

Medical Professional Liability: Current Challenges, Future Opportunity

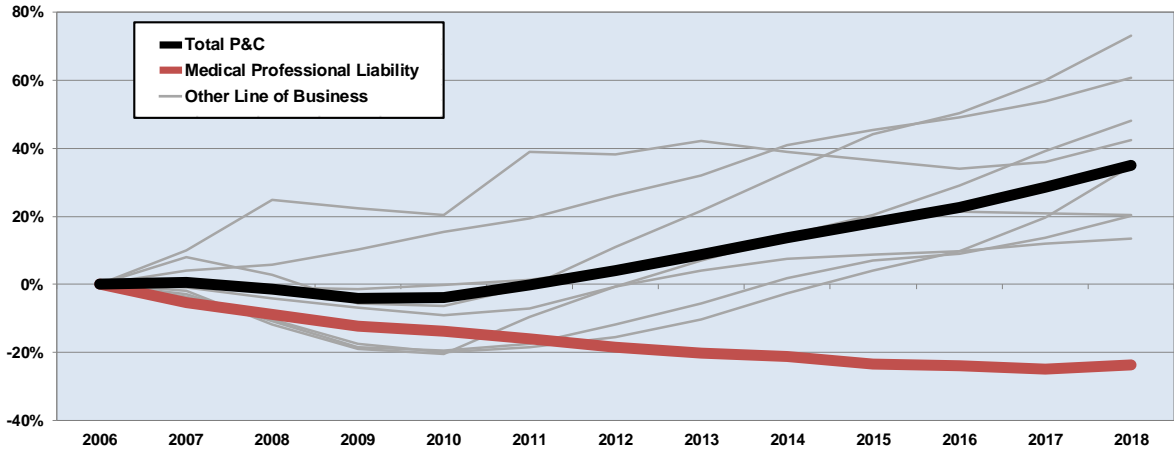
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CASUALTY LOSS RESERVE SEMINAR
AUSTIN, TX
SEPTEMBER 16-18, 2019



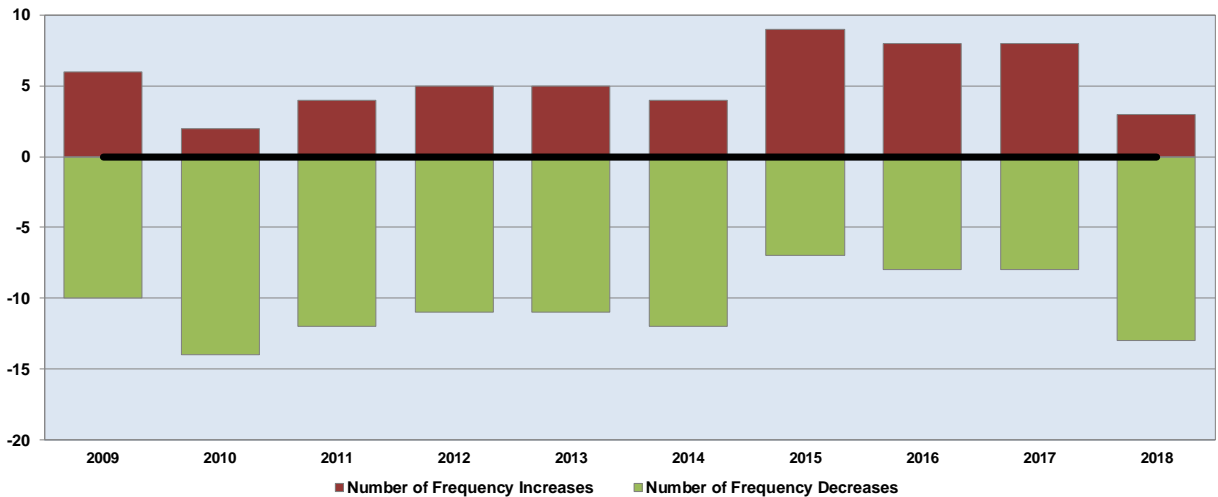
State of the MPL Industry

Change in Direct Written Premium Statutory Results



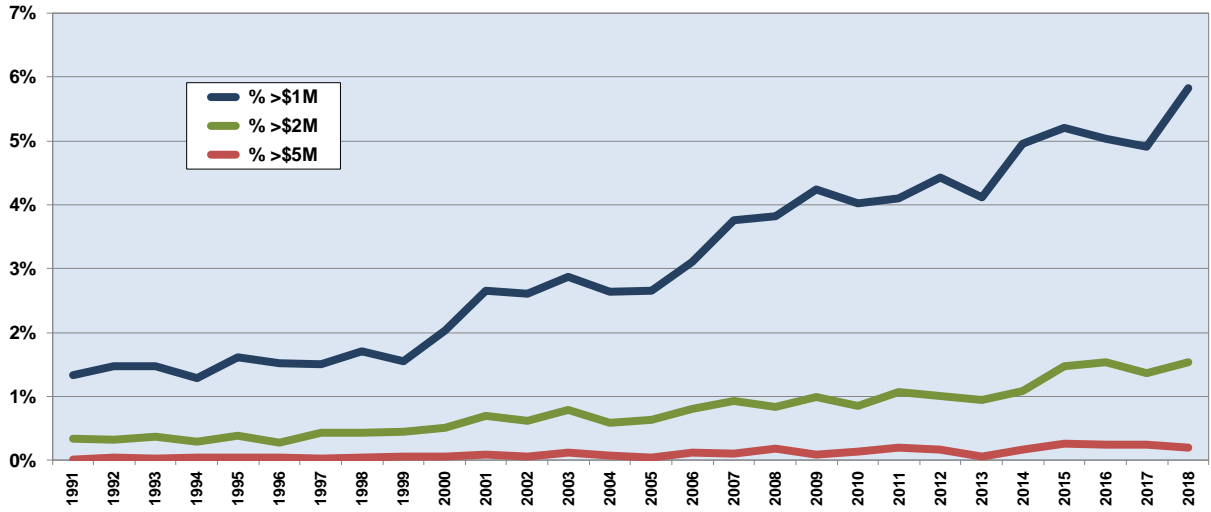
Source: Milliman analysis of P&C insurance statutory data as provided by S&P Global Market Intelligence

Change in Reported Claim Frequency Market Leaders by State, Relative to Prior Three Years



Source: Milliman analysis of individual company data

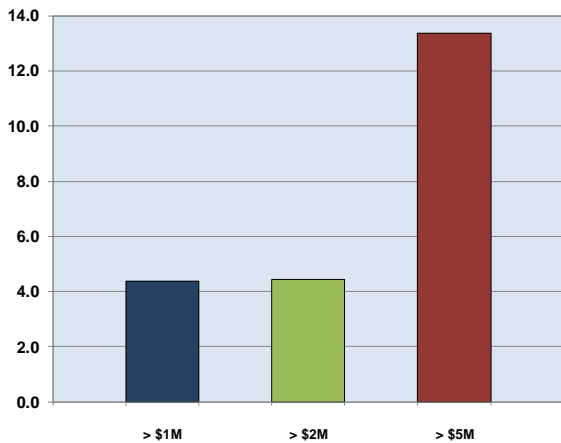
Stratification of Indemnity Claims Countrywide by Closed Year



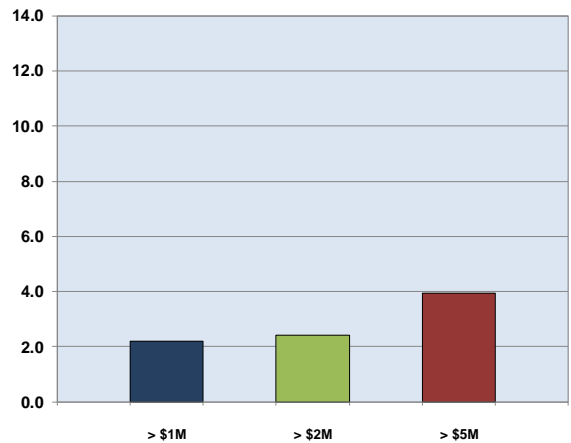
Source: Milliman analysis of National Practitioner Data Bank Public Use File; December 31, 2018

Stratification of Indemnity Claims Countrywide by Closed Year

Change in % of Claims, Relative to 1991

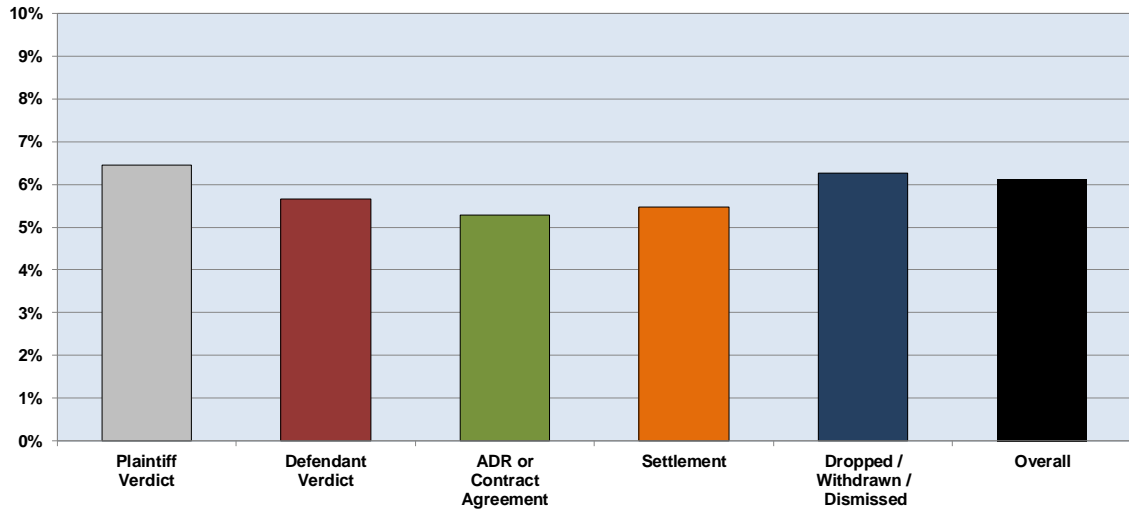


Change in % of Claims, Relative to 2005



Source: Milliman analysis of National Practitioner Data Bank Public Use File; December 31, 2018

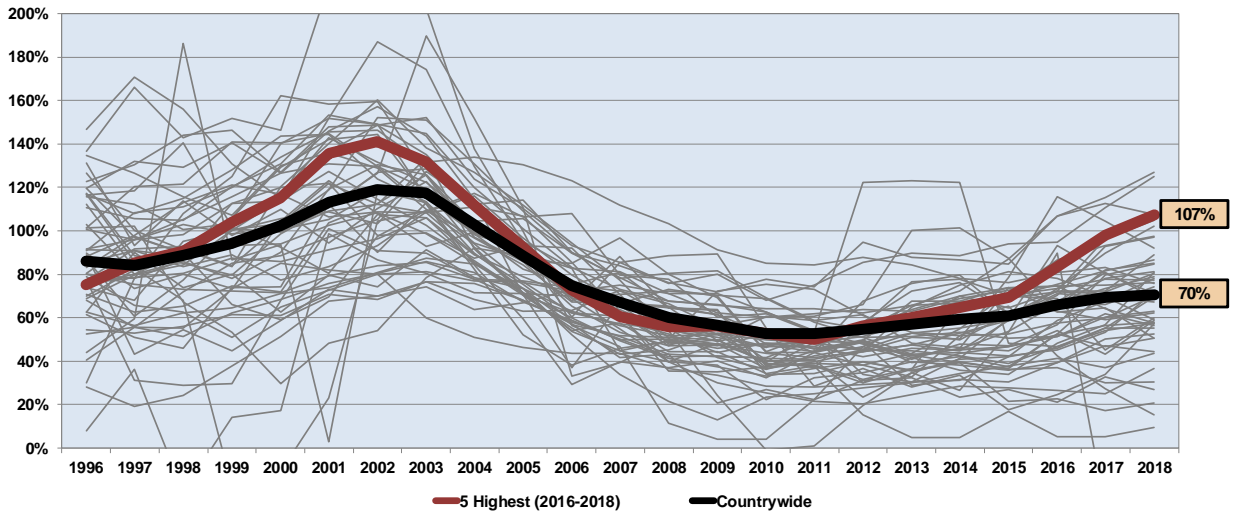
ALAE Annual Trend Rate by Category Relative to 2003



Source: Milliman analysis of PIAA Closed Claim Comparative; multiple editions

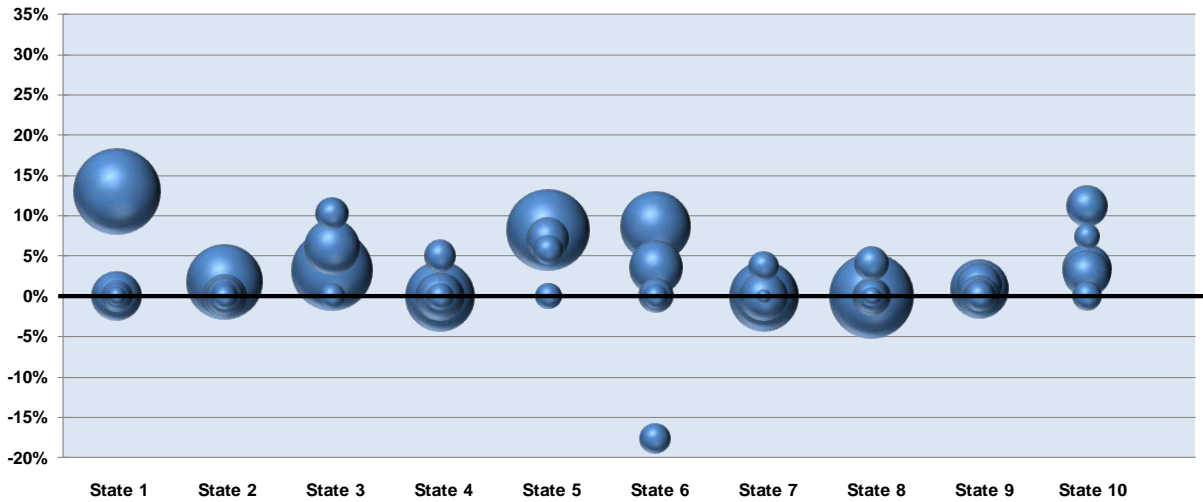
MPL Loss & ALAE Ratios

Variance by State, Three Year Rolling Calendar Year Results



Source: Milliman analysis of P&C insurance statutory data as provided by S&P Global Market Intelligence

Top Five Market Leaders' Three Year Rate Action

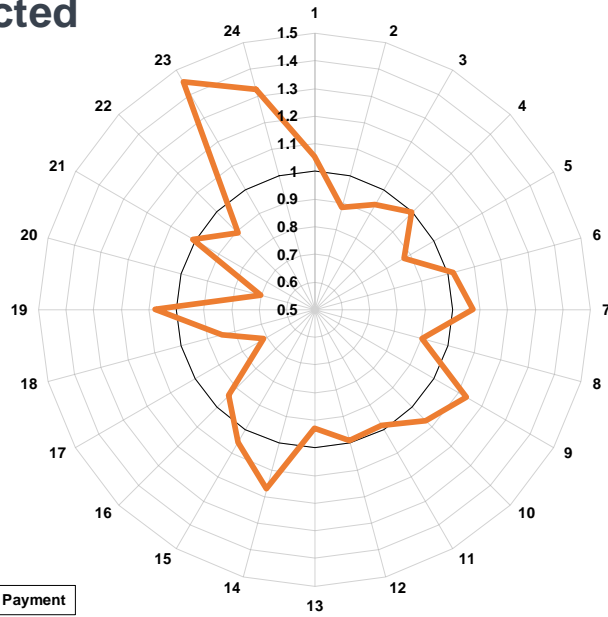


Source: Milliman analysis of P&C insurance statutory data as provided by S&P Global Market Intelligence
Milliman analysis of Medical Liability Rate Monitor; multiple editions

Data-Driven Decision Making in Defense Costs

Actual Versus Predicted

CWI Claims

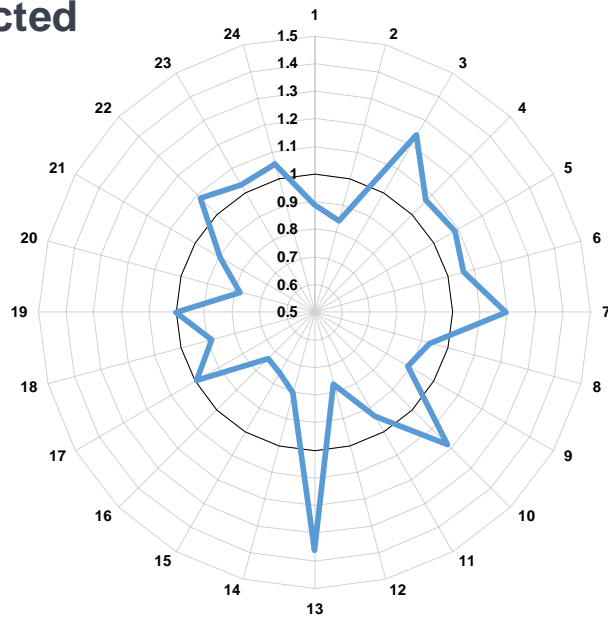


Source: Milliman analysis of client data

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Actual Versus Predicted

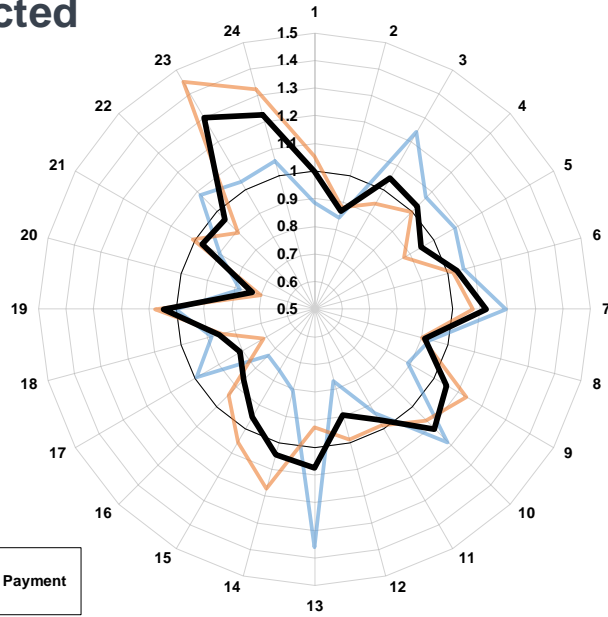
ALAE Costs



Source: Milliman analysis of client data

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Actual Versus Predicted Total Costs



Source: Milliman analysis of client data

Thank you

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