



**NovaRest**  
ACTUARIAL CONSULTING

**Iowa**  
**Medical Malpractice Annual Report**  
**For Calendar Year 2021**

August 2022

To: Iowa Insurance Division

From: NovaRest, Inc.

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## Executive Summary

The Iowa Insurance Division requested open and closed claim data for calendar year 2021 from licensed insurance companies pursuant to Iowa Code Section 505.27. Licensed companies who wrote medical malpractice insurance in Iowa during the period from January 1, 2021, through December 31, 2021, were asked to provide specific data for claims closed during that period and separately for those remaining open at the end of the year.

Data was reviewed for consistency within and between companies, and for completeness and reasonableness. The accuracy of the report depends on the accuracy of the data obtained from the companies.

This report provides a snapshot of Iowa's medical malpractice insurance market. Average payments of benefits plus allocated loss adjustment expenses (ALAE) were approximately \$252,600 for closed claims. The average incurred losses and allocated loss adjustment expenses were approximately \$244,400 for all open claims.

Of the provider specialties listed, Clinic/Corporation and Obstetrics/Gynecology had the highest number of closed claims reported. Clinic/Corporation had the most open claims. Clinic/Corporation had the highest average benefits and ALAE paid for closed claims and Neurology had the highest average incurred losses and ALAE for open claims.

For alleged cause of loss, Failure to Diagnose/Monitor/Treat produced the highest number of closed and open claims. Inappropriate/Improper Surgical Procedure had the highest average benefits and ALAE paid for closed claims. Delay in Diagnosis had the highest average benefits and ALAE paid for open claims.

By severity of claim categories, Death had the highest number for closed and open claims. Permanent – Significant had the highest average benefits and ALAE paid for closed claims and Permanent – Major claims had the highest average incurred losses and ALAE for open claims. Average paid losses and ALAE by severity category ranged from approximately \$1,000 to \$760,000 for closed claims. Average incurred loss and ALAE by severity category ranged from approximately \$9,000 to \$669,000 for open claims.

Minor rounding differences may exist; however, no adjustments were made to the amounts reported.

As explained in the section titled Recommendations, the Division has not identified any immediate changes needed in the Medical Malpractice insurance marketplace.



## Recommendations

(Iowa Medical Malpractice Report for CY 2021)

Since the Medical Malpractice Report was first produced for calendar year 2006, no revisions to the law have been implemented. Companies have been providing their data in a consistent manner throughout the years.

Since the 2020-2021 Legislative Session, the Iowa Insurance Division (IID) began receiving requests for information about the companies' overall loss ratios. This information is not required to be reported under Iowa Code 505.27, but the IID acknowledges that the information is valuable. Being able to assess companies' claims in relation to the amount of premium collected will provide a better understanding of the adequacy or excessiveness of medical malpractice rates in Iowa. The IID compiled the medical malpractice loss ratio information that is attached as a supplemental report to this annual report in response to the requests and to compare Iowa's market to neighboring states.

## Introduction

Pursuant to Iowa Code Section 505.27, the Iowa Insurance Division requested insurance companies report medical malpractice claim data for calendar year 2021.

Licensed insurers who wrote medical malpractice insurance in Iowa during 2021 were asked to provide data separately for any claims that closed during the year and for any claims that were open at the end of the year.

### Data Request

The Division requested that companies submit data for each *claim* or *lawsuit*.

*Claims* were defined as formal or written demands for compensation under a medical malpractice insurance policy relating to allegations of liability on the part of one or more providers for any act, error, or omission in the rendering of, or failure to render medical services for medically related injuries.

A *lawsuit* was defined as a complaint filed in any court in Iowa alleging liability on the part of one or more providers for any act, error, or omission in the rendering of, or failure to render medical services for medically related injuries.

Only direct business was to be included in the report. Adjustments for subrogation were to be made. Claims were to be reported separately for each insured associated with a claim; for each injured party associated with an incident; for each claimant that filed a claim for the same injury; and for each policy if filed under more than one policy. Reopened claims were to be reported considering only their final disposition date.

A copy of the data request is included at the end of this report.



## Companies

Licensed insurers who wrote medical malpractice insurance in Iowa during 2021 were required to provide data for claims that closed during the year or that were open at the end of the year. All licensed insurers represented 55.2% of the medical malpractice market in Iowa as determined by their percentage of calendar year 2021 direct written premiums. Some companies reported for a group of affiliated companies together; others reported for each company individually. The term “company” is being used to represent either an individual entity or a group of affiliated companies.

Not all the licensed companies had open or closed claims to report. Licensed insurers that reported claims comprise 41.9% of the 2021 medical malpractice premium in Iowa. Company groups that reported claims and include at least one licensed insurer.

Page 7 shows a history of the market shares for company groups that reported claims for the Medical Malpractice Annual Report for Calendar Year 2021. Licensed insurers that reported claims comprise 41.9% of the 2021 medical malpractice market in Iowa. The market shares were determined by dividing the group’s written premium for the year by the total written premium for all companies in that year. Company groups that reported claims comprise 49.5% of the 2021 medical malpractice premium in Iowa. Note that this includes some non-licensed insurers that are part of groups that include both licensed and non-licensed insurers.

The companies that write medical malpractice insurance in Iowa change from year to year. New companies start writing the business, others cease writing the business. Some companies change their names or acquire other companies. The premium volume that a company writes will vary year to year, and for some companies it will vary dramatically.

In reports for 2018 and earlier, a market share table for companies that reported claims was provided, however, because some entities file the report as a group, it was somewhat inconsistent. Therefore, in this report, consistent with the prior year report, we have provided the market share report on a consistent insurance group basis.



**Iowa Insurance Division  
Medical Malpractice Closed and Open Claim Report  
Market Shares of Company Groups with Reported Claims  
Based on 2021 Direct Written Premiums**

<b>Entity Name<sup>1,2</sup></b>	<b>NAIC Group Number</b>	<b>Calendar Year 2017</b>	<b>Calendar Year 2018</b>	<b>Calendar Year 2019</b>	<b>Calendar Year 2020</b>	<b>Calendar Year 2021</b>
Chubb Ltd Grp	626	0.6%	0.5%	0.8%	0.7%	3.2%
Church Mutual Group	4851	0.2%	0.1%	0.2%	0.3%	0.2%
Cincinnati Financial Group	244	0.8%	0.7%	0.7%	0.6%	0.6%
CNA Ins Group	218	7.7%	7.6%	9.6%	9.0%	3.0%
Coverys Group	1154	3.8%	4.3%	4.0%	4.0%	4.7%
ISMIE Group	2358	0.9%	0.7%	1.1%	0.2%	0.1%
MMIC Group	4790	36.6%	35.6%	34.0%	31.6%	30.9%
NCMIC Grp	2638	4.4%	4.3%	3.9%	3.5%	2.8%
ProAssurance Corp Group	2698	8.4%	7.2%	5.8%	3.4%	3.8%
Total Market Share for Groups with Reported Claims for 2021		<b>63.3%</b>	<b>61.1%</b>	<b>60.0%</b>	<b>53.4%</b>	<b>49.5%</b>

<sup>1</sup> Please note the numbers in this table will not match exactly with prior reports as some groups that reported for 2021 may not have reported in previous years. Additionally, this table is provided consistent with the methodology used in the prior year report; however, in previous reports the market share was shown as a mixture of company and insurance group because some companies report separately while some groups report for all companies.

<sup>2</sup> The company groupings are shown in Appendix A.

## Data

All responses received were reviewed for consistency with the data request. Data elements were reviewed for completeness, reasonableness, and consistency with other data elements.

In cases where a company did not use the provided categories to identify claims, if a category could be reasonably assigned, that was done. Otherwise, the claim was listed in the Other/Unknown category. Any categories with less than five claims were combined and reported in total.

On the Benefits and Expenses by Company exhibits, companies with fewer than five claims were reported as a group. Page 26 shows the companies combined for the closed claim exhibits and for the open claim exhibits.

Several large losses were reported, for both open and closed claims. Twenty-three closed claims had total loss and allocated loss adjustment expenses of at least \$500,000. Twelve closed claims had total loss and allocated loss adjustment expense of at least \$1,000,000, with the largest paid losses and ALAE exceeding \$4.5 million. Forty-five open claims had incurred amounts of \$500,000 or more. Sixteen open claims had incurred loss and loss adjustment expense of at least \$1,000,000, with the six largest claims exceeding \$2,000,000.



## Limitations

The accuracy of this report depends on the accuracy of the data provided by the companies. The Division reviewed the data for completeness, reasonableness, consistency with other data elements, and consistency with the data request. No adjustments were made to the data other than the assigning categories to identify claims for which a company did not use the provided categories, but one could be reasonably assigned.

Although attempts were made to gather uniform data from all companies, complete uniformity is not possible. Some companies did not maintain records of all the data as requested. Some used company specific definitions that could not be manipulated to completely match the requested categories. Companies may have interpreted data elements differently from each other. Practices such as the timing for considering an incident an open claim or a closed claim may differ by company.

Medical malpractice insurance is available for individuals and for a variety of institutions, including hospitals, clinics, and nursing homes. Insurance companies often specialize in what medical malpractice insurance they write. Differences in data between specialties or types of policyholders may be a result of or compounded by the companies writing the business.

Other factors internal to a company writing the business that affect the results of the study include, but are not limited to, the type of policies written, the limits of insurance requested by policyholders, the size of deductibles, company underwriting considerations and claim practices. Factors external to a company may also affect the report. These may include, but are not limited to, the regulatory environment, the legal environment, the general economy, and medical inflation. The report makes no adjustments for and does not attempt to analyze changes in economic conditions, exposures, medical practices, legal climate, rate levels, or medical inflation.

The companies writing medical malpractice insurance in Iowa and the premium volume that each company wrote have changed from year to year. This can have a significant effect on any analysis. No adjustments to the data have been made to reflect shifting business.

The report provides a snapshot of Iowa's medical malpractice insurance market. It includes claims from 2021 and earlier which were either closed in 2021 or remained open at the end of the year for those companies that responded to the data request. Since medical malpractice claims can take years to be reported and closed, the claims closed in a year and open at the end of the year do not correspond to premiums for that year.

Large losses are not individually identified in the report. They are included in the totals and averages.

## Aggregate Claim Reports by Specialty of Provider

Companies were asked to classify each claim reported by a number of typical provider specialties. All claims in each category were totaled, separately for the open and the closed reports, and averaged by dividing the total dollar amounts by the number of claims. To maintain confidentiality of individual claims, any categories with fewer than five claims were grouped in the Other/Unknown category.

Average payments of benefits plus allocated loss adjustment expenses were approximately \$252,600 for all closed claims. The average incurred losses and allocated loss adjustment expenses were approximately \$244,400 for all open claims. The claims underlying these amounts are not comparable since the open claims represent all those open at the end of calendar year 2021, without regard to when the injury occurred or the claim was reported. The closed claims include all claims closed in 2021, regardless of the date of injury or the date reported. The mix of claims by type, severity, or size, will not be the same for the open and closed reports.

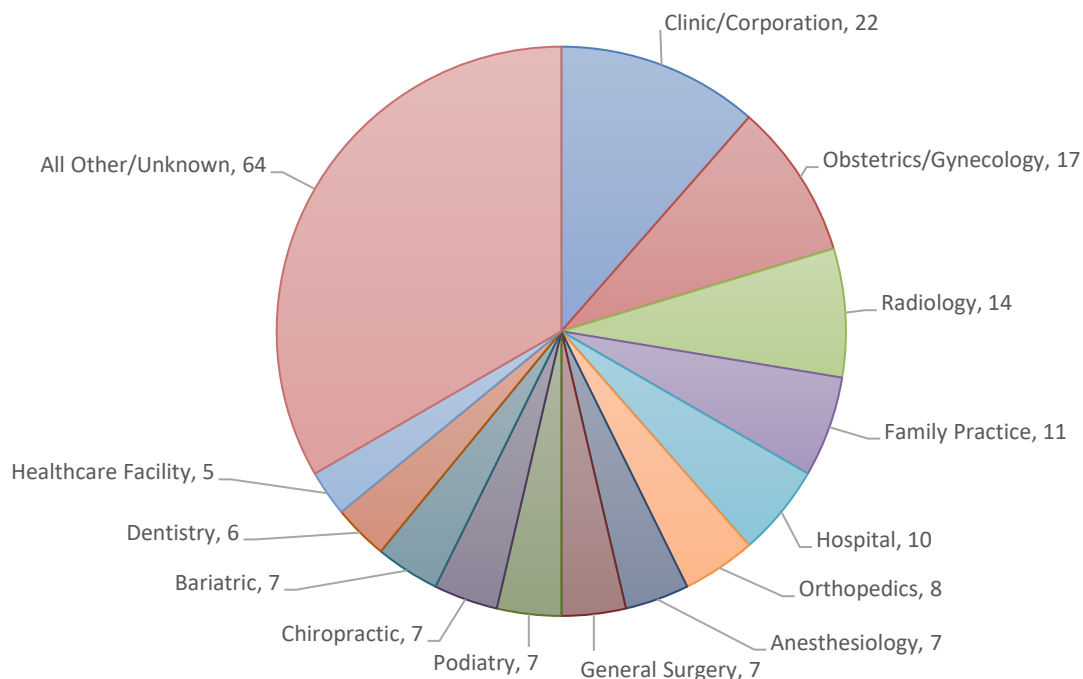
Clinic/Corporation had the highest number of closed and open claims reported. Clinic/Corporation had the highest average benefits and allocated loss adjustment expenses paid for closed claims. Neurology also had the highest average incurred losses and allocated loss adjustment expenses for open claims.



**Iowa Insurance Division  
Closed Claims  
Total Benefits and Expenses  
Calendar Year 2021 - By Specialty**

Provider Specialty	Number of Claims	Total Benefits Paid	Total Allocated Loss Adjustment Expenses Paid	Additional Payments After 6 Months from Disposition
Clinic/Corporation	22	\$9,430,982	\$2,070,621	\$0
Obstetrics/Gynecology	17	\$1,090,000	\$1,825,887	\$0
Radiology	14	\$9,225,000	\$650,411	\$0
Family Practice	11	\$400,000	\$571,177	\$0
Hospital	10	\$200,000	\$333,249	\$0
Orthopedics	8	\$2,000,000	\$209,337	\$0
Anesthesiology	7	\$4,055,128	\$937,876	\$0
General Surgery	7	\$450,000	\$338,067	\$0
Podiatry	7	\$450,000	\$390,233	\$0
Chiropractic	7	\$500,000	\$225,800	\$0
Bariatric	7	\$595,000	\$225,219	\$13,849
Dentistry	6	\$357,329	\$281,612	\$0
Healthcare Facility	5	\$1,210,651	\$51,516	\$0
All Other/Unknown	64	\$5,014,927	\$5,403,942	\$0
<b>Total</b>	<b>192</b>	<b>\$34,979,017</b>	<b>\$13,514,949</b>	<b>\$13,849</b>

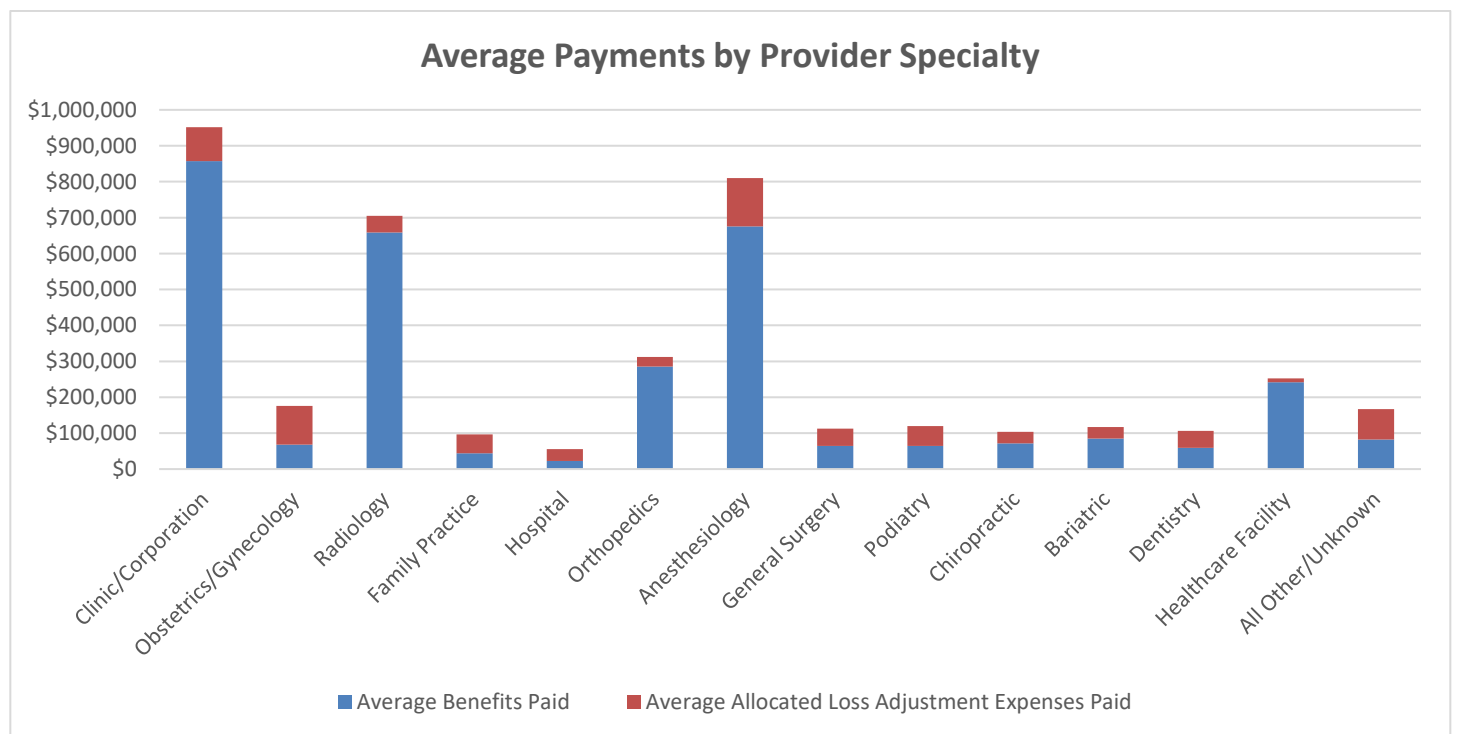
**Number of Closed Claims by Provider Specialty**





**Iowa Insurance Division  
Closed Claims  
Average Benefits and Expenses  
Calendar Year 2021 - By Specialty**

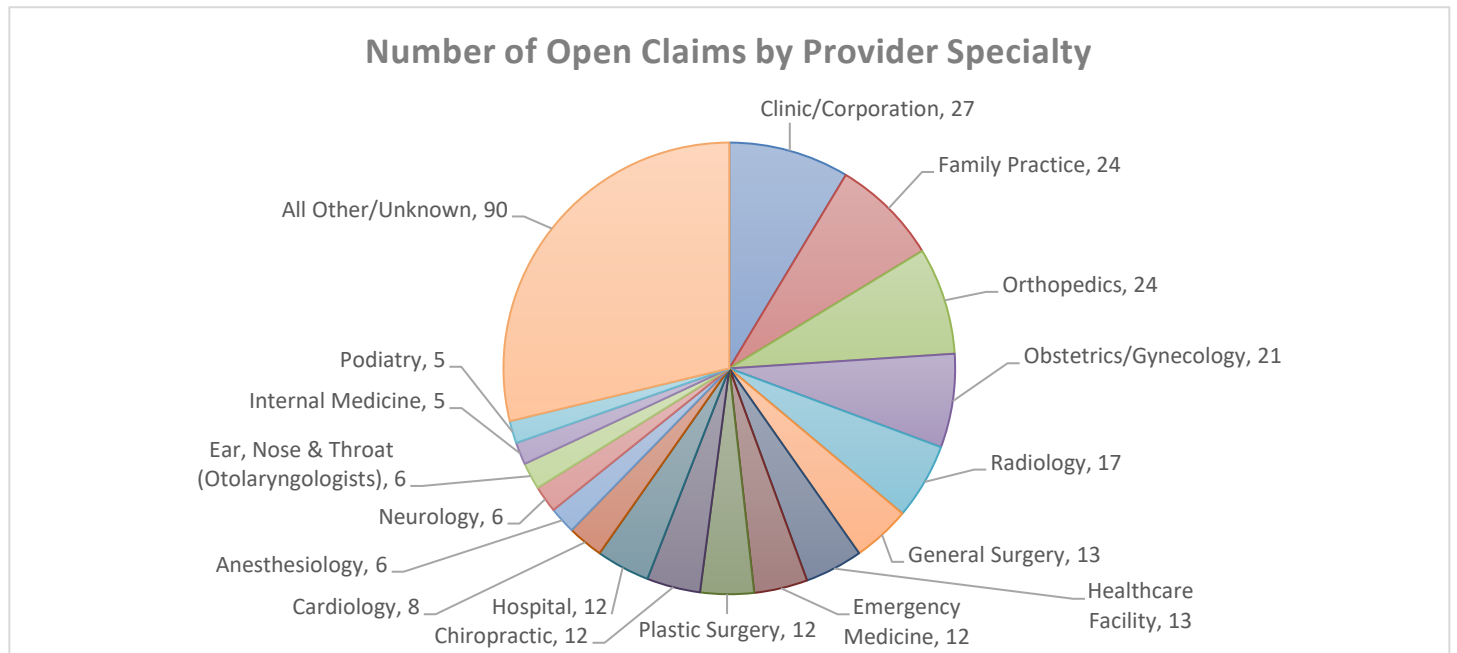
Provider Specialty	Number of Claims	Average Benefits Paid	Average Allocated Loss Adjustment Paid	Average Additional Payments After 6 Months from Disposition
Clinic/Corporation	22	\$857,362	\$94,119	\$0
Obstetrics/Gynecology	17	\$68,125	\$107,405	\$0
Radiology	14	\$658,929	\$46,458	\$0
Family Practice	11	\$44,444	\$51,925	\$0
Hospital	10	\$22,222	\$33,325	\$0
Orthopedics	8	\$285,714	\$26,167	\$0
Anesthesiology	7	\$675,855	\$133,982	\$0
General Surgery	7	\$64,286	\$48,295	\$0
Podiatry	7	\$64,286	\$55,748	\$0
Chiropractic	7	\$71,429	\$32,257	\$0
Bariatric	7	\$85,000	\$32,174	\$4,616
Dentistry	6	\$59,555	\$46,935	\$0
Healthcare Facility	5	\$242,130	\$10,303	\$0
All Other/Unknown	64	\$82,212	\$84,437	\$0
<b>Total</b>	<b>192</b>	<b>\$203,366</b>	<b>\$70,390</b>	<b>\$266</b>





**Iowa Insurance Division  
Open Claims  
Total Benefits and Expenses  
Calendar Year 2021 - By Specialty**

Provider Specialty	Number of Claims	Total Benefits Paid	Total Allocated LAE Paid	Reserve for Incurred and Reported but not Disposed
Clinic/Corporation	27	\$0	\$629,626	\$1,560,003
Family Practice	24	\$0	\$865,773	\$7,433,088
Orthopedics	24	\$0	\$634,095	\$3,050,749
Obstetrics/Gynecology	21	\$0	\$865,808	\$3,691,009
Radiology	17	\$0	\$375,267	\$6,811,001
General Surgery	13	\$0	\$804,795	\$5,576,500
Healthcare Facility	13	\$200,000	\$520,183	\$5,302,002
Emergency Medicine	12	\$0	\$138,006	\$1,177,670
Plastic Surgery	12	\$0	\$290,899	\$1,237,500
Chiropractic	12	\$0	\$711,447	\$3,050,000
Hospital	12	\$0	\$302,550	\$1,191,001
Cardiology	8	\$0	\$184,499	\$3,179,000
Anesthesiology	6	\$0	\$186,212	\$1,496,750
Neurology	6	\$0	\$305,714	\$4,430,750
Ear, Nose & Throat (Otolaryngologists)	6	\$0	\$143,614	\$745,010
Internal Medicine	5	\$0	\$121,756	\$449,999
Podiatry	5	\$0	\$17,234	\$75,498
All Other/Unknown	90	\$1,000,000	\$3,672,361	\$14,073,114
<b>Total</b>	<b>313</b>	<b>\$1,200,000</b>	<b>\$10,769,838</b>	<b>\$64,530,644</b>

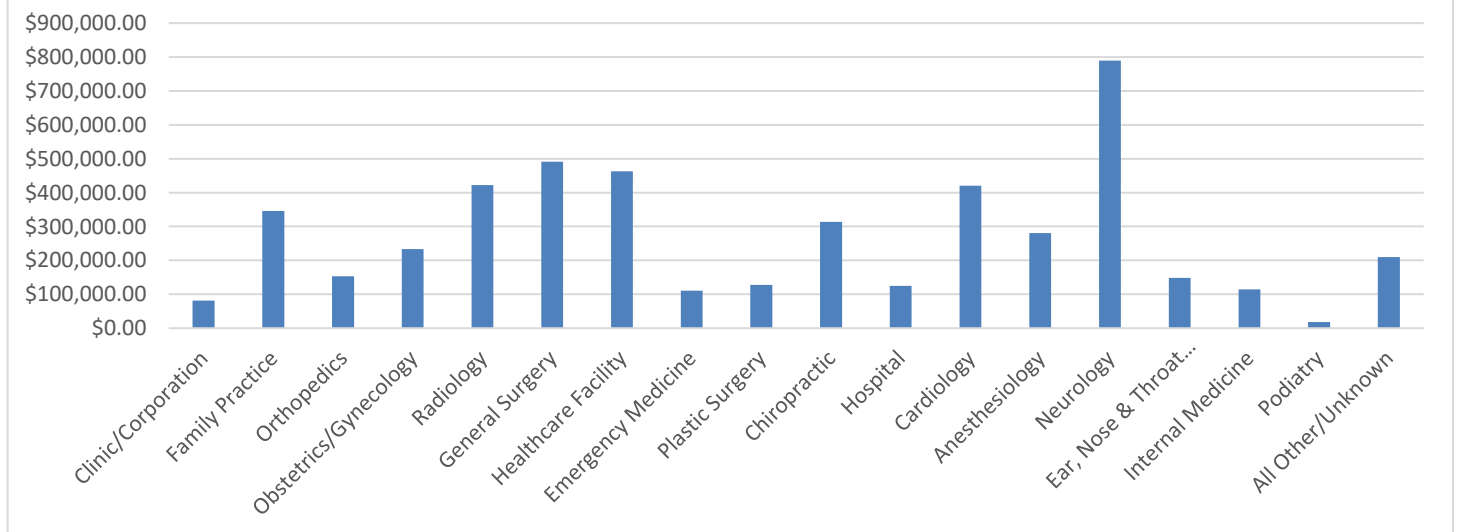




**Iowa Insurance Division  
Open Claims  
Average Benefits and Expenses  
Calendar Year 2021 - By Specialty**

Provider Specialty	Number of Claims	Average Total Benefits Paid	Average Total Allocated LAE Paid	Average Reserve for Incurred and Reported but not Disposed
Clinic/Corporation	27	\$0	\$23,319	\$57,778
Family Practice	24	\$0	\$36,074	\$309,712
Orthopedics	24	\$0	\$26,421	\$127,115
Obstetrics/Gynecology	21	\$0	\$57,721	\$175,762
Radiology	17	\$0	\$22,075	\$400,647
General Surgery	13	\$0	\$61,907	\$428,962
Healthcare Facility	13	\$15,385	\$40,014	\$407,846
Emergency Medicine	12	\$0	\$12,546	\$98,139
Plastic Surgery	12	\$0	\$24,242	\$103,125
Chiropractic	12	\$0	\$59,287	\$254,167
Hospital	12	\$0	\$25,213	\$99,250
Cardiology	8	\$0	\$23,062	\$397,375
Anesthesiology	6	\$0	\$31,035	\$249,458
Neurology	6	\$0	\$50,952	\$738,458
Ear, Nose & Throat (Otolaryngologists)	6	\$0	\$23,936	\$124,168
Internal Medicine	5	\$0	\$24,351	\$90,000
Podiatry	5	\$0	\$3,447	\$15,100
All Other/Unknown	90	\$11,765	\$41,731	\$156,368
<b>Total</b>	<b>313</b>	<b>\$4,301</b>	<b>\$35,427</b>	<b>\$206,168</b>

**Average Incurred Losses ALAE by Provider Specialty**



## Aggregate Claim Reports by Nature of Claim

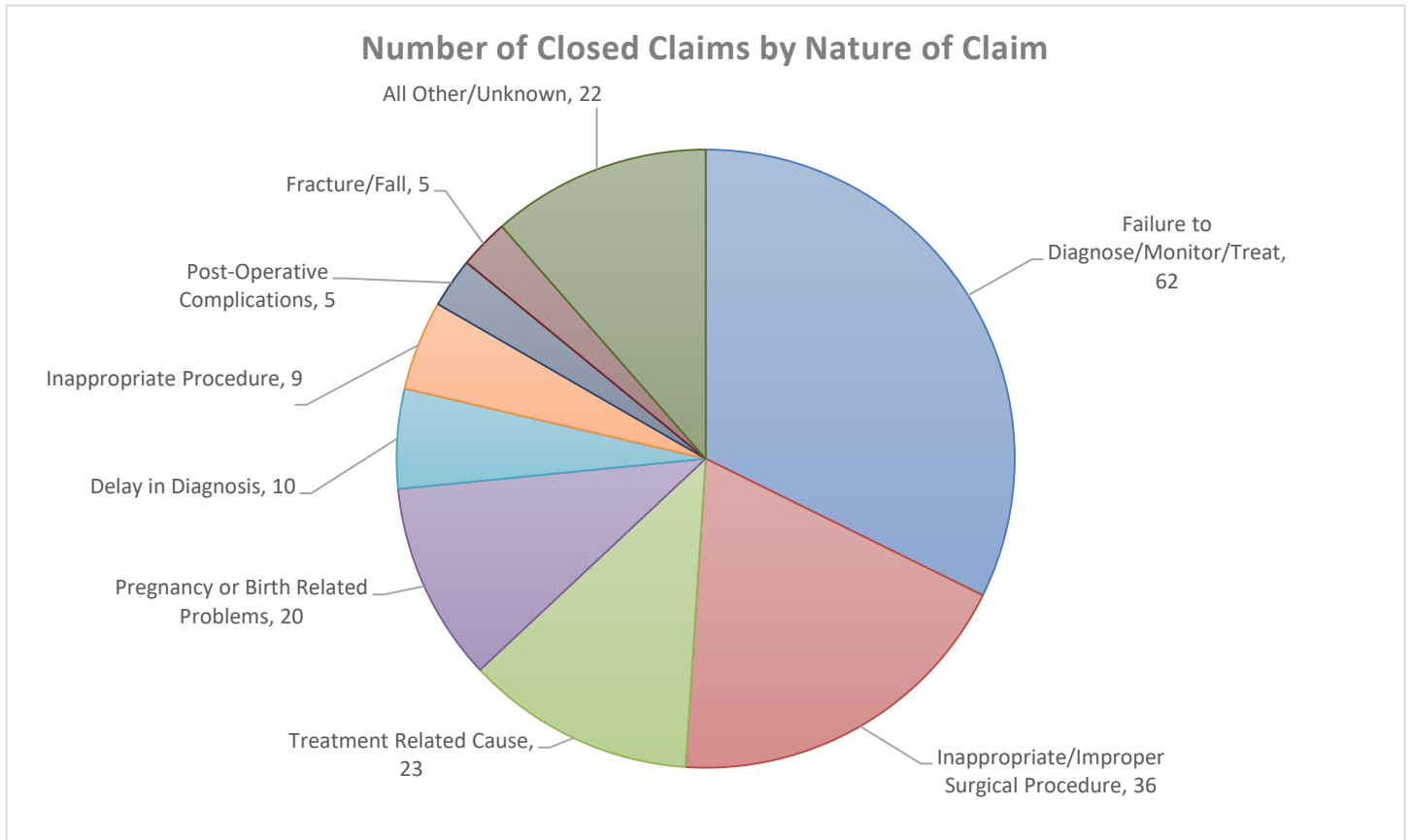
Companies were asked to classify each claim reported by a number of alleged cause of loss descriptions. Most companies used the provided descriptions to categorize the claims. For those claims that were not assigned to one of the listed cause of loss descriptions, one was assigned if it reasonably fit the description provided by the company. Otherwise the claim was listed in the Other/Unknown category.

All claims in each category were totaled, separately for the open and the closed reports, and averaged by dividing the total dollar amounts by the number of claims. To maintain confidentiality of individual claims, any categories with fewer than five claims were grouped in the Other/Unknown category.

Failure to Diagnose, Monitor, and/or Treat had the highest number of closed and open claims reported. Inappropriate/Improper Surgical Procedure had the highest average benefits and allocated loss adjustment expenses paid for closed claims. Delay in Diagnosis had the highest average benefits and allocated loss adjustment expenses paid for open claims.

**Iowa Insurance Division  
Closed Claims  
Total Benefits and Expenses  
Calendar Year 2021 - By Nature of Claim**

Alleged Cause of Loss	Number of Claims	Total Benefits Paid	Total Allocated Loss Adjustment Expenses Paid	Additional Payments After 6 Months from Disposition
Failure to Diagnose/Monitor/Treat	62	\$12,170,326	\$3,672,495	\$5,498
Inappropriate/Improper Surgical Procedure	36	\$8,967,756	\$4,036,595	\$8,351
Treatment Related Cause	23	\$7,742,654	\$741,402	\$0
Pregnancy or Birth Related Problems	20	\$4,000,000	\$2,778,440	\$0
Delay in Diagnosis	10	\$1,685,677	\$1,002,386	\$0
Inappropriate Procedure	9	\$10,750	\$176,747	\$0
Post-Operative Complications	5	\$0	\$590,527	\$0
Fracture/Fall	5	\$0	\$14,044	\$0
All Other/Unknown	22	\$401,855	\$502,313	\$0
<b>Total</b>	<b>192</b>	<b>\$34,979,017</b>	<b>\$13,514,949</b>	<b>\$13,849</b>

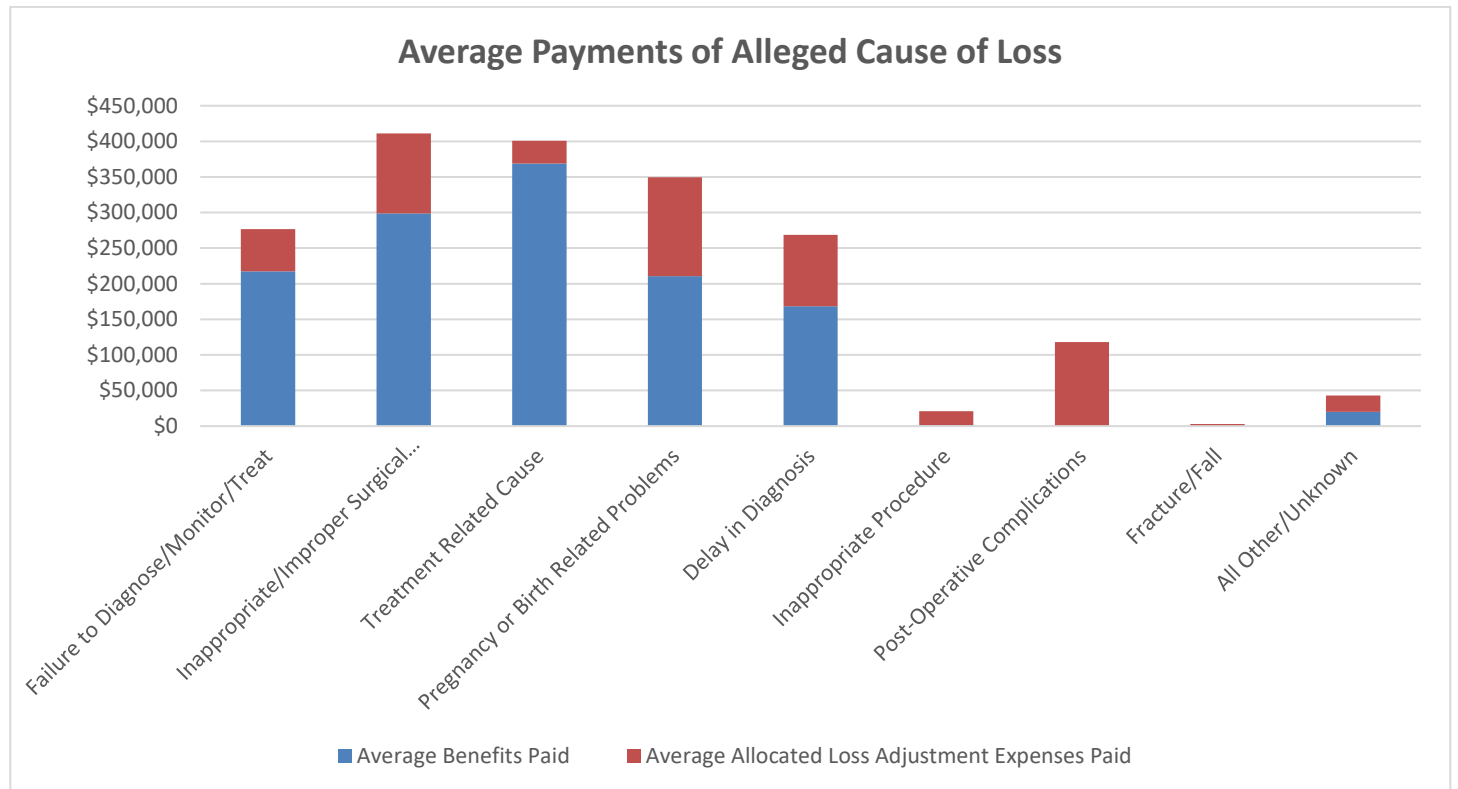






**Iowa Insurance Division  
Closed Claims  
Average Benefits and Expenses  
Calendar Year 2021 - By Nature of Claim**

Alleged Cause of Loss	Number of Claims	Average Benefits Paid	Average Allocated Loss Adjustment Expenses Paid	Average Additional Payments After 6 Months from Disposition
Failure to Diagnose/Monitor/Treat	62	\$217,327	\$59,234	\$250
Inappropriate/Improper Surgical Procedure	36	\$298,925	\$112,128	\$1,392
Treatment Related Cause	23	\$368,698	\$32,235	\$0
Pregnancy or Birth Related Problems	20	\$210,526	\$138,922	\$0
Delay in Diagnosis	10	\$168,568	\$100,239	\$0
Inappropriate Procedure	9	\$1,194	\$19,639	\$0
Post-Operative Complications	5	\$0	\$118,105	\$0
Fracture/Fall	5	\$0	\$2,809	\$0
All Other/Unknown	22	\$20,093	\$22,832	\$0
<b>Total</b>	<b>192</b>	<b>\$203,366</b>	<b>\$70,390</b>	<b>\$266</b>

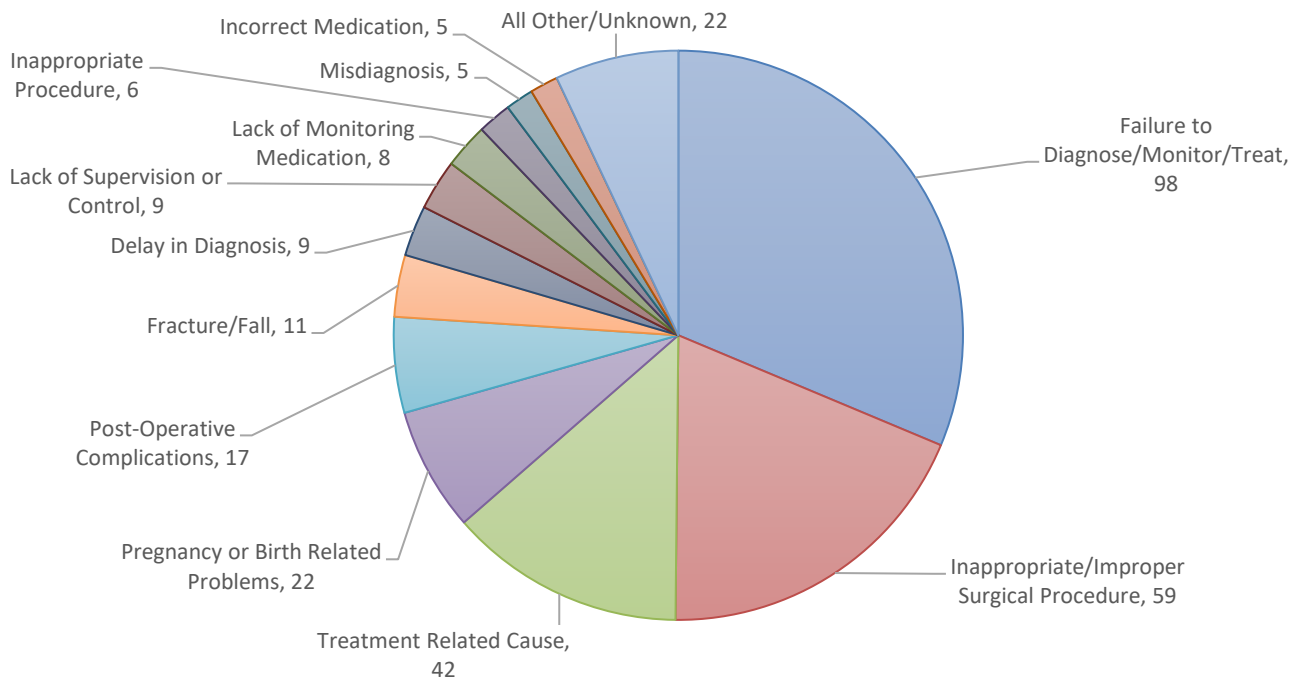




**Iowa Insurance Division  
Open Claims  
Total Benefits and Expenses  
Calendar Year 2021 - By Nature of Claim**

Alleged Cause of Loss	Number of Claims	Total Benefits Paid	Total Allocated LAE Paid	Reserve for Incurred and Reported but not Disposed
Failure to Diagnose/Monitor/Treat	98	\$0	\$2,182,593	\$15,906,754
Inappropriate/Improper Surgical Procedure	59	\$0	\$2,422,681	\$14,468,104
Treatment Related Cause	42	\$0	\$1,607,190	\$7,326,011
Pregnancy or Birth Related Problems	22	\$0	\$914,081	\$6,814,081
Post-Operative Complications	17	\$1,200,000	\$540,918	\$2,290,425
Fracture/Fall	11	\$0	\$696,080	\$2,357,000
Delay in Diagnosis	9	\$0	\$540,416	\$8,117,668
Lack of Supervision or Control	9	\$0	\$601,892	\$1,402,500
Lack of Monitoring Medication	8	\$0	\$338,288	\$780,498
Inappropriate Procedure	6	\$0	\$80,694	\$201,999
Misdiagnosis	5	\$0	\$73,213	\$2,864,000
Incorrect Medication	5	\$0	\$66,488	\$174,000
All Other/Unknown	22	\$0	\$705,303	\$1,827,604
<b>Total</b>	<b>313</b>	<b>\$1,200,000</b>	<b>\$10,769,838</b>	<b>\$64,530,644</b>

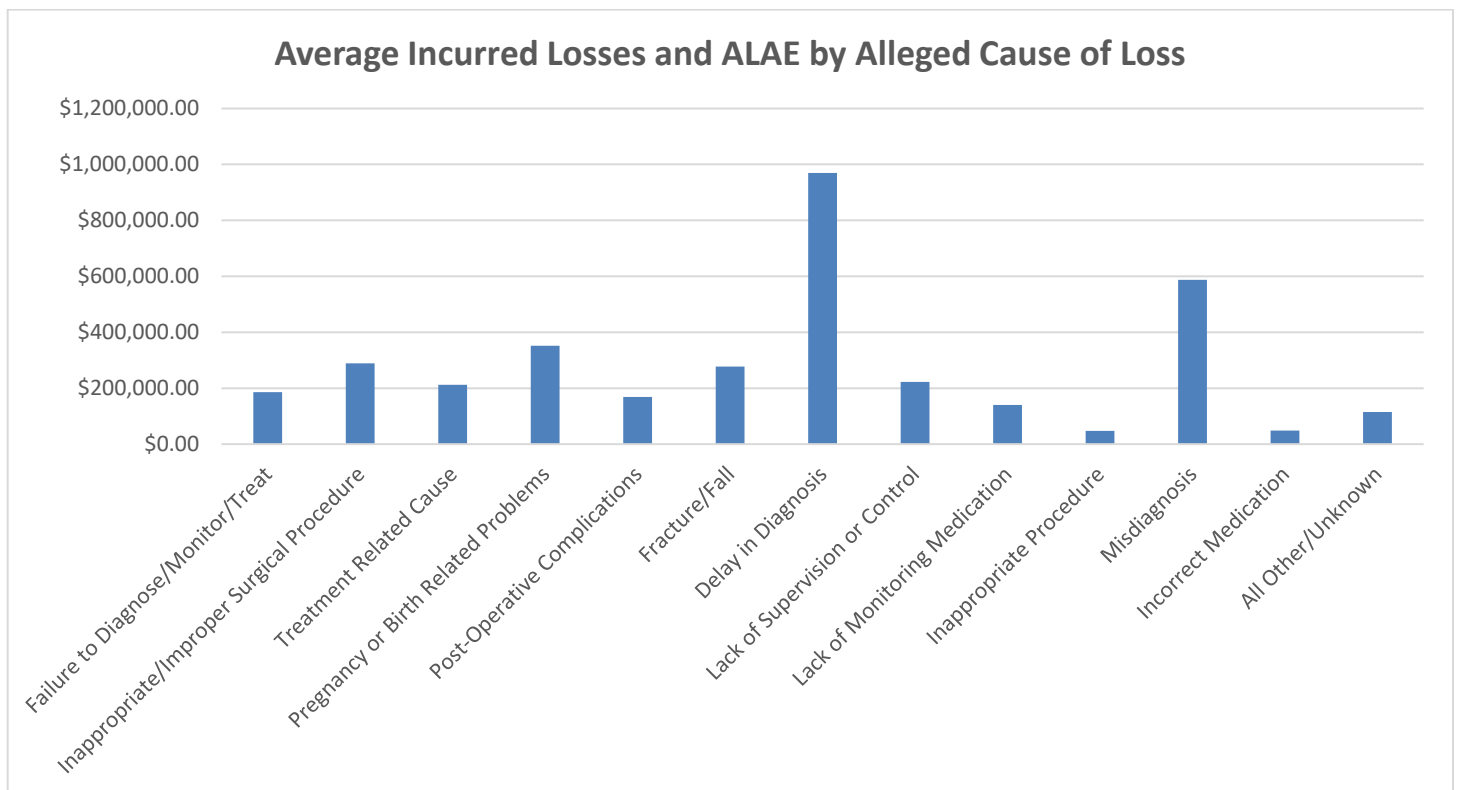
**Number of Open Claims by Nature of Claim**





**Iowa Insurance Division  
Open Claims  
Average Benefits and Expenses  
Calendar Year 2021 - By Nature of Claim**

Alleged Cause of Loss	Number of Claims	Average Benefits Paid	Average Allocated LAE Paid	Average Reserve for Incurred and Reported but not Disposed
Failure to Diagnose/Monitor/Treat	98	\$0	\$23,219	\$162,314
Inappropriate/Improper Surgical Procedure	59	\$0	\$43,262	\$245,222
Treatment Related Cause	42	\$0	\$38,266	\$174,429
Pregnancy or Birth Related Problems	22	\$0	\$41,549	\$309,731
Post-Operative Complications	17	\$75,000	\$33,807	\$134,731
Fracture/Fall	11	\$0	\$63,280	\$214,273
Delay in Diagnosis	9	\$0	\$67,552	\$901,963
Lack of Supervision or Control	9	\$0	\$66,877	\$155,833
Lack of Monitoring Medication	8	\$0	\$42,286	\$97,562
Inappropriate Procedure	6	\$0	\$13,449	\$33,667
Misdiagnosis	5	\$0	\$14,643	\$572,800
Incorrect Medication	5	\$0	\$13,298	\$34,800
All Other/Unknown	22	\$0	\$32,059	\$83,073
<b>Total</b>	<b>313</b>	<b>\$4,301</b>	<b>\$35,427</b>	<b>\$206,168</b>



## Aggregate Claim Reports by Substance of Claim

Companies were asked to classify each claim by the following severity of injury types.

- Emotional Only (e.g. fright, no physical damage)
- Temporary - Insignificant (e.g. lacerations, contusions, minor scars, rash; no delay)
- Temporary - Minor (e.g. infections, fracture, fall in hospital; recovery delayed)
- Temporary - Major (e.g. surgical material left, drug side effect, brain damage; recovery delayed)
- Permanent - Minor (e.g. loss of fingers, loss or damage to organs; includes non-disabling injuries)
- Permanent - Significant (e.g. deafness, loss of limb, loss of eye, loss of one kidney or lung)
- Permanent - Major (e.g. paraplegia, blindness, loss of two limbs, brain damage)
- Grave (e.g. quadriplegia, severe brain damage, lifelong care or fatal prognosis)
- Death

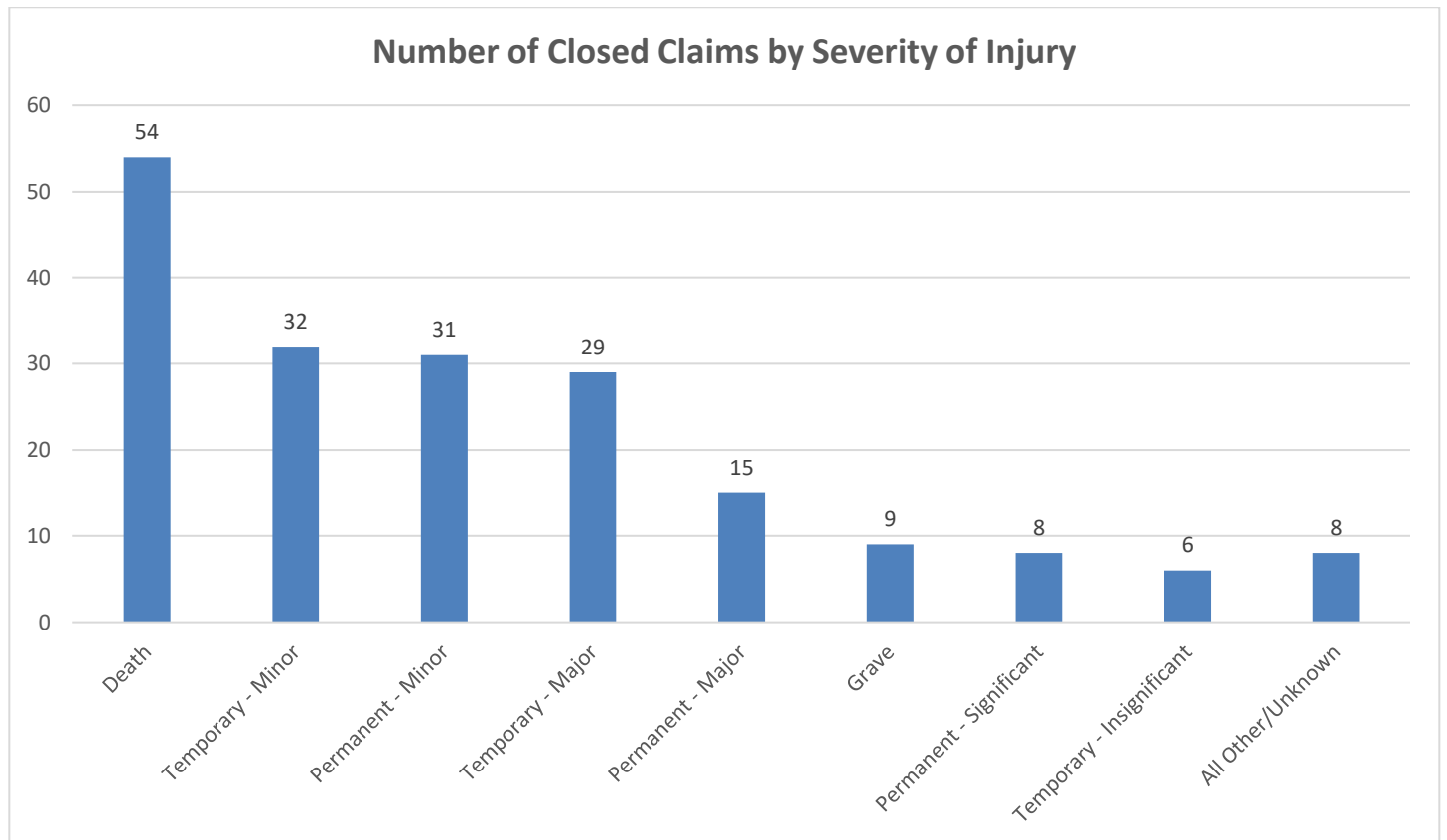
Death had the highest number of closed and open claims reported. Permanent – Significant had the highest average benefits and allocated loss adjustment expenses paid for closed claims and Permanent – Major had the highest average incurred losses and allocated loss adjustment expenses for open claims.

Average paid losses and expenses by category ranged from approximately \$1,000 to \$760,000 for closed claims. Average incurred amounts including reserves for allocated loss adjustment expenses ranged from approximately \$9,000 to \$669,000 for open claims.



**Iowa Insurance Division  
Closed Claims  
Total Benefits and Expenses  
Calendar Year 2021 - By Severity of Claim**

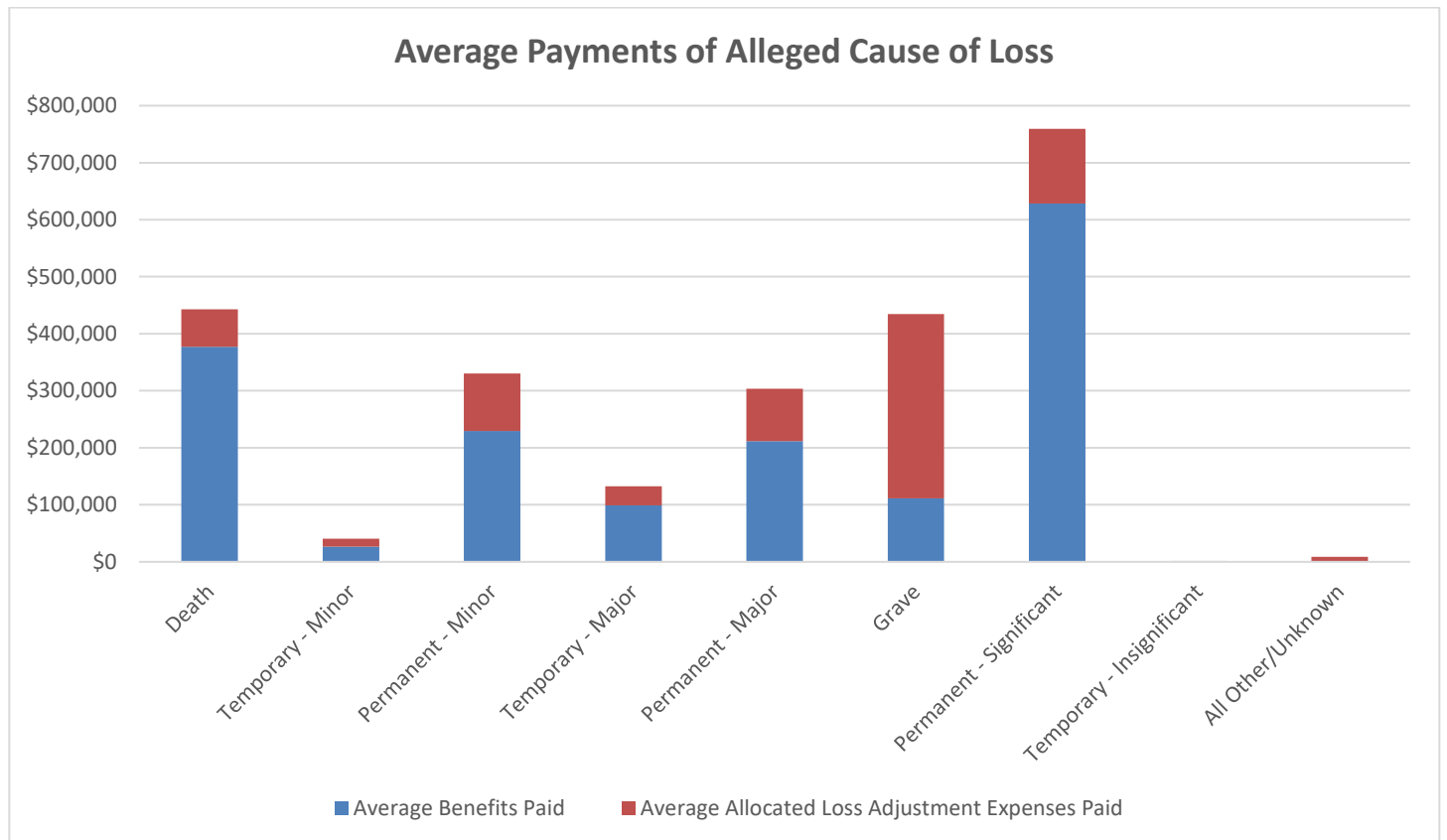
Severity of Injury	Number of Claims	Total Benefits Paid	Total Allocated Loss Adjustment Expenses Paid	Additional Payments After 6 Months from Disposition
Death	54	\$16,581,318	\$3,578,186	\$177
Temporary - Minor	32	\$745,695	\$438,072	\$5,321
Permanent - Minor	31	\$6,200,878	\$3,124,059	\$8,351
Temporary - Major	29	\$2,875,999	\$961,726	\$0
Permanent - Major	15	\$3,175,000	\$1,378,396	\$0
Grave	9	\$1,000,000	\$2,910,907	\$0
Permanent - Significant	8	\$4,400,128	\$1,044,043	\$0
Temporary - Insignificant	6	\$0	\$8,439	\$0
All Other/Unknown	8	\$0	\$71,121	\$0
<b>Total</b>	<b>192</b>	<b>\$34,979,017</b>	<b>\$13,514,949</b>	<b>\$13,849</b>





**Iowa Insurance Division  
Closed Claims  
Average Benefits and Expenses  
Calendar Year 2021- By Severity of Claim**

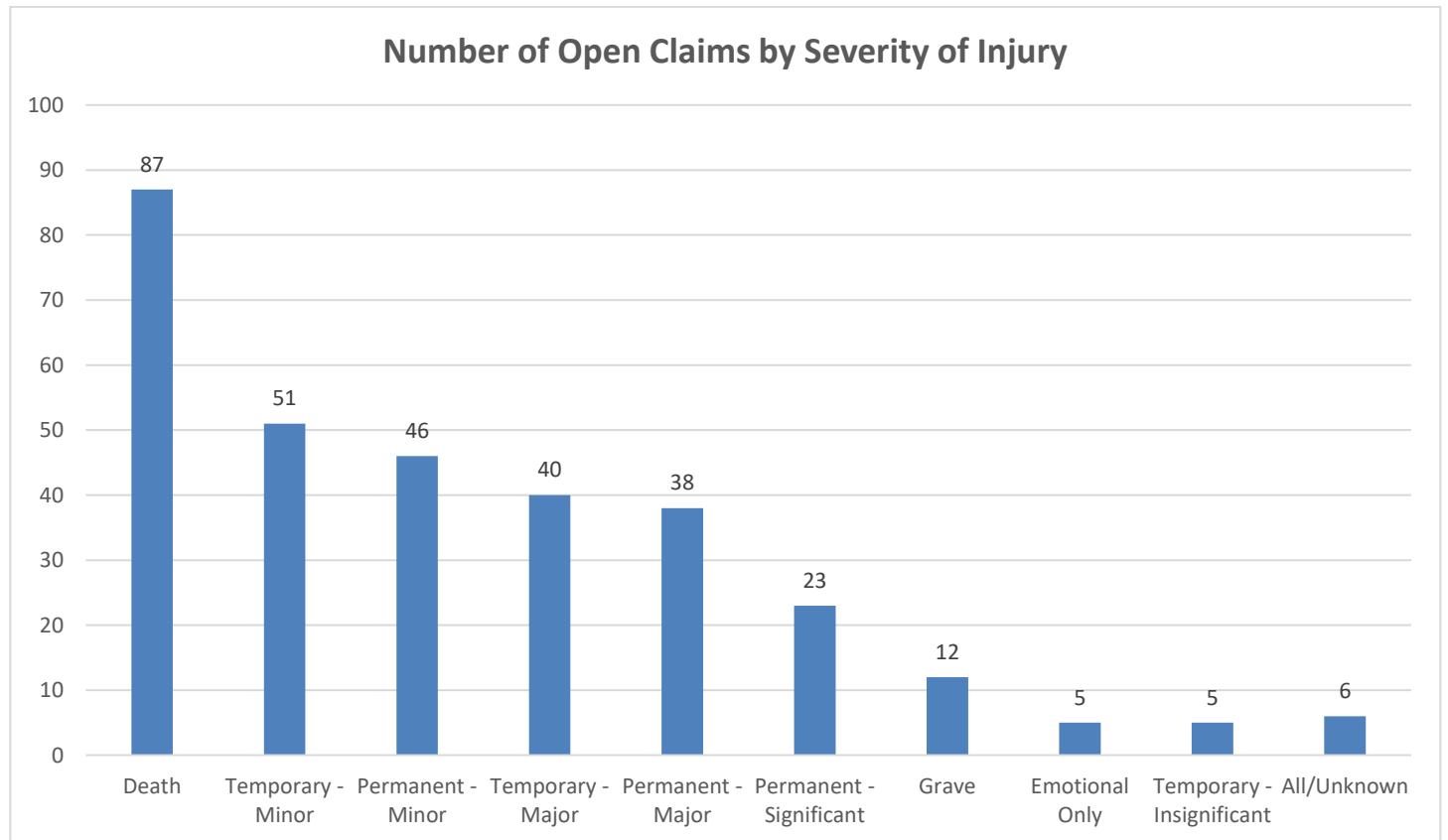
Severity of Injury	Number of Claims	Average Benefits Paid	Average Allocated Loss Adjustment Expenses Paid	Average Additional Payments After 6 Months from Disposition
Death	54	\$376,848	\$66,263	\$9
Temporary - Minor	32	\$26,632	\$13,690	\$1,064
Permanent - Minor	31	\$229,662	\$100,776	\$928
Temporary - Major	29	\$99,172	\$33,163	\$0
Permanent - Major	15	\$211,667	\$91,893	\$0
Grave	9	\$111,111	\$323,434	\$0
Permanent - Significant	8	\$628,590	\$130,505	\$0
Temporary - Insignificant	6	\$0	\$1,406	\$0
All Other/Unknown	8	\$0	\$8,890	\$0
<b>Total</b>	<b>192</b>	<b>\$203,366</b>	<b>\$70,390</b>	<b>\$266</b>





**Iowa Insurance Division  
Open Claims  
Total Benefits and Expenses  
Calendar Year 2021 - By Severity of Claim**

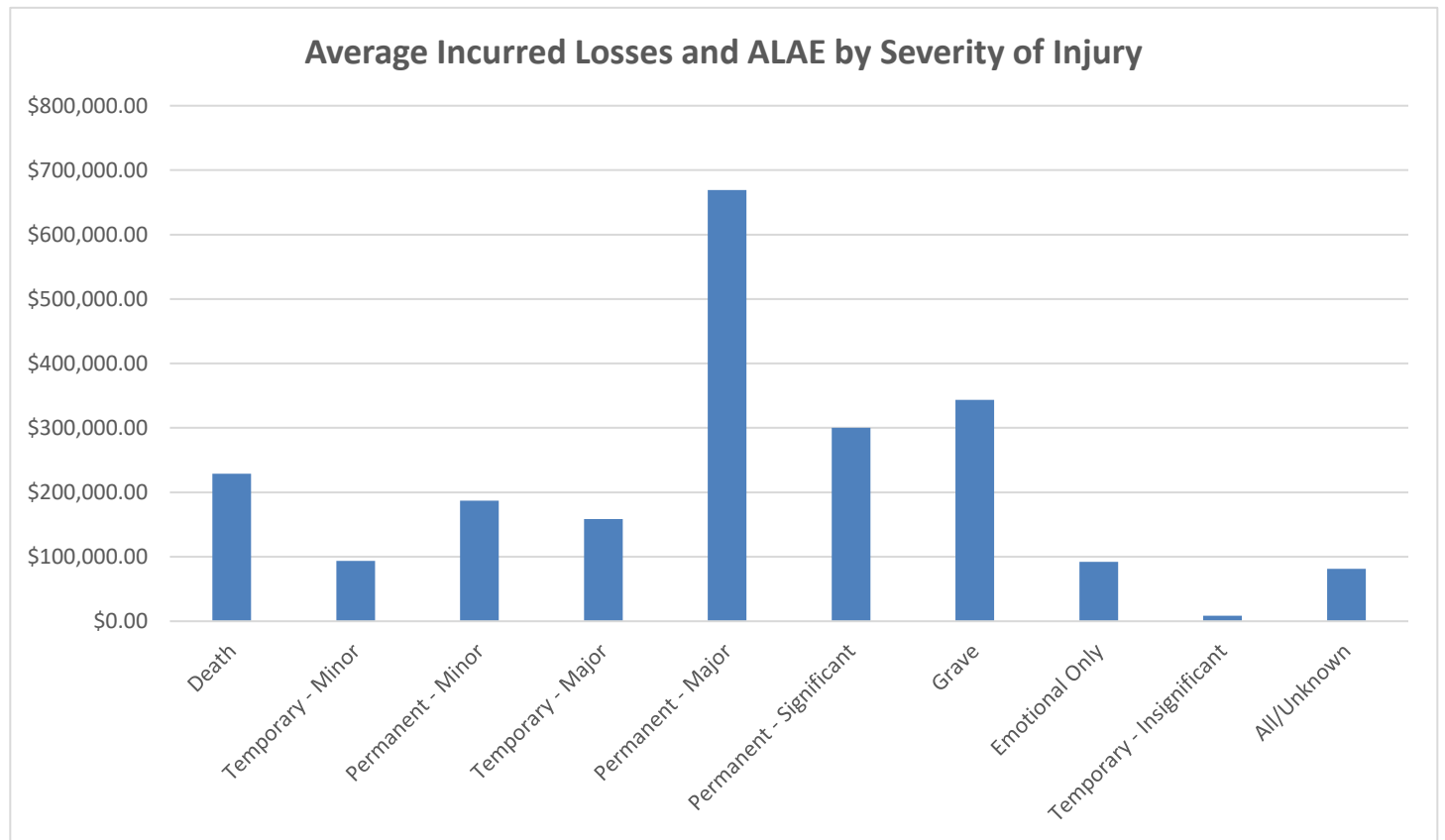
Severity of Injury	Number of Claims	Total Benefits Paid	Total Allocated Loss Adjustment Expenses Paid	Reserve for Incurred and Reported but not Disposed
Death	87	\$0	\$3,281,276	\$16,455,926
Temporary - Minor	51	\$0	\$938,521	\$3,812,257
Permanent - Minor	46	\$1,000,000	\$951,673	\$6,529,500
Temporary - Major	40	\$200,000	\$1,302,462	\$4,779,790
Permanent - Major	38	\$0	\$2,637,950	\$22,709,751
Permanent - Significant	23	\$0	\$1,253,809	\$5,532,417
Grave	12	\$0	\$264,010	\$3,858,998
Emotional Only	5	\$0	\$88,020	\$372,001
Temporary - Insignificant	5	\$0	\$20,280	\$23,002
All/Unknown	6	\$0	\$31,838	\$457,002
<b>Total</b>	<b>313</b>	<b>\$1,200,000</b>	<b>\$10,769,838</b>	<b>\$64,530,644</b>





**Iowa Insurance Division  
Open Claims  
Average Benefits and Expenses  
Calendar Year 2021 - By Severity of Claim**

Severity of Injury	Number of Claims	Average Total Benefits Paid	Average Total Allocated Loss Adjustment Expenses Paid	Average Reserve for Incurred and Reported but not Disposed
Death	87	\$0	\$39,533	\$189,149
Temporary - Minor	51	\$0	\$18,770	\$74,750
Permanent - Minor	46	\$24,390	\$20,689	\$141,946
Temporary - Major	40	\$5,882	\$33,396	\$119,495
Permanent - Major	38	\$0	\$71,296	\$597,625
Permanent - Significant	23	\$0	\$59,705	\$240,540
Grave	12	\$0	\$22,001	\$321,583
Emotional Only	5	\$0	\$17,604	\$74,400
Temporary - Insignificant	5	\$0	\$4,056	\$4,600
All/Unknown	6	\$0	\$5,306	\$76,167
<b>Total</b>	<b>313</b>	<b>\$4,301</b>	<b>\$35,427</b>	<b>\$206,168</b>







## Reports by Company

The following summaries provide data by company for closed and open claims.

As described earlier in the report, a category was assigned in cases where a company did not use the categories provided in the data call to identify claims, but a category could be reasonably assigned. Otherwise, the claim was listed in the Other/Unknown category. Any categories with less than five claims were combined and reported in total for the company.

Companies with fewer than five claims in total were reported as a group. Below are the grouped companies for the closed claim exhibits and for the open claim exhibits.

### **Companies Grouped for Closed Claim Report**

Church Mutual Insurance Company S. I.  
CNA Insurance Company  
Continental Casualty Company  
Coverys Specialty Insurance Company  
ISMIE Mutual  
ProAssurance Insurance Company of America  
The Cincinnati Insurance Companies

### **Companies Grouped for Open Claim Report**

CNA Insurance Company  
Continental Casualty Company  
Coverys Specialty Insurance Company  
Norcal  
ProAssurance Insurance Company of America  
The Cincinnati Insurance Companies



**Iowa Insurance Division  
Benefits and Expenses by Company  
Closed Claims by Specialty  
Calendar Year 2021**

<b>Company</b>	<b>Provider Specialty</b>	<b>Number of Claims</b>	<b>Total Benefits Paid</b>	<b>Total Allocated LAE + Attorney + All Other ALAE Paid</b>	<b>Additional Payments After 6 Months from Disposition</b>
<b>MMIC Insurance, Inc.</b>					
	Family Practice	6	\$75,000	\$385,189	\$0
	General Surgery	5	\$450,000	\$575,926	\$0
	Obstetrics/Gynecology	12	\$1,000,000	\$3,602,038	\$0
	Orthopedics	5	\$0	\$105,467	\$0
	All Other/Unknown	66	\$4,301,750	\$8,918,868	\$0
<b>NCMIC Insurance Company / Professional Solutions Insurance Company</b>					
	Radiology	5	\$6,600,000	\$218,854	\$0
	Chiropractic	7	\$500,000	\$452,200	\$0
	All Other/Unknown	8	\$7,500,000	\$488,853	\$0
<b>ProAssurance</b>					
	Clinic/Corporation	12	\$3,875,128	\$3,341,723	
	All Other/Unknown	11	\$4,075,128	\$4,155,255	\$0
<b>ProSelect Insurance Company</b>					
	Hospital	8	\$100,000	\$655,117	\$0
	All Other/Unknown	7	\$270,855	\$163,919	\$0
<b>The MedPro Group</b>					
	Radiology	5	\$2,625,000	\$386,296	\$0
	Dentistry	5	\$355,144	\$563,225	\$0
	All Other/Unknown	13	\$480,677	\$1,164,500	\$0
<b>Grouped Companies</b>					
	All Other/Unknown	17	\$2,770,336	\$1,030,476	\$13,849



**Iowa Insurance Division  
Benefits and Expenses by Company  
Open Claims by Specialty  
Calendar Year 2021**

<b>Company</b>	<b>Provider Specialty</b>	<b>Number of Claims</b>	<b>Total Benefits Paid</b>	<b>Total Allocated Loss Adjustment Expenses Paid</b>	<b>Reserve for Incurred and Reported but not Disposed</b>
<b>Chubb (Legacy ACE)</b>					
	Obstetrics/Gynecology	6	\$0	\$0	\$72,010
	All Other/Unknown	1	\$0	\$0	\$670
<b>ISMIE Mutual</b>					
	All Other/Unknown	6	\$0	\$56,818	\$3,600,000
<b>MMIC Insurance, Inc.</b>					
	Anesthesiology	5	\$0	\$186,212	\$1,473,000
	Family Practice	15	\$0	\$734,884	\$6,080,090
	General Surgery	10	\$0	\$556,096	\$3,901,500
	Neurology	5	\$0	\$97,249	\$1,430,750
	Obstetrics/Gynecology	13	\$0	\$803,499	\$3,595,000
	Orthopedics	16	\$0	\$480,087	\$2,318,750
	Plastic Surgery	10	\$0	\$185,330	\$1,035,500
	Radiology	5	\$0	\$208,897	\$1,770,000
	Ear, Nose & Throat (Otolaryngologists)	6	\$0	\$143,614	\$745,010
	All Other/Unknown	87	\$0	\$3,716,591	\$15,085,111
<b>NCMIC Insurance Company / Professional Solutions Insurance Company</b>					
	Chiropractic	10		\$708,972	\$2,950,000
	All Other/Unknown	13	\$0	\$587,086	\$1,425,000
<b>Preferred Professional Insurance Company</b>					
	All Other/Unknown	13	\$1,000,000	\$417,872	\$1,355,504
<b>ProAssurance</b>					
	Clinic/Corporation	6	\$0	\$52,522	\$727,998
	All Other/Unknown	10	\$0	\$119,086	\$1,942,996
<b>ProSelect Insurance Company</b>					
	Hospital	10	\$0	\$281,288	\$1,086,000
	All Other/Unknown	11	\$0	\$76,240	\$1,583,001
<b>The MedPro Group</b>					
	Healthcare Facility	9	\$200,000	\$411,883	\$4,952,000
	Clinic/Corporation	9	\$0	\$38,805	\$2,000
	All Other/Unknown	19	\$0	\$667,994	\$6,318,750
<b>Grouped Companies</b>					
	All Other/Unknown	18	\$0	\$238,813	\$1,080,004



**Iowa Insurance Division  
Benefits and Expenses by Company  
Closed Claims by Nature of Claim  
Calendar Year 2021**

<b>Company</b>	<b>Cause of Loss</b>	<b>Number of Claims</b>	<b>Total Benefits Paid</b>	<b>Total Allocated LAE + Attorney + All Other ALAE Paid</b>	<b>Additional Payments After 6 Months from Disposition</b>
<b>MMIC Insurance, Inc.</b>					
	Allergy/Immunology	30	\$1,460,000	\$5,227,838	\$0
	General Surgery	16	\$450,000	\$1,349,799	\$0
	Orthopedics	16	\$3,800,000	\$5,310,632	\$0
	Psychiatry	9	\$10,750	\$353,495	\$0
	All Other/Unknown	23	\$106,000	\$1,345,725	\$0
<b>NCMIC Insurance Company / Professional Solutions Insurance Company</b>					
	Allergy/Immunology	10	\$8,100,000	\$575,263	\$0
	Ophthalmology	10	\$6,500,000	\$584,644	\$0
<b>ProAssurance</b>					
	Allergy/Immunology	6		\$898,444	\$0
	General Surgery	8	\$7,750,256	\$4,691,323	\$0
	All Other/Unknown	9	\$200,000	\$1,907,211	\$0
<b>ProSelect Insurance Company</b>					
	All Other/Unknown	15	\$370,855	\$819,036	\$0
<b>The MedPro Group</b>					
	Cardiology	7	\$1,685,677	\$833,779	\$0
	General Surgery	6	\$255,000	\$627,351	\$0
	All Other/Unknown	10	\$1,520,144	\$652,891	\$0
<b>Grouped Companies</b>					
	Allergy/Immunology	8	\$1,270,326	\$302,413	\$5,498
	All Other/Unknown	9	\$1,500,010	\$728,063	\$8,351



**Iowa Insurance Division  
Benefits and Expenses by Company  
Open Claims by Nature of Claim  
Calendar Year 2021**

<b>Company</b>	<b>Alleged Cause of Loss</b>	<b>Number of Claims</b>	<b>Total Benefits Paid</b>	<b>Total Allocated Loss Adjustment Expenses Paid</b>	<b>Reserve for Incurred and Reported but not Disposed</b>
<b>Chubb (Legacy ACE)</b>					
	All Other/Unknown	7	\$0	\$0	\$72,680
<b>ISMIE Mutual</b>					
	All Other/Unknown	6	\$0	\$56,818	\$3,600,000
<b>MMIC Insurance, Inc.</b>					
	Allergy/Immunology	40	\$0	\$1,262,838	\$7,422,750
	Dermatology	5	\$0	\$66,488	\$174,000
	Emergency Medicine	6	\$0	\$315,574	\$610,500
	Gastroenterology	8	\$0	\$557,663	\$1,402,500
	General Surgery	48	\$0	\$2,359,267	\$12,929,265
	Obstetrics/Gynecology	9	\$0	\$195,941	\$1,114,005
	Ophthalmology	5	\$0	\$129,273	\$1,391,005
	Orthopedics	22	\$0	\$914,081	\$6,814,081
	Podiatry	9	\$0	\$683,297	\$2,252,000
	All Other/Unknown	20	\$0	\$628,037	\$3,324,605
<b>NCMIC Insurance Company / Professional Solutions Insurance Company</b>					
	Allergy/Immunology	5	\$0	\$73,907	\$425,000
	Ophthalmology	16	\$0	\$1,159,722	\$3,825,000
	All Other/Unknown	2	\$0	\$62,429	\$125,000
<b>Preferred Professional Insurance Company</b>					
	Allergy/Immunology	7	\$0	\$263,135	\$1,350,002
	All Other/Unknown	6	\$1,000,000	\$154,737	\$5,502
<b>ProAssurance</b>					
	All Other/Unknown	16	\$0	\$171,609	\$2,670,994
<b>ProSelect Insurance Company</b>					
	Allergy/Immunology	7	\$0	\$82,642	\$804,001
	Ophthalmology	8	\$0	\$159,179	\$1,100,000
	All Other/Unknown	6	\$0	\$115,708	\$765,000
<b>The MedPro Group</b>					
	Allergy/Immunology	25	\$0	\$317,251	\$4,545,000
	All Other/Unknown	12	\$200,000	\$801,430	\$6,727,750
<b>Grouped Companies</b>					
	Allergy/Immunology	9	\$0	\$143,830	\$800,003
	Ophthalmology	5	\$0	\$34,211	\$205,003
	All Other/Unknown	4	\$0	\$60,772	\$74,998



**Iowa Insurance Division  
Benefits and Expenses by Company  
Closed Claims by Substance of Claim  
Calendar Year 2021**

<b>Company</b>	<b>Severity</b>	<b>Number of Claims</b>	<b>Total Benefits Paid</b>	<b>Total Allocated LAE + Attorney + All Other ALAE Paid</b>	<b>Additional Payments After 6 Months from Disposition</b>
<b>MMIC Insurance, Inc.</b>					
	Temporary - Minor	14	\$6,000	\$211,104	\$0
	Temporary - Major	11	\$160,000	\$257,830	\$0
	Permanent - Minor	13	\$460,750	\$1,407,420	\$0
	Permanent - Major	15	\$3,175,000	\$2,756,793	\$0
	Grave	9	\$1,000,000	\$5,821,815	\$0
	Death	21	\$950,000	\$3,030,859	\$0
	All Other/Unknown	11	\$75,000	\$101,668	\$0
<b>NCMIC Insurance Company / Professional Solutions Insurance Company</b>					
	Temporary - Major	5	\$500,000	\$433,649	\$0
	Death	10	\$14,100,000	\$490,068	\$0
	All Other/Unknown	5	\$0	\$236,191	\$0
<b>ProAssurance</b>					
	Permanent - Minor	6	\$4,075,128	\$3,951,790	\$0
	Death	10		\$2,505,556	\$0
	All Other/Unknown	7	\$3,875,128	\$1,039,631	\$0
<b>ProSelect Insurance Company</b>					
	Temporary - Major	5	\$180,855	\$313,020	\$0
	All Other/Unknown	10	\$190,000	\$506,016	\$0
<b>The MedPro Group</b>					
	Temporary - Minor	9	\$155,000	\$431,679	\$0
	Temporary - Major	6	\$1,935,144	\$905,213	\$0
	All Other/Unknown	8	\$1,370,677	\$777,128	\$0
<b>Grouped Companies</b>					
	Death	7	\$1,410,641	\$352,016	\$177
	All Other/Unknown	10	\$1,359,695	\$678,460	\$13,672



**Iowa Insurance Division  
Benefits and Expenses by Company  
Open Claims by Substance of Claim  
Calendar Year 2021**

<b>Company</b>	<b>Severity</b>	<b>Number of Claims</b>	<b>Total Benefits Paid</b>	<b>Total Allocated Loss Adjustment Expenses Paid</b>	<b>Reserve for Incurred and Reported but not Disposed</b>
<b>Chubb (Legacy ACE)</b>					
	All Other/Unknown	7	\$0	\$0	\$72,680
<b>ISMIE Mutual</b>					
	All Other/Unknown	6	\$0	\$56,818	\$3,600,000
<b>MMIC Insurance, Inc.</b>					
	Temporary - Minor	41	\$0	\$802,605	\$2,930,255
	Temporary - Major	21	\$0	\$809,669	\$2,924,620
	Permanent - Minor	25	\$0	\$499,823	\$4,421,500
	Permanent - Significant	8	\$0	\$337,246	\$2,776,750
	Permanent - Major	26	\$0	\$2,032,002	\$12,859,081
	Death	45	\$0	\$2,482,779	\$10,615,505
	All Other/Unknown	6	\$0	\$148,335	\$907,000
<b>NCMIC Insurance Company / Professional Solutions Insurance Company</b>					
	Temporary - Major	5	\$0	\$86,881	\$400,000
	Permanent - Minor	5	\$0	\$159,282	\$350,000
	Permanent - Significant	8	\$0	\$849,292	\$2,350,000
	All Other/Unknown	5	\$0	\$200,602	\$1,275,000
<b>Preferred Professional Insurance Company</b>					
	Permanent - Minor	5	\$1,000,000	\$163,873	\$500,001
	All Other/Unknown	8	\$0	\$253,999	\$855,503
<b>ProAssurance</b>					
	All Other/Unknown	16	\$0	\$171,609	\$2,670,994
<b>ProSelect Insurance Company</b>					
	Death	6	\$0	\$155,599	\$900,000
	All Other/Unknown	15	\$0	\$201,929	\$1,769,001
<b>The MedPro Group</b>					
	Temporary - Major	8	\$200,000	\$297,101	\$749,000
	Permanent - Major	9	\$0	\$600,111	\$9,750,000
	Death	15	\$0	\$70,398	\$29,750
	All Other/Unknown	5	\$0	\$151,071	\$744,000
<b>Grouped Companies</b>					
	Death	6	\$0	\$126,307	\$693,000
	All Other/Unknown	12	\$0	\$112,506	\$387,004



## Appendix A: Grouped Companies

### NAIC Group Number 218: CNA Ins Group

Continental Casualty Co.	Transportation Insurance Co.	Continental Insurance Co.
Continental Ins Co. of NJ	Universal Surety of America	Columbia Casualty Co.
Natl Fire Ins Co. of Hartford	Valley Forge Insurance Co.	American Cas Co. of Reading PA
Surety Bonding Co. of America	Western Surety Co.	

### NAIC Group Number 244: Cincinnati Financial Group

Cincinnati Casualty Co.	Cincinnati Indemnity Co.
Cincinnati Spclty Underwriters	Cincinnati Insurance Co.

### NAIC Group Number 626: Chubb Ltd Grp

ACE Fire Underwriters Ins Co	Chubb Insurance Co. of NJ	Pacific Employers Insurance Co
ACE Ins Co. of the Midwest	Chubb Lloyds Ins Co. of Texas	Pacific Indemnity Co.
ACE P&C Insurance Co.	Chubb National Insurance Co.	Penn Millers Insurance Co.
Agri General Insurance Co.	Executive Risk Indemnity Inc.	Vigilant Insurance Co.
Atlantic Employers Ins Co.	Executive Risk Spclty Ins Co.	Westchester Fire Ins Co. (PA)
Bankers Standard Insurance Co.	Federal Insurance Co.	Westchester Surplus Lines Ins
Century Indemnity Co.	Great Northern Insurance Co.	ACE American Insurance Co.
Chubb Custom Insurance Co.	Indem Ins Co. of N Amer (PA)	Illinois Union Insurance Co.
Chubb Indemnity Insurance Co.	Insurance Co. of North America	Chubb Insurance Co. of PR

### NAIC Group Number 1154: Coverys Group

Coverys RRG Inc.	Coverys Specialty Insurance Co	Hlthcr Underwriters Group Inc.
Preferred Professional Ins Co.	ProSelect Insurance Co.	Medical Prof Mutual Ins Co.

### NAIC Group Number 2358: ISMIE Group

ISMIE Indemnity Co.	ISMIE Mutual Insurance Co.	ISMIE RRG Inc.
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### NAIC Group Number 2638: NCMIC Grp

NCMIC Risk Retention Group Inc	Professional Solutions Ins Co.	NCMIC Insurance Co.
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### NAIC Group Number 2698: ProAssurance Corp Group

Allied Eastern Indemnity Co.	ProAssurance Indemnity Co.	Pfd Physicians Med RRG a Mutl
Eastern Advantage Assurance Co	NORCAL Specialty Insurance Co.	ProAssurance Casualty Co.
Eastern Alliance Insurance Co.	NORCAL Insurance Co.	FD Insurance Co.
Medicus Insurance Co.	ProAssurance Specialty Ins Co.	ProAssurance Amer Mutl A RRG
Medmarc Casualty Insurance Co.	ProAssurance Ins Co. of Am	





**Appendix B:**  
**Annual Report Instructions**



KIM REYNOLDS  
GOVERNOR

DOUG OMMEN  
COMMISSIONER OF INSURANCE

ADAM GREGG  
LT. GOVERNOR

**DATE:** April 14, 2022  
**FROM:** Iowa Insurance Division  
**TO:** All Admitted Insurance Companies Writing Medical Malpractice Insurance  
In Iowa

## ANNUAL REPORT

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**LINE(S) OF BUSINESS:** Medical Professional Liability Insurance per **Line #11** of the Annual Statement.

**REPORTING COMPANIES:** All companies licensed by the Iowa Insurance Division to write the line(s) of business noted above, with direct written premiums on or after January 1, 2021 through December 31, 2021.

**DATA REQUESTED:** Regarding *closed claims* and *open claims*.

**DUE DATE:** June 1, 2022

**IID CONTACT PERSON:** Travis Grassel ([travis.grassel@iid.iowa.gov](mailto:travis.grassel@iid.iowa.gov))

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### GENERAL INSTRUCTIONS

The following pages provide detailed directions for completing the report. The report must be submitted in the format provided. Record layout and formatting instructions will be found on subsequent pages. The report should consist of two EXCEL spreadsheets, one for closed claims and one for open claims, and the contact information sheet. The report should be submitted via e-mail to Travis Grassel at [medmal@iid.iowa.gov](mailto:medmal@iid.iowa.gov) by June 1, 2022.

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# **MEDICAL PROFESSIONAL LIABILITY (MEDICAL MALPRACTICE) INSURANCE CLOSED AND OPEN CLAIM REPORT REPORT INSTRUCTIONS/SPECIFICATIONS**

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1. Please provide data for all medical professional liability, medical malpractice, insurance claims, and lawsuits closed or disposed of on or after January 1, 2021 through December 31, 2021. Also, please provide data for all medical professional liability, medical malpractice, insurance claims, and lawsuits open as of December 31, 2021.
  2. A claim for the purpose of this report is a formal or written demand for compensation under a medical professional liability, medical malpractice, insurance policy relating to allegations of liability on the part of one or more providers for any act, error, or omission in the rendering of, or failure to render medical services for medically related injuries.
  3. A lawsuit for the purpose of this report is a complaint filed in any court in this state alleging liability on the part of one or more providers for any act, error, or omission in the rendering of, or failure to render medical services for medically related injuries.
  4. If more than one insured is associated with an incident, report separately for each insured.
  5. If more than one injured party is associated with an incident, report separately for each injured party.
  6. If a claimant filed claims for the same injury under more than one policy, report separately for each policy.
  7. Include only direct business.
  8. If a claim has been reopened, but had not yet closed as of December 31, 2021, report this only within the open claims report.
  9. If a claim was reopened and then closed within the period from January 1, 2021 through December 31, 2021, only include in the closed claims report.
  10. Submit information for each closed claim, whether closed with or without payment.
  11. Submit information for each open claim, whether a reserve amount has been established or not.
-

# MEDICAL PROFESSIONAL LIABILITY (MEDICAL MALPRACTICE) INSURANCE CLOSED AND OPEN CLAIM REPORT ELECTRONIC REPORTING INSTRUCTIONS

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1. Please provide data in an EXCEL spreadsheet in accordance with the attached open and closed record layouts.
2. Please provide a separate spreadsheet for the closed claims report and a separate spreadsheet for the open claims report.
3. Companies within a group may report as a group rather than submitting separate reports for each company.
4. Each claim should be reported on one row within the appropriate spreadsheet, either the open claims spreadsheet or the closed claims spreadsheet.
5. Provide a separate document with the additional codes to explain the specified column when the date provided includes more codes than the closed and open layouts.
6. Data must be entered in the spreadsheets according to the definitions and report layout provided. To be accepted, data must be entered in date format as MM/DD/YYYY for dates; numeric format for dollar amounts, numbers, and any designated codes; and alpha-numeric format for other entries. For any columns where "Other" is chosen, enter in alpha-numeric format. Do not use formulas in the cells.
7. Please submit your completed Microsoft Excel spreadsheets and a copy of the Contact Information sheet via e-mail to Travis Grassel at [medmal@iid.iowa.gov](mailto:medmal@iid.iowa.gov). The Excel spreadsheets may be zipped using the WinZip program if the file is too large for e-mail.
8. The report is due June 1, 2022.
9. If you have any questions, please feel free to e-mail or call Travis Grassel at [travis.grassel@iid.iowa.gov](mailto:travis.grassel@iid.iowa.gov), (515) 654-6570.

## **DEFINITIONS**

**Admitted Insurance Company** – An insurer who has been licensed by the insurance division within the state of Iowa to write specific lines of business.

**Allocated Loss Adjustment Expenses** – Expenses attributable to a particular claim (direct defense and cost containment expenses).

**Calendar Year** – January 1 through December 31.

**Claim** – A formal or written demand for compensation under a medical professional liability insurance policy relating to allegations of liability on the part of one or more providers for any act, error, or omission in the rendering of, or failure to render medical services for medically related injuries.

**Closed Claim** – A claim for which no further action is expected; final payment if any has been made. Report all claims closed within the reporting period regardless the date they were reported to the company.

**Deductible** – An amount of money set within a policy that must be paid by an insured before the insurer is liable for any payments.

**Direct Business** – Policies written by an insurer without consideration of reinsurance.

**Loss Reserve** – The liability established to pay for a claim.

**Paid Losses (Indemnity Payment)** – Losses, but not expenses, paid to a claimant to close a claim.

**Lawsuit** – A complaint filed in any court in Iowa alleging liability on the part of one or more providers for any act, error, or omission in the rendering of, or failure to render medical services for medically related injuries.

**Limit of Insurance** – The maximum amount an insurer will pay as set forth in a contract of insurance.

**Open Claim** – A claim for which further action is expected; the final payment has not been completed. Report all claims opened at the end of the calendar year regardless of the date they were filed.

**Reinsurance** – Insurance coverage for the risks covered by other insurance companies.

**Reopened Claim** – A claim that had been closed, but for some reason, needs further action or payment.

**Reserves** – The liability set up to pay for a claim when the claim is ultimately closed. Reserves may be established for potential loss payments and allocated loss adjustment expenses separately or combined.

**Reserves for Payment of Claims Incurred and Reported but not Disposed** – The liability set up to pay for a claim when the claim is ultimately closed. Report reserves on all open claims during the calendar year that continue to be open at year-end.

**Self-Insurance** – A program in which an individual or entity assumes all or a portion of the risk for its medical professional liability (medical malpractice) claims.

**Subrogation** – Reimbursement by a party responsible for a payment to another party that had paid the amount.

## **ALLEGED INJURY**

Please classify each claim by the following severity of injury types.

- Emotional Only (e.g. fright, no physical damage)
- Temporary – Insignificant (e.g. lacerations, contusions, minor scars, rash; no delay)
- Temporary – Minor (e.g. infections, fracture, fall in hospital; recovery delayed)
- Temporary – Major (e.g. surgical material left, drug side effect, brain damage; recovery delayed)
- Permanent – Minor (e.g. loss of fingers, loss or damage to organs; includes non-disabling injuries)
- Permanent – Significant (e.g. deafness, loss of limb, loss of eye, loss of one kidney or lung)
- Permanent – Major (e.g. paraplegia, blindness, loss of two limbs, brain damage)
- Grave (e.g. quadriplegia, severe brain damage, lifelong care or fatal prognosis)
- Death
- Other/Unknown (e.g. injury was not a part of the list above, data was not captured or maintained)

**MEDICAL PROFESSIONAL LIABILITY  
(MEDICAL MALPRACTICE) INSURANCE  
CLOSED AND OPEN CLAIM REPORT  
CONTACT INFORMATION**

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Please complete the following and submit with your spreadsheets.

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

E-mail: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

I have provided all relevant and accurate closed and open claim data for the medical professional liability, medical malpractice, line of business for this data call. To the best of my knowledge, the information provided for this company is true and accurate as of December 31, 2021.

Person Responsible for Data Call: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**We thank you for your prompt attention to this matter!**

*The Iowa Insurance Division*

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**Iowa**  
**Medical Malpractice Supplemental Report**  
**Multistate Regional Experience Analysis**  
**2017-2021**



**Iowa Insurance Division**  
**Medical Malpractice**  
**Multistate Regional Experience Analysis**

	<u>Grand Total</u>	<u>Iowa</u>	<u>Illinois</u>	<u>Kansas</u>	<u>Minnesota</u>	<u>Missouri</u>	<u>Nebraska</u>	<u>South Dakota</u>	<u>Wisconsin</u>
5-Year Average Direct Loss & ALAE Ratio ('17-'21)	74.2%	97.6%	83.0%	80.6%	59.1%	80.4%	93.7%	63.7%	39.3%
5-Year Average Direct Internal Expense Ratio ('17-'21)	19.1%	19.7%	18.5%	19.9%	18.6%	19.0%	19.3%	19.8%	18.5%
5-Year Average Direct Acquisition Expense Ratio ('17-'21)	10.7%	10.4%	12.6%	11.8%	12.3%	10.3%	12.4%	13.8%	9.3%
5-Year Average Combined Ratio ('17-'21)	103.9%	127.7%	114.1%	112.3%	90.1%	109.7%	125.5%	97.3%	67.1%
<b>Direct Loss &amp; ALAE Ratios</b>									
2017	70.3%	55.3%	73.4%	50.2%	20.5%	81.1%	95.2%	3.6%	14.1%
2018	67.8%	132.0%	84.5%	82.9%	84.3%	70.4%	88.0%	22.1%	27.7%
2019	79.9%	122.1%	94.1%	67.7%	85.8%	98.5%	108.4%	90.6%	76.2%
2020	78.8%	107.7%	88.4%	118.8%	63.3%	81.9%	96.9%	120.2%	62.5%
2021	74.2%	70.9%	74.7%	83.1%	41.8%	70.3%	80.3%	81.9%	16.3%
<b>Direct Internal Expense Ratios</b>									
2017	21.4%	21.4%	20.2%	21.9%	20.7%	20.7%	22.1%	21.0%	20.2%
2018	19.2%	19.4%	18.6%	19.9%	18.3%	18.8%	19.2%	19.9%	18.3%
2019	18.9%	20.2%	18.5%	20.4%	19.1%	19.7%	19.0%	20.9%	18.7%
2020	18.4%	18.9%	18.0%	19.3%	17.9%	18.3%	18.7%	19.4%	18.1%
2021	17.4%	18.6%	17.4%	18.1%	17.0%	17.3%	17.4%	17.6%	17.1%
<b>Direct Acquisition Expense Ratios</b>									
2017	10.2%	10.7%	13.0%	10.4%	12.2%	9.9%	11.1%	13.1%	8.4%
2018	10.6%	10.4%	12.5%	11.1%	12.5%	10.6%	17.8%	13.5%	9.4%
2019	10.7%	10.3%	12.6%	12.8%	11.6%	10.0%	11.0%	15.8%	9.4%
2020	10.7%	10.3%	12.0%	12.0%	12.6%	10.4%	11.4%	13.0%	9.4%
2021	11.0%	10.4%	12.7%	12.5%	12.8%	10.6%	11.0%	13.7%	9.8%
<b>Combined Ratios</b>									
2017	101.9%	87.5%	106.5%	82.5%	53.4%	111.7%	128.4%	37.7%	42.7%
2018	97.7%	161.8%	115.6%	113.9%	115.1%	99.8%	125.0%	55.5%	55.3%
2019	109.6%	152.6%	125.2%	100.9%	116.5%	128.3%	138.4%	127.3%	104.4%
2020	107.9%	136.8%	118.3%	150.1%	93.7%	110.6%	126.9%	152.6%	89.9%
2021	102.6%	99.8%	104.7%	113.7%	71.6%	98.2%	108.6%	113.2%	43.1%

**Iowa Insurance Division**  
**Medical Malpractice**  
**Multistate Regional Experience Analysis**

- Direct Internal Expense Ratio:** (Direct ULAE Incurred + Direct General Expenses)/Direct Premium Earned + Direct Other Acquisition/Direct Premium Written
- Direct Acquisition Expense Ratio:** (Direct Commissions & Brokerage + Direct Taxes, Licenses, and Fees)/(Direct Premiums Written)
- Direct Loss & ALAE Ratio:** (Direct Losses Incurred + Direct DCC Incurred)/Direct Premiums Earned
- Direct Combined Ratio:** Direct Loss & ALAE Ratio + Direct Internal Expense Ratio + Direct Acquisition Expense Ratio

DCC: Defense Cost & Containment

LAE: Loss Adjustment Expenses are all costs incurred by a company during the claim settlement process. Claim adjusters' fees, claim department overhead, and legal defense costs are examples of LAE.

ALAE: Allocated Loss Adjustment Expense are those costs that can easily be related to individual claims. Legal fees to defend against a specific claim or costs incurred by a claim adjuster assigned to one claim are ALAE.

ULAE: Unallocated Loss Adjustment Expense are those costs that are more difficult to assign to particular claims, such as claim department salaries.

Defense & Cost Containment: Include costs incurred in defending claims, including expert witness fees and other legal fees.

Adjusting & Other (A&O) Expenses: A&O includes all other expenses.

*Note of explanation: In 1998, the insurance industry introduced new LAE definitions in an attempt to improve financial reporting consistency between companies in the US. Instead of categorizing loss adjustment expenses by allocated or unallocated for financial reporting purposes, costs are now split into defense cost and containment (DCC) and adjusting and other (A&O) expenses. Prior to the switch, companies with in-house attorneys sometimes coded legal expenses as ULAE, while companies using outside legal counsel coded these expenses as ALAE. This historic difference made comparing operations metrics across companies difficult. The new standardization of the definitions makes these comparisons more meaningful.*

General Expense: General expenses include the remaining expenses associated with insurance operations and any other miscellaneous costs, excluding investment income expenses. Examples include overhead associated with the insurer's home office (e.g. building maintenance) and salaries of certain employees (e.g. actuaries).

Other Acquisition: Other acquisition costs are expenses that are paid to acquire business other than commissions and brokerage expenses. Costs associated with media advertisements, mailings to prospective insureds, and salaries of sales employees who do not work on a commission basis are included in this category.

Commission & Brokerage: Commission and brokerage are amounts paid to agents or brokers as compensation for generating business. Typically, these amounts are paid as a percentage of premiums written. Commission rates may vary between new and renewal business. In addition, contingent commissions vary the commission based on the quality (e.g. loss ratio) or amount of business written (e.g. predetermined volume goals).

Taxes, Licenses, and Fees: Taxes, licenses, and fees include all taxes and miscellaneous fees due from the insurer excluding federal income taxes. Premium taxes and licensing fees are examples that would be included here.

## Average Direct Loss & ALAE Ratio, Average Direct Internal Expense Ratio and Average Direct Acquisition Expense Ratio (2017-2021)

