

MASSACHUSETTS MEDICAL MALPRACTICE
REINSURANCE PLAN
GOVERNING COMMITTEE

Minutes of a Meeting Thursday May 7, 2015

A Meeting of the Governing Committee of the Massachusetts Medical Malpractice Reinsurance Plan ("MMMRP"; the Plan) was held at the Andover Inn, 4 Chapel Avenue, Andover, MA following the Annual Meeting.

The following members were present:

William T. McGrail, Chairman
Richard W. Brewer
Gerald J. Cassidy
Jose Zorola
Peter Robertson, Esq.

The following MMMRP Staff/Consultants/Sub-Committee members were present:

Robin M. Ward, Director of Administration
Eric Piurkowski, CPA, CFO
James R. Bacon, Investment Committee Chairman
John Tympanick, Investment Committee
Geraldine Foley, Esq., Compliance Committee
Michael Sabbagh, Operations and Audit Committee
Peter Kiely, Investment Committee
Steve Nestico, Saslow, Lufkin & Buggy, LLP
William Pomponi, Saslow, Lufkin & Buggy, LLP
Daniel Kusaila, Saslow, Lufkin & Buggy, LLP

Others present:

Matthew Mancini, Esq., Division of Insurance
Cara Matern, Division of Insurance
Stephen Langlois, Coverys

1. Call to Order

Mr. McGrail called the meeting to order at 10:20AM. Ms. Ward kept a record of the proceedings.

2. Quorum and Notice

Mr. McGrail stated that all committee members were in attendance and that a quorum was present at the meeting. Mr. McGrail reported that the required notices for the meeting had been sent to the Secretary of State, Executive Office of the Administration and Finance, and the Division of Insurance and placed on the Plan's website.

3. Minutes of Prior Meeting

Mr. McGrail noted the minutes to the previous meeting of February 11, 2015 had been distributed to all in attendance. Mr. Brewer noted corrections; center the top paragraph, page 3 second sentence change the word "is" to "are", same page section 5 change the spelling of "too" to "to". Mr. Cassidy made a ***motion*** with the mentioned amendments and corrections to accept the minutes as presented. Mr. Zorola seconded the motion. The motion passed unanimously.

4. Quarter 1 – 2015 Financials– Eric Piurkowski, CPA CFO

Mr. Piurkowski reviewed the Quarter 1-2015 *unaudited* financials; a copy is included with these minutes. He began by reviewing the balance sheet and stated that the cash accounts; which include the checking, savings accounts and cash equivalents were \$1.2M. There is \$10.5M in bonds and \$5.5M in equities. Total cash and investments including two receivables of \$89K made the total assets \$17.3M. He continued by reviewing the income statement; pointing out the commission expense was \$19K; he stated it was due to lower premium being written for the quarter.

Mr. McGrail noted that all in attendance have a copy of the Policies in Force report; Summary of Ceded Premium report and the Summary of Ceded Policies Written report through 3/31/2015. A copy is included with these minutes.

5. The Plans Tax Position – Daniel Kusaila, CPA, Saslow, Lufkin & Buggy, LLP

Mr. Kusaila began by reviewing the Plans tax return which he stated had just been filed for 2014; he stated that we had approximately \$1.3M of financial income and from a tax perspective he was able to bring that down to zero in a regular tax basis and described the two main items that made that up. First was the use of net operating losses; those are losses in the past and stated the we utilized \$900K of net operating losses last year and the other component was due to a drop in reserves; which was a \$2.5M drop, it triggered a deferred item that we were able to deduct in 2014 that we were not able to deduct in the past. He continued by stating that we had to pay approximately \$11K last year. Mr. Kusaila continued by stating that we need to plan for year end and recommended that we pay careful attention to the 3rd and 4th quarters.

6. Summary of Annual Investment Committee Report – James R. Bacon, Chairman, MMMRP Investment Committee

Mr. Bacon began by reviewing his handout titled “2014 Report of the Investment Committee”; a copy is included with these minutes. He began by reviewing highlights of his handout which included the objectives of the Investment Committee to ensure that the Plans reserves provide adequate income and appreciation to supplement premium revenues, satisfy liabilities and support operations. Mr. Bacon answered questions from Committee members.

7. Other Business

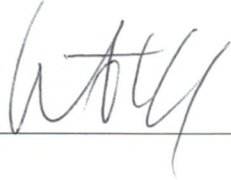
Mr. McGrail stated that the Plan of Operation states that all Committees have a secretary appointed and with Ms. Jill Gold leaving the Governing Committee, she was secretary of the Compliance Committee. Mr. Cassidy made a *motion* to appoint Mr. Zorola as secretary of the Compliance Committee. Mr. Brewer seconded the motion. It passed unanimously.

Mr. Brewer stated that he is honored to be Secretary of the Operations and Audit Committee and asked Mr. McGrail to clarify what is the Secretaries function for each committee, Mr. McGrail stated that the Secretary reviews and signs off on approved minutes.

8. Adjournment

A *motion* was made to adjourn the meeting at 11:00AM; the motion passed unanimously.

A true record transcribed on May 29, 2015

A handwritten signature in black ink, appearing to be "W. H. H.", written over a horizontal line.

MMMRP Chairman/Officer