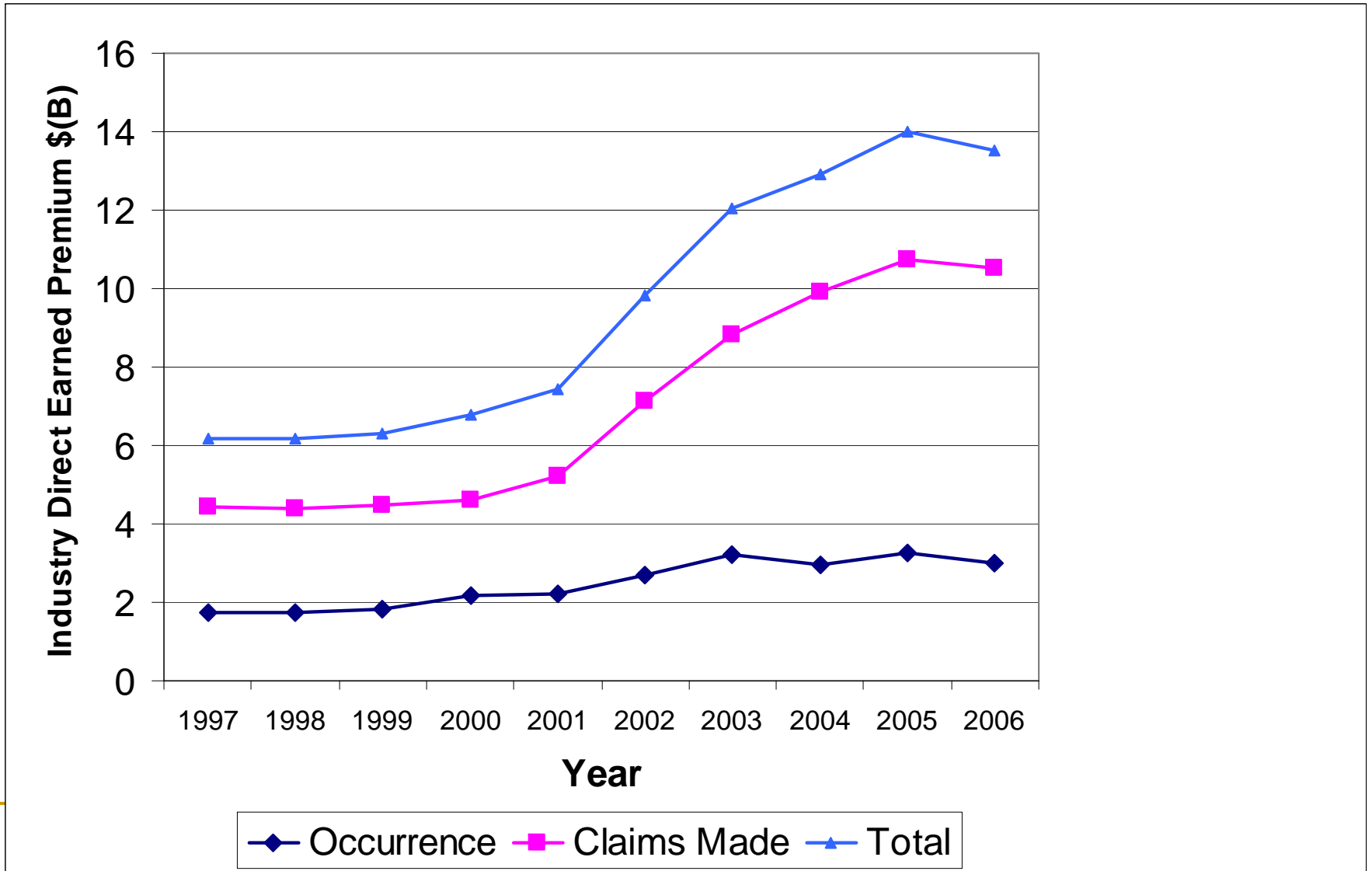
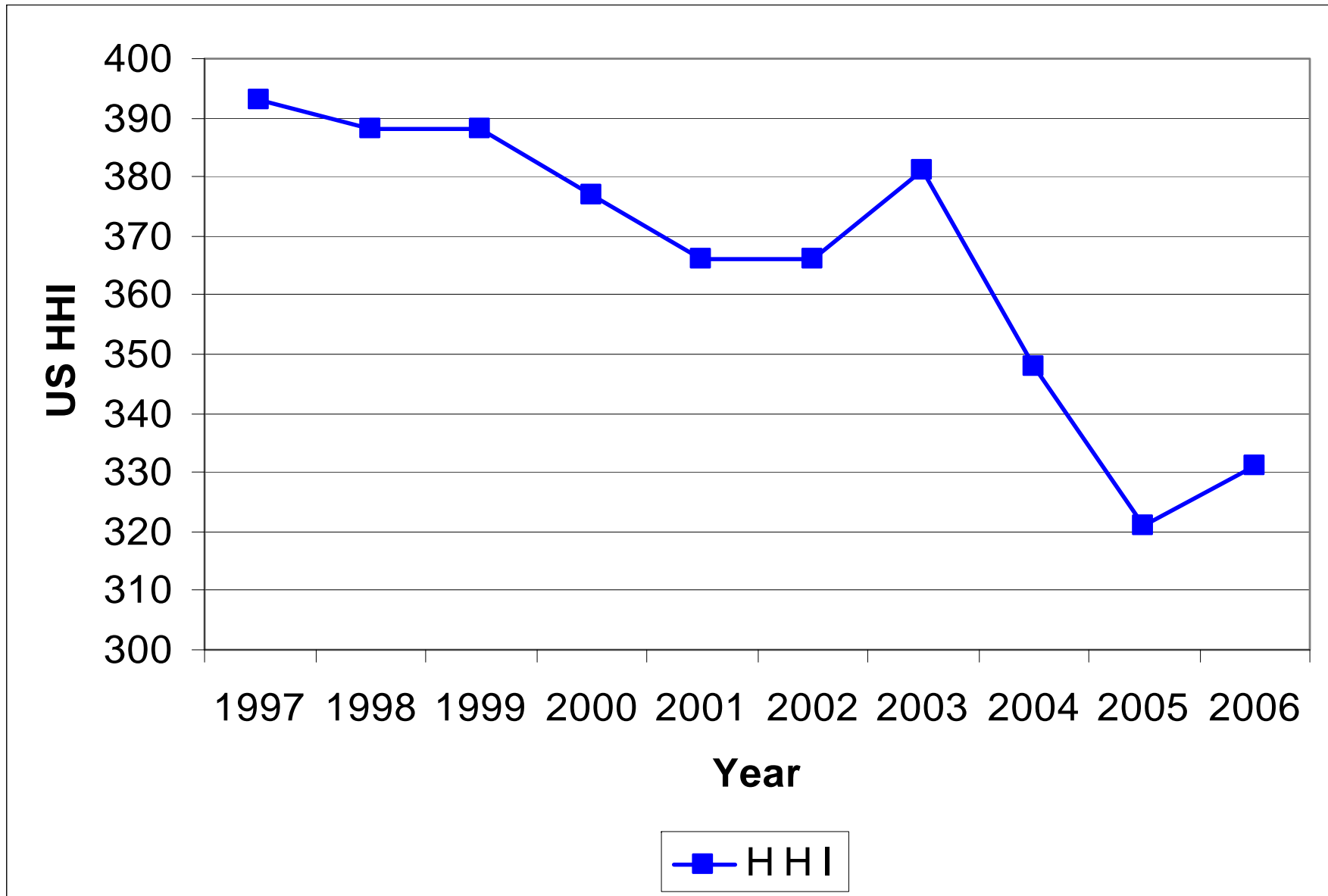

Current Trends in Medical Professional Liability Insurance

Robert J. Walling III, FCAS, MAAA
2006 CAS Fall Meeting
November 12, 2007

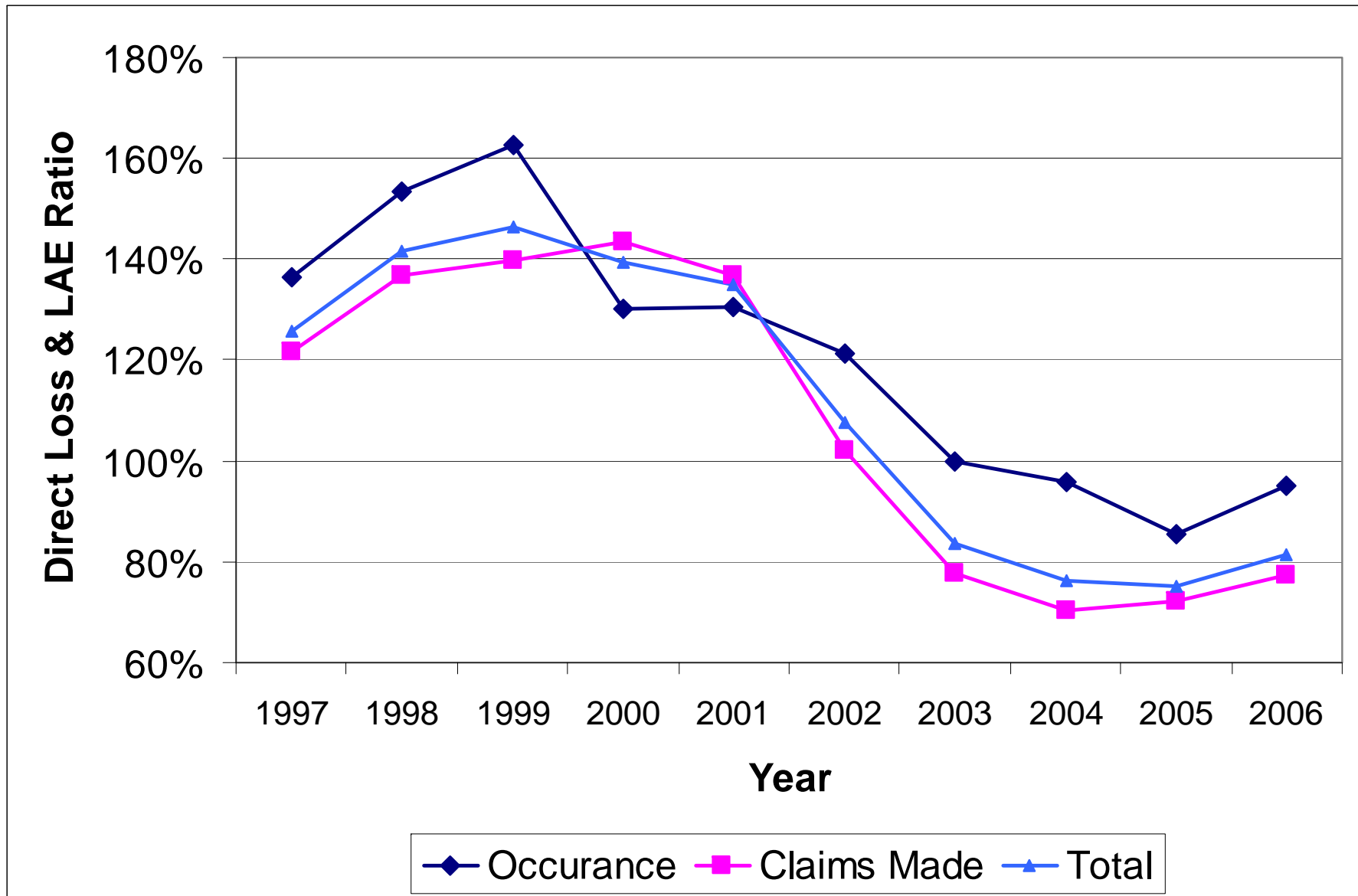
Industry Direct Earned Premium



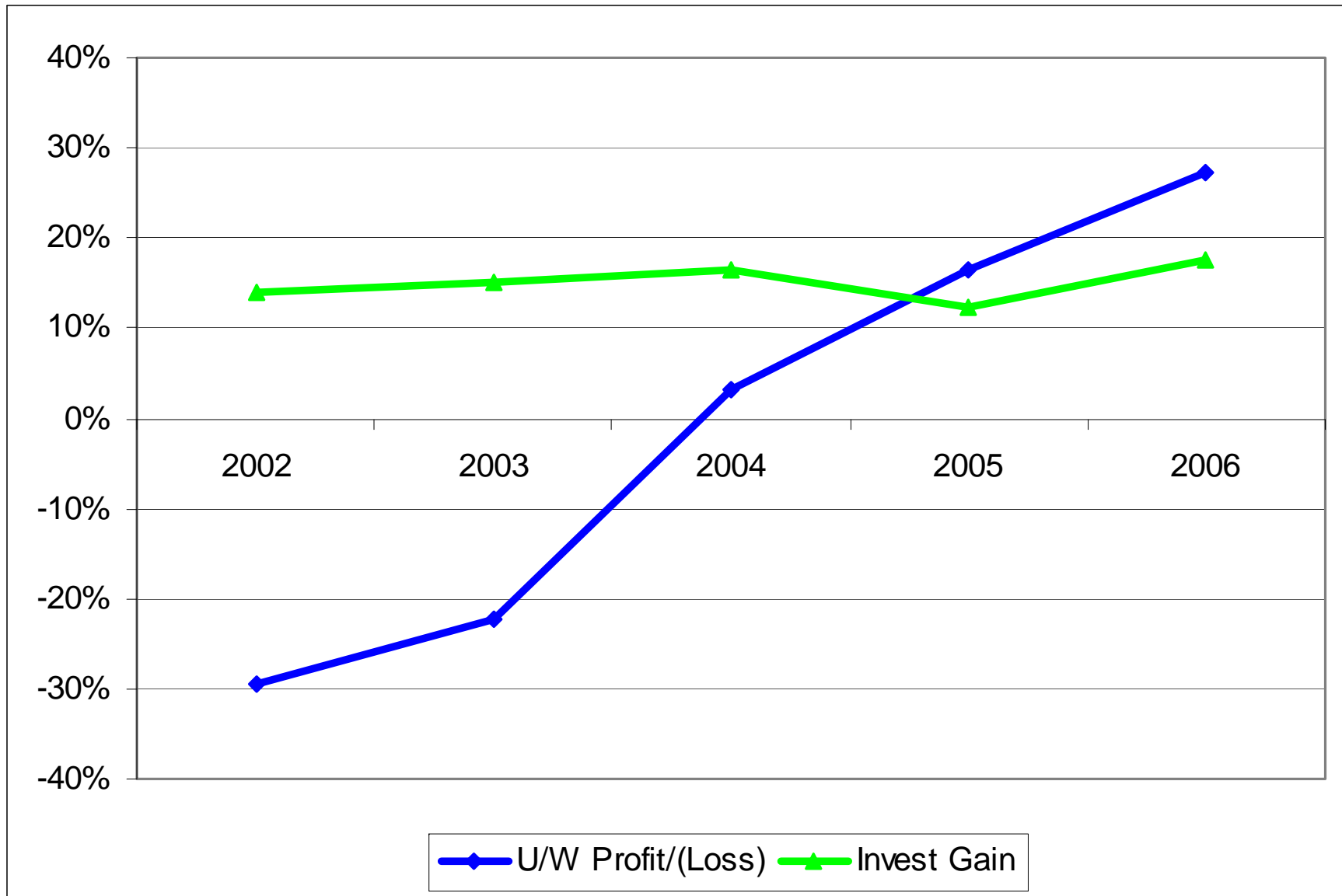
Industry Hirschman-Herfindahl Index



Industry Direct Loss & LAE Ratios



Industry U/W and Investment Returns



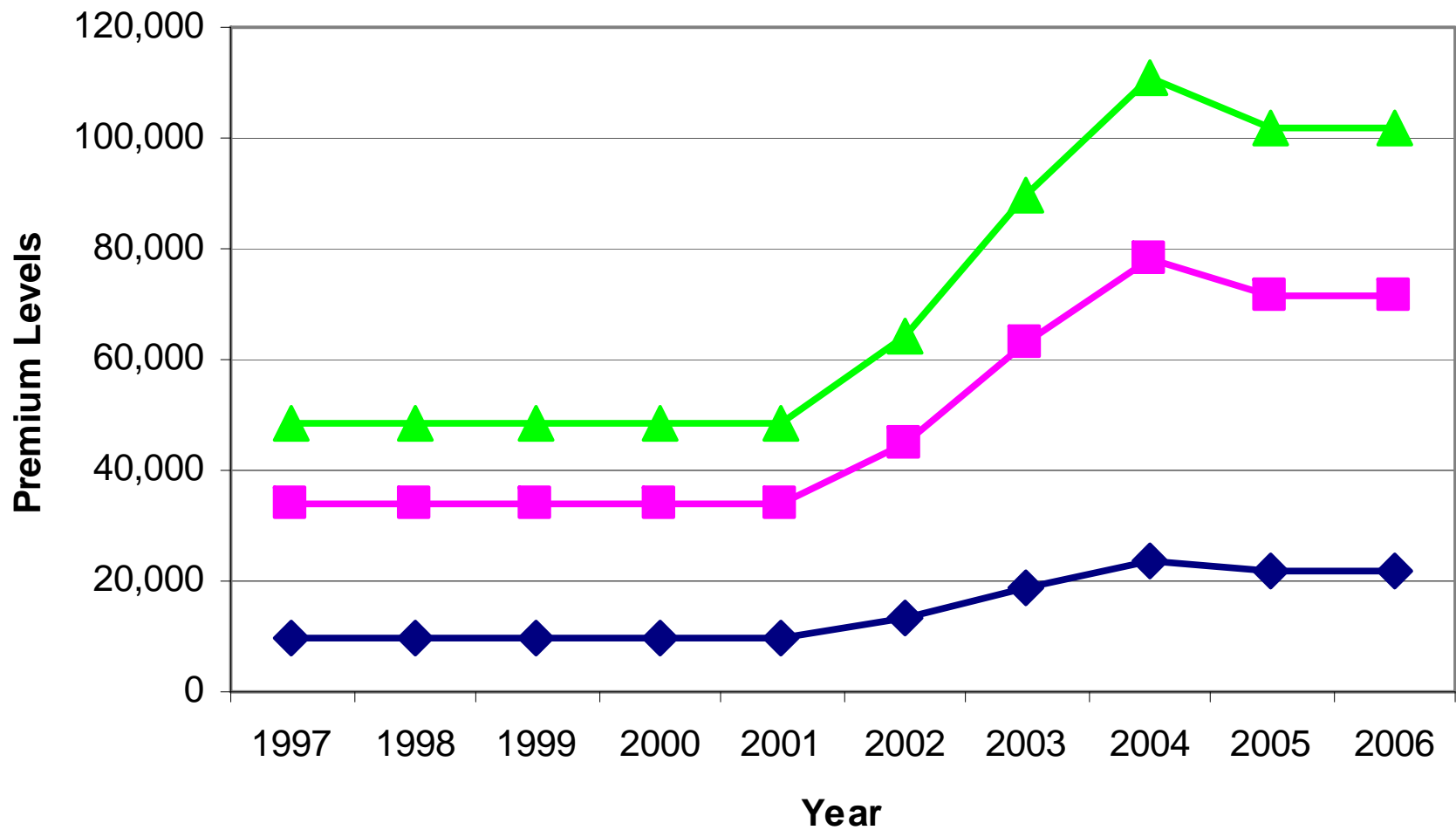
National Trends

- Increasing Competition
 - Strong Companies are Acting Strong
 - SCPIE Acquisition
 - RRGs playing active role
 - Proactive in New York
 - “Why aren’t the rates coming down?”
 - e.g. Illinois, North Carolina, Texas
-

From Where's Perspective

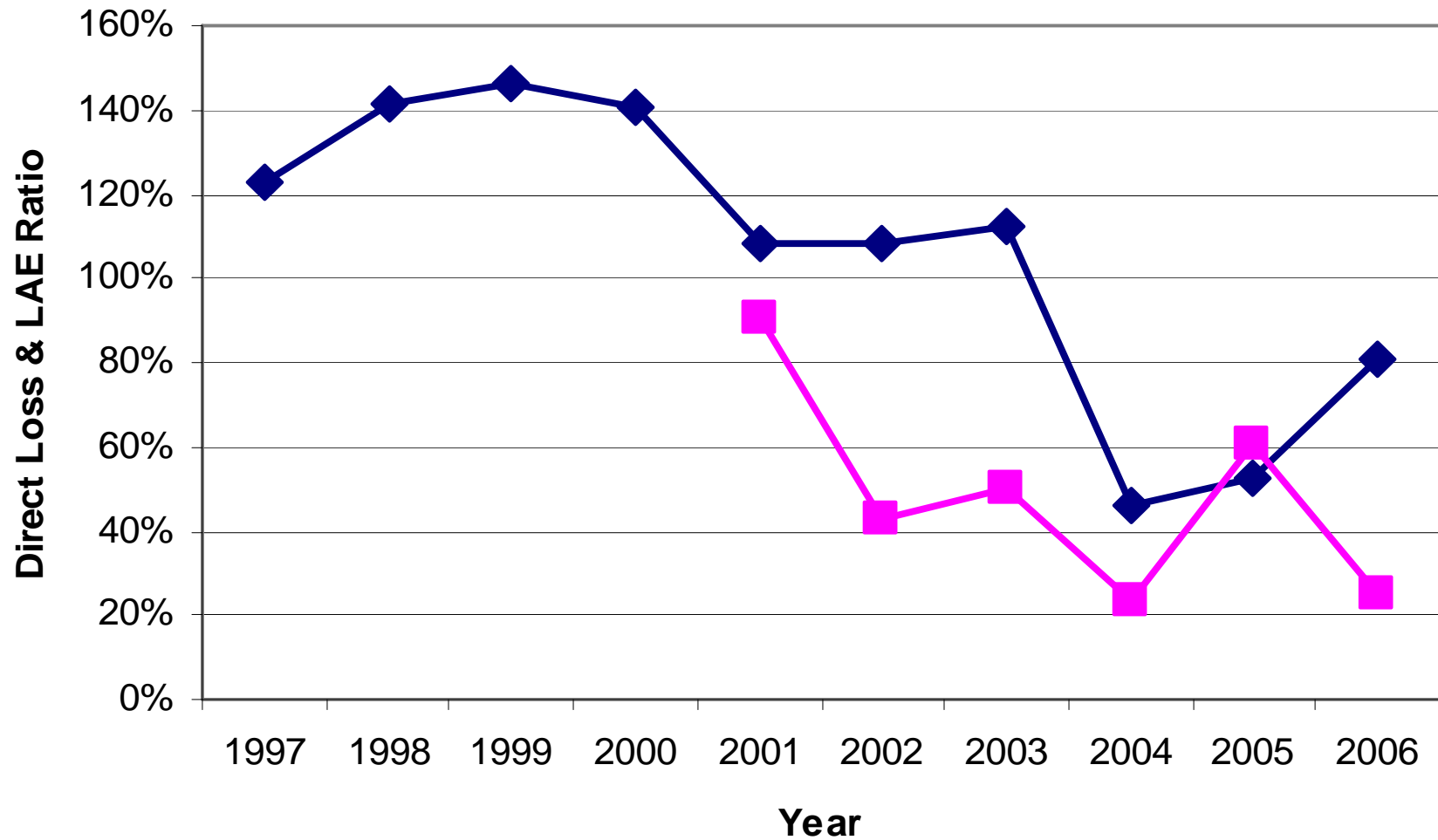


Leading Insurer Rates - Texas



Legend: Int Med (dark blue diamonds), Gen Sur (magenta squares), OB/GYN (green triangles)

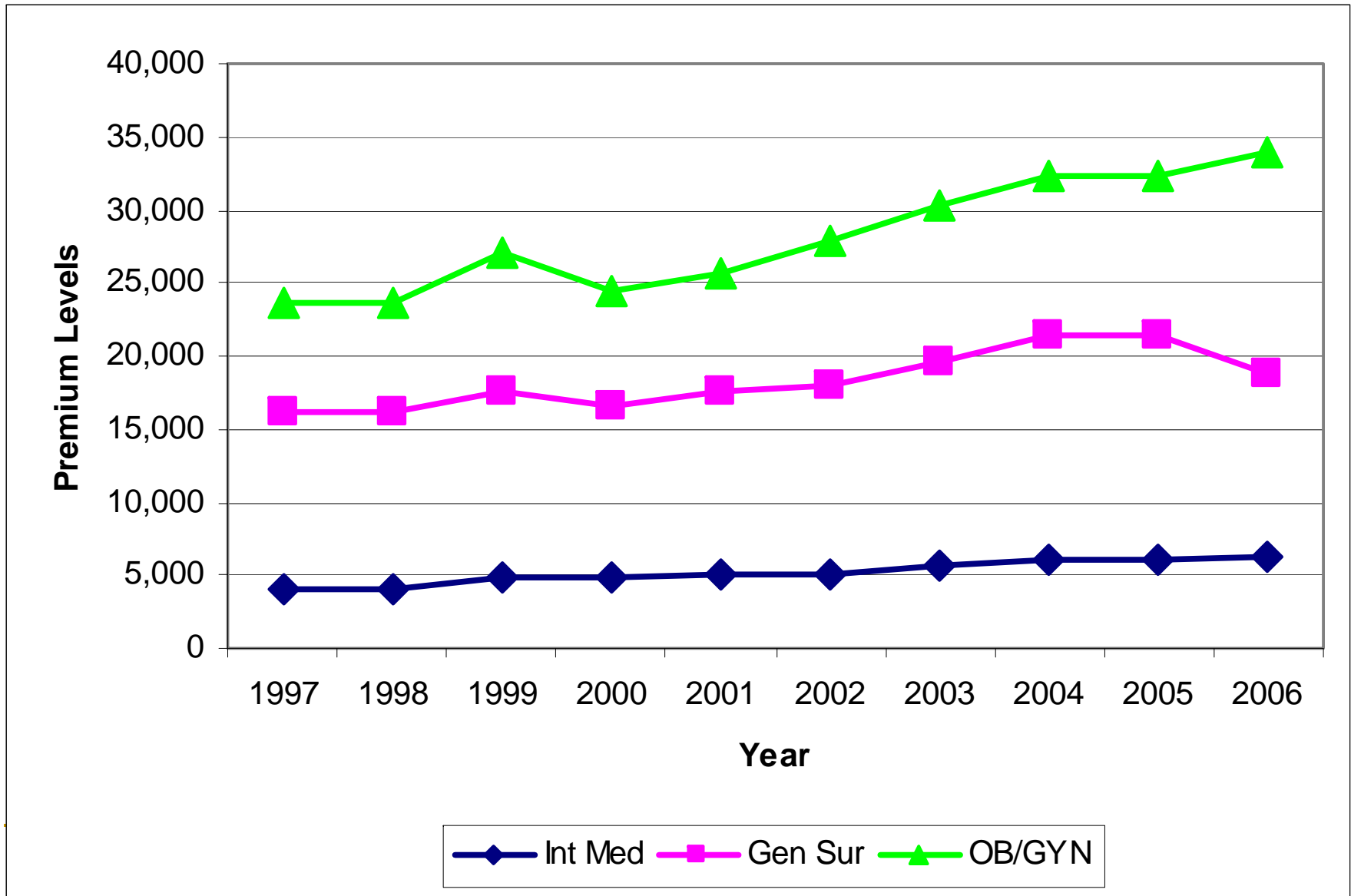
Loss & LAE Ratio - Texas



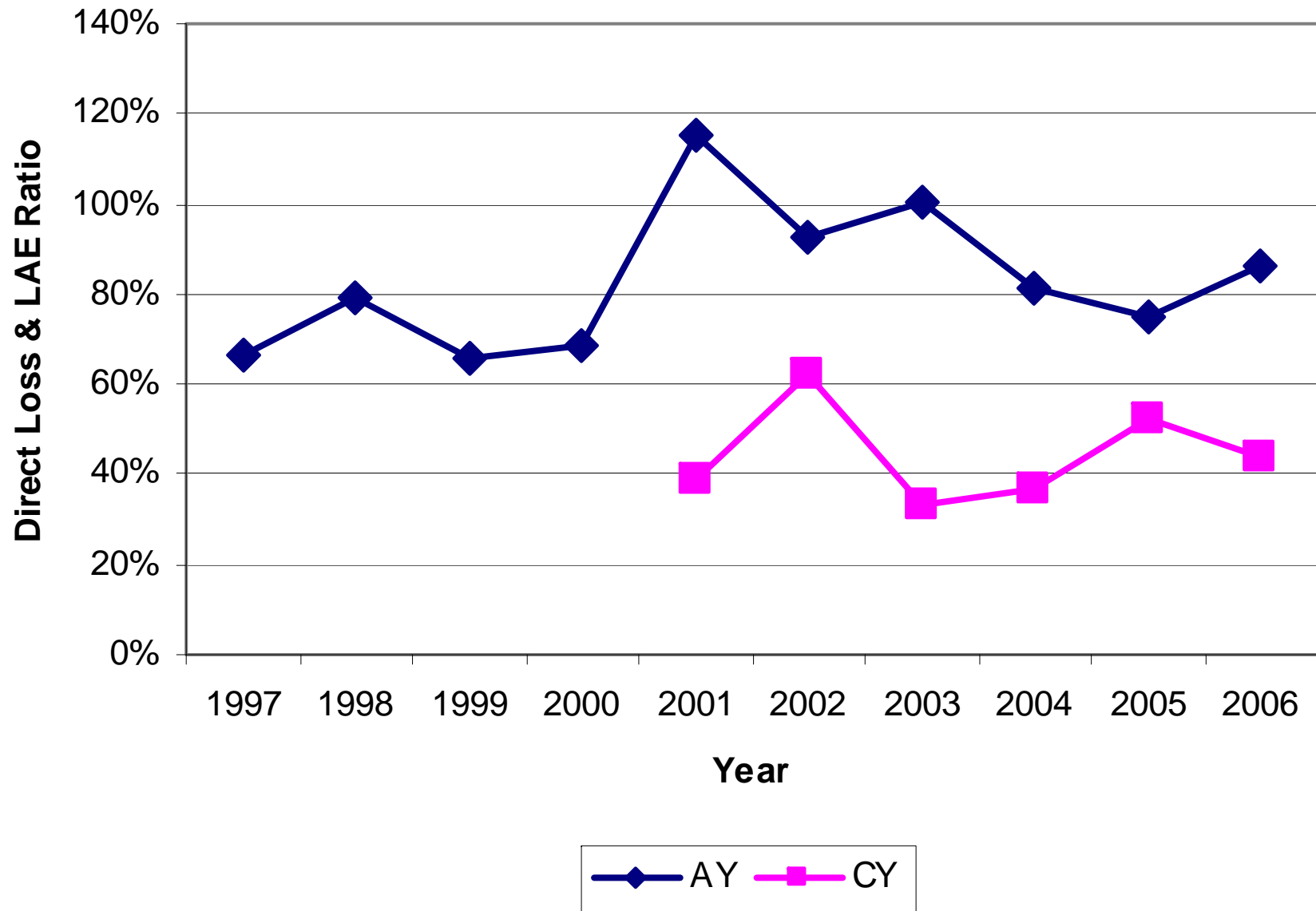
State Issues - Texas

- Substantive Reform
 - Flood of Healthcare Providers into Texas
 - Frustrations over Rate Relief
-

Leading Insurer Rates - Wisconsin



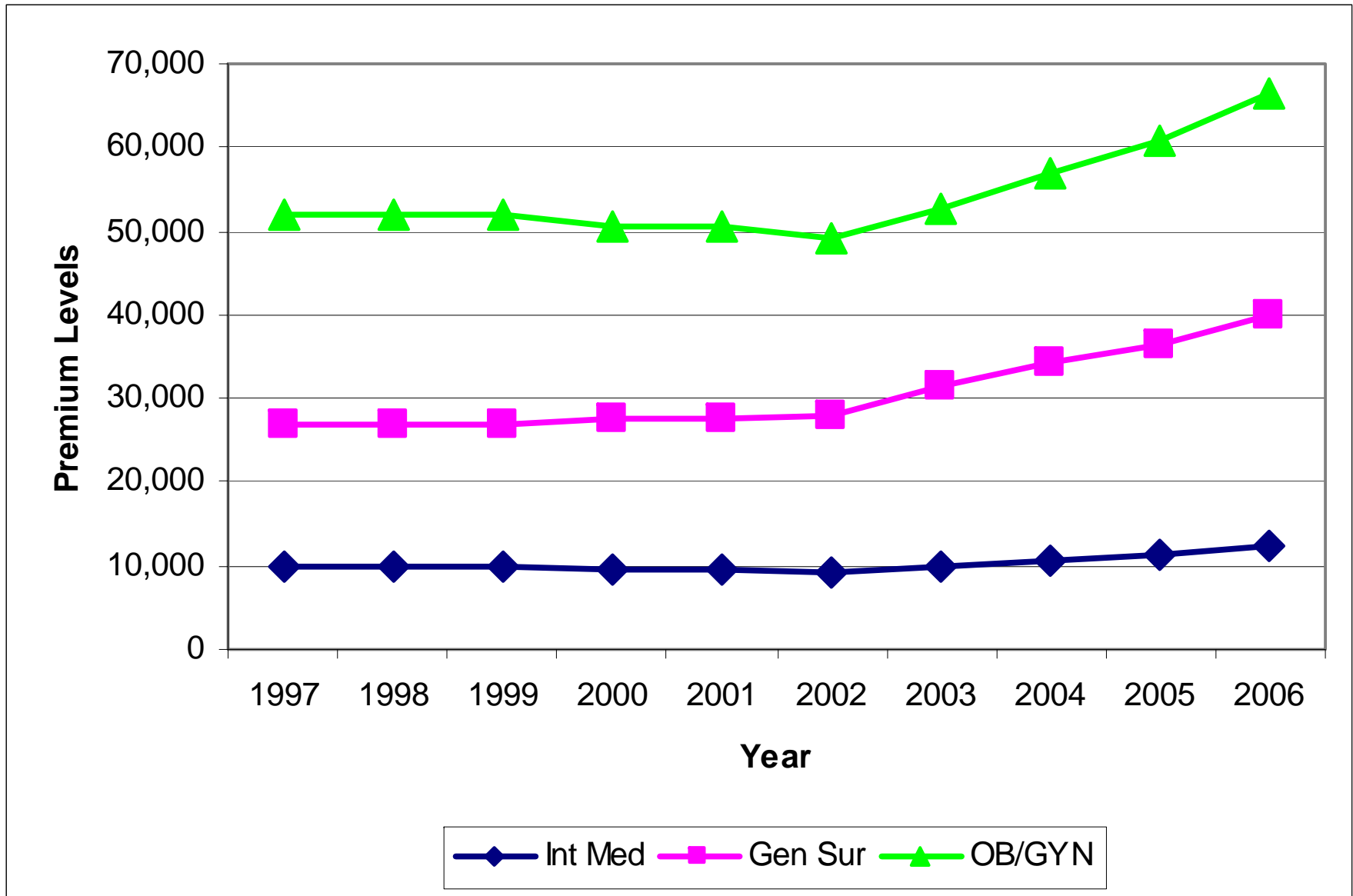
Loss & LAE Ratio - Wisconsin



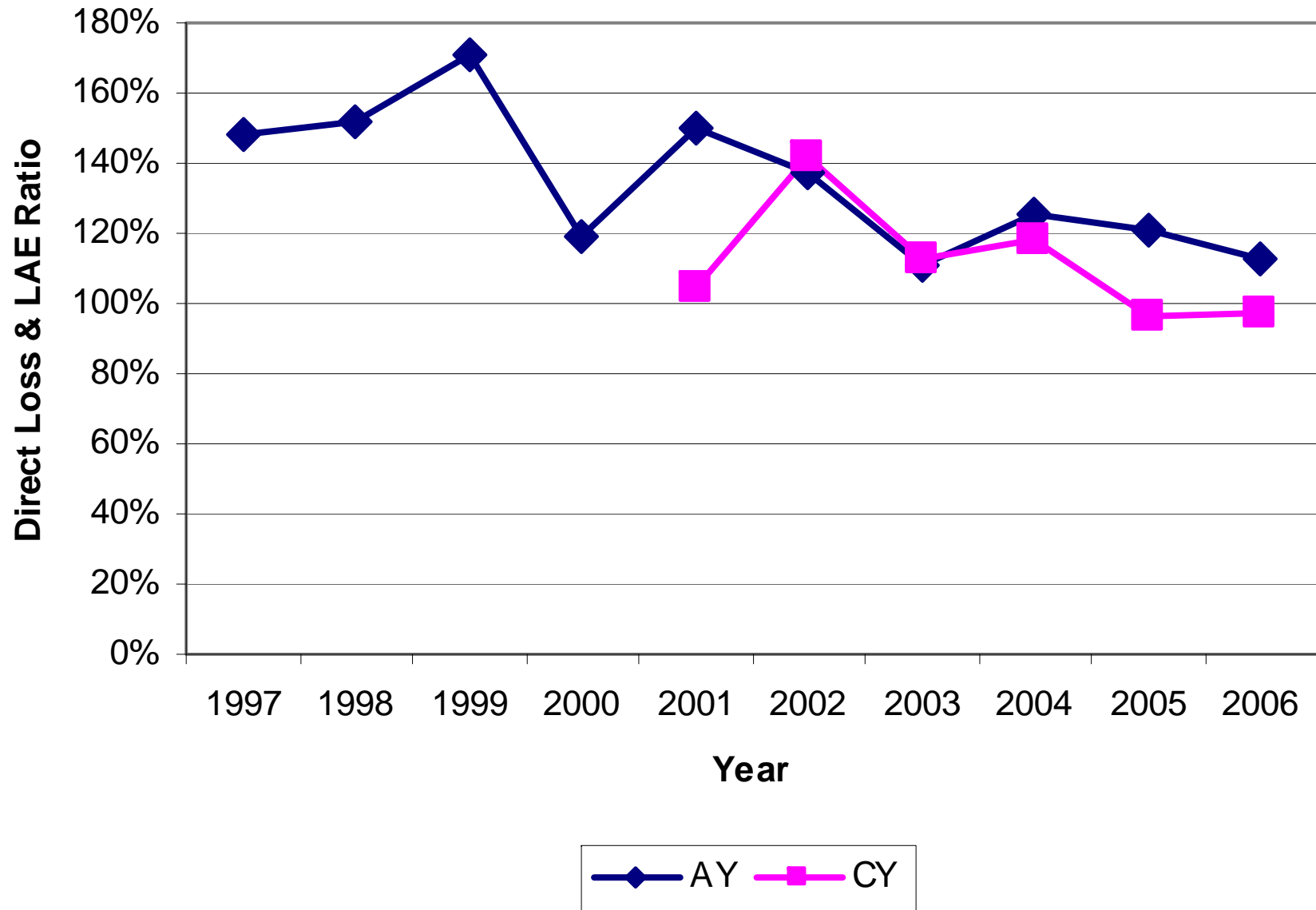
State Issues - Wisconsin

- Constitutionality of Damage Caps
 - \$200 million removed from WI PCF
 - PIC Wisconsin Acquisition
-

Leading Insurer Rates – New York



Loss & LAE Ratio – New York



State Issues – New York

- Rate Suppression
 - MLMIC Solvency Regulations
-