ins Co Of Amer A Mut Co</b>	1.29%	-3.75%
2007	<b>National Fire Ins Co Of Hartford</b>	1.15%	-102.80%
2007	<b>National Union Fire Ins Co Of Pitts</b>	0.93%	373.53%
2007	<b>Cincinnati Ins Co</b>	0.65%	54.35%
2007	<b>NCMIC Ins Co</b>	0.57%	6.53%
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2006	<b>West Virginia Mut Ins Co</b>	73.13%	-3.61%
2006	<b>Woodbrook Cas Ins Inc</b>	9.77%	-12.62%
2006	<b>Health Care Ind Inc</b>	5.22%	20.52%
2006	<b>National Fire Ins Co Of Hartford</b>	3.23%	35.51%
2006	<b>American Cas Co Of Reading PA</b>	1.41%	34.91%
2006	<b>Doctors Co An Interins Exchn</b>	1.13%	36.61%
2006	<b>Continental Cas Co</b>	1.01%	432.48%
2006	<b>Podiatry Ins Co Of Amer A Mut Co</b>	0.96%	-77.87%
2006	<b>NCRIC Inc</b>	0.96%	-20.75%
2006	<b>National Union Fire Ins Co Of Pitts</b>	0.79%	1277.56%
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2005	<b>West Virginia Mut Ins Co</b>	65.82%	30.25%
2005	<b>Woodbrook Cas Ins Inc</b>	9.26%	26.65%
2005	<b>Health Care Ind Inc</b>	7.78%	147.73%
2005	<b>National Fire Ins Co Of Hartford</b>	5.20%	35.51%
2005	<b>NCRIC Inc</b>	5.10%	6.95%
2005	<b>Doctors Co An Interins Exchn</b>	1.30%	14.47%
2005	<b>American Cas Co Of Reading PA</b>	1.16%	12.01%
2005	<b>National Union Fire Ins Co Of Pitts</b>	1.03%	-508.11%
2005	<b>Continental Cas Co</b>	0.95%	1007.96%
2005	<b>Podiatry Ins Co Of Amer A Mut Co</b>	0.83%	-111.48%
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2004	<b>West Virginia Physicians Mut Ins Co</b>	68.87%	55.29%
2004	<b>Medical Assur Of WV Inc</b>	8.59%	2.75%
2004	<b>NCRIC Inc</b>	6.34%	49.80%
2004	<b>Health Care Ind Inc</b>	6.23%	44.09%
2004	<b>National Fire Ins Co Of Hartford</b>	3.21%	39.99%
2004	<b>Physicians Specialty Ltd RRG</b>	1.20%	30.44%
2004	<b>Doctors Co An Interins Exchn</b>	1.05%	27.77%
2004	<b>American Cas Co Of Reading PA</b>	0.71%	33.99%
2004	<b>National Union Fire Ins Co Of Pitts</b>	0.66%	212.50%
2004	<b>Continental Cas Co</b>	0.65%	-144.77%
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2003	<b>Medical Assur Of WV Inc</b>	30.59%	43.84%
2003	<b>St Paul Fire &amp; Marine Ins Co</b>	21.04%	99.04%
2003	<b>Health Care Ind Inc</b>	15.97%	77.12%
2003	<b>NCRIC Inc</b>	15.77%	50.55%
2003	<b>National Fire Ins Co Of Hartford</b>	3.34%	104.46%
2003	<b>Doctors Co An Interins Exchn</b>	2.97%	28.34%
2003	<b>Gulf Ins Co</b>	1.59%	214.50%
2003	<b>National Union Fire Ins Co Of Pitts</b>	1.39%	-383.84%
2003	<b>Continental Cas Co</b>	1.36%	-277.27%
2003	<b>American Cas Co Of Reading PA</b>	1.20%	249.04%

<b>Historical top 10 Companies in WV Market Share for the Medical Malpractice line</b>			
	<b>Admitted Company Basis</b>	<b>Market Share</b>	<b>Pure Direct L/R</b>
2002	<b>St Paul Fire &amp; Marine Ins Co</b>	41.09%	79.75%
2002	<b>Medical Assur Of WV Inc</b>	29.86%	88.83%
2002	<b>Commonwealth Medical Liability Ins C</b>	10.69%	59.25%
2002	<b>Health Care Ind Inc</b>	8.20%	251.96%
2002	<b>Ohic Ins Co</b>	1.85%	462.81%
2002	<b>Doctors Co An Interins Exchn</b>	1.76%	41.99%
2002	<b>Executive Risk Ind Inc</b>	1.05%	77.80%
2002	<b>National Union Fire Ins Co Of Pitts</b>	0.92%	811.81%
2002	<b>Continental Cas Co</b>	0.82%	-1258.16%
2002	<b>American Cas Co Of Reading PA</b>	0.73%	25.51%
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2001	<b>St Paul Fire &amp; Marine Ins Co</b>	40.46%	95.41%
2001	<b>Medical Assur Of WV Inc</b>	33.18%	73.17%
2001	<b>American Continental Ins Co</b>	8.98%	193.74%
2001	<b>Commonwealth Medical Liability Ins C</b>	4.29%	85.76%
2001	<b>Doctors Co An Interins Exchn</b>	1.78%	69.79%
2001	<b>Ohic Ins Co</b>	1.60%	258.05%
2001	<b>Executive Risk Ind Inc</b>	1.52%	-10.99%
2001	<b>National Union Fire Ins Co Of Pitts</b>	0.94%	120.23%
2001	<b>Medical Protective Co</b>	0.85%	45.90%
2001	<b>Gulf Ins Co</b>	0.85%	90.15%
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2000	<b>Medical Assurance Of W Virginia Inc</b>	42.66%	74.60%
2000	<b>American Continental Ins Co</b>	24.75%	94.60%
2000	<b>National Union Fire Ins Co Of Pitts</b>	12.95%	27.72%
2000	<b>St Paul Fire &amp; Marine Ins Co</b>	7.60%	92.84%
2000	<b>Pennsylvania Casualty Co</b>	2.67%	105.03%
2000	<b>Ohic Ins Co</b>	1.45%	-274.22%
2000	<b>Virginia Ins Recip</b>	1.17%	214.48%
2000	<b>St Paul Mercury Ins Co</b>	0.95%	74.44%
2000	<b>Legion Ins Co</b>	0.84%	155.60%
2000	<b>American Cas Co Of Reading Pa</b>	0.67%	40.16%

<b>Historical top 10 Companies in WV Market Share for the Medical Malpractice line</b>			
	<b>Business Written Basis</b>	<b>Market Share</b>	<b>P Direct L/R</b>
2007	<b>West Virginia Mut Ins Co</b>	59.92%	40.37%
2007	<i>Lexington Ins Co</i>	9.61%	-3.40%
2007	<b>Woodbrook Cas Ins Inc</b>	5.56%	-12.14%
2007	<i>Mountaineer Freedom RRG Inc</i>	2.33%	77.99%
2007	<i>Evanston Ins Co</i>	2.03%	10.07%
2007	<i>Columbia Cas Co</i>	1.79%	91.20%
2007	<i>Health Care Industry Liab Recip Ins</i>	1.68%	63.87%
2007	<i>Darwin Select Ins Co</i>	1.44%	38.39%
2007	<b>American Cas Co Of Reading PA</b>	1.42%	45.22%
2007	<i>Ophthalmic Mut Ins Co RRG</i>	1.39%	90.45%
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2006	<b>West Virginia Mut Ins Co</b>	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	<b>Woodbrook Cas Ins Inc</b>	6.94%	-12.62%
2006	<b>Health Care Ind Inc</b>	3.71%	20.52%
2006	<b>National Fire Ins Co Of Hartford</b>	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	<b>West Virginia Mut Ins Co</b>	48.63%	30.25%
2005	<i>Lexington Ins Co</i>	9.55%	11.65%
2005	<b>Woodbrook Cas Ins Inc</b>	6.84%	26.65%
2005	<b>Health Care Ind Inc</b>	5.75%	147.73%
2005	<i>Capitol Specialty Ins Corp</i>	3.89%	28.31%
2005	<b>National Fire Ins Co Of Hartford</b>	3.84%	35.51%
2005	<b>NCRIC Inc</b>	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	<b>West Virginia Physicians Mut Ins Co</b>	54.55%	55.29%
2004	<i>Lexington Ins Co</i>	9.36%	68.54%
2004	<b>Medical Assur Of WV Inc</b>	6.80%	2.75%
2004	<b>NCRIC Inc</b>	5.02%	49.80%
2004	<b>Health Care Ind Inc</b>	4.94%	44.09%
2004	<b>National Fire Ins Co Of Hartford</b>	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	<b>Medical Assur Of WV Inc</b>	20.05%	43.84%
2003	<b>St Paul Fire &amp; Marine Ins Co</b>	13.79%	99.04%
2003	<b>Health Care Ind Inc</b>	10.46%	77.12%
2003	<b>NCRIC Inc</b>	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	<b>National Fire Ins Co Of Hartford</b>	2.19%	104.46%
2003	<i>APSpeciality Ins Corp</i>	1.98%	141.28%
2003	<b>Doctors Co An Interins Exchn</b>	1.95%	28.34%

<b>Historical top 10 Companies in WV Market Share for the Medical Malpractice line</b>			
	<b>Business Written Basis</b>	<b>Market Share</b>	<b>P Direct L/R</b>
2002	<b>St Paul Fire &amp; Marine Ins Co</b>	32.13%	79.75%
2002	<b>Medical Assur Of WV Inc</b>	23.35%	88.83%
2002	<i>Everest Ind Ins Co</i>	8.75%	55.56%
2002	<b>Commonwealth Medical Liability Ins C</b>	8.36%	59.25%
2002	<i>Lexington Ins Co</i>	7.67%	52.61%
2002	<b>Health Care Ind Inc</b>	6.41%	251.96%
2002	<b>Ohic Ins Co</b>	1.44%	462.81%
2002	<b>Doctors Co An Interins Exchn</b>	1.38%	41.99%
2002	<i>APSpeciality Ins Corp</i>	1.31%	55.91%
2002	<b>Physicians Specialty Ltd RRG</b>	1.04%	57.29%
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2001	<b>St Paul Fire &amp; Marine Ins Co</b>	34.90%	95.41%
2001	<b>Medical Assur Of WV Inc</b>	28.62%	73.17%
2001	<b>American Continental Ins Co</b>	7.75%	193.74%
2001	<b>Health Care Ind Inc</b>	5.61%	133.34%
2001	<b>Commonwealth Medical Liability Ins C</b>	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	<b>Doctors Co An Interins Exchn</b>	1.54%	69.79%
2001	<b>Ohic Ins Co</b>	1.38%	258.05%
2001	<b>Executive Risk Ind Inc</b>	1.31%	-10.99%
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2000	<b>Medical Assurance Of W Virginia Inc</b>	39.35%	74.60%
2000	<b>American Continental Ins Co</b>	22.83%	94.60%
2000	<b>National Union Fire Ins Co Of Pitts</b>	11.95%	27.72%
2000	<b>St Paul Fire &amp; Marine Ins Co</b>	7.01%	92.84%
2000	<b>Health Care Ind Inc</b>	4.56%	95.52%
2000	<b>Pennsylvania Casualty Co</b>	2.47%	105.03%
2000	<b>Ohic Ins Co</b>	1.34%	-274.22%
2000	<b>Virginia Ins Recip</b>	1.08%	214.48%
2000	<b>St Paul Mercury Ins Co</b>	0.87%	74.44%
2000	<b>Legion Ins Co</b>	0.78%	155.60%

**Approved Rate Change History of Admitted Carriers for Medical Malpractice (Physicians & Surgeons unless noted)**

<b>Market Share as of 2007</b>	<b>Company</b>	<b>Effective date</b>	<b>%Requested</b>	<b>% Granted</b>	<b>WV #:</b>
82.15%	<i>West Virginia Mutual Ins Co</i> <i>*fka W.V. Physicians Mutual</i>	3/1/2008	-0.01%	-0.01%	80129001
		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
7.63%	<i>Woodbrook Casualty Ins, Inc</i> <i>*fka Medical Assur. of WV</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
1.94%	<i>Amer. Casualty Co. of Reading, PA</i> <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
1.39%	<i>The Doctors Co., An Interinsurance Exchange</i>	9/1/2007	-9.70%	-9.70%	70612012 (S)
		9/1/2006	-10.90%	-10.90%	60626020
		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
1.30%	<i>Continental Casualty Co.</i> <i>*Dentist Programs</i>	8/1/2007	6.30%	6.30%	70529010 (S)
		11/1/2005	3.90%	3.90%	50408008
		11/1/2004	10.00%	10.00%	40402013 (S)
		10/2/2003	10.00%	10.00%	30804003
		6/12/2002	30.00%	30.00%	159431
		4/11/2000	initial filing	initial filing	40147

County	Population
Barbour County	15,532
Berkeley County	99,734
Boone County	25,201
Braxton County	14,639
Brooke County	23,661
Cabell County	94,435
Calhoun County	7,201
Clay County	10,120
Doddridge County	7,262
Fayette County	46,334
Gilmer County	6,907
Grant County	11,925
Greenbrier County	34,586
Hampshire County	22,577
Hancock County	30,189
Hardy County	13,661
Harrison County	68,309
Jackson County	28,223
Jefferson County	50,832
Kanawha County	191,306
Lewis County	17,145
Lincoln County	22,322
Logan County	35,629
McDowell County	22,991
Marion County	56,728
Marshall County	33,148
Mason County	25,546
Mercer County	61,350

County	Population
Mineral County	26,722
Mingo County	26,755
Monongalia County	87,516
Monroe County	13,537
Morgan County	16,351
Nicholas County	26,160
Ohio County	44,398
Pendleton County	7,650
Pleasants County	7,183
Pocahontas County	8,571
Preston County	30,254
Putnam County	55,001
Raleigh County	79,170
Randolph County	28,292
Ritchie County	10,371
Roane County	15,295
Summers County	13,202
Taylor County	16,117
Tucker County	6,868
Tyler County	8,952
Upshur County	23,508
Wayne County	41,231
Webster County	9,435
Wetzel County	16,432
Wirt County	5,809
Wood County	86,088
Wyoming County	23,674
<b>Total West Virginia</b>	<b>1,812,035</b>

*Source: 2007 U.S. Census Projection from US Census 2000 data*