

MASSACHUSETTS MEDIAL MALPRACTICE
REINSURANCE PLAN

COMPLIANCE MEETING

Minutes of Meeting

A Compliance Committee meeting of the Massachusetts Medical Malpractice Reinsurance Plan (“MMMRP”) was held at its offices at 95A Turnpike Road, Westboro, MA on Monday, April 22, 2002.

The following members were present in person:

Peter T. Robertson, Esq. Committee Chairman
Jill Gold, Member
Charles W. Bucke, member

The following MMMRP staff/consultants were present in person:

John Tympanick, CFO
William T. McGrail, President

The minutes of the April 12, 2001 meeting were approved by unanimous vote.

Mr. Bucke presented the results of the April 4, 2002 claim audit performed by Mr. Bucke and Dr. Carling. Mr. Bucke reported that generally the claims were in compliance with the company’s procedure. Some deviation was noticed in the 120 day report, which has now been changed to a 180 day report. Reserving continues to required monitoring. Mr. Bucke recommended a six month review.

BY VOTE THE Committee accepted Mr. Bucke’s recommendation.

Mr. McGrail reported on the cost of providing claims adjusting in house. He indicated the cost of programming, personnel and miscellaneous costs would approximate \$200,000. This was for an estimated 50 reported claims over the next three to five years. He said he had spoken to a person with nursing/law/claims adjusting experience and was waiting for a proposal.

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During discussion on the issue it was recommended that this ceding company undergo quarterly audits and be required to obtain the Plan's prior approval for indemnity and expense payments over \$100,000.

BY VOTE the Committee accepted the recommendation and will present it to the Governing committee at its next meeting.

Mr. Tympanick reported on the cash flow assumptions indicating that due to unexpected increase in cedings the cash flow will improve from a negative cash flow of \$1M in FY '02 to a positive cash flow of \$1.4M.

Mr. Tympanick further reported that the assessment analysis report will be ready by mid June.

There being no further business the meeting was adjourned.