

PROASSURANCE
NORCAL GROUP

provisions

Highlights from Park City

ProAssurance Leadership Elite
Participants Discuss the Future
of Medical Professional
Liability Insurance



“We are uniquely positioned in the MPL market in a new and exciting way. As you follow the market, it becomes clear that many of our competitors are putting off a day of reckoning, so we need to continue on our path of careful pricing. We aren’t going to focus on trying to win on price. We need to win on service and claims handling, which is where our combined team truly shines.”

Ned Rand
President & CEO

A Word from Steve Dapkus

The Next Level of Leadership Elite

First off, thank you to everyone who joined us in Utah for the inaugural Leadership Elite meeting. The event offered the first opportunity for ProAssurance and NORCAL agents and brokers—as well as employees from both areas of the organization—to meet face-to-face to discuss the myriad of changes brought about by the recent transaction.

The Leadership Elite format combines ProAssurance’s Leadership Circle with NORCAL’s Elite meeting—bringing the best of the best of our combined organizations together. This will be the format going forward. We are already putting together plans for next year’s event at Streamsong Resort in Bowling Green, Florida.

The 2021 meeting included two days packed full of company information and updates—plus plenty of social time to ask questions and grab a few sidebar conversations. We have round up that information in this issue, both to inform those who were not present at the meeting and to serve as a reference for those hoping to remember some of the details from the presentations.

The main benefit of meetings like Leadership Elite, especially this year, is being able to see each other in a less formal setting. You can easily pull someone aside and get a pressing question answered or give that quick feedback that has been on your to-do list for weeks.

Our top priority is providing you with the information you need to successfully sell insurance. If there is anything we can do to improve our communications—or something in particular you think we should be covering to keep you in the loop day to day—please let us know. You can always email content suggestions or questions to AskMarketing@ProAssurance.com.



Steve Dapkus
Vice President, Marketing

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NED Talks

ProAssurance Corporation CEO Ned Rand sat down with Leadership Elite attendees to share his perspective on current ProAssurance events, the impact of COVID, diversity, equity, and inclusion, and more in a Q&A style forum.

“We aren’t going to focus on trying to win on price.

We need to win on service and claims handling, which is where our combined team truly shines.”

What have been the top three highlights of your time thus far as CEO of ProAssurance?

Easily the top three most impactful experiences have been the NORCAL transaction, the many talent updates we have undergone, and, the most unexpected of the three, COVID-19.

What were some of the challenges and victories throughout the process of acquiring NORCAL?

The whole process is not all that dissimilar to dating. In the initial phase we were competing against a number of different companies—trying to present the most compelling opportunity. We were also simultaneously doing our due diligence, trying to peel back the first layer and see what benefits this transaction truly represented.

As things got more serious, we really dove into the reserves, underwriting, and claims to get the full picture. The biggest was talent and, as time went on, we got to know the layers of the company beyond leadership which was very exciting. The ultimate victory was the incredible opportunity the NORCAL transaction provided to bring immense talent into the organization.

Then came the big announcement, which brought a lot of joy, but at this stage a lot can go wrong. There were a lot of hurdles to get through with the regulators, particularly in California. COVID-19 also put a lot of additional stress on the whole process. However, a significant benefit of the longer process was that we now had time to develop a very detailed integration plan—and we were in the position to get moving on that plan on day one.

The two hardest things about merging two companies are managing uncertainty and integrating the two cultures. Having a strong plan in place helps with the former. Our similar foundations as physician-founded organizations developed in response to the MPL crisis in the 1970s laid the groundwork to develop a strong unified culture. The long transaction gave us time to identify the best parts of each organization to keep and highlight going forward.

Treated Fairly is at the heart of the process. We also need to be conscious of listening more than we talk, but communicating often, and focusing on building the best possible organization. As a Company, we’ll learn from our mistakes and try to find the balance between strategy and culture.

What were the financial benefits gained by the transaction?

As the two organizations merge, we are experiencing a wide variety of cost savings as infrastructures are consolidated. We also have over \$5 billion in invested assets which provides us with added leverage in the market.

Describe our current standing in the MPL market.

We are uniquely positioned in the MPL market in a new and exciting way. We’ve heard from brokers that we are one of only three or four carriers that can help them place large national accounts.

As you follow the market, it becomes clear that many of our competitors are putting off a day of reckoning, so we need to continue on our path of careful pricing. That can be frustrating, but it’s vital for our future success. We aren’t going to focus on trying to win on price. We need to win on service and claims handling, which is where our combined team truly shines.

How does diversity, equity, and inclusion play into your vision for ProAssurance’s future?

The simple answer is we will continue to focus on building an environment where everyone can bring their full self to work. That’s the only way employees are able to do their best work. This effort isn’t about moving the tent, but making the tent bigger.

Overall, there’s a lack of diversity in insurance. We, as a community, need to work to get people interested in our industry at the high school and college level to encourage a more diverse base of employees. Insurance is highly technical and complex, and most training programs have a white, male population. As an industry, we need to find ways to cast a wider net, understanding that we may need to provide some of that technical training to get a more diverse population in the door. Ultimately, the industry will be stronger for it.

“We, as a community, need to work to get people interested in our industry at the high school and college level to encourage a more diverse base of employees.”



NED

SPECIALTY PROPERTY & CASUALTY UPDATE

Keeping the Focus on Transformation, Operational Excellence, and Sustainability

What is Specialty P&C?

The Specialty P&C divisions includes HCPL, Medmarc, and the Innovation Specialty Team (IST), which in turn includes PICA, OUM, DentistCare, and LawyerCare. HCPL is further divided into Standard operations, which provides healthcare professional liability coverage on an admitted basis—and Specialty, which largely writes E&S business. (Please see the corresponding diagram on the adjacent page.)

What Are the Goals of Specialty P&C?

These lines of business focus on several key initiatives which allow employees to focus on building and maintaining quality books of business. The 2021 goals also prepared the organization for the completion of the NORCAL transaction, increasing efficiencies and improving the Company’s competitive position.

- Relentlessly pursue an underwriting profit in all product lines and market segments.
- Deliver a culture of accountability to produce results that are sustainable over the various economic and insurance market cycles.
- Continue to build highly effective internal and external relationships through a well-defined organizational structure.
- Transform our competitive position by focusing on operational excellence and productivity gains through operational alignment, data-driven efficiencies, business automation, and innovative technology solutions.

- Deliver world-class service that is responsive, superior, and provides value to customers through a regional business model and other localization strategies.
- Earn the carrier of choice status among our distribution partners with engagement channels that make it ever easier to place and retain business with us.
- Bring energy, passion, and a commitment to excellence to the organization every day.

The NORCAL transaction is transformative, providing scope, scale, and a national platform. Not only did this push ProAssurance over \$1 billion in total active premium, it jump-started an era of change by transforming the organization.

Financial Highlights

The NORCAL merger was the largest transaction in ProAssurance history. It closed on May 5, 2021 with a deal value of \$448 million—a transaction gain of \$74.4 million, a material increase to Company book value.

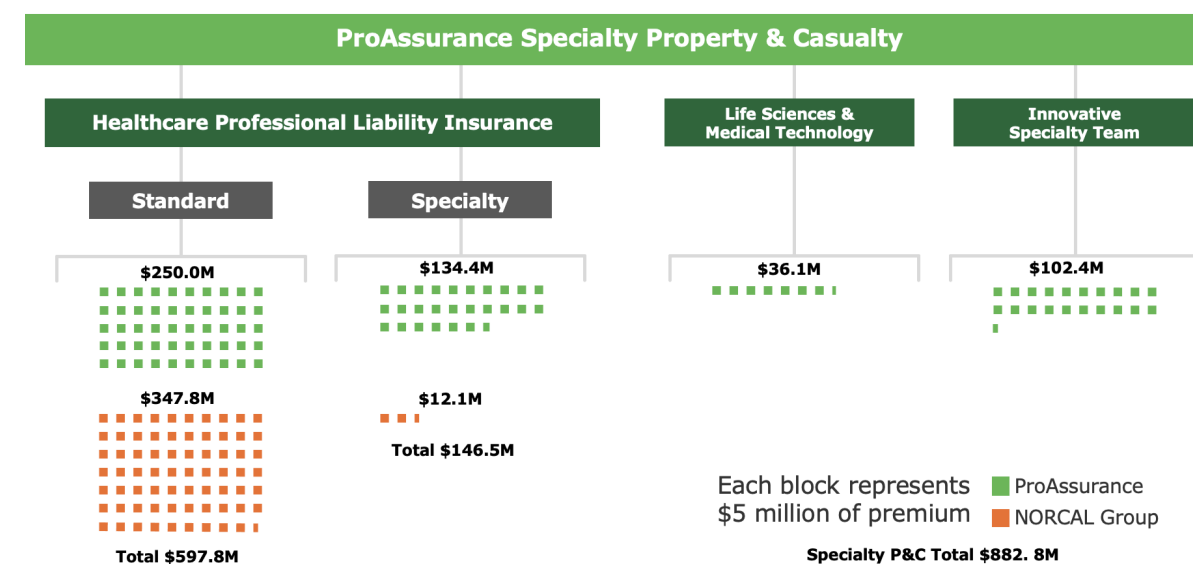
Additionally, the transaction brought:

- \$350 million of premium revenue
- Expense synergy target of \$18.0 million to further improve our competitive position
- Increased investment leverage with NORCAL adding \$1.5 billion of invested assets

AM Best affirmed NORCAL Group A- (Excellent) with stable outlook rating on September 10, 2021. ProAssurance’s AM Best rating of A (Excellent) is currently undergoing the regular review process.

Mike Boguski, President, Specialty P&C, shared an overview of the lines of business that make up Specialty P&C, the current status of the NORCAL integration, and plans for the future.

Specialty P&C Premium — Post NORCAL Transaction



An In-Depth Look at the Integration Plan

The completed transaction has propelled ProAssurance to number three in the MPL industry by market share—with a fully national platform with significant positions in California and Pennsylvania.

As the companies join together, the team is focused on identifying the best of both companies in the operational integration, with particular focus on blending company cultures and maintaining the best talent. In the first five months, both organizations were analyzed at every level to ensure the top talent for each position were moved into the appropriate roles to provide best-in-class service.

As part of this work, a new HCPL organizational structure was announced and implemented with

a focus on a regional/field operating matrix—laying the groundwork to create an operating model that is sustainable throughout all economic and insurance cycles. The HCPL leaders will work alongside the leaders of the other divisions of Specialty P&C, as well as Eastern Alliance, to offer a broad spectrum of HCPL products and solutions for your clients.

Synergies Beyond Expenses

Revenue synergies from the national platform and broad product spectrum are an important area of focus in 2021/2022. The integration of reinsurance programs was completed and became effective 10/1/2021, and IT systems consolidation is on target for July 2022. Overall, the successful integration focuses on improving business quality and profitability while providing an enhanced data advantage to help agents target opportunities to grow and retain business.



“In the first five months, both organizations were analyzed at every level to ensure the top talent for each position were moved into the appropriate roles to provide best-in-class service.”

HCPL UNDERWRITING UPDATE

Understanding the MPL Industry and Adapting to the Challenge

An Overview of Our Current Operating Environment

Medical professional liability continues to be a very noisy industry.

- **Ongoing reduction in product demand in physician segment**—Overall premium for physician exposures is declining as a proportion of total MPL premium; increases in total physician premium are due to rate increases.
- **Many carriers with surplus to burn**—Mutuals are using redundant surplus as leverage to protect their physician business. Many that had remained limited geographically are now starting to expand their reach beyond their traditional borders. ProAssurance has been nationally since the late 1990s, and NORCAL entered an expansion phase a decade ago. Many carriers suffer material underwriting losses as they expand. ProAssurance and NORCAL have moved onto expanding by offering more sophisticated products.
- **Rate adequacy concerns, rising loss costs**—COVID lowered the number of claims reported, but claims severity continues to rise. Most carriers would likely need to raise rates 3% annually in order to account for such inflation.
- **Increasing severity**—Social inflation continues to impact the claims environment. “Nuclear verdicts” resumed immediately following the reopening of courts. Large verdicts are driving up claims costs.
- **Reserve strength continues to diminish** throughout the industry with an overall deficiency recorded in 2020.
- **Commercial/multi-line carriers have exited certain segments**—CNA and Zurich are key examples.
- **Tort reform reversals and costly legislation**—It is likely there will be a challenge to MICRA (California tort law) in the near future.
- **Unknown effects of the pandemic**—Challenges to immunity statutes, claim frequency rebounds, COVID-related claims, and other factors have not yet made themselves known.

Adjusting Our Approach to the Current Environment

The NORCAL transaction provided the right momentum to address several business opportunities. Our combined organization offers:

- Deep expertise in all areas of medical professional liability
- Broad and innovative product offerings across the healthcare spectrum
- Customized solutions for larger accounts

In the earlier days of our companies, there was a need to centralize our services in order to provide more adequate and timely responses. Now we have expanded and have the appropriate technology to offer differentiated service to our insureds and agency partners on a more distributed basis. This both allows us to adapt the regional model for service, standardizing the underwriting process as much as possible while respecting and responding to the nuances and competitive factors in the regional environment.

Systems integration is the foundation of any business combination, and a great deal of work is behind that effort which deserves to be recognized. This will allow us to maintain our systems and grow in a shifting healthcare landscape, improve the use of external underwriting data, and streamline our operations, offering automated renewals, web-based customer service, paperless policy delivery, and more. You will be able to connect with us as you always have, with the increased ability for you and your clients to self-serve if that proves to be more convenient. We also want to explore new sources of information—simplifying your work as much as possible.

Implementing Production Underwriting

In reality, we have been utilizing many aspects of the production underwriting model for years. We are now formally adopting the model so we can establish consistent processes for increasing efficiency and accuracy, promote quicker response times, empower individual decision making, and encourage relationship management at the account level. The goal is to empower underwriters to feel responsibility for the performance of their book of business so they can be invested in its growth and maintenance alongside our agency partners.

The Production Underwriting team is responsible for:

- Managing the relationship of assigned agents, brokers, and insureds at the account level
 - › Communicating business strategies, target markets, specialties, and key initiatives to ensure we are aligned and working together to achieve the desired results
 - › Training and developing agents and brokers through day-to-day interactions
- Growing and retaining profitable book of business
 - › Managing and underwriting new business submission opportunities in accordance with Standard Underwriting criteria and appetite, and delivery of new business decisions within established service standards
- Leading new business prospect, stewardship, and renewal meetings
 - › Managing renewal accounts including evaluation, pricing, developing terms, and communicating underwriting decisions to agents, brokers, and/or insureds

Underwriters will continue to manage renewals, smaller accounts, and other essential day-to-day business in the office setting. Both of these teams will be your contacts and strive to provide you with accurate, well-reasoned, and timely responses. Any appeals should be sought from regional underwriting leadership.

Regular contact with this team will also help you zero in on business which ProAssurance is excited to write, saving you time and effort.

An Update About our Underwriting Technicians

Underwriting Technicians, formerly known as Policy Specialists, were previously housed in our centralized Service Center. They have been moved into the Underwriting department so they can more directly provide processing support to your team. You may still contact your assigned Underwriting Technician directly. The customer experience and engagement team—which remains in the Service Center—will continue to provide credentialing, loss runs, and assistance with the web portal.

Please Continue to Ask Questions

We all like to think of change as being linear, but in truth this is rarely so. Change causes disruption; people need time to implement new processes and learn new systems. We thank you for your patience throughout this process.

We want to respond to your needs. Please contact your regional leaders with any needs or questions you may have—as often as you see fit.

“Relationships are the heart of our business. Allowing the underwriting team to take the lead on explaining rate decisions allows you to focus on being an advocate for your clients.”



Rob Francis, EVP, Karen Carlile, SVP, and Heather Spicer, VP of Underwriting, provided a state of the industry, as well as an in-depth look at the Underwriting department and the vision for its future.

SPECIALTY UNDERWRITING for Custom Physicians, Hospitals, Facilities, and other Healthcare Providers

ProAssurance Specialty Underwriting solutions are available nationwide with most products offered on an excess & surplus (E&S) basis. The team is led by Shep Tapasak, Senior Vice President, and is made up of five distinct product lines.



Custom Physicians, led by Patrick O’Doherty, offers E&S and admitted solutions to large multi-state groups (typically 3 or more states), loss-sensitive plans, E&S/nonstandard, standalone tail, etc.



Hospitals & Facilities, led by Brian Gaffney, underwrites E&S products with primary and excess solutions for hospitals and systems of any size. Can include deductibles or large self-insured retentions and reinsurance of captives.



Miscellaneous Medical, led by Sarah Logue, offers E&S products for small to mid-sized operations. Preferred classes include advanced allied practitioners, allied medical and nursing schools, therapy services—physical, occupational, speech, and behavioral—dialysis centers, home health, hospice, imaging centers, laboratories, medical clinics, medical directors, non-physician healthcare staffing, specialty pharmacies, and surgery centers.



Senior Care, led by Mike Iovine, provides E&S solutions for the full spectrum of senior care from independent living to skilled nursing. Preference for small to mid-sized operations.



Alternative Risk, led by Katy Ladisch, offers assumed reinsurance/ART risk-sharing programs, captive programs, loss portfolio transfers, and other innovative solutions for large healthcare operations.



Route new business submissions to Custom Physicians when you encounter:

- Multi-state exposures in three or more states
- Multi-state exposures in two or more Standard Underwriting regions
- Accounts generating \$2M or more of gross primary premium
- Accounts on Excess and Surplus Lines

CustomPhys@ProAssurance.com
Hospitals@ProAssurance.com
MiscMedSubs@ProAssurance.com
SeniorCare@ProAssurance.com

The November 2021 issue of ProVisions will explore Specialty Underwriting in more depth. If you have specific points you would like us to cover, email your suggestions to AskMarketing@ProAssurance.com.



SPECIALTY UNDERWRITING
Shep Tapasak
 Senior Vice President



Does your agency need access to E&S placements?

ProAssurance Agency serves appointed agents and brokers nationwide helping agencies without E&S licenses and/or with contract limitations write E&S placements.

Call 844-331-6298, or email PRAAgency@ProAssurance.com.

RISK MANAGEMENT & MARKETING UPDATE

A Snapshot of the Combined Risk Management Department

The Risk Management department will join Business Development, Claims, and Underwriting in operating on a regional model. Each region will provide support via the Risk Advisor line, in-person visits, and virtual assessments, as well as addressing any agency or sales support. The five regions will be further supported by an Education and Publications team, which will manage CME opportunities, seminars, publications, and risk data management.

The 2022 Risk Management Publication Plan

Legacy publications from both ProAssurance and NORCAL will be provided to insureds in 2022.

- **Claims Rx**—This legacy NORCAL publication is a long-form (20+ pages) case study and risk management piece which is centered on a theme. A CME component is available to readers.
- **Vital Signs**—This legacy ProAssurance piece focuses on closed claims, organized by specialty in a short format (1-2 pages). In the past, these were delivered by specialty (e.g. cardiology received two cardiology issues per year). In 2022, all specialties will receive all issues.
- **Ad hoc alerts/communications**—The publications team will stay abreast of industry news and risk management issues and propose additional communications (print, eblasts, etc.) as needed throughout the year.

CME and Premium Credit Availability

There will be no change to potential premium credits for continuing medical education (CME) activities for eligible ProAssurance or NORCAL insureds in 2022. Monthly live webinars, online webinar replays, and *Claims Rx* will be available to all insureds for premium credit and CME. These will be made available on the ProAssurance and NORCAL websites, plus the NORCAL app, to ensure all insureds have easy access to these programs. The ProAssurance back catalog of courses will remain available in the secure services portal until they expire.

Expect further details on course offerings for the upcoming year in our December issue.

Steve Dapkus, VP, Marketing, revealed upcoming plans for the Risk Management department and ongoing agent resources provided by the Marketing department.

Marketing activities in 2022

Most Marketing activities will continue as planned in 2022, with several key elements taking focus.

- Phase two of the **brand integration** will begin in 2022, with the “transition logo” beginning to appear on NORCAL materials. This adjustment will help to illustrate that NORCAL is part of ProAssurance while showing respect to the former brand.
- We will continue to update the recently released Producer Guide as news and updates become available. We will announce updated versions of the guide in *ProVisions*, but you can always get the most recent version of the guide at ProAssurance.com/Producer-Guide.
- *ProVisions* will continue to be the main news source for our agency partners. We will finish off 2021 with our Specialty Underwriting and annual Giving Back issues—and kick off 2022 with our annual Market Cycle issue.
- The retention campaign, announced in our September Retention issue, will be expanded to include NORCAL insureds. We will continue to share updates on the progress of this campaign throughout the year.

“The integration provided an opportunity for the Risk Management department to join forces with Marketing to create and promote deliverables for your clients.”



GUEST SPEAKER: *Jeremy Bloom*



Jeremy Bloom is a three-time World Champion, two-time Olympic skier, former All-American football player at the University of Colorado, and played professional football as a wide receiver and return specialist for the Philadelphia Eagles and the Pittsburgh Steelers. Currently,

Jeremy is the Co-founder/CEO of the marketing tech company, Integrate, and founder of Wish of a Lifetime, a nonprofit charity that grants wishes to senior citizens. The non-profit has granted over 1,000 wishes in all 50 states.

Jeremy shared a bit about his past and how his experiences as a professional athlete shaped his views on life. He used his achievements to fuel his current ventures, particularly his work with Wish of a Lifetime. He summarized his views with a few key elements, some from his experience and some as the result of spending time with the seniors he met through Wish of a Lifetime, which he feels are essential to living life well.

- Live life with a bias toward yes—don't be afraid to try new things and fail.
- Have no doubt your life is unfolding as it should—stop being so hard on yourself.
- Carve your own path—get off the cultural conveyor belt.
- We only get one body—we have a responsibility to take care of it.
- Find your creative mind—don't just come to work and do what you need to do. Take the time to sit back and think creatively.
- **Find your hedgehog**—“the fox knows many things, but the hedgehog knows one big thing.” Companies that go from good to great find their hedgehog and make it the center of their focus.
- Culture over competency—don't lead with fear, but instead focus on bottom-up leadership. Give your team a voice.
- The first rule of culture is to define the culture.
- Develop a failure-informed compass—do your best not to personalize failure. We all have failures. Learn from them, but don't allow them to define you.

Scott White Inducted into Michigan Insurance Hall of Fame



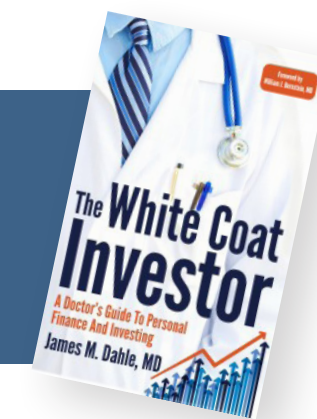
ProAssurance extends its congratulations to long-time ProAssurance agent and current CEO/CRO/CIC of VAST, Scott White, who will be recognized this month as a 2021 inductee into the Michigan Insurance Hall of Fame. Scott, an active industry and community volunteer, was recognized at the annual induction ceremony on October 27, 2021.

Those at ProAssurance who have worked with Scott over the years are not surprised that he is being recognized in this way. ProAssurance Vice President, Business Development HCPL, Gary Dowling sees the award as **“a well-deserved recognition of everything he's done in the industry, not just in the medical malpractice industry but in his community.”**

Induction into the Michigan Insurance Hall of Fame is a prestigious acknowledgement of excellence by an inductee's peers in the Michigan insurance industry. The election panel represents a cross-section of the insurance and risk management business in Michigan who meet annually to identify new members. The Michigan Insurance Hall of Fame sees it as **their mission...**

“...to recognize individuals for excellence in leadership, service, and contributions to improve the ability of the Michigan insurance industry to serve the public in the state of Michigan, and furthermore to support education, research, and technology that advances the understanding and public awareness and recognition of the economic role of the insurance and risk management business.”

GUEST SPEAKER: *Dr. Jim Dahle*



Dr. Jim Dahle is a board-certified emergency physician from Salt Lake City, Utah. He developed a passion for personal finance early in his career, and after a lengthy self-education process, he realized no one was teaching this material to physicians and other high-income professionals—many of whom were making the same mistakes he made early on. He founded The White Coat Investor in 2011 which rapidly grew into the most widely read, physician-specific website in the world.

His first book, The White Coat Investor: A Doctor's Guide to Personal Finance has remained an Amazon top-seller since publication in February 2014—and serves as the cornerstone of ProAssurance's 2021 retention campaign. Dr. Dahle took the stage to talk about his work and how his mission of helping physicians with their finances crosses paths with ProAssurance's mission to protect our healthcare insureds.

Why Are Physicians Known for Being Bad with Money?

Consider the following about new attending physicians:

- 30-40 years old
- Has an income of \$150K-\$400K
- Their net worth varies, but they may be up to \$400K in debt
- 75% of this population has student loans
- Earn an average of \$205K for MDs, \$260K for DOs, and \$275K for DDS
- Never had any business, personal finance, or investment training
- Family, friends, and patients all think they're rich and expect them to act that way

Intraspecialty income variation is wider than the interspecialty income variation, especially for physicians who are also business owners. It is not uncommon for physicians to have a five-figure income; this is especially common for part-time employees, those in academic positions, women, or pediatricians.

Due to the long medical school process, physicians have a late start in their financial journey, and often start that journey in debt. Their income is often less than anticipated, but still high enough that they are hit by the progressive tax system. They are also often targets of the financial services industry, which makes them afraid of getting “ripped off.” Because of their high education level, many physicians are overconfident, so they do not seek help. Many also give in to society's expectations for their spending habits which limits their ability to accumulate wealth.

The White Coat Investor Plan

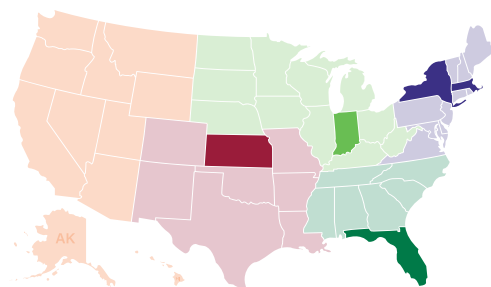
The White Coat Investor encourages high-earners to become financially literate early on, often by taking the time to learn these skills themselves. The plan also focuses on “living like a resident” for the first few years as an attending—maintaining an inexpensive budget to focus on paying off student loans, saving up a down payment, or jump starting investments with additional earnings. Insuring against financial catastrophe is essential, as is creating an emergency fund for unanticipated expenses. Dr. Dahle also advises high-earners to pay attention to taxes, advisory fees, and other costs which add up over time.

Ultimately, it's about staying the course and not falling victim to mistakes like selling low or speculative investments.

How You Can Help Doctors

1. **Doctors love to learn.** Help them understand the product, what happens during a lawsuit, and provide information that helps them reduce their risk of malpractice.
2. **Deserve their trust.** Don't sell them things they don't need. Doctors take an oath to help others and expect other professionals to behave accordingly.
3. **Sell best-in-class products.** Not only do these sell themselves, it's easier to feel good when you look at yourself in the mirror.
4. **Avoid the hard sell.** Doctors view themselves as objective when they give advice, so they expect to be treated in kind.
5. **Focus on longevity.** Up to 50% of doctors are burned out, which limits their ability to manage their finances and contribute to the profession. Reducing their fear and risk of lawsuits can help them stay in the game—which ultimately benefits us all.

MPL State News



FLORIDA

Florida Protected Nursing Homes from COVID Lawsuits. Then Cases Began to Spike

The legislation, which Gov. Ron DeSantis signed into law in March, is again under the microscope as Florida has experienced an unprecedented surge in coronavirus cases in recent months and nursing homes faced outbreaks that may have previously opened up facilities to litigation.

Under the new law, families or residents seeking to sue a nursing home for a COVID-19-related injury or death must have evidence to prove that a specific individual intended to harm the person who contracted COVID-19 or showed conscious disregard for their life.

Though at least 18 other states have passed similar health care shield laws, Florida's legislation includes a particularly steep requirement — plaintiffs must obtain a doctor's statement, made under oath, attesting to their claim that the defendant's action led to the person's infection. (Tampa Bay Times)

KANSAS

Change to Minimum Coverage Requirements for Kansas Insureds

In May 2021, Kansas enacted Senate Bill 78, which increases minimum coverage requirements for qualified healthcare providers with regard to the Health Care Stabilization Fund.

In order to comply with the new law, we will be raising the base limit of liability to \$500,000 single judgment or settlement, subject to a \$1,500,000 aggregate limitation, and will adjust rates accordingly for all new healthcare providers and policies that renew on and after January 1, 2022.

We will notify our affected policyholders of the change.

NEW YORK

New York governor Kathy Hochul issues executive order to expand healthcare workforce

New York Governor Kathy Hochul has signed an executive order declaring a statewide disaster emergency due to healthcare staffing shortages.

The order expands the number of physicians, nurses and other clinicians who can practice in the state by relaxing licensing and other requirements. The executive order is in effect for 30 days.

Why it matters: New York State's COVID-19 vaccination mandate went into effect at midnight Tuesday, September 28. The executive order was released Monday, September 27 in anticipation of nurses and other clinicians leaving their jobs due the order. (Healthcare Finance News)

INDIANA

Indiana Jury Awards \$600K in Outpatient Surgery Case

A patient passed away during an outpatient medical procedure at a vascular center in Indiana—resulting in a \$600,000 verdict issued in August. The patient (a 50-year-old female) experienced pain stemming from a femoral artery narrowed by plaque. She scheduled an elective outpatient procedure at the vascular center in November 2012. During the procedure, the catheter broke off in the artery, leading to complications and an acute retroperitoneal hemorrhage. The patient ultimately passed away 27 hours after the procedure. (The Herald-Times)

MASSACHUSETTS

Coronavirus vaccine mandates: Massachusetts expands vax requirement for long-term care providers

The Executive Office of Health and Human Services under the Gov. Charlie Baker administration plans to require COVID-19 vaccination for all staff at rest homes, assisted living residences, hospice programs, as well as for home care workers providing in-home, direct care services.

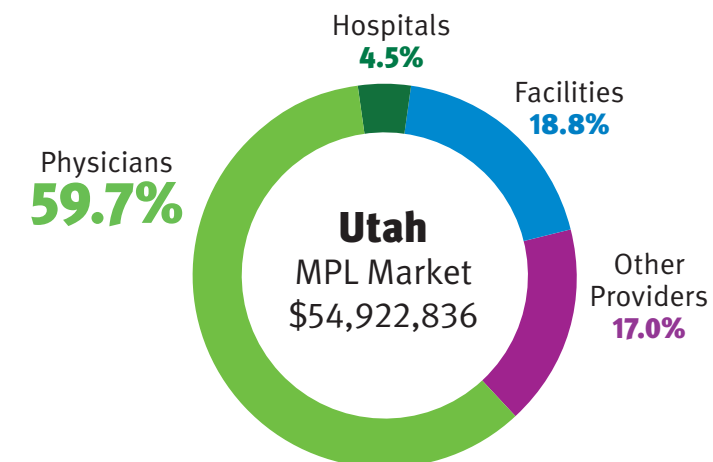
The plan to expand the vaccine requirement for caregivers is subject to Public Health Council approval and "is part of the Administration's continued effort to protect older adults against COVID-19," the Executive Office of Health and Human Services said in a statement.

Following approval from the Public Health Council, all staff must get vaccinated by Oct. 31.

The requirement would cover 62 rest homes, 268 assisted living residences, 85 hospice programs and up to 100,000 home care workers across the state. (Boston Herald)

MPL State Profile Utah

- 36** 2020 Rank in MPL Market
- 12** 2020 ProAssurance Rank
- 6** 2020 NORCAL Rank
- 4** **2021 ProAssurance Post-Merger Rank**



Department of Insurance Reporting

The Utah Department of Insurance produces an [annual report](#) which includes nationwide operations, market share, fiscal data, and more for insurers authorized to write in the state.

Tort Laws

- **Limits on damages for pain and suffering:** \$450,000 cap on non-economic damages for cause of action arising after 5/15/10 (\$480,000 for earlier cases)
 - › §78B-3-410 (2010)
- **Limits on contingent attorney fees:** 33.3% of recovered
 - › §78-14-7.5 (1985)
- **Reform of collateral source rule:** Mandatory (excludes benefits subject to subrogation)
 - › §78-14-4.5 (1985)
- **Periodic payment of future damages:** Mandatory over \$100,000 at request of either party
 - › §78-14-9.5 (1992)
- **Statute of limitations:** 2 years from discovery; 4 years maximum, 1 year foreign object exception
 - › §78-14-4 (1979)

Utah's Physician Environment

Utah was ranked first in [MDLinx's best states to practice in 2021](#) list. The list ranked states based on key factors including overall pay for physicians, physician density, cost of MPL insurance, taxes, and quality of healthcare. Rankings for quality of life, education environment, and community wellbeing were also considered.

Pre- and Post- Judgment Interest

Prejudgment Interest Rate: For actions brought to recover damages for personal injuries that arose prior to July 1, 2014, 7.5% simple interest allowed on special damages. Utah Code Ann. § 78B-5-824 (2013). Special damages do not include damages for future medical expenses, loss of future wages, or loss of future earning capacity.

For actions brought to recover damages for personal injuries that arose on or after July 1, 2014, simple interest on special damages calculated as noted in Utah Code Ann. § 78B-5-824(5) (2018), but only if the plaintiff makes a settlement demand complying with § 78B-5-824(2). Special damages do not include damages for future medical expenses, loss of future wages, or loss of future earning capacity.

Accrual date: The date of injury, provided that prior to trial the plaintiff had extended to defendant a written settlement demand valid for a minimum of 30 days in an amount less than the amount of damages upon which the judgment was entered.

Post Judgment Contract and Tort Actions Rate: The contract rate or, if none, the federal post judgment interest rate as of January 1 of each year plus 2%. Utah Code Ann. § 15-1-4.

Accrual date: Date of Judgment

Pending Legislation

HB 80 – Signed into law March 11

This law provides an affirmative defense in legal action pertaining to a data breach to a person who creates, maintains, and reasonably complies with a written cybersecurity program that meets the standards contained in the bill. Prohibits private causes of action stemming from failure to comply with the data security requirements in this bill.

Business Development Welcomes Mike Rosenthal and Andrea Linder

We are pleased to announce that **Mike Rosenthal** has been appointed Senior Vice President of ProAssurance Business Development.



Mike comes to us with three decades of experience driving growth and creating successful national teams both as a broker and as an insurance company executive. Prior to joining ProAssurance, Mike grew RGI Insurance Services into one of the largest specialty healthcare brokers in the country before selling it to The Doctors Company in 2010. He subsequently joined TDC as a Vice President and General Manager of their Insurance Services agency operation. Mike also has experience with insurance company start-ups, giving him insight into policy design, reinsurance, and captive management.

Mike's responsibilities will include agent and broker management, direct sales, ProAssurance Agency, program development and management, product development, internal sales training, external technical training, and distribution analytics.

We are very excited to have Mike join ProAssurance with his experience, energy, and enthusiasm for creating a Business Development organization that fits the needs of the evolving healthcare landscape. He is a vital member of our team and will be an asset to our valued agency partners. You can reach him directly at 205-877-4488 or MikeRosenthal@ProAssurance.com.

We are pleased to announce that **Andrea Linder** has joined ProAssurance as Director of Business Development for the Western Region.



Andrea is an experienced industry professional with three decades of experience working with healthcare professional liability brokers in the western region. Most recently, she worked with the Cooperative of American Physicians where she served as Vice President of CAP Business Development.

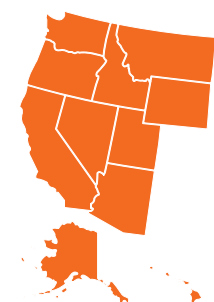
She established a brokerage distribution channel with more than 200 experienced healthcare professional liability brokers and was actively involved in account retention and renewals.

Although new to ProAssurance as a Director, Andrea previously spent eight years as a ProAssurance strategic partner, helping to develop business on the West Coast. With her proven track record of launching successful new programs and generating significant premium growth and renewal retention, Andrea is a valuable addition to ProAssurance.

You can reach her directly at 480-707-8960 and AndreaLinder@ProAssurance.com.

Please join us in welcoming Andrea to ProAssurance and wishing her success in this role.

Snapshot of the Western Region



UNDERWRITING
Lucy Sam
Assistant Vice President

BUSINESS DEVELOPMENT
Andrea Linder
Director

CLAIMS
Gina Harris
Regional Vice President

RISK MANAGEMENT
Katie Theodorakis
Regional Manager

2020 Market Share for the Western Region			
State	ProAssurance DWP	Total Market DWP	Market Share
Alaska	\$3,736,000	\$23,555,000	15.86%
Arizona	\$16,804,000	\$209,821,000	8.01%
California	\$129,748,000	\$834,086,000	15.56%
Hawaii	\$684,000	\$33,958,000	2.01%
Idaho	\$1,028,000	\$34,281,000	3.00%
Montana	\$610,000	\$38,017,000	1.60%
Nevada	\$29,350,000	\$79,950,000	36.71%
Oregon	\$2,685,000	\$97,334,000	2.76%
Utah	\$3,063,000	\$56,525,000	5.42%
Washington	\$2,962,000	\$186,040,000	1.59%
Wyoming	\$324,000	\$19,742,000	1.64%
Total	\$190,994,000	\$1,613,309,000	11.84%

THE Comments Section

This month's topic:

Health Workers on Front Lines Once Saluted as Heroes Now Face Hostility

From: Insurance Journal

This month's article discusses the results of COVID-19 stress in the healthcare environment. While at the beginning of the pandemic many anticipated the "halo effect" giving rise to more respect for healthcare professionals, it appears the opposite is occurring—with violent incidents in healthcare facilities rising at an alarming rate.

[View the full article.](#)

"Prior to the pandemic, workplace violence in the healthcare setting was an issue. Staffing shortages, exhaustion, visitor restrictions, and vaccination anxiety have all added to an already emotionally charged environment. A sense of loss of control, fear, and frustration due to the COVID-19 pandemic set the stage for aggression that can lead to violence. Being prepared for such occurrences is vital. Healthcare organizations should have policies and procedures in place in order for staff to understand, manage, and react quickly to hostile behavior under threatening circumstances. Visit our [website](#) to access links to Homeland Security, FBI, and CMS for information and training on emergency preparedness, workplace safety, and active shooter planning."



Joanne Simmons RN, BSN
Senior Risk Management Advisor

About The Comments Section

The Comments Section is a reoccurring feature which focuses on an industry article in line with the monthly theme. ProAssurance thought leaders will offer insights on the article and how the topic presented relates to our industry.

"When our Risk Management department examined the issue of violence in healthcare in the 2018 Loss Prevention Seminar, we had no idea how truly valuable that information would soon become. Faced with increasing threats of violence related to the COVID-19 pandemic, medical professionals should remember that resources are available to assist them in mitigating the risk of physical harm. The Occupational Safety and Health Administration published detailed Guidelines for Prevention of Workplace Violence for Healthcare and Social Service Workers, which is available [online](#) at no cost. OSHA will also provide a free consultant, who will review office facilities, practices, and procedures to assist in reducing the risk of violence."



William Ashley
Senior Claims Specialist

"A hostile healthcare work place means fewer doctors and nurses willing to work long hours or more retiring early. Fewer workers and more stress creates a healthcare delivery environment with a higher potential for medical errors and a litigation environment where juries may be more sympathetic to the plaintiff. Our defense attorneys are preparing for this new environment."



Steve Dapkus
Vice President, Marketing

MEDICAL PROFESSIONAL LIABILITY

Industry Resources

Retention Articles

Hospital Ransomware Attack Led to Infant's Death, Lawsuit Alleges

A lawsuit says computer outages from a cyberattack led staff to miss troubling signs, resulting in the baby's death, allegations the hospital denies. (Healthcare IT News)

Walmart Health Announces Partnership with Epic

The retail giant said it would begin using Epic's electronic health record platform in its health centers, starting in early 2022 with its new facilities opening in Florida. Eventually, all of Walmart's health and wellness lines of business will be supported by the Epic platform as it's rolled out.

Why it matters: Walmart has been slowly opening health centers designed to deliver primary and urgent care, labs, X-ray and diagnostics, counseling, dental, optical, and hearing services. (Healthcare IT News)

U.S. Court Upholds Hospital Employee COVID-19 Vaccine Rule in Test Case

In what appears to be the first ruling of its kind for a private employer in the United States, a federal judge last week ruled that a Cincinnati, Ohio-area healthcare provider could require its employees get vaccinated against COVID-19 or risk losing their jobs.

The employees of St. Elizabeth Healthcare failed to establish that their individual liberties were being violated by the vaccine requirement of the hospital operator, which has the right to set employment terms, said U.S. District Judge David Bunning in Covington, Kentucky.

Employer vaccine requirements have spawned numerous lawsuits, although most are still in the initial stages. A federal judge in June dismissed a lawsuit against Houston Methodist Hospital under Texas wrongful termination law. (Reuters)

The Best States for Physicians in 2021: The Complete Ranking

What are the best states for physicians to practice in? Find out in Physicians Practice®'s Best States to Practice 2021 exclusive data project. (Medical Economics)

The Top Undergraduate Insurance Programs for 2022

The insurance industry is anticipated to see a talent gap as more baby boomers reach retirement age and fewer young people show interest in insurance careers, making those college students and universities offering insurance programs all the more vital to meeting the industry's future personnel demands.

The pandemic also put traditional forms of recruitment on hold, placing even more of a premium on finding future insurance professionals. To bridge this divide, the industry must collectively work to overcome the low level of awareness it has among young students. Introducing young professionals to the benefits and possibilities behind an insurance career is now a strategic necessity for the industry. (PropertyCasualty360)

Ties that Bind

Monthly Insights for Selling to Healthcare Professionals

“

Relationships need nurturing. Make it a habit to communicate regularly.

”

The Four Rules of Networking With Clients & Colleagues

If you observe people at networking events, you might think the goal is to introduce oneself, deliver an elevator pitch, exchange business cards, all while stealthily scanning over the other person's shoulder for your next target. Networking is much more than a frantic, business-justified speed-dating event. *Networking is business.*

I define networking as interactions to build a network of mutually beneficial relationships. It's about getting to know others and making sure they know and remember you. It can take place during in-person industry events, on social media, or even by just making a phone call or sending an email to introduce yourself and start a relationship. It's natural to focus on networking to fill the business funnel, but don't overlook the value of networking with fellow agents and company personnel.

MPL is a complex business. Knowing who to turn to for an answer, an introduction, or to get something done is invaluable. It's also important for others to understand how you can contribute to the team or organization.

The Rules of Networking

Rule Number 1: It's About Showing Up.

It might be tempting to skip the welcome reception for an evening of room service and Netflix when attending corporate or association events, but that could mean missing an increasingly rare opportunity—networking in-person. If you're unable to participate in live events, networking virtually via video conferencing, social media, or even the telephone can be very effective too. But nothing happens unless you make it a priority and show up.

Rule Number 2: It's About Building Relationships.

A primary objective of networking is to create new relationships and nurture existing ones. Great networkers demonstrate a sincere interest in others. Start conversations that spotlight the other

person instead of approaching everyone with a canned networking pitch or a trite opening. For example, instead of just asking, "How's business?" ask something more personal like "What's something new that you're doing in your business this year that's working for you?" Listen carefully to the answer and then probe deeper regarding their thoughts, opinions, and experiences. Include yourself in the conversation by describing a situation you're experiencing and ask how they might handle it (even if you think you have it figured out). They're likely to feel complimented that you value their opinion and will remember the encounter in a positive way.

Rule Number 3: It's About Learning.

Networking opportunities aren't just talk-fests; they're opportunities for real-world continuing education. Be open to learning from others, even when they have less experience, different expertise, or a radically different perspective. You might find yourself saying, "That's a great idea!"

Rule Number 4: It's About Giving.

You have skills, knowledge, and experience that can help others. Invite people in your network to reach out to you when they need the kind of help you can provide. The act of giving shows leadership and kindness and makes you someone others are glad to know.

One last thing: networking isn't a one-and-done activity. Relationships need nurturing. Make it a habit to communicate regularly. Send a link to a helpful article or share an idea or tactic you've found useful. At the very least, let others know you're thinking about them by sending an email, text message, or calling. Regular contact keeps your network alive and growing. Make sure networking is working for you. *Networking is business.*

Written by **Mace Horoff** of Medical Sales Performance

Mace Horoff is a representative of [Sales Pilot](#). He helps sales teams and individual representatives who sell medical devices, pharmaceuticals, biotechnology, healthcare services, and other healthcare-related products to sell more and earn more by employing a specialized healthcare system.

Have a topic you'd like to see covered? Email your suggestions to AskMarketing@ProAssurance.com.



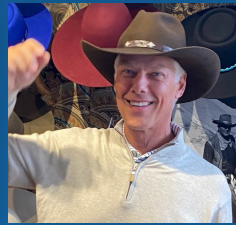
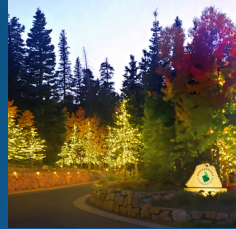


Our annual Leadership Elite meeting brings ProAssurance executives and team leaders together with top performing agents and brokers.

Mark your calendars!

The 2022 event will be at the Streamsong Resort in Bowling Green, Florida, October 2-5.

2021 Leadership Elite Gallery



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