

Notes

MEDICAL MUTUAL
Liability Insurance Society of Maryland

FROM THE CHAIR OF THE BOARD

HEADLINES

Dividend Credit Announced for 2012

MEDICAL MUTUAL announces an 11% dividend credit for 2012 renewal policies.

Changing Your Practice?

Important insurance issues to consider when evaluating leaving private practice for employment.

New Premium Invoice

A helpful visual guide to MEDICAL MUTUAL's newly redesigned premium invoice.

Volunteering Information for Insured Physicians

Physicians interested in volunteering their services are covered by MEDICAL MUTUAL.

October 2011

Dear MEDICAL MUTUAL Member:

On behalf of MEDICAL MUTUAL, I am pleased to announce an 11% dividend credit for 2012 professional liability renewal policies. This matches the 11% renewal dividend credit from 2011. As a result, the renewal price increase will be limited to the four percent base rate increase we reported to you in July. Since 1975, MEDICAL MUTUAL has returned more than \$300 million to our Policyholders in the form of dividend credits. Additional details about this dividend are provided in the article below.

As happy as we are to announce this dividend, we recognize that because of the litigious nature of modern society the expense for medical professional liability insurance is considerable. As a Doctor-owned and directed company, MEDICAL MUTUAL understands the financial pressures you face, and we strive constantly to find innovative ways to work more efficiently while still providing the aggressive claims defense and the strong insurance company your career needs. Our goal is to provide superior long-term defense of your practice and professional reputation.

This issue of *Notes from the Chair* newsletter also includes information on our new invoice form to be mailed in November, employed Physicians, and coverage for Insureds volunteering their professional medical services. Please take a few minutes to read these helpful articles.

Thank you for your understanding and loyalty. As always, we welcome your comments and suggestions.

Sincerely,



George S. Malouf, Jr., M.D.
Chair of the Board

MEDICAL MUTUAL Announces Dividend Credit

The MEDICAL MUTUAL Board of Directors has announced an 11% dividend credit for 2012 professional liability renewal policies. This credit will appear on the premium invoice for 2012 to be mailed to our insured Maryland Doctors on November 1. To receive the credit, a Policyholder must have had a policy in force by MEDICAL MUTUAL and be renewing in 2012.

The dividend credit is the result of recent favorable loss experience, coupled with the current, sound financial position of MEDICAL MUTUAL. If you have specific questions concerning your policy or the dividend credit, please contact your Producer or our Customer Service Department at 800-492-0193 or 410-785-0050. General information is also available on our web site at www.weinsuredocs.com.

Changing Your Practice? Becoming Employed?

In recent years, some of our Insureds have had valid questions and concerns regarding potentially leaving their private practice and becoming “employed.” Of course, such a dramatic change warrants serious consideration from all angles, but here are a few questions pertaining to your liability coverage that MEDICAL MUTUAL has addressed.

1. Can I stay insured with MEDICAL MUTUAL? Often times, you cannot. You may be required to trust your professional reputation and assets to the organization’s insuring entity. Whether this is a self-insured trust, or a national corporate writer, they will not have MEDICAL MUTUAL’s proven track record and wealth of experience in defending Maryland Doctors.

2. Will I be able to control my defense? Should you opt for employment and your contract does not enable you to choose your professional liability insurer, you would not be the first named insured on the policy. The employer will direct the litigation. Will their defense philosophy mirror the aggressive defense philosophy you enjoy at MEDICAL MUTUAL? Or, will your professional interests be compromised for the interests of the entity? Once you trade in your own policy, these questions are no longer in your control.

3. Will I be responsible for purchasing tail coverage? You will need prior acts coverage. If your new carrier does not offer prior acts coverage, you will have to purchase tail coverage, which could be a considerable extra expense. Will your new employer cover that additional cost? It’s important to note that moving your coverage will result in a loss of time accrued toward MEDICAL MUTUAL’s free tail coverage at retirement.

4. Will I be restricted from certain areas of practice that I currently enjoy? Many self-insured trusts don’t accept additional liability exposures, meaning you may not have the option to pursue some of the things you enjoy doing, such as “moonlighting,” working in emergency rooms or clinics, or volunteering your services. Your coverage with MEDICAL MUTUAL gives you the freedom to pursue these important and often rewarding endeavors.

Understanding Your New Premium Invoice

On November 1, 2011, MEDICAL MUTUAL will be mailing out the renewal invoice for 2012. Policyholders will notice that the invoice has been redesigned with a more reader-friendly appearance and layout. For your convenience, please refer to this quick reference guide,

which highlights and explains the key terms and sections of the new invoice. If you have additional questions about your invoice or any other payment issues, please contact your Producer or the MEDICAL MUTUAL Customer Service Department at 410-785-0050 or 800-492-0193.

A. Policy Number:

This number refers to your individual policy.

B. Invoice Number:

The unique number that MEDICAL MUTUAL has assigned to this billing statement.

C. Invoice Date:

Transactions processed after this date will appear on your next invoice.

D. Due Date:

Payments received by this date will ensure continued insurance protection.

E. Balance:

The current total amount remaining on your account as of the invoice date.

F. Minimum Due:

The minimum amount due to keep your account current and avoid a notice of cancellation for non-application of premium.

G. Policy Term:

Time period that your current insurance policy is in effect.

H. Customer Number:

Your MEDICAL MUTUAL account number.

I. Policy Summary:

This area lists recent payment transactions.

J. Quarterly Balance:

Your total policy premium if you pay quarterly.

K. Paid in Full Balance:

Your total policy premium if you pay the entire balance in full. It includes a 2.5% discount.

L. Coverages:

Lists the coverage amounts as defined by your policy.

M. Discounts/Surcharges:

Additional discounts, surcharges and dividends are listed here.

N. Projected Installments:

Lists the approximate mailing dates for the remainder of the year and minimum balance amounts.

O. Payment Coupon:

To ensure continued insurance protection, detach this portion of the statement and return it with a check in the business reply envelope provided.

P. Credit Card Payment:

If you wish to pay by credit card, fill out this portion of the payment coupon and return the detached section in the business reply envelope provided.

Q. Amount Enclosed:

Please complete this section when submitting payment.

MEDICAL MUTUAL
Liability Insurance Society of Maryland



Manage your account online at
www.weinsuredocs.com
 Pay by credit card or direct debit

Policy Number MDD-0000007-02	Invoice # 849944	Invoice Date 09/01/2011	Due Date 10/02/2011	Balance \$801.89	Minimum Due \$205.59
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Named Insured: MD DOCTOR M.D. Policy Term: 01/01/2012 - 01/01/2013
 Customer #: 194306

POLICY SUMMARY

01/01/2012	RENEWAL	\$924.00
01/01/2012	DIVIDEND	-\$101.64

Balance if paid quarterly \$822.36

2.5% Prepayment Discount is applied if paid in full -\$20.47

Balance if paid in full \$801.89

To ensure uninterrupted policy coverage, payment must be received by the Due Date indicated above.

COVERAGES	DISCOUNTS/SURCHARGES	PROJECTED INSTALLMENTS
MPL PRIMARY \$1,000,000/\$3,000,000	NEW DOC Y1 50% DISCOUNT	<u>Due Date</u> <u>Amount</u> 03/07/2012 \$205.59 06/06/2012 \$205.59 09/05/2012 \$205.59
	DIVIDEND 11% CREDIT	Any changes to your policy may affect the amounts shown above.

YOUR PRODUCER

INSURANCE AGENCY

MEDICAL MUTUAL CUSTOMER SERVICE

225 International Circle
 Hunt Valley, MD 21030
 410-785-0050 or 1-800-492-0193

Please detach and return the bottom portion with your payment

Policy Number MDD-0000007-02	Invoice # 849944	Due Date 10/02/2011	Balance \$801.89	Minimum Due \$205.59	Amount Enclosed
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CREDIT CARD If paying by credit card, please complete all sections below or pay online: www.weinsuredocs.com

Card Type: AMEX VISA MasterCard Card #: _____

Cardholder Name: _____ Card Exp Date: _____

Cardholder Signature: _____ Telephone #: _____

PLEASE MAKE CHECKS PAYABLE TO:

MD DOCTOR M.D.
 225 RED STREET
 HUNT VALLEY, MD 21030

MEDICAL MUTUAL
 P.O. BOX 64469
 BALTIMORE, MD 21264 4469

MDD0000007020084994400000801890000020559

For explanations of keyed items above, please refer to the opposite page.

Special Information for Physicians Looking to Volunteer Services

Many Physician Insureds have expressed an interest in volunteering their professional services to various community causes, yet they also have legitimate concerns and questions about liability issues related to volunteering. There are many health care related organizations in the State that could benefit from your time and commitment. As a MEDICAL MUTUAL Policyholder, your individual policy does not restrict any professional services that you provide as a volunteer, as long as it is within the location and scope of your practice.

If you are interested in volunteering and have questions about potential liability issues, call the MEDICAL MUTUAL Customer Service Department at 410-785-0050 or toll free at 800-492-0193.



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**October 2011
ISSUE**

- **MEDICAL MUTUAL Announces Dividend Credit**
- **What to Know About Becoming an Employed Physician**
- **New Premium Invoice Guide**
- **Volunteering in Maryland**

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Liability Insurance Society of Maryland
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