

FINAL

MASSACHUSETTS MEDICAL MALPRACTICE  
REINSURANCE PLAN  
GOVERNING COMMITTEE

Minutes of a Meeting Friday November 13, 2015

A Meeting of the Governing Committee of the Massachusetts Medical Malpractice Reinsurance Plan (“MMMRP”; the Plan) was held at the Executive offices of the Massachusetts Medical Malpractice Reinsurance Plan, 95A Turnpike Road, Westborough, MA 01581 @ 10AM.

The following members were present:

William T. McGrail, Chairman  
Richard W. Brewer  
Gerald J. Cassidy (*via conference call*)  
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  
Robert Hanscom, VP of Business Analytics – Coverys  
Cara Matern, Esq., MA Division of Insurance

1. Call to Order

Mr. McGrail called the meeting to order at 10:00AM. Ms. Ward kept a record of the proceedings.

2. Quorum and Notice

Mr. McGrail stated that all committee members were in attendance, with Mr. Cassidy via conference call 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 August 12, 2015 had been distributed to all in attendance. Mr. Cassidy made a *motion* to accept the minutes as presented. Mr. Brewer seconded the motion. The motion passed unanimously.

4. Malpractice Signals: Mid-Level Provider Risk – Robert Hanscom, VP of Business Analytics- Coverys

Mr. Hanscom began by discussing his handout; a copy is included with these minutes. He began by giving a short history on his background with Business Analytics; noting that the Business Analytics Department at Coverys was formed in June of 2014 and stated that there are essentially 3 domains of responsibility; the first being data governance; the second being coding, aggregation, reporting and benchmarking of key data sets; and the third being “Business analytics” – data documentation, mining, and applied analytics. Mr. Hanscom continued reviewing his handout. He referenced the 1999 IOM report and stated that it brought a lot of attention to patient safety and preventable deaths. Mr. Hanscom stated that

the long-term impact has been most notably, reductions in; central-line bloodstream infections; early elective deliveries.

Mr. Hanscom stated that Coverys has started coding cases old, new, open and closed to collect data; to see “trends”. They have started to see downward “trends” with Obstetrics, medication errors and emergency medicine. Emerging “trends”, mid-level providers and upward “trends”, diagnosis (outpatient) and medical treatment (inpatient). Mr. Hanscom continued reviewing his handout and concentrated on the Mid – Level RN data that they have gathered as well as Nurse Practitioner data. Mr. Hanscom completed his presentation and answered questions from Committee members.

5. Quarter 3 – 2015 Financials – Eric Piurkowski, CPA CFO

Mr. Piurkowski reviewed the Quarter 3-2015 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 \$10.8M in bonds and \$5M in equities. Mr. Piurkowski noted that there was a premium receivable of \$112K due to a delay in payment being received. Total cash and investments made the total assets \$17M. He continued by noting that we still have a premium deficiency reserve of \$400K. Total liabilities were approximately \$21M.

Mr. Piurkowski reviewed the 2016 proposed budget; a copy is included with these minutes.

A ***motion*** was made to approve the financials as presented; the motion passed unanimously.

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 09/30/2015. A copy is included with these minutes.

Mr. Cassidy stated that the Operations and Audit committee approved the 2016 budget at their 11/03/2015 meeting with changes to the membership fees and director fees and

legislative agent fee. Mr. Robertson made a ***motion*** to approve the updated 2016 budget as presented; Mr. Zorola seconded the motion; it passed unanimously.

Mr. Cassidy stated that the Operations and Audit Committee had reviewed and approved the Auditors (Crowe Horwath) Engagement Letter at the last meeting on 11/03/2015. Mr. Brewer made a ***motion*** to approve the Engagement Letter as presented; Mr. Robertson seconded the motion; it passed unanimously.

6. Other Business

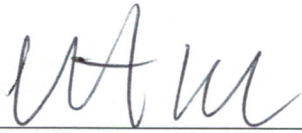
Mr. McGrail proposed that the Plan of Operation be changed in two ways. One being that the member fees be increased for active members from \$500 to \$1000 annually and for inactive members from \$200 to \$500 annually. This has to be approved by the Commissioner of Insurance within 30 days of notice or it is deemed approved. He then proposed that the director's fee be changed from \$500 to \$1000 per meeting; this also needs to be approved by the Commissioner. He proposed that these changes be effective 1/1/2016. Mr. Cassidy made a ***motion*** to increase the member fees as noted and the director's fees as noted. Mr. Robertson seconded the motion; the motion passed unanimously.

Mr. McGrail proposed that the Massachusetts Medical Malpractice Reinsurance Plan change its name and/or acquire a d/b/a (doing business as). The proposal was tabled until a later date for discussion.

7. Adjournment

A ***motion*** was made to adjourn the meeting at 11:45 AM; the motion passed unanimously.

A true record transcribed on December 18, 2015

A handwritten signature in cursive script, appearing to read "WAM", positioned above a horizontal line.

MMMRP Chairman/Officer