



STATE OF WEST VIRGINIA
Offices *of the* Insurance Commissioner

Allan L. McVey
Insurance Commissioner

December 9, 2024

The Honorable Jim Justice
Governor State Capitol
1900 Kanawha Blvd.
Charleston, WV 25305

Dear Governor Justice:

Enclosed please find the 2024 Annual Medical Malpractice Report on insurers with 5% or greater market share. 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 database information compiled on those companies' annual statements, and A. M. Best's Aggregates and Averages. In addition, we have included information that was made available through the West Virginia Board of Medicine and the West Virginia Board of Risk and Insurance Management (BRIM).

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. Please contact Juanita Wimmer at (304) 414-8491 or Juanita.D.Wimmer@wv.gov with any questions or concerns.

Sincerely,

Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
Insurance Commissioner Enclosure

cc: Secretary Larry Pack, Department of Revenue





**WEST VIRGINIA
OFFICES OF THE
INSURANCE COMMISSIONER**

**2024
Medical
Malpractice
Report**

**Allan L. McVey
Insurance Commissioner**

Introduction

The West Virginia Offices of the Insurance Commissioner (WVOIC) has prepared this report on Medical Professional Liability insurance to fulfill the requirements and intent of W. Va. Regulations [§114CSR22](#), [§114CSR23](#), W. Va. 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, rate filings, National Association of Insurance Commissioners (NAIC) supplementary information, A. M. Best reports, data collected in accordance with W. Va. Code §33-20B-8, and data from the West Virginia Board of Medicine.

A reporting anomaly was found for a specific insurer during the medical malpractice current and historical analysis. The insurer's annual reported data was unusable for data analysis due to policy structures where there is generally no transfer of risk from the policyholder to the insurer. Due to the circumstances relating to the data reporting, all annual data reported by the insurer has been excluded from this report and is not used in the premium components for all years shown in datasets. However, claims reported to the WVOIC from this insurer are used in the Closed Claim Analysis section details.

In May 2023, the United States Department of Health and Human Services declared the end of the public health emergency for COVID-19. In West Virginia, the statute of limitations to file a claim is generally two (2) years from the date or discovery of the injury. This report does include COVID-19 medical malpractice claims in the analysis, but no other assumptions relating to COVID-19 were used, such as after-effects or potential future impacts to market conditions.

Several data sources used in this report recently changed reporting requirements or data displays. In previous years and medical malpractice reports, the medical malpractice liability has been reported as a singular value on one line item. However, in 2022, the medical malpractice line of insurance was divided into two (2) separate line items, each with their own datasets and values. The line items are medical professional liability (occurrence) and medical professional liability (claims-made). An "occurrence" policy offers lifetime coverage for incidents that occur during the policy period, regardless of when the claim is reported. A "claims-made" policy only covers incidents that occur and are reported while the policy is in effect unless a 'tail' extension is purchased. The data used in this report are either combined (premium, losses, expenses) or averages of the two (2) separate lines (percentages for ratios, expenses, etc.) so that comparisons may be made to prior years when the lines were combined.

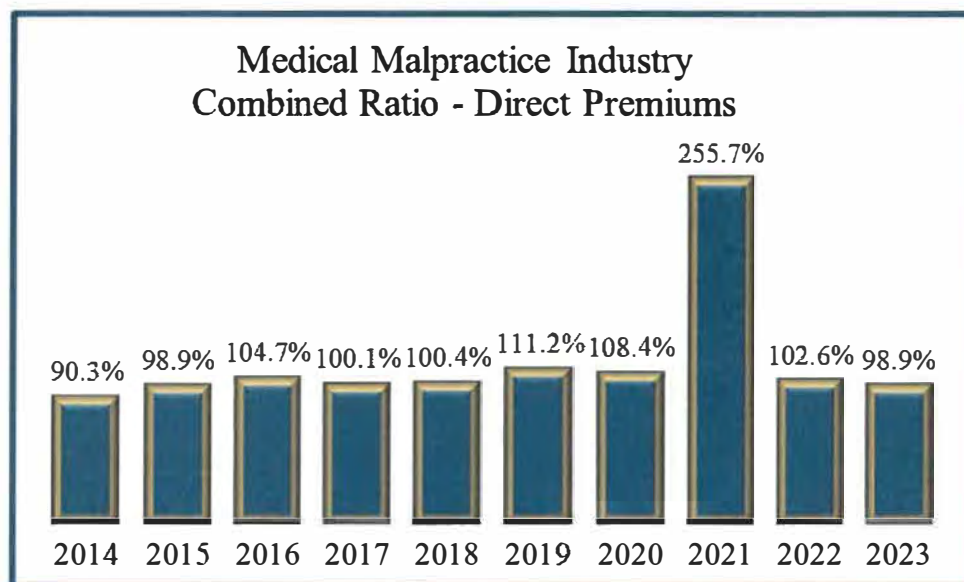
Countrywide Medical Malpractice Insurance Results

Medical professional liability insurance, sometimes known as medical malpractice insurance, is a type of professional liability insurance which protects physicians/surgeons, other licensed healthcare professionals and facilities such as hospitals and nursing homes from liability associated with wrongful practices resulting in bodily injury, medical expenses, property damage, and covers the cost of defending lawsuits related to such claims.

When analyzing the West Virginia medical malpractice market results, it is important to understand how the state level market compares to countrywide results. While the West Virginia market is obviously a much smaller premium scale and without the law of large numbers to predict trends and projections more accurately, a comparison to countrywide results remains a relevant method of determining current market conditions.

According to the 2024 Best's Aggregates and Average publication that includes analyses on the year end 2023 data, the current medical professional liability countrywide direct combined ratio result is averaged at 98.9% and the countrywide net combined ratio result is 93.5%. On a direct basis, 2023 was the first profitable year after seven (7) consecutive years of industry loss. The difference between net and direct premiums is that net premium represents premiums written minus premiums ceded to reinsurance companies whereas direct premiums do not include any reinsurance adjustments. Both net and direct premium datasets provide insight into market conditions from two different outlooks; the net premiums show a specific insurer's experience based on reinsurance contracts while direct premiums show market results in real time with no adjustments on who pays for the losses; insurer or reinsurer.

The graph below shows the ten (10) year history of countrywide medical malpractice combined ratios excluding dividends and investment gain.



West Virginia Medical Malpractice Insurance Results

The prior section provided insight into countrywide market results; we will now compare that experience to the West Virginia market. From 2016 through 2022, the countrywide medical professional liability line generated negative underwriting results while the West Virginia market has historically performed better overall. The table below outlines the changes by component of the most recent combined ratio, including dividends and excluding investment gains, for the West Virginia data compared to the countrywide data.

West Virginia Direct Premium Data - NAIC					
Year	Loss	LAE	Expense	Dividends	Combined Ratio
2022	49.9%	21.8%	14.5%	0.1%	86.3%
2023	29.8%	6.6%	12.8%	1.5%	50.6%
Change	(40.3%)	(69.8%)	(11.8%)	1370.0%	(41.3%)

Countrywide Direct Premium Data – A.M. Best					
Year	Loss	LAE	Expense	Dividends	Combined Ratio
2022	53.9%	25.5%	22.3%	0.9%	102.6%
2023	52.7%	22.7%	22.7%	1.0%	99.1%
Change	(2.2%)	(11.0%)	1.8%	11.1%	(3.4%)

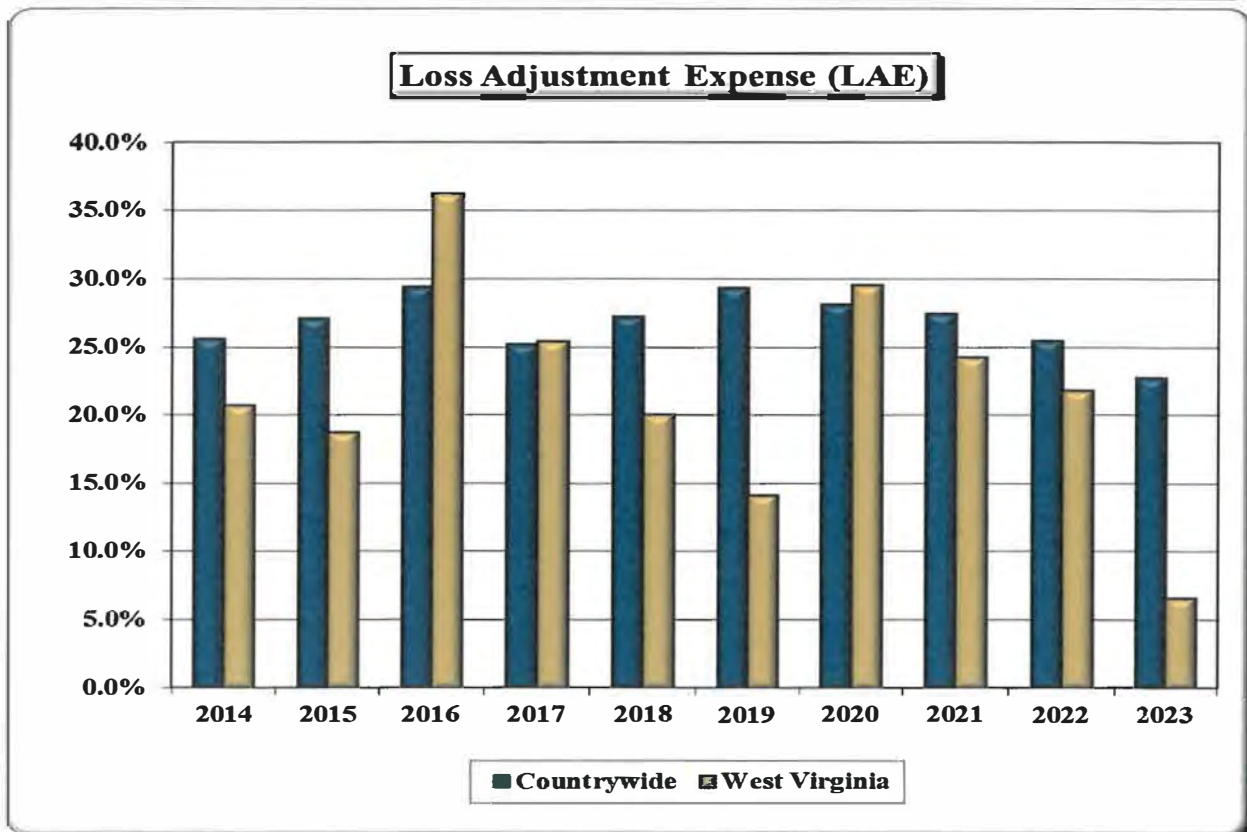
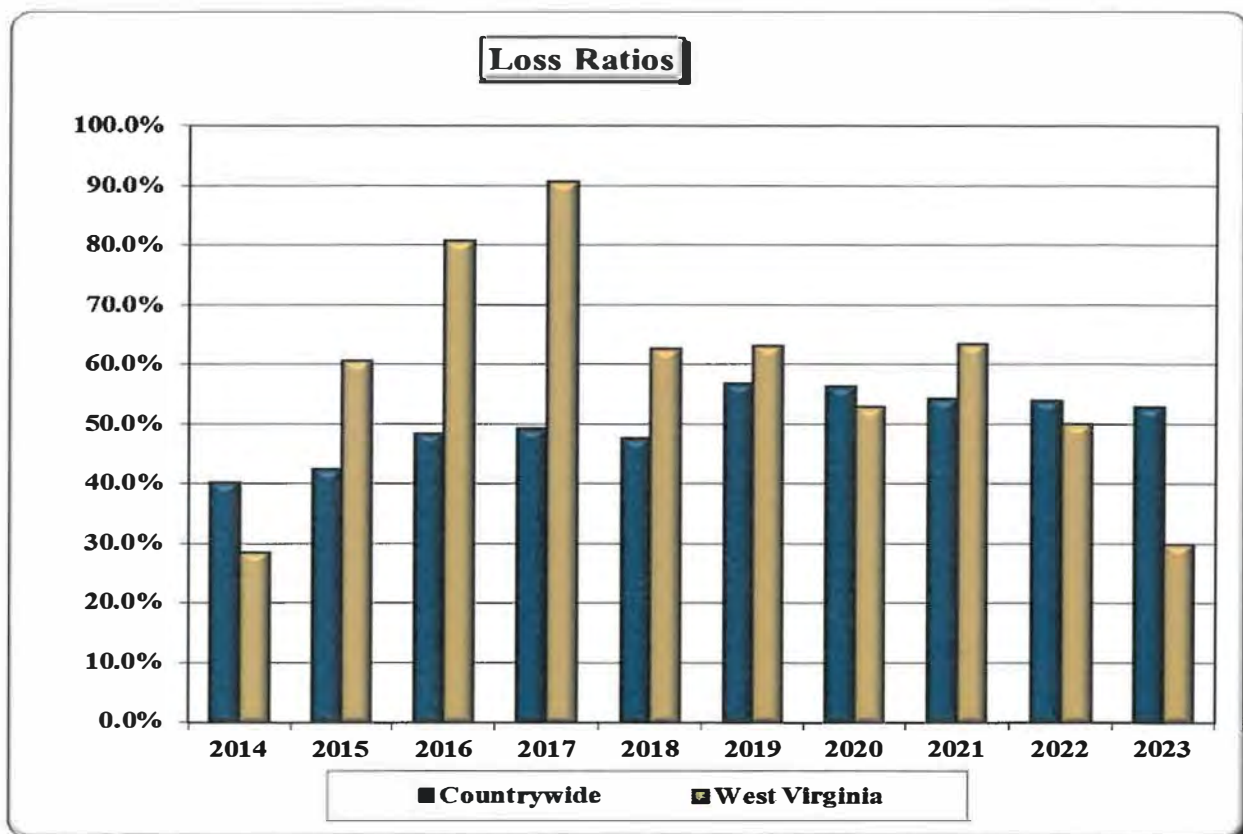
The loss portion of the ratio includes monies paid by an insurer for medical malpractice losses. Loss adjustment expense (LAE) includes insurer expenses that are associated with investigating and managing claims. Expense includes commissions, taxes, salaries, company overhead costs and any other costs not specifically related to claims. Dividends are payments returned to the policyholder due to better-than-expected company results and are not guaranteed for any policy term or year.

As you can see in the countrywide data shown above, there is a minimal variation in the 2022 – 2023 industry data; meaning the national market remained stable. While it may not be a balanced comparison due to two separate data sources of information, the West Virginia combined ratio is 48.9% lower than the countrywide combined ratio. It is again important to note the volatility in the West Virginia market and the impact that a single claim may have on the entire market so ups and downs are expected in a year-to-year comparison.

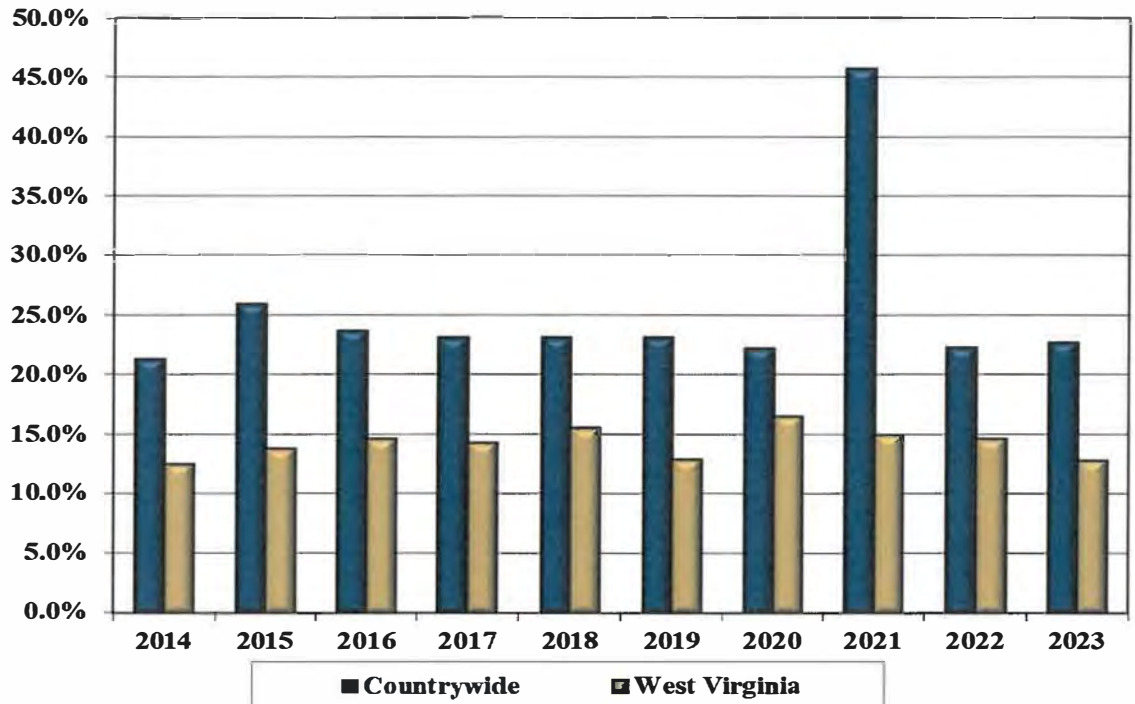
The following observations and exhibits provide analysis of the medical professional liability line of insurance for the countrywide and West Virginia experience for the past ten years.

- West Virginia medical malpractice premiums, both written and earned, increased 7.4% from the 2022 premium level to the 2023 premium level. The current premium levels are the highest in 13 years and are similar to the 2008-2009 premium levels.
- The West Virginia pure loss ratio (incurred losses / total earned premiums) decreased 40.4% in 2023. This ratio is the lowest loss ratio since 2014. It's important to note that the incurred losses used in the loss ratio calculation are different than actual paid losses. Incurred losses include reserves or anticipated future expenses. The paid losses reported for 2023 were \$30,474,705 compared to \$21,862,179 incurred losses for a difference of \$8.6M. When the incurred losses are lower than paid losses, that means that reserves were decreased for any number of reasons. This can happen when claims are settled for less than provisioned, subrogated recoveries were received to reduce claims costs or even if the claim developed favorably and total costs were less than anticipated. In the simplest of terms, this happens when the outstanding liabilities are reduced by more than was paid. The West Virginia Mut Ins Co. reported incurred losses of -\$7.9M which is the bulk of the reserve reduction.
- Loss allocated expenses (LAE) decreased 69.8% from the 2022 level. These expenses include legal fees, court costs, expert witnesses, investigation costs, costs of records duplications, trial preparations, etc. West Virginia's 2023 LAE is 71% lower than countrywide but 2023 is an anomaly and previous results showed West Virginia and countrywide reported similar LAE. As was described above for the loss ratio, the incurred LAE (\$4,834,032) was lower than the paid LAE (\$10,518,457) for the same reasons. Specifically, the West Virginia Mut Ins Co. reported incurred LAE of -\$1.7M and while that is the largest decrease, there were 44 insurers with negative incurred LAE.
- The 2023 underwriting expenses decreased 12.1% from the 2022 percentage. The underwriting expense has the least volatility of the expense components. When compared to countrywide expenses, West Virginia is consistently much lower with an average of 41.4% less underwriting expenses reported over the last 10 years.
- The West Virginia 2023 combined ratio decreased by 43.0%. Currently at 49.2% (excluding dividends), this ratio indicates a profitable market. The 2023 combined loss ratio is at its lowest point since 2010. The combination of the decrease in loss ratio and LAE are the drivers of the combined ratio. Combined ratios have traditionally been volatile due to frequency, severity, and claim variances within the relatively small West Virginia market.
- The West Virginia combined ratio, including dividends, is 50.6%. The amount of premium returned increased 1370% from \$83,150 in 2022 to \$1,075,802 in 2023 with Professional Security Ins. Co. declaring \$582,839 of the total.

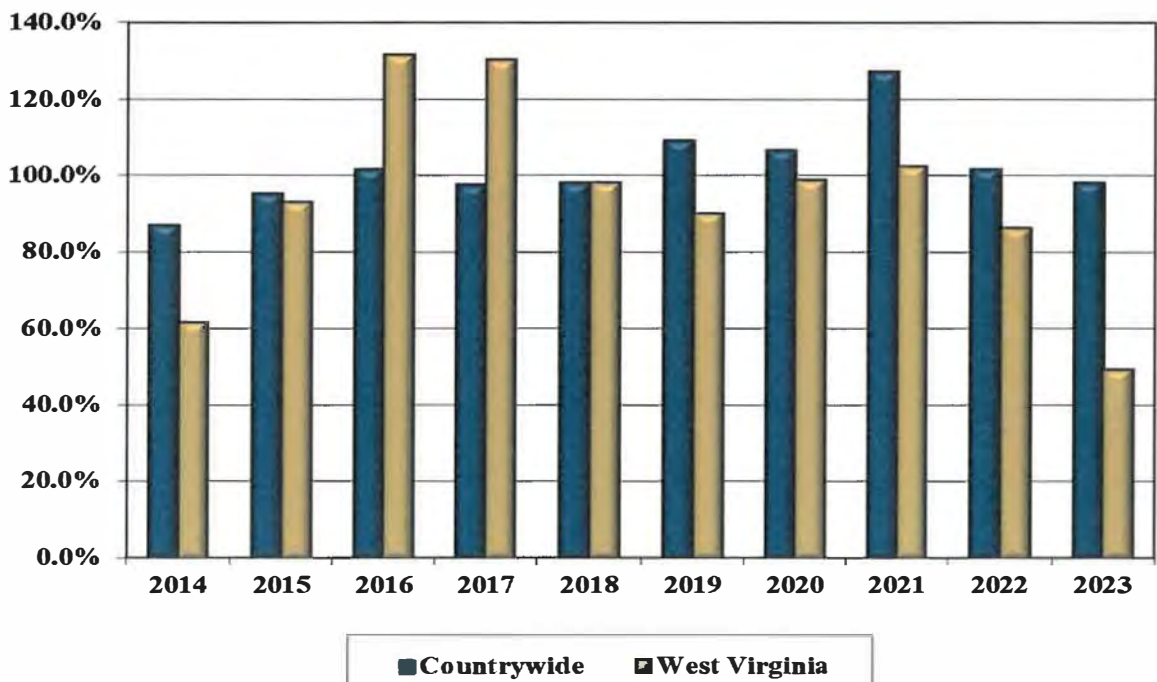
Visual graphics are provided below to show the comparisons in countrywide and West Virginia experience by loss and expense components. The numbers below do not include dividends.



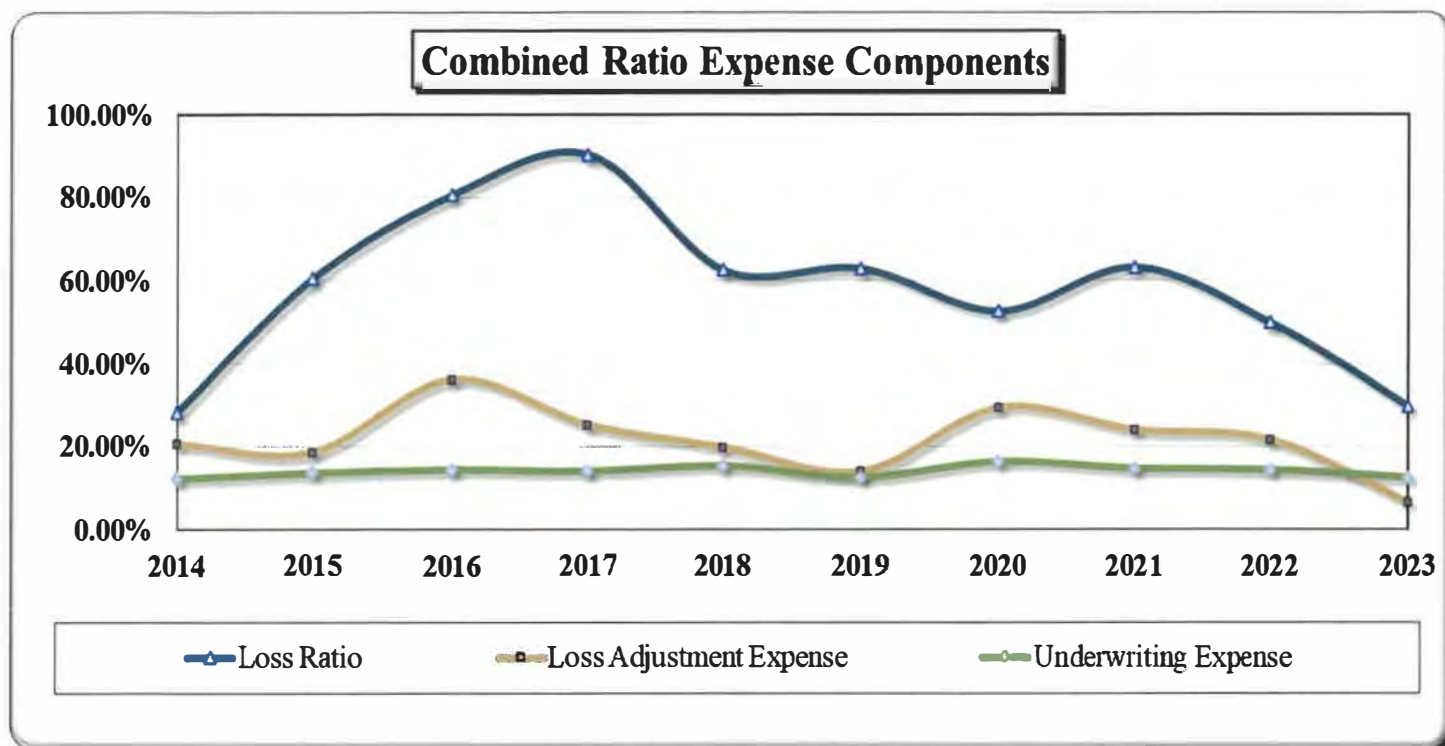
Underwriting Expense



Direct Combined Ratios



The historical combined ratio by expense summary graph below indicates the West Virginia medical malpractice line continues to exhibit volatile loss ratios, moderate loss adjustment expenses and generally stable underwriting expenses.



The table below displays the 2023 West Virginia aggregate totals by component as reported by insurers on the annual statements to NAIC on a business written basis. The underwriting expense is the sum of the Commissions and the Taxes, Licenses and Fees.

Direct Premium Written	Direct Premium Earned	Dividends	Direct Losses Paid	Direct Losses Incurred
\$77,369,203	\$73,420,331	\$1,075,802	\$30,474,705	\$21,862,179

LAE Paid	LAE Incurred	Commission and Brokerage Expense	Taxes, Licenses and Fees
\$10,518,457	\$4,834,032	\$7,572,992	\$1,817,376

Closed Claims Analysis

A medical malpractice claim occurs when a hospital, doctor, or other healthcare professional, through a negligent act or omission, causes an injury or harm to a patient. The negligence may be the result of errors in diagnosis, treatment, pre- or post-care or health management. West Virginia Code §33-20B-8 requires insurers to report closed claim information to the WVOIC. This section will provide insight into closed claims data as reported by insurers to both the West Virginia Board of Medicine and the WVOIC.

Board of Medicine Data

The West Virginia Board of Medicine (BOM) information is not insurance data; but is information provided by insurers to the BOM about medical malpractice claims after the disposition¹. Disposition means any claim which has been dismissed, settled, or adjudicated. While not considered insurance data, this information is useful in attempting to identify market trends over time because even with twenty years of data, the number of claims and loss dollars are not at credible levels needed for long term analysis or trending.

A summary of the BOM actions reported in calendar year 2023 is provided below:

Action Type	Count of Action	Amount of Action
Judgment in Legal Action	1	\$9,909,168
Settlement	66	\$23,032,400
Total	67	\$32,941,568

The exhibit below displays paid claim count information for 2014 – 2023.

Year	Judgments		Settlements	Total
	\$0 Awards	Total	Total	
2014	3	3	119	122
2015	2	3	120	123
2016	4	5	140	145
2017	2	3	114	117
2018	0	0	99	99
2019	0	2	92	94
2020	0	0	67	67
2021	0	0	91	91
2022	0	2	78	80
2023	0	1	66	67
Total	11	19	986	1,005

¹ The BOM information does include Board of Risk and Insurance Management (BRIM) claims and self-insured claims. This information is provided to the WVOIC by the BOM and has not been audited for accuracy.

In general, the number of claims filed have dropped significantly since the passage of 2001 legislation. The 2014-2023 average is 101 claims per year, so the last six (6) years have resulted in less than average claim counts. The claims costs vary year-to-year due to the nature and types of claims, so severity trending is not statistically reliable, but it is obvious that there is a notable downward trend in the counts.

As noted in the judgments/settlements table, claims are nearly always settled outside of courtrooms, notably in more recent years. This is likely the reason why the West Virginia loss adjustment expenses and DCCE costs have historically been lower than countrywide. Generally, claims are settled so that an insurer knows the ultimate cost outcome rather than leaving an award up to chance by a jury or court. Settlements are not uncommon in any line of insurance and are both preferred and prevalent in long tail lines such as medical malpractice.

WVOIC Data

In accordance with §33-20B-8, the WVOIC collects claim data from insurers when a claim is closed.

A medical malpractice claim includes four (4) damage components and an insurer expense component. Claim components and definitions of each follow:

Indemnity Paid – Indemnity payments include all compensation paid to claimants or plaintiffs.

Economic Damages Paid – Economic damages are monies awarded as compensation for monetary losses and expenses which the plaintiff has incurred, or is reasonably likely to incur in the future, as a result of the defendant's negligence. This includes:

- Medical care and future expenses
- Loss of earnings
- Loss of earning capacity

Non-Economic Damages Paid – Non-economic damages are monies awarded as compensation for non-monetary losses and injuries which the plaintiff has suffered, or is reasonably likely to suffer in the future, as a result of the defendant's negligence. This includes:

- Mental distress and suffering
- Loss of enjoyment of life
- Loss of consortium
- Disfigurement

Punitive Damages Paid – Punitive damages are monies awarded when it can be proven that a medical professional deliberately and maliciously caused serious harm to the patient. These damages are rarely awarded because the burden of proof falls to the claimant or plaintiff.

Loss Adjustment Expense (LAE) Paid – Expenses paid by the insurer in the process of administering or adjudicating a claim. The claimant/plaintiff does not receive these monies as part of an award.

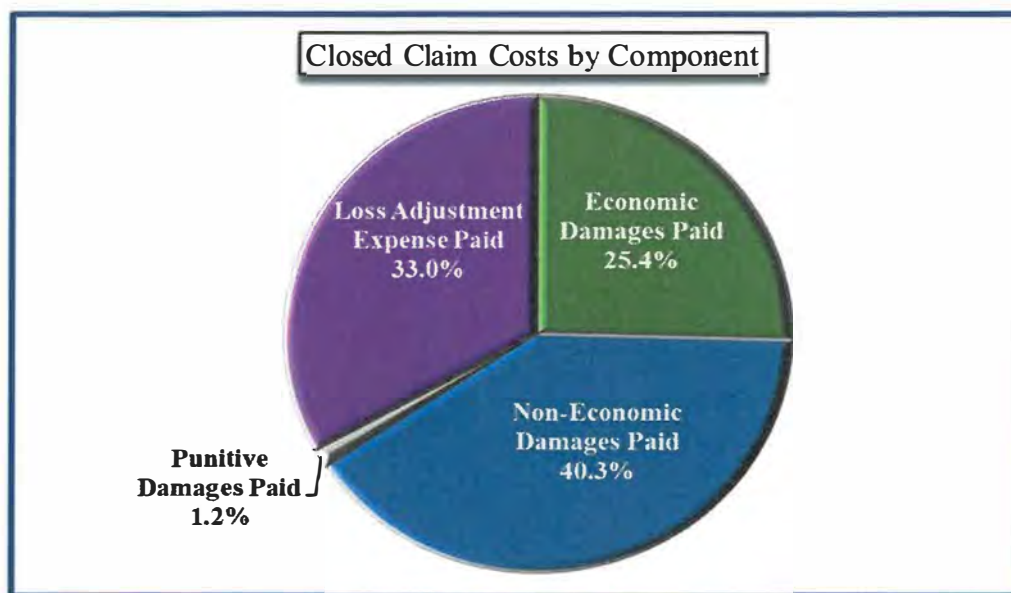
As mentioned in the definitions above, the indemnity payments should display the total amount paid to the plaintiff and the economic, non-economic and punitive damages should equal the indemnity payments to show the allocation of the damages. However, the historical data, and some more recent claim reports to the WVOIC, prove that is not always the case even though reporting instructions are clearly stated. The WVOIC cleansed and validated the data as much as possible prior to analysis but cautions that the reported claim data may not be fully credible. The WVOIC has taken steps to ensure this is not the case for future reporting by implementing validation rules embedded within the online medical malpractice reporting form.

For this report, the WVOIC is providing claim information that was reported directly by the insurer via an online claim reporting portal that was created in May 2017. While this is not a full history of claims information, the data is more accurate and uses current data validation techniques in the insurer claim submissions.

The summary below represents all claims reported to the WVOIC, including all professional codes such as physician and surgeons, nurses, hospitals, nursing homes, clinics, dentists, chiropractors, and podiatrists. The data table represents claims information as of September 24, 2024.

Claim Closed Year	Count of Claims	Indemnity Paid	Economic Damages Paid	Non-Economic Damages Paid	Punitive Damages Paid	Loss Adjustment Expense Paid
2013	2	\$0	\$0	\$0	\$0	\$8,806
2014	1	\$0	\$0	\$0	\$0	\$8,756
2015	1	\$0	\$0	\$0	\$0	\$4,154
2016	48	\$6,533,165	\$725,000	\$800,000	\$0	\$1,337,799
2017	151	\$74,669,078	\$7,198,781	\$6,867,787	\$0	\$31,066,299
2018	249	\$37,048,550	\$17,452,815	\$16,545,367	\$400,000	\$11,635,449
2019	276	\$32,143,559	\$11,916,330	\$13,266,536	\$0	\$10,684,637
2020	230	\$25,089,909	\$11,330,628	\$13,009,281	\$700,000	\$9,206,483
2021	227	\$41,712,243	\$15,178,555	\$25,445,212	\$1,088,476	\$14,013,105
2022	190	\$42,910,463	\$18,961,644	\$22,907,151	\$1,041,668	\$12,376,371
2023	189	\$33,266,011	\$3,778,763	\$29,186,914	\$300,333	\$20,690,514
2024	95	\$16,314,156	\$2,398,955	\$13,215,200	\$700,000	\$4,623,401
Total	1,659	\$309,687,134	\$88,941,472	\$141,243,449	\$4,230,477	\$115,655,775

The chart below shows the allocation of indemnity payments by reported components and LAE expenses incurred.



Similar to the BOM data, we can also consider claim outcomes for the disposition of claims reported by the insurer to the WVOIC. Please note the claims costs provided in the data tables and analyses are not capped at policy limits and are analyzed using the dispositions and damage payments reported by the insurer. Claims data received via the online portal is not audited for accuracy by the WVOIC and is accepted as submitted by the insurer. Further, systemic cases may be counted as a single claim with a high dollar payout which may affect averages and statistics.

Disposition	Claim Count	Indemnity Paid	Economic Damages Paid	Non-Economic Damages Paid	Punitive Damages Paid	LAE Paid
Settlement	966	\$308,328,802	\$88,774,773	\$140,062,823	\$4,230,477	\$96,135,970
Dismissal	360	\$460,706	\$166,699	\$283,000	\$0	\$13,126,748
Failure to Pursue/ Voluntarily Withdrawn	185	\$0	\$0	\$0	\$0	\$2,110,468
Lack of Certificate of Merit	77	\$0	\$0	\$0	\$0	\$262,246
Judgment	48	\$897,626	\$0	\$897,626	\$0	\$2,967,857
Closed	23	\$0	\$0	\$0	\$0	\$1,052,487
Total	1,659	\$309,687,134	\$88,941,472	\$141,243,449	\$4,230,477	\$115,655,775

It was noted that the BOM data had one (1) reported judgment for nearly \$10M that was not reported to the OIC. A company inquiry revealed that the doctor had self-reported to BOM, but the claim has been appealed and is not closed. Therefore, the claim doesn't meet the mandatory reporting requirements to the OIC.

Settlements account for the vast majority of the dispositions with 58.2% of the total claim count. Settlements also account for 99.6% of overall indemnity payments and 83.1% of overall LAE payments.

As shown in the table above, many claims are closed with \$0 payments due to lack of merit, voluntarily withdrawn or dismissals. There were 729 claims, 44% of the total claim count, that were reportedly closed with \$0 indemnity payments. However, those claims accrued LAE costs of \$20,456,510 or 17.7% of overall LAE payments.

The next data table considers only the remaining 930 claims with reported non-\$0 indemnity payments. By removing the \$0 paid claims, the remaining claims provide accurate per claim averages that are not skewed by outliers.

Disposition	Count	Indemnity Damages Paid	Economic Damages Paid	Non-Economic Damages Paid	Punitive Damages Paid	LAE Paid
Settlement	921	\$308,328,802	\$88,774,773	\$140,062,823	\$4,230,477	\$94,531,351
Dismissal	7	\$460,706	\$166,699	\$283,000	\$0	\$501,344
Judgment	2	\$897,626	\$0	\$897,626	\$0	\$166,570
Total	930	\$309,687,134	\$88,941,472	\$141,243,449	\$4,230,477	\$95,199,265

When considering the entire dataset of 1,659 reported claims the average indemnity paid per claim is \$186,671 with an average LAE paid of \$70,565 but when only considering the 930 claims with indemnity payments, the average indemnity paid per claim is \$332,997 and the average LAE paid is \$102,365.

Review of 5% Market Share Insurer Data

The reporting of experience for insurance companies with 5% or more of the West Virginia medical malpractice direct written premium is mandated by:

[West Virginia Regulation §114CSR22](#)

[West Virginia Regulation §114CSR23](#)

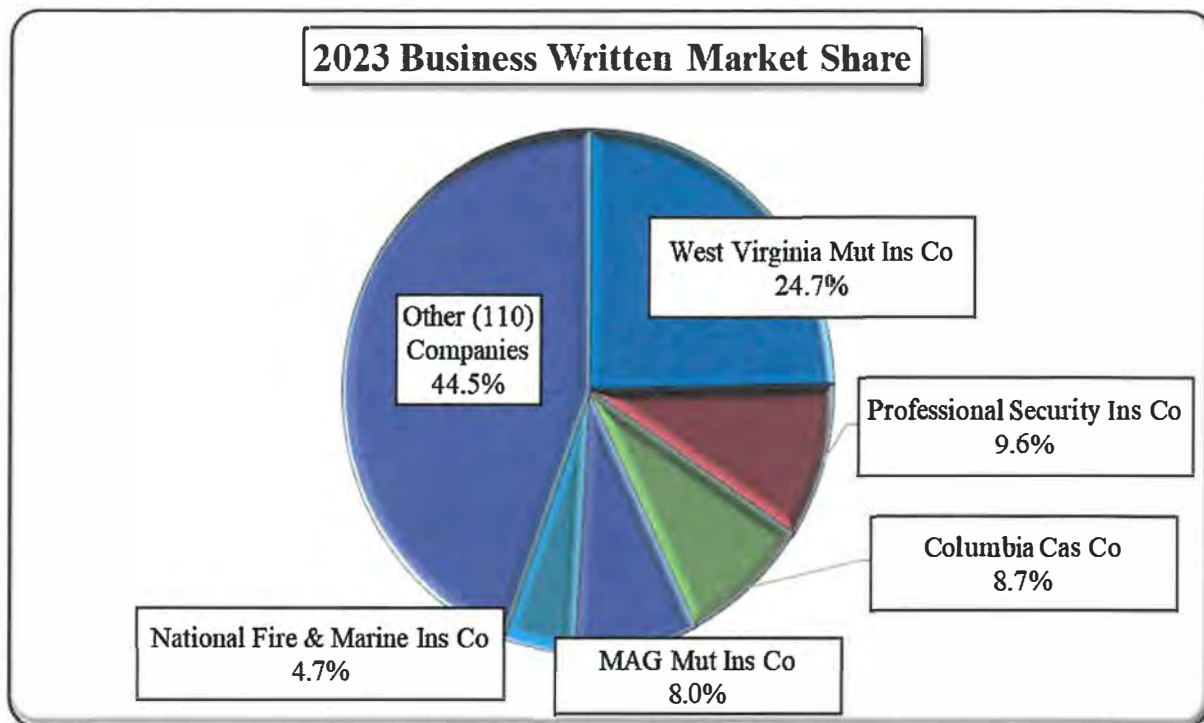
[West Virginia Code §33-20B-6](#)

This section of the report reviews the rates and rules of insurers reporting 5% or greater premium market share of medical professional liability insurance. Two methods used to evaluate premium market share include premium reports based on a licensed basis and business written basis. Business written includes financial reports from excess and surplus lines insurers, whereas licensed reports exclude unlicensed company reports. Unlicensed companies are not subject to the same regulatory requirements as licensed companies, including the filing of and receiving approval of company rates and forms. Unlicensed companies must be admitted as a surplus lines company in order to do business in our State. While the majority of the analyses in this report use a business written approach to accurately capture the entirety of the industry for both premiums and claims costs, the market share request is based on licensed data due to regulatory authority applicable to licensed entities only.

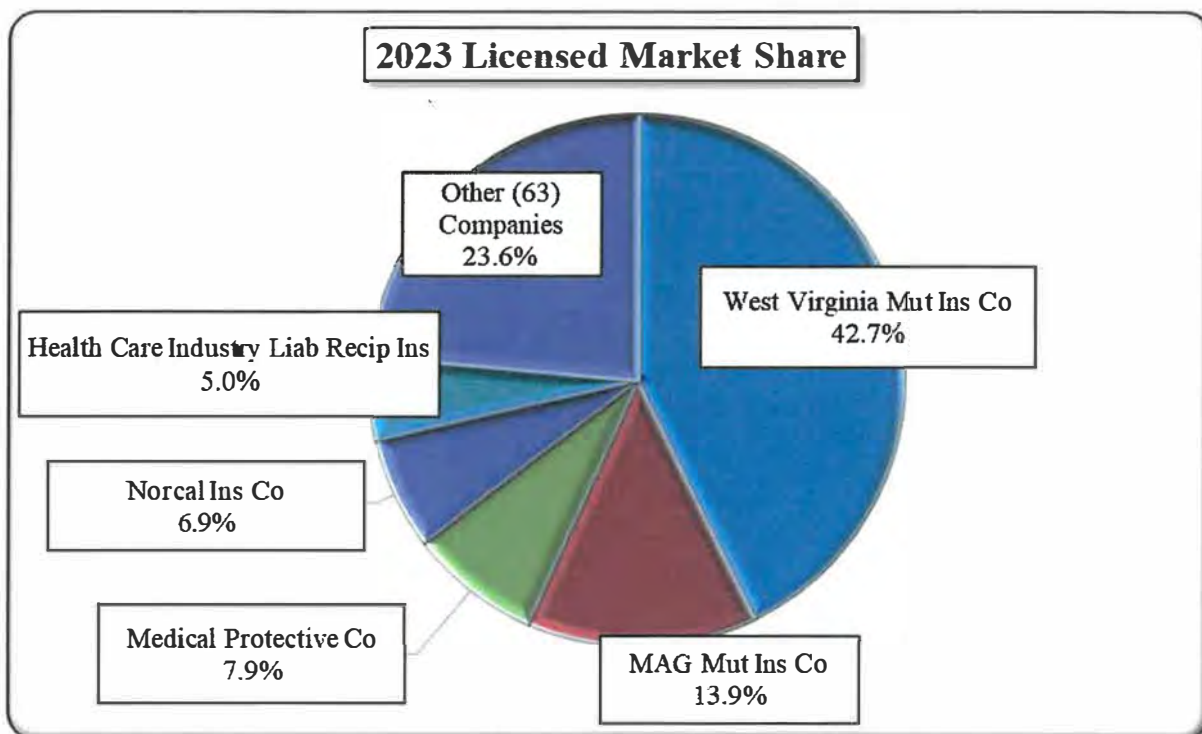
The medical malpractice licensed market share report showed that four (4) regulated insurers met the premium threshold requirement. The qualifying insurers were the West Virginia Mutual Insurance Company, MAG Mutual Insurance Company, Medical Protective Company and NORCAL Insurance Company. All four (4) insurers complied with the mandate and provided required and supplemental data as directed by the WVOIC and W.Va. Code.

The charts below identify the top five (5) market share percentages by insurer for both business written and licensed entities. The full table with all insurers reporting medical professional liability premiums in West Virginia for 2023 is provided as an exhibit at the conclusion of this report.

Based on business written premiums for 2023, the West Virginia medical malpractice market currently consists of the following insurers with the subsequent market share for each:



Based on licensed premiums for 2023, the West Virginia medical malpractice market currently consists of the following insurers and risk retention groups with the subsequent market share for each:



When evaluating the two reports for market share calculations, you can see there is a large disparity in the market share percentages by reporting basis. For instance, the West Virginia Mutual Ins. Co. reports 24.7% of the total business written premiums with 42.7% of the licensed premiums. When considering the overall direct written premiums from business written and licensed, the difference is more than \$32.7M (business written is \$77.4M and licensed is \$44.7M). Considering the difference of \$32.7M, it can be calculated that more than 42% of the total medical professional liability premiums are written by surplus lines insurers, risk retention groups or other non-licensed and non-regulated entities. Surplus lines insurance companies fill an important need in the marketplace as they have the ability to accommodate a wider variety of risks and provide insurance for hard to place, unique or high-risk specialty fields where insurance coverage may not otherwise be available through a licensed insurer. However, there are also cons for surplus lines coverage such as premiums are generally more expensive and surplus lines insurers aren't subject to the same regulatory authority as a licensed insurer.

When comparing the premiums from year to year, it is notable that the business written premiums increased 7.4% and licensed premiums increased 0.2% from 2022 to 2023. While reviewing the reasoning for the static licensed premiums compared to the much larger growth in the business written premiums, it was noted that one licensed insurer reported \$2.3M in written premiums in 2022 and the same insurer reported negative \$2.3M in 2023 thus offsetting their entire reported West Virginia experience from 2022. If you exclude this insurer's data, the licensed premium would have increased 5.5% from 2022 which is similarly aligned to the business written increase. Similarly, surplus lines insurers may have implemented rate increases in the business written market.

The table below displays the written premiums by subline for each insurer meeting the 5% market share threshold.

Insurer	Subline	Written Premium
West Virginia Mut Ins Co	<i>Physicians</i>	\$19,083,508
	<i>Hospitals</i>	\$0
	<i>Other</i>	\$0
	Total	\$19,083,508
MAG Mut Ins Co	<i>Physicians</i>	\$6,198,042
	<i>Hospitals</i>	\$0
	<i>Other</i>	\$0
	Total	\$6,198,042
Medical Protective Co	<i>Physicians</i>	\$2,671,798
	<i>Hospitals</i>	\$0
	<i>Other</i>	\$877,700
	Total	\$3,549,498
NORCAL Ins Co	<i>Physicians</i>	\$3,076,221
	<i>Hospitals</i>	\$0
	<i>Other</i>	\$0
	Total	\$3,076,221

The next section of this report will review market positions and rate histories for each of the four (4) insurers.

West Virginia Mutual Insurance Company (WVMIC)

As a long-term solution to the availability of medical malpractice coverage in West Virginia, §33-20F established WVMIC and all policies previously insured as part of the BRIM II program novated to the company upon inception. The rate history of WVMIC since inception follows:

2023 Market Share	Company	Effective Date	% Requested	% Approved	Filing Number
24.7% (business written basis)	<i>West Virginia Mutual Ins Co</i>	1/1/2024	9.9%	9.9%	MAGM-133769769
		1/1/2023	9.9%	9.9%	MAGM-133407329
42.7% (licensed basis)		1/1/2022	9.9%	9.9%	MAGM-133000288
		1/1/2021	9.9%	9.9%	100054272
		1/1/2020	0%	0%	100051088
		1/1/2019	0%	0%	100048474
		1/1/2018	0%	0%	100045368
		1/1/2017	0%	0%	100040549
		1/1/2016	0%	0%	100035423
		1/20/2015	0%	0%	100030006
		1/1/2014	0%	0%	100023353
		1/1/2013	0%	0%	100016727
		1/1/2012	(5.0%)	(5.0%)	100011255
		1/1/2011	0%	0%	100006008
		1/1/2010	0%	0%	90918009
		1/1/2009	0%	0%	80903007
		1/1/2008	0%	0%	70918006
		1/1/2007	(15.0%)	(15.0%)	60915016
		1/1/2006	(5.0%)	(5.0%)	50826007
		1/1/2005	10.2%	10.2%	41006013
		7/1/2004	Initial filing	Initial filing	40331017

WVMIC was purchased by the MAG Mutual Insurance Group in 2020. With this acquisition, WVMIC's ratemaking methodology was impacted. WVMIC had previously used investment income from operations to offset indicated rate changes. MAG Mutual's approach is to use investment income to offset rate changes. This is not an uncommon ratemaking methodology within the insurance industry, but the change did impact the rate calculations resulting in substantial indicated rate increases.

A summary of the most recent five (5) years indicated rate increases from annual rate filings are displayed below.

Effective Date	% Indicated	% Requested	% Approved	Effective Date	% Indicated	% Requested	% Approved
January 2020	8.1%	0.0%	0.0%	January 2022	16.9%	9.9%	9.9%
January 2021	36.1%	9.9%	9.9%; 5% renewal credit removed	January 2023	9.9%	9.9%	9.9%
				January 2024	16.2%	9.9%	9.9%

Prior to 2021 and the MAG Mutual acquisition, WVMIC had not filed a rate change for several years. In simplest terms, a rate increase is needed when projected costs exceed projected premium. The 2021 rate filing not only requested and received WVOIC approval of a 9.9% rate increase but also eliminated a 5% premium credit a policyholder received for renewing with the insurer. As shown in the table, WVMIC has increased rates approximately 40% over the last four (4) years since the MAG Mutual acquisition.

As WVMIC's 2023 market share for licensed companies is 42.7%, their results have a substantial impact on the overall market reports. As noted, the recent increased rate indications have been significantly influenced by the change in the calculation of investment income for ratemaking purposes and several rate increases have been requested and approved. The WVOIC continues to monitor this company's acquisition, pooling agreement and data reporting to ensure adequate rates and coverage availability is sufficient for the market.

MAG Mutual Insurance Company (MAG Mutual)

Mag Mutual was licensed in West Virginia to offer casualty insurance effective June 1, 2010.

Prior to acquiring the WVMIC in 2020, MAG Mutual did report premiums in West Virginia for medical professional liability insurance. The reported premium fluctuates from as low as \$8.7K in 2021 to \$6.2M in 2023. It may be assumed that the large increase in the 2023 premium may be a transfer of premium from WVMIC, but the WVMIC reported premium has increased or remained static for the years since the acquisition. FY2023 was the first year that MAG Mutual met the 5% premium market share threshold for the required reporting of supplemental data.

As shown in the table below, MAG Mutual has never filed a rate increase since the initial filing.

2023 Market Share	Company	Effective Date	% Requested	% Approved	Filing Number
8.0% (business written basis)	MAG Mut Ins co	1/1/2022	0.00%	0.00%	MAGM-133055842
		7/1/2017	0.00%	0.00%	MAGM-131098725
7/1/2018		0.00%	0.00%	MAGM-131559996	
7/1/2016		0.00%	0.00%	MAGM-130636700	
7/1/2015		0.00%	0.00%	MAGM-130164169	
7/1/2014		0.00%	0.00%	MAGM-129599380	
7/1/2012		0.00%	0.00%	MAGM-128526079	
1/1/2011		0.00%	0.00%	MAGM-126908655	
13.9% (licensed basis)					

At this time, the WVOIC does not have concerns regarding this company's financial status or reserving methodologies. However, we are following up on the non-compliance of annual reporting mandated in [WV Code §33-20B-3](#).

Medical Protective Company

Medical Protective Company had written premium prior to 2010 but at that time the company was not profitable in West Virginia and did not assume new or renewal business. Medical Protective Company began actively writing premiums in 2013 after medical malpractice tort reform and improving market conditions.

2023 Market Share	Company	Effective date	% Requested	% Approved	Filing Number
4.6% (business written basis) 7.9% (licensed basis)	Medical Protective Co	1/1/2025	6.5%	6.5%	MDPC-134194637
		1/1/2024	7.5%	7.5%	MDPC-133770746
		1/1/2023	3.1%	3.1%	MDPC-133363313
		1/1/2022	9.5%	9.5%	100056182
		1/1/2021	6.8%	6.0%	100053288
		1/1/2020	9.2%	9.2%	100050676
		1/1/2019	4.1%	4.1%	100048408
		1/1/2018	0%	0%	100046609
		1/10/2017	0%	0%	100042047
		1/1/2016	0%	0%	100035921
		1/14/2013	(13.3%)	(13.3%)	100018489

The company filed and received approval for rate increases for the past seven (7) years. The rate increases were deemed appropriate and in-line with indicated rate and premium levels. As part of the approval process, the WVOIC closely reviewed the profitability of Medical Protective Company's overall book of business after the recent rate increases. The WVOIC believes rates are adequate and currently have no concerns with the operations or financial status of this company.

NORCAL Mutual Insurance Company (NORCAL)

NORCAL was licensed in West Virginia to offer casualty insurance effective September 1, 2013.

The rate history of NORCAL Mutual Insurance Company is as follows:

2023 Market Share	Company	Effective date	% Requested	% Approved	Filing Number
4.0% (business) 6.9% (licensed basis)	NORCAL Mut Ins	1/1/2025	4.6%	4.6%	NCMC-134148716
		1/1/2024	7.4%	7.4%	NCMC-133735001
		1/1/2023	7.0%	7.0%	NCMC-133319639
		1/1/2022	8.6%	8.6%	100056390
		1/1/2021	8.0%	8.0%	100053130
		1/1/2020	4.0%	4.0%	100050574
		1/1/2019	7.0%	7.0%	100047937
		1/1/2018	0%	0%	100044426
		1/1/2017	0%	0%	100039187
		5/1/2016	Initial filing	Initial filing	100035481

Beginning with the 2023 filing, NORCAL made an internal change to the underlying data source used in their ratemaking process. While the WVOIC generally only considers West Virginia policy experience for rate filing reviews, the 2023 and subsequent filings included insureds that do practice in West Virginia but also have policies written outside of the state, such as traveling nurses or doctors. The 2023 indicated rate change was 19.1% using the revised data due to the methodology change but the company transitioned the increase by requesting a 7.0% rate increase for 2023 and another 7.4% rate increase in 2024, both were approved by the WVOIC. As part of the approval process, the WVOIC closely reviewed the profitability of NORCAL's overall book of business after the recent rate increases. The WVOIC believes rates are adequate and currently have no concerns with the operations or financial status of this company.

Investment Income Provisions

W.Va. Code §33-20B-6 requires that the WVOIC reports the investment portfolio, including reserves, and the annual rate of return on the investment portfolio for each insurer providing coverage of 5% or more of the malpractice insurance premiums in the state. This report also includes insurer responses to the questions outlined in the above-mentioned W.Va. code section.

The data sets below summarize the supplemental information as reported to the WVOIC by the companies.

Insurance Expense Exhibit

2023	WVMIC	MAG Mutual	Medical Protective	NORCAL
Commission and Brokerage	0.0%	9.9%	12.2%	4.0%
New Acquisition	0.0%	2.9%	7.2%	0.0%
General	0.0%	10.4%	6.5%	9.0%
Taxes	0.0%	3.6%	4.8%	5.0%
Loss Ratio	0.0%	76.2%	11.1%	19.0%
Combined Loss Ratio	0.0%	103.1%	41.8%	37.0%
Investment Gain/(Loss)	0.0%	14.3%	(0.1%)	-

Source: Company submitted supplemental data

A significant observation is that while WVMIC retains majority market share in both the business written and licensed premium basis, the pooling agreement with MAG Mutual includes nearly 100% ceded reinsurance so the premiums are written by WVMIC and then transferred to MAG Mutual as part of the pooling arrangement. Due to the provisions included in the ceding and pooling agreement, comparisons of the WVMIC company specific expenses, investment, and income from year to year will be impossible as MAG Mutual controls the WVMIC company assets and expenses.

Investment Exhibit

2023	WVMIC	MAG Mutual	Medical Protective	NORCAL
Bonds	\$18,723,101	\$1,686,563,603	\$479,944,115	\$1,274,735,481
Preferred Stocks	\$0	\$0	\$0	\$1,534,722
Common Stocks	\$0	\$496,147,344	\$3,037,647,704	\$97,500,039
Real Estate	\$0	\$0	\$9,970,438	\$0
Cash	\$2,616,964	\$24,858,482	(\$10,370,142)	(\$2,106,214)
Cash Equivalents	\$3,682	\$68,755,387	\$566,403,690	\$40,975,839
Short Term Investments	\$0	\$0	\$711,493,866	\$1,549,969
Derivatives	\$0	\$0	\$0	\$0
Other Invested Assets	\$0	\$146,437,424	\$50,941,873	\$46,081,379
Receivables for Securities	\$0	\$7,996,692	\$0	\$0
Agg. w/ins for Invested Assets	\$0	\$39,600,171	\$0	\$0
Total Cash and Invested Assets	\$21,343,749	\$2,470,359,101	\$4,846,031,544	\$1,460,271,215
Net Investment Income Earned	\$730,441	\$63,797,673	\$125,065,885	\$41,296,182
Investment Yield	3.42%	2.58%	2.58%	2.83%
Total Loss Reserves	\$0	\$819,847,148	\$817,893,603	\$655,717,783
Total LAE Reserves	\$0	\$315,566,160	\$272,424,500	\$238,467,902
Total Reserves	\$0	\$1,135,413,308	\$1,090,318,103	\$894,185,685

Source: NAIC Annual Statement

Specific Claims, Underwriting and Investment Results

Reporting Requirement		WVMIC	MAG Mutual	Medical Protective	NORCAL
a.	The number of claims filed per category	11	2	17	7
b.	The number of civil actions filed	30	7	8	4
c.	The number of civil actions compromised or settled	5	0	4	9
d.	The number of verdicts in civil actions	0	0	0	1
e.	The number of civil actions appealed	0	0	0	0
f.	The number of civil actions dismissed	24	0	3	7
g.	The total dollar amount paid claims compromised or settled	\$110,436	\$0	\$100,000	\$2,877,604
h.	The total dollar amount paid pursuant to judgments in civil actions	\$946,453	\$0	\$0	\$0
i.	The number of claims closed without payments and the amount held in reserve	366 / \$0	0 / \$0	3 / \$2,000	1 / \$5,001
j.	The total dollar amount expended for:	\$10,156,877	\$10,156,877	\$1,032,565	\$881,976
	Loss Adjustment Expense	\$8,919,689	\$8,919,689	\$599,869	\$744,539
	Commissions	\$1,237,188	\$1,237,188	\$432,696	\$137,437
	Brokerage Expenses	\$0	\$0	\$0	\$0
k.	The total dollar amount expended in defense and litigation of claims	\$6,615,000	\$6,615,000	\$484,213	\$744,539
l.	The total dollar amount held in reserve for anticipated claims:	-	-	\$7,585,703	\$4,235,650
	Incurred and Reported	-	\$0	\$1,891,000	\$2,706,040
	Incurred But Not Reported	-	\$0	\$5,694,703	\$1,529,610
m.	Net Profit or Loss	\$405,515	\$26,249,438	\$626,105	\$1,975,926
n.	Investment and other income on net realized capital gains and loss reserves and unearned premiums	\$477,000	\$40,596,000	(\$182,020)	\$285,841
o.	The number of malpractice insurance policies canceled for reasons other than non-payment of premium	28	10	30	42

Source: Company submitted supplemental data

Due to the ceding and pooling arrangement between WVMIC and MAG Mutual, the reported data is often shown combined or otherwise not easily segmented. The WVOIC recognizes there are limitations when trying to compare two companies that have a combined book of business and have accepted the supplemental data as reported by the insurers.

Summary Observations

- In 2023, medical malpractice insurance in West Virginia experienced favorable pure direct loss results, concluding with an overall business written pure direct loss ratio of 29.8% and licensed pure direct loss ratio of -1.8%. These are the lowest pure loss ratios since 2014.
- Comparing 2023 to 2022 business written reports, written and earned premiums increased 7.4% while licensed written premiums increased 0.2% and licensed earned premiums increased 3.4%. This is the fourth consecutive year of premium increases after 10 years of decreases due to reforms and market conditions. The current overall premium level is equivalent to the 2008 levels.
- In the licensed market, loss reserves were reduced at unprecedented levels. The release of reserves resulted in overall negative losses incurred. The business written market reported more positive incurred losses but still realized a reduction of 35% from the 2022 incurred loss level.
- Considering the entire medical malpractice market premium, the top five (5) insurers write more than 55% of the overall business written premium. The licensed market shows that the top five (5) insurers account for 76.4% of the overall licensed premium. The market share by premium for the top insurers has increased over the years.
- Examination of the 5% market share company data as required by §114CSR22, §114CSR23, and §33-20B-6 found no areas of material concern. As previously mentioned in the report, the WVMIC data was affected by the acquisition by MAG Mutual and subsequent ceding and pooling agreements. The WVOIC will continually monitor and trend the companies for future loss development and rate stabilization.
- Surplus lines insurers report \$32.7M in premiums. When more than 42% of an industry's premiums are in surplus lines, that generally indicates an unhealthy market or hard market conditions where licensed insurer's underwriting guidelines are tightened to the point that many physicians, hospitals, other professionals, and facilities cannot find coverage through normal avenues or available coverage is restricted and costly.

In summary, the medical malpractice industry has several indicators that the industry is in a hard market cycle. As with most insurance markets, there are cycles of highs and lows that affect rates, claims, and expenses. It is impossible to estimate the duration of a hard insurance market. The WVOIC will continually provide regulatory oversight and monitoring of conditions for the medical professional liability line of insurance.

Exhibits and Additional Information

Exhibit 1: Detailed View of Insurers on a Business Written Premium Basis for 2023

Company Name	Written Premium	Market Share	Earned Premium	Losses Incurred	Pure Loss Ratio
West Virginia Mut Ins Co	\$19,083,508	24.7%	\$18,793,386	(\$7,890,007)	(42.0%)
Professional Security Ins Co	\$7,393,037	9.6%	\$3,615,851	\$1,776,663	49.1%
Columbia Cas Co	\$6,692,975	8.7%	\$6,348,941	\$2,975,290	46.9%
MAG Mut Ins Co	\$6,198,042	8.0%	\$3,736,536	\$1,429,357	38.3%
National Fire & Marine Ins Co	\$3,607,040	4.7%	\$4,421,144	\$761,667	17.2%
Medical Protective Co	\$3,549,498	4.6%	\$3,236,593	\$936,077	28.9%
General Star Ind Co	\$3,213,734	4.2%	\$2,537,242	\$604,000	23.8%
Norcal Ins Co	\$3,076,221	4.0%	\$3,816,807	\$653,920	17.1%
Health Care Industry Liab Recip Ins	\$2,232,917	2.9%	\$2,064,470	\$1,054,944	51.1%
Pace RRG Inc	\$2,022,564	2.6%	\$1,887,902	\$0	0.0%
American Excess Ins Exch RRG	\$1,622,600	2.1%	\$1,622,601	\$80,091	4.9%
Admiral Ins Co	\$1,448,536	1.9%	\$1,299,558	\$490,173	37.7%
Applied Medico Legal Solutions	\$1,439,994	1.9%	\$1,492,897	\$252,123	16.9%
American Cas Co Of Reading PA	\$1,166,996	1.5%	\$1,145,929	\$438,324	38.3%
ProAssurance Specialty Ins Co	\$992,034	1.3%	\$991,269	\$401,851	40.5%
Bridgeway Ins Co	\$958,429	1.2%	\$1,025,193	\$26,888	2.6%
Doctors Co An Interins Exch	\$914,133	1.2%	\$938,002	(\$1,205,003)	(128.5%)
Coverys Specialty Ins Co	\$831,270	1.1%	\$680,565	\$201,936	29.7%
TDC Specialty Ins Co	\$787,562	1.0%	\$808,727	\$1,008,435	124.7%
Community Hospital RRG	\$755,735	1.0%	\$755,735	\$577,661	76.4%
Oms Natl Ins Co Rrg	\$726,436	0.9%	\$940,749	\$859,760	91.4%
Evanston Ins Co	\$707,562	0.9%	\$766,411	\$530,007	69.2%
Ophthalmic Mut Ins Co RRG	\$680,523	0.9%	\$668,310	\$114,367	17.1%
Endurance Amer Specialty Ins Co	\$670,867	0.9%	\$758,449	\$11,694,725	1541.9%
Aspen Specialty Ins Co	\$587,122	0.8%	\$490,540	(\$2,638)	(0.5%)
Illinois Union Ins Co	\$571,679	0.7%	\$303,843	\$181,117	59.6%
Aspen Amer Ins Co	\$513,971	0.7%	\$531,160	(\$137,788)	(25.9%)
Ironshore Specialty Ins Co	\$509,747	0.7%	\$2,003,368	\$759,719	37.9%
Clinician Assur Inc RRG	\$507,459	0.7%	\$418,502	\$262,407	62.7%
Ace Amer Ins Co	\$423,842	0.5%	\$418,038	\$224,747	53.8%
National Guardian RRG Inc	\$422,807	0.5%	\$422,807	(\$208)	(0.0%)
The Cincinnati Ins Co	\$394,786	0.5%	\$393,729	\$21,638	5.5%
Lone Star Alliance RRG	\$373,751	0.5%	\$471,039	\$202,747	43.0%
Proselect Ins Co	\$344,698	0.4%	\$364,983	(\$17,670)	(4.8%)
Liberty Ins Underwriters Inc	\$318,467	0.4%	\$313,703	(\$77,206)	(24.6%)
ProAssurance Ins Co of Amer	\$312,239	0.4%	\$308,847	\$7,998	2.6%

Company Name	Written Premium	Market Share	Earned Premium	Losses Incurred	Pure Loss Ratio
Church Mut Ins Co S I	\$289,745	0.4%	\$294,988	(\$40,977)	(13.9%)
NCMIC Ins Co	\$282,780	0.4%	\$278,139	(\$19,414)	(7.0%)
ISMIE Ind Co	\$269,272	0.3%	\$266,158	\$98,002	36.8%
Kinsale Ins Co	\$258,753	0.3%	\$185,591	(\$108,706)	(58.6%)
Landmark Amer Ins Co	\$254,992	0.3%	\$251,862	\$702,286	278.8%
Emergency Capital Mgmt LLC	\$243,137	0.3%	\$242,578	\$736,467	303.6%
Medical Mut Ins Co Of NC	\$227,878	0.3%	\$182,893	\$56,112	30.7%
Allied World Surplus Lines Ins Co	\$220,000	0.3%	\$134,931	(\$35,211)	(26.1%)
Capitol Specialty Ins Corp	\$215,406	0.3%	\$237,402	\$436,372	183.8%
Fair Amer Ins & Reins Co	\$201,428	0.3%	\$210,911	\$4,362	2.1%
Sunland RRG Inc	\$144,957	0.2%	\$156,900	\$14,375	9.2%
Pharmacists Mut Ins Co	\$138,289	0.2%	\$126,496	\$105,560	83.4%
StarStone Specialty Ins Co	\$114,810	0.1%	\$147,187	(\$78,127)	(53.1%)
Preferred Physicians Medical RRG	\$102,694	0.1%	\$111,085	(\$65,749)	(59.2%)
The Cincinnati Specialty Underwriter	\$82,249	0.1%	\$76,638	(\$4,383)	(5.7%)
Arch Specialty Ins Co	\$63,947	0.1%	\$64,520	\$53,248	82.5%
Allied World Ins Co	\$44,685	0.1%	\$42,174	(\$13,571)	(32.2%)
Great Divide Ins Co	\$42,593	0.1%	\$40,952	\$180	0.4%
State Farm Fire & Cas Co	\$40,070	0.1%	\$39,839	\$6,325	15.9%
Berkshire Hathaway Specialty Ins Co	\$39,726	0.1%	\$43,278	\$27,613	63.8%
Lexington Ins Co	\$37,761	0.0%	\$62,741	(\$4,081)	(6.5%)
Fortress Ins Co	\$37,180	0.0%	\$33,058	(\$50,647)	(153.2%)
Hallmark Specialty Ins Co	\$35,126	0.0%	\$221,570	(\$111,436)	(50.3%)
United Specialty Ins Co	\$33,538	0.0%	\$32,538	\$0	0.0%
Richmond Natl Ins Co	\$32,602	0.0%	\$15,164	\$6,621	43.7%
Green Hills Ins Co RRG	\$28,141	0.0%	\$26,402	\$1,729	6.5%
Allied Professionals Ins Co RRG	\$25,451	0.0%	\$25,275	\$334	1.3%
Western World Ins Co	\$24,071	0.0%	\$23,809	(\$28,455)	(119.5%)
The Cincinnati Ind Co	\$20,462	0.0%	\$17,553	\$7,328	41.7%
Spirit Mountain Ins Co RRG Inc	\$19,750	0.0%	\$16,924	\$4,768	28.2%
Hartford Fire Ins Co	\$18,513	0.0%	\$7,923	\$0	0.0%
Medical Security Ins Co	\$17,282	0.0%	\$53,975	(\$4,146)	(7.7%)
Preferred Professional Ins Co	\$16,617	0.0%	\$17,364	\$11,690	67.3%
The Cincinnati Cas Co	\$15,346	0.0%	\$15,694	(\$10,851)	(69.1%)
NORCAL Specialty Ins Co	\$13,479	0.0%	\$10,346	\$1,259	12.2%
American Assoc Of Othodontists	\$11,891	0.0%	\$11,778	(\$2,638)	(22.4%)
Hudson Excess Ins Co	\$10,343	0.0%	\$9,958	\$2,903	29.2%
ProAssurance Ind Co Inc	\$9,488	0.0%	\$6,059	\$1,043	17.2%
Franklin Cas Ins Co RRG	\$7,000	0.0%	\$6,990	\$0	0.0%
Academic Medical Professionals Ins	\$1,160	0.0%	\$1,160	(\$5,600)	(482.8%)

Company Name	Written Premium	Market Share	Earned Premium	Losses Incurred	Pure Loss Ratio
Affiliates Ins Recip a RRG	\$1,008	0.0%	\$1,008	(\$767)	(76.1%)
Beazley Ins Co Inc	\$357	0.0%	\$357	(\$15,989)	(4478.7%)
Campmed Cas & Ind Co Inc	\$351	0.0%	\$340	\$151	44.4%
Princeton Excess & Surplus Lines Ins	\$93	0.0%	\$9	\$13,386	148733.3%
Graph Ins Grp RRG LLC	\$0	0.0%	\$185,072	\$85,507	46.2%
Hudson Ins Co	\$0	0.0%	\$22	(\$495)	(2250.0%)
Medicus Ins Co	\$0	0.0%	\$0	\$20,657	0.0%
St Paul Mercury Ins Co	\$0	0.0%	\$0	(\$4,278)	0.0%
Everest Natl Ins Co	\$0	0.0%	\$0	\$2,421	0.0%
Fair American Select Ins Co	\$0	0.0%	\$0	(\$193,470)	0.0%
St Paul Fire & Marine Ins Co	\$0	0.0%	\$0	(\$322,883)	0.0%
Houston Specialty Ins Co	\$0	0.0%	\$1,565	\$0	0.0%
Travelers Ind Co	\$0	0.0%	\$0	(\$9)	0.0%
Vantage Risk Specialty Ins Co	\$0	0.0%	\$487,953	\$734,168	150.5%
The Doctors Co RRG a Recip Exch	\$0	0.0%	\$0	\$499,991	0.0%
American Home Assur Co	\$0	0.0%	\$0	\$3,626	0.0%
United States Fidelity & Guar Co	\$0	0.0%	\$0	\$13	0.0%
Everest Ind Ins Co	\$0	0.0%	\$0	(\$2,920)	0.0%
MT Hawley Ins Co	\$0	0.0%	\$0	(\$4,668)	0.0%
Hilltop Specialty Ins Co	\$0	0.0%	\$0	\$693	0.0%
Ace Fire Underwriters Ins Co	\$0	0.0%	\$0	\$3	0.0%
Nationwide Mut Ins Co	\$0	0.0%	\$0	(\$53)	0.0%
Care RRG Inc	\$0	0.0%	\$0	\$154	0.0%
Homeland Ins Co of NY	\$0	0.0%	\$0	(\$100,943)	0.0%
American Alt Ins Corp	\$0	0.0%	\$0	(\$1,123)	0.0%
Executive Risk Ind Inc	\$0	0.0%	\$0	\$16,914	0.0%
Southwest Physicians RRG Inc	\$0	0.0%	\$0	(\$2,832)	0.0%
Liberty Surplus Ins Corp	\$0	0.0%	\$0	(\$106,848)	0.0%
Executive Risk Specialty Ins Co	\$0	0.0%	\$0	\$1,115	0.0%
QBE Ins Corp	\$0	0.0%	\$0	(\$204)	0.0%
Allied World Specialty Ins Co	\$0	0.0%	\$0	(\$167)	0.0%
Capitol Ind Corp	\$0	0.0%	\$0	(\$836)	0.0%
AXIS Surplus Ins Co	\$0	0.0%	\$0	(\$11,134)	0.0%
Atlantic Specialty Ins Co	\$0	0.0%	\$0	(\$3,724)	0.0%
Steadfast Ins Co	\$0	0.0%	\$0	(\$38,440)	0.0%
Allied World Assur Co US Inc	\$0	0.0%	\$0	(\$7,785)	0.0%
Cherokee Guar Co Inc a RRG	\$0	0.0%	\$0	(\$11,887)	0.0%
QBE Specialty Ins Co	\$0	0.0%	\$0	(\$1,763)	0.0%
Continental Cas Co	(\$2,377,999)	(3.1%)	(\$1,800,624)	\$423,901	(23.5%)
Total – 115 Companies	\$77,369,203	100.0%	\$73,420,331	\$21,862,179	29.8%

Exhibit 2: Detailed View of Insurers on a Licensed Premium Basis for 2023

Company Name	Written Premium	Market Share	Earned Premium	Losses Incurred	Pure Loss Ratio
West Virginia Mut Ins Co	\$19,083,508	42.7%	\$18,793,386	(\$7,890,007)	(42.0%)
MAG Mut Ins Co	\$6,198,042	13.9%	\$3,736,536	\$1,429,357	38.3%
Medical Protective Co	\$3,549,498	7.9%	\$3,236,593	\$936,077	28.9%
Norcal Ins Co	\$3,076,221	6.9%	\$3,816,807	\$653,920	17.1%
Health Care Industry Liab Recip Ins	\$2,232,917	5.0%	\$2,064,470	\$1,054,944	51.1%
American Excess Ins Exch RRG	\$1,622,600	3.6%	\$1,622,601	\$80,091	4.9%
Applied Medico Legal Solutions	\$1,439,994	3.2%	\$1,492,897	\$252,123	16.9%
American Cas Co Of Reading PA	\$1,166,996	2.6%	\$1,145,929	\$438,324	38.3%
Doctors Co An Interins Exch	\$914,133	2.0%	\$938,002	(\$1,205,003)	(128.5%)
Community Hospital RRG	\$755,735	1.7%	\$755,735	\$577,661	76.4%
Oms Natl Ins Co Rrg	\$726,436	1.6%	\$940,749	\$859,760	91.4%
Ophthalmic Mut Ins Co RRG	\$680,523	1.5%	\$668,310	\$114,367	17.1%
Aspen Amer Ins Co	\$513,971	1.2%	\$531,160	(\$137,788)	(25.9%)
Clinician Assur Inc RRG	\$507,459	1.1%	\$418,502	\$262,407	62.7%
Ace Amer Ins Co	\$423,842	0.9%	\$418,038	\$224,747	53.8%
National Guardian RRG Inc	\$422,807	0.9%	\$422,807	(\$208)	(0.0%)
The Cincinnati Ins Co	\$394,786	0.9%	\$393,729	\$21,638	5.5%
Lone Star Alliance RRG	\$373,751	0.8%	\$471,039	\$202,747	43.0%
Proselect Ins Co	\$344,698	0.8%	\$364,983	(\$17,670)	(4.8%)
Liberty Ins Underwriters Inc	\$318,467	0.7%	\$313,703	(\$77,206)	(24.6%)
ProAssurance Ins Co of Amer	\$312,239	0.7%	\$308,847	\$7,998	2.6%
Church Mut Ins Co S I	\$289,745	0.6%	\$294,988	(\$40,977)	(13.9%)
NCMIC Ins Co	\$282,780	0.6%	\$278,139	(\$19,414)	(7.0%)
Emergency Capital Mgmt LLC	\$243,137	0.5%	\$242,578	\$736,467	303.6%
Medical Mut Ins Co Of NC	\$227,878	0.5%	\$182,893	\$56,112	30.7%
Fair Amer Ins & Reins Co	\$201,428	0.5%	\$210,911	\$4,362	2.1%
Sunland RRG Inc	\$144,957	0.3%	\$156,900	\$14,375	9.2%
Pharmacists Mut Ins Co	\$138,289	0.3%	\$126,496	\$105,560	83.4%
Preferred Physicians Medical RRG a	\$102,694	0.2%	\$111,085	(\$65,749)	(59.2%)
Allied World Ins Co	\$44,685	0.1%	\$42,174	(\$13,571)	(32.2%)
Great Divide Ins Co	\$42,593	0.1%	\$40,952	\$180	0.4%
State Farm Fire & Cas Co	\$40,070	0.1%	\$39,839	\$6,325	15.9%
Berkshire Hathaway Specialty Ins Co	\$39,726	0.1%	\$43,278	\$27,613	63.8%
Fortress Ins Co	\$37,180	0.1%	\$33,058	(\$50,647)	(153.2%)
Green Hills Ins Co RRG	\$28,141	0.1%	\$26,402	\$1,729	6.5%
Allied Professionals Ins Co RRG	\$25,451	0.1%	\$25,275	\$334	1.3%
The Cincinnati Ind Co	\$20,462	0.0%	\$17,553	\$7,328	41.7%
Hartford Fire Ins Co	\$18,513	0.0%	\$7,923	\$0	0.0%
Preferred Professional Ins Co	\$16,617	0.0%	\$17,364	\$11,690	67.3%

Company Name	Written Premium	Market Share	Earned Premium	Losses Incurred	Pure Loss Ratio
The Cincinnati Cas Co	\$15,346	0.0%	\$15,694	(\$10,851)	(69.1%)
American Assoc Of Othodontists	\$11,891	0.0%	\$11,778	(\$2,638)	(22.4%)
ProAssurance Ind Co Inc	\$9,488	0.0%	\$6,059	\$1,043	17.2%
Franklin Cas Ins Co RRG	\$7,000	0.0%	\$6,990	\$0	0.0%
Academic Medical Professionals Ins	\$1,160	0.0%	\$1,160	(\$5,600)	(482.8%)
Affiliates Ins Recip a RRG	\$1,008	0.0%	\$1,008	(\$767)	(76.1%)
Beazley Ins Co Inc	\$357	0.0%	\$357	(\$15,989)	(4478.7%)
Campmed Cas & Ind Co Inc	\$351	0.0%	\$340	\$151	44.4%
Care RRG Inc	\$0	0.0%	\$0	\$154	0.0%
American Alt Ins Corp	\$0	0.0%	\$0	(\$1,123)	0.0%
Executive Risk Ind Inc	\$0	0.0%	\$0	\$16,914	0.0%
Travelers Ind Co	\$0	0.0%	\$0	(\$9)	0.0%
St Paul Fire & Marine Ins Co	\$0	0.0%	\$0	(\$322,883)	0.0%
Nationwide Mut Ins Co	\$0	0.0%	\$0	(\$53)	0.0%
Ace Fire Underwriters Ins Co	\$0	0.0%	\$0	\$3	0.0%
The Doctors Co RRG a Recip Exch	\$0	0.0%	\$0	\$499,991	0.0%
American Home Assur Co	\$0	0.0%	\$0	\$3,626	0.0%
United States Fidelity & Guar Co	\$0	0.0%	\$0	\$13	0.0%
QBE Ins Corp	\$0	0.0%	\$0	(\$204)	0.0%
Allied World Specialty Ins Co	\$0	0.0%	\$0	(\$167)	0.0%
Capitol Ind Corp	\$0	0.0%	\$0	(\$836)	0.0%
Everest Natl Ins Co	\$0	0.0%	\$0	\$2,421	0.0%
St Paul Mercury Ins Co	\$0	0.0%	\$0	(\$4,278)	0.0%
Atlantic Specialty Ins Co	\$0	0.0%	\$0	(\$3,724)	0.0%
Medicus Ins Co	\$0	0.0%	\$0	\$20,657	0.0%
Hudson Ins Co	\$0	0.0%	\$22	(\$495)	(2250.0%)
Cherokee Guar Co Inc a RRG	\$0	0.0%	\$0	(\$11,887)	0.0%
Graph Ins Grp RRG LLC	\$0	0.0%	\$185,072	\$85,507	46.2%
Continental Cas Co	(\$2,377,999)	(5.3%)	(\$1,800,624)	\$423,901	(23.5%)
Total – 68 Companies	\$44,671,571	100.0%	\$43,180,487	(\$757,127)	(1.8%)

Board of Medicine Physician Data

The following data is obtained by the West Virginia Board of Medicine (BOM) Annual Report:

West Virginia Board of Medicine Licensure Data	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actively Licensed Physicians (M.D.) (In/Out of State)	6,636	6,533	6,780	6,945	7,060	7,207	7,283	7,411	7,781	8,453*
Actively Licensed Podiatrists (D.P.M.) (In/Out of State)	101	111	110	120	116	126	125	133	139	141
Physician Assistants (P.A.)	821	791	891	846	974	956	943	953	964	1,040

* While this shows a large increase in licensed physicians, only 12 new licenses have a primary work address in WV while 660 new licenses have a primary work address outside of WV.