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Meet B. Frederick Becker



B. Frederick Becker

thirty-five years of professional experience within the insurance and healthcare industries.

B. Frederick "Rick" Becker has served the Mutual as a member of the Mutual's Board of Directors since its inception in 2004. Mr. Becker chairs the Compensation Committee and also serves on the Risk Management Committee. Rick is a senior executive with more than

Currently, Mr. Becker is co-founder and chairman of Chicago-based Clarity Group, Inc., a company that assists healthcare providers in managing professional liability risk by integrating risk financing and quality/safety management solutions. He has a long and varied career in the insurance industry that includes serving as Chairman and CEO of MMI Companies, Inc., and CEO of McDonough Caperton Employee Benefits, Inc. Earlier in his career, Mr. Becker served as State Compensation Commissioner for the State of West Virginia and practiced law in Pennsylvania.

Mr. Becker holds a Bachelor's Degree in Finance and a Juris Doctorate from West Virginia University. A native of Huntington, West Virginia, Mr. Becker now resides in Florida with his wife Cassandra.



QUARTERLY COVERAGE

WINTER 2009

BOARD OF DIRECTORS

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Robert L. Wheeler, M.D.



Letter from the Chairman

It was, and is, my honor and privilege to begin serving as the Chair of your board of directors on July 1, 2009.

As you know, I succeeded Dr. Ghiz, who provided graceful, superior leadership for our company's formative years, and who fortunately continues to serve as an extremely valued board member. Dr. Ghiz led us through our infancy and childhood, and it now becomes my challenge to deal with those pesky

adolescent years, which I look forward to with great anticipation.

Competition is here in West Virginia, and it is a positive sign that all of your hard work with regard to civil justice reform, with the West Virginia State Medical Association leading the way, has paid off. It bears repeating that your West Virginia Mutual Insurance Company, is, indeed owned by you, the insured. No other medical liability insurance company doing business in our state can offer you this distinct advantage. A number of such companies have come and gone with depressing regularity in the past in West Virginia, leaving their insureds in a bad way each time.

Our guiding principle at WVMIC is continued viability, giving stability in a market that heretofore has been quite unstable. Unfortunately, it may cost a little bit more to provide this peace of mind for you, our owners. Other companies may try to "buy business" with unjustifiably lower premiums, but ask yourself if these companies will still be here in few years. Companies doing this in West Virginia in the past are all gone. Furthermore, risk retention groups that become insolvent leave their former insureds without access to the state guaranty fund, making an already bad situation infinitely worse.

Our Mutual has been able to significantly reduce premiums in the five years since its inception while maintaining the rock-solid financial stability West Virginia physicians need and deserve. Therefore, affordability has significantly improved even as our company has been able to build risk management programs, including the very popular C.A.R.E. program, that are the envy of our industry.

These programs, while not inexpensive, contribute greatly to the success of our company by reducing claims, thereby enhancing our long term stability and viability. Our superlative management team has also avoided investment losses during these uncertain economic times by its conservative investment philosophy coupled with vigilance. Our Claims and Underwriting departments are acknowledged as being among the very best in the PIAA (Physician Insurers Association of America).

Taking all of these factors into account, it is clear that your Mutual remains the best choice in West Virginia.

Sincerely,

R. Austin Wallace, M.D.

PDR and HCNN: Now One Drug Information Service



The Physicians' Desk Reference (PDR) has merged with the Health Care Notification Network (HCNN), the only service that provides electronic delivery of important FDA-required drug Alerts to physicians.

The 2010 PDR will ship soon and you will notice several changes designed to improve physician access to current information, including:

- A letter from the FDA inside the front cover of the PDR announcing their new Safe Use initiative.
- The promotion of the HCNN as part of the PDR service.
- The inside front cover pocket of the PDR is now designed for easy storage and access to bi-monthly PDR updates, which note changes in product information, including recalls and "Black Box" warnings. Full updated product information will be hosted at PDR.net.

Access to updated full product labels as well as bi-monthly updates with links to PDR.net are important features of the 2010 PDR. The information on these labels is the standard against which physicians are held in professional liability actions — and the PDR is routinely and uniquely cited as the source of this label information.

The combined PDR-HCNN service will provide prescribers with FDA-required Alerts via the HCNN, monthly specialty-specific clinical updates, and the 64th edition of the PDR with regular insert updates — an end-to-end solution that fulfills prescribers' need for drug information on both a reference and real-time basis.

As stated by Dr. Janet Woodcock, Director of Drug Evaluation & Research at the FDA, the primary goal of the HCNN is to minimize "information errors" by ensuring that "prescribers have access to the right information at the point of prescribing."

To ensure that you continue to receive your annual PDR and to receive specialty-specific drug safety Alerts from the HCNN, please confirm or update your current contact information on the verification form that accompanies your 2010 PDR. If you have not yet received your 2010 PDR or if you want to sign up for the HCNN service and receive electronic drug Alerts, please contact the PDR Network at 1-800-232-7379 or hcnn@pdr.net.

To learn more about the Health Care Notification Network, visit their website at www.HCNN.net.

Achievement Statistics

The following are a few numbers from underwriting:

Total Number of Policyholders Covered: **1,567**

Year-to-Date:

Number of New Policyholders Written: **108**

(62 joining currently insured groups)

Number of Policyholders Renewed: **1,394**

Number of Policyholders Non-renewed: **5**

Statistics as of November 23, 2009

Mutual Names Ryan Vice President of Claims

Robert J. Ryan became Vice President of Claims for the Mutual in October 2009. Mr. Ryan has more than twenty-five years of experience in medical professional liability claim management. Ryan's background includes claim administration of auto, property, general liability, workers' compensation and multi-line casualty for both insured and self-insured entities.

Mr. Ryan most recently held the position of Director, Medical Professional Liability, for a regional Third Party Administrator. While there, he was responsible for the development and management of their Medical Professional Liability consulting unit.

"I am fortunate to have been working as a claim consultant with the Mutual from the beginning," said Ryan. "I have always been impressed with the company's strong commitment to the physician community and look forward to serving as an advocate for our policyholders."

Ryan also previously served as Chief, Tort Claims, for a large governmental self-insured that had an annual operating budget of over \$15 billion, more than 85,000 employees and included forty-five healthcare facilities.

Ryan holds a Bachelor of Arts Degree from Saint Vincent College, Latrobe, Pennsylvania. Ryan and his spouse will reside in Charleston, West Virginia.

New Online CME Provider – Law and Medicine – Receives Positive Feedback

Early this year, the Mutual introduced a new online CME service provider for our policyholder and the response has been very favorable from our policyholders.

A 1% premium credit will be granted after policyholders earn six (6) online CME credits. The premium credit will be applied at the next policy renewal date and will be effective for two (2) years.

Here is what physicians are saying about the modules they have completed:

"Good learning tool. Very well organized."

Physician specialty: Radiology
CME Title: "Actual Malpractice Cases"

"Excellent content."

Physician specialty: Family Practice
CME Title: "Standard of Care"

"Extremely relevant. Excellent CME."

Physician specialty: Pediatrician
CME Title: "Better Documentation"

Another benefit to our policyholders is that the Law and Medicine CME courses are recognized by the Accreditation Council for Continuing Medical Education (ACCME) and are able to designate the materials for AMA PRA Category I Credit. In addition, the CME material has been approved for Prescribed Credit by the American Academy of Family Physicians (AAFP).

The courses can be accessed by visiting www.wvmic.com. Follow the "Physicians" link and then click "Take an Online CME." To take advantage of this service, physicians can obtain their unique username and password by contacting Andy Malinoski, Director of Marketing at andym@wvmic.com.

What policyholders are saying about the Mutual's Risk Management Site Visit service:

"I wanted to let you know how impressed I was with your Risk Manager during our recent site visit. She was very professional, well-trained and helped all of our staff review how each and every one of us are an important link in achieving quality patient care."

- Office Manager

C.A.R.E. Seminars

Specific workshops have been designed for the physician to build upon patient communication skills when unexpected or adverse outcomes occur. The focus of the workshop will be skill development through hands-on practice. A two percent premium credit may be granted upon completion of the workshop. The workshop lasts approximately two hours. You may take the workshop and choose not to participate in the C.A.R.E. Program. If you choose to participate in the C.A.R.E. Program, you may be granted an additional three percent premium credit upon completion of this workshop. The credits will be applied at the time of your policy renewal date and will be effective for two years.

Wednesday, January 13, 2010
Princeton Community Hospital
Princeton, WV

Registration/Dinner: 5:30 p.m. - 6:00 p.m.
Seminar: Begins promptly at 6:00 p.m.

Tuesday, February 9, 2010
Wheeling Jesuit Center for Education Technology/Discovery Center
Wheeling, WV

Registration/Dinner: 5:30 p.m. - 6:00 p.m.
Seminar: Begins promptly at 6:00 p.m.

Wednesday, February 24, 2010
Summit Conference Center
Charleston, WV

Registration/Dinner: 5:30 p.m. - 6:00 p.m.
Seminar: Begins promptly at 6:00 p.m.

Tuesday, March 9, 2010
Weirton Medical Center
Weirton, WV

Registration/Dinner: 5:30 p.m. - 6:00 p.m.
Seminar: Begins promptly at 6:00 p.m.

Wednesday, March 24, 2010
Days Hotel Conference Center
Flatwoods, WV

Registration/Dinner: 5:30 p.m. - 6:00 p.m.
Seminar: Begins promptly at 6:00 p.m.

Thursday, April 15, 2010
Summit Conference Center
Charleston, WV

Registration/Dinner: 5:30 p.m. - 6:00 p.m.
Seminar: Begins promptly at 6:00 p.m.

Tuesday, April 27, 2010
Mountaineer Conference Center
Beckley, WV

Registration/Dinner: 5:30 p.m. - 6:00 p.m.
Seminar: Begins promptly at 6:00 p.m.

To participate in a seminar or for information concerning the C.A.R.E. program, please contact

Elizabeth S. Bridgeman
Director of C.A.R.E.
Direct Dial: 304-348-5394
Toll Free: 1-888-747-C.A.R.E. (2273)

What policyholders are saying about the Mutual's Claims Management Department:

"Thank you for your persistence in this matter. Your expertise has been most appreciated and I am grateful for the Dismissal we have achieved together."

- Cardiologist

What policyholders are saying about the Mutual's C.A.R.E. Program:

"Excellent and informative presentation. Very helpful to me in my practice."

- Orthopedic Surgeon