

# *A Pillar of* **STRENGTH**



*for Maryland Physicians*  
*annual report 2023*

**MEDICAL  MUTUAL**  
*Liability Insurance Society of Maryland*

---



*A Pillar of*  
**STRENGTH**

## To Our Members:

Physicians are vital to the health and well-being of the communities in which they serve. In their most vulnerable moments, patients rely on Physicians to provide empathy and expertise to aid in the healing process. Physicians continually rise to the challenge and are a Pillar of Strength for their patients.

As we reflect on the past year, I am pleased to share the 2023 Annual Report for MEDICAL MUTUAL. This report serves as a testament to the resilience, dedication, and energy that define the community of Maryland Physicians. In 2023, the Board of Directors approved a 20% Renewal Dividend credit, and a 16% Special Dividend credit. The Board also approved a 10% *Mutual Advantage Plan* (MAP) renewal allocation. Reaffirmed with an “A” (Excellent) rating by A.M. Best, our strong financial standing reflects our dedication to protecting your practice and professional reputation throughout your career.

MEDICAL MUTUAL is one of the oldest and most respected Doctor-owned and directed medical professional liability (MPL) insurers in the country. Our exclusive focus on Maryland Physicians enables us to stay abreast of the issues that impact you directly, and our proactive approach to risk management offers Physicians the resources and support they need to practice with confidence in an ever-evolving medicolegal landscape.

MEDICAL MUTUAL will continue to seek new ways to fortify the company while enhancing our responsiveness to Physicians’ interests and concerns. We are committed to maintaining the financial strength and stability of the Company to ensure the long-term defense of our Policyholders. We are *your* Pillar of Strength.

*Thank you for your loyalty and trust.*

Sincerely,

George S. Malouf Jr., M.D., FACS  
*Chair of the Board*

Cheryl F. Matricciani, Esq., CPA  
*President & Chief Executive Officer*

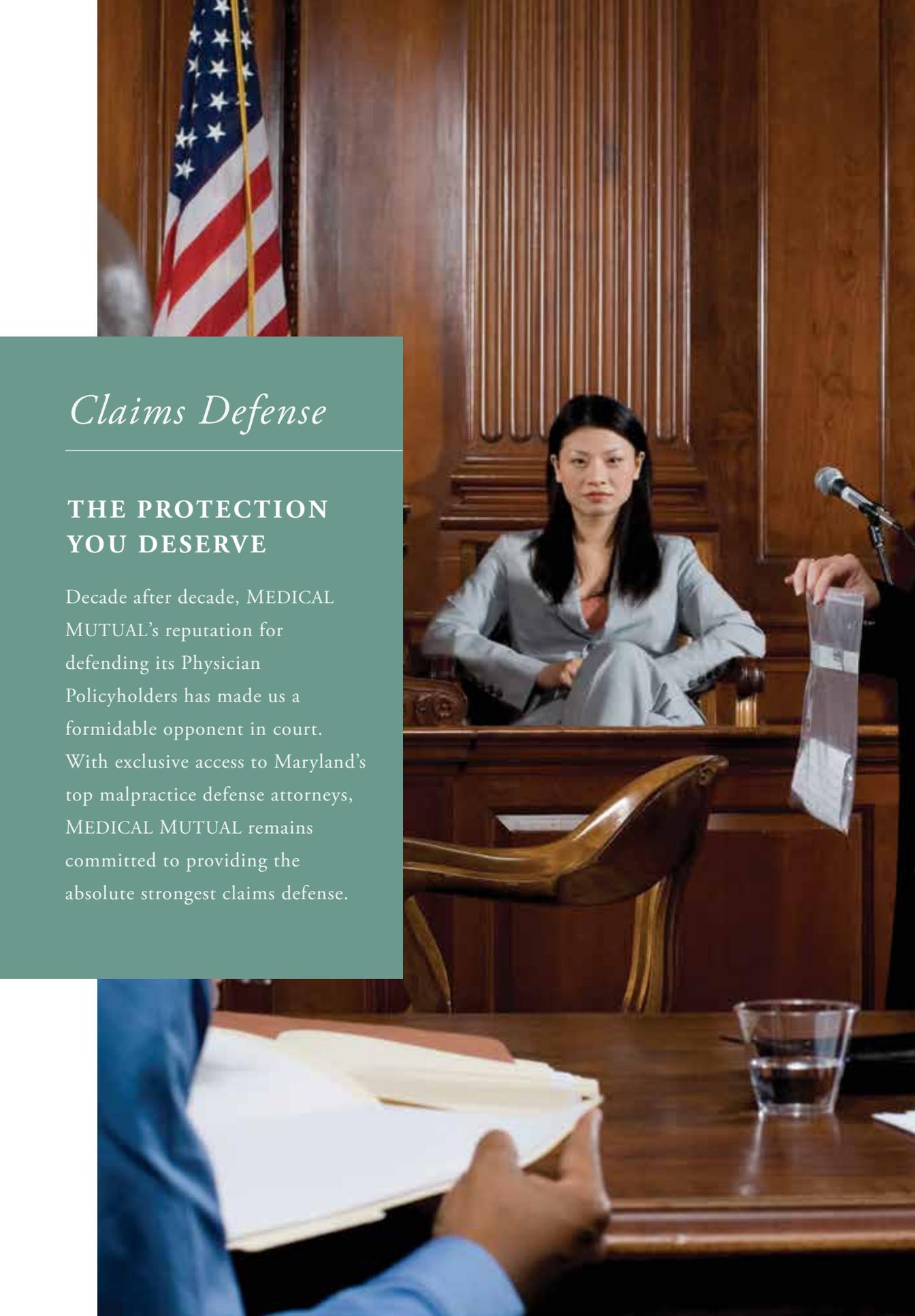


## 2023 HIGHLIGHTS

Special Dividend Credit of 16% declared in addition to 20% Renewal Dividend Credit.

*Mutual Advantage Plan* (MAP) accounts grew with a 10% allocation.

A.M. Best reaffirms “A” (Excellent) rating.



## *Claims Defense*

### **THE PROTECTION YOU DESERVE**

Decade after decade, MEDICAL MUTUAL's reputation for defending its Physician Policyholders has made us a formidable opponent in court. With exclusive access to Maryland's top malpractice defense attorneys, MEDICAL MUTUAL remains committed to providing the absolute strongest claims defense.



## *Physician Focus*

---

### **OUR LONG-TERM COMMITMENT**

MEDICAL MUTUAL is proudly Physician-owned and directed and is the only insurer that has continuously served Maryland Physicians since 1975. Physicians who serve on our Board of Directors and committees provide valuable insight and guidance.

## *Advocacy*

---

### **FIGHTING FOR PHYSICIANS YEAR-ROUND**

No other insurance company is as familiar with Maryland's unique medicolegal environment. MEDICAL MUTUAL advocates tenaciously in the Maryland legislature and appellate courts to preserve hard-earned tort reforms and maintain a fair legal environment.



# *Risk Management*

## **EDUCATION PROGRAMS, CME CREDIT AND PREMIUM CREDIT**

Every year, MEDICAL MUTUAL presents an extensive array of risk management education programs, with live in-person, live webinar, online self-paced, and home-study options. Participants not only acquire knowledge to safeguard their practice, but also earn continuing medical education (CME) credits and a premium credit on their renewal policy after completing a qualifying program.



### **TAILOR YOUR EXPERIENCE WITH RM DIRECT**

Opt-in to a private risk management Dashboard on our website for personalized insights tailored to the topics and specialties you choose. Resources include a “Two-Minute Drill” informational video, relevant articles, and more.



### **ONLINE LIBRARY**

Explore our comprehensive online risk management library at MMLIS.com, with expert resources and tools to help you navigate liability risks and enhance patient care.



### ***PRACTICE MANAGER TOOLBOX***

Access our free online resource designed to assist Practice Managers in navigating various day-to-day scenarios encountered in a busy practice. Choose from a variety of forms, including a sample employee handbook, articles, videos, and more.



### **GET UPDATES ON-THE-GO**

Stay current on the latest developments in risk management – including claims, communications, and practice management – by listening online or downloading our podcasts.



### **TIMELY CONSULTATION**

For practice-related inquiries, our risk management specialists are ready to listen to your concerns and help you identify solutions to mitigate your professional liability exposure. Call us at 410-785-0050 or 800-492-0193 (toll free).

## 2023 News & Notes

1,100+



MAP DISTRIBUTIONS  
MADE SINCE 2017

“A”

(EXCELLENT) RATING  
FROM A.M. BEST

16%



SPECIAL DIVIDEND CREDIT

zero

NO CHANGE IN  
PREMIUM\* FOR 2024

*\*Based on no change in coverage.*

10%

MAP RENEWAL ALLOCATION

99.4%

LIVE ANSWER RATE FOR  
INCOMING CALLS



48

YEARS THAT MEDICAL  
MUTUAL HAS SERVED  
AND DEFENDED  
MARYLAND PHYSICIANS

20%

RENEWAL DIVIDEND CREDIT



# 2023 Financials

## BALANCE SHEETS *Statutory Basis / DECEMBER 31*

	2023	2022
<i>Admitted Assets</i>		
Cash and short-term investments	\$ 23,803,517	\$ 24,871,753
Long-term invested assets	785,165,017	788,949,948
Other assets	27,924,019	26,815,734
Total Admitted Assets	\$ 836,892,553	\$ 840,637,435
<i>Liabilities &amp; Policyholders' Surplus</i>		
Reserve for losses and loss adjustment expenses, net of reinsurance recoverable	\$ 151,939,750	\$ 157,533,476
Reserve for unearned premiums	56,902,870	57,318,923
Deposits received on policies not in force	27,361,265	28,017,059
Dividends payable to Policyholders	116,888,853	117,482,698
Other liabilities	16,430,755	15,831,744
Total Liabilities	\$ 369,523,493	\$ 376,183,900
Total Policyholders' Surplus	\$ 467,369,060	\$ 464,453,535
Total Liabilities & Policyholders' Surplus	\$ 836,892,553	\$ 840,637,435

## STATEMENTS OF INCOME *Statutory Basis / DECEMBER 31*

	2023	2022
Premiums earned	\$ 76,508,342	\$ 70,821,684
Losses and loss adjustment expenses incurred	43,557,119	44,232,069
Underwriting expenses	17,357,163	17,291,733
Net Underwriting Gain	\$ 15,594,060	\$ 9,297,882
Net investment income earned and realized capital gains and losses	\$ 17,270,943	\$ 16,183,651
Other income	780,377	2,647,478
Income Before Dividends to Policyholders & Federal Income Taxes	\$ 33,645,380	\$ 28,129,011
Dividends to Policyholders	\$ 25,000,000	\$ 25,000,000
Income Before Federal Income Taxes	\$ 8,645,380	\$ 3,129,011
Federal income tax	\$ 1,017,798	\$ 363,998
Net Income	\$ 7,627,582	\$ 2,765,013

*The 2023 and 2022 condensed financial statements of MEDICAL MUTUAL have been prepared in conformity with accounting practices prescribed or permitted by the Maryland Insurance Administration. The condensed financial statements have been derived from complete statutory-basis financial statements, which were audited by our independent auditors. A complete set of audited financial statements may be obtained upon request.*

# 2023 Board of Directors

## **GEORGE S. MALOUF JR., M.D., FACS**

Chair of the Board, Physician in Comprehensive Ophthalmology in Montgomery and Prince George's Counties, MD

*Comm: EX-Chair, Ex Officio: AU, CL, CO, FB, RM, UW*

## **MARY ELLEN M. VALLIANT, AIF**

Vice Chair of the Board, Managing Partner, Valliant and Associates LLC, Private Wealth Management Services of Chestertown, MD

*Comm: CO-Chair, FB-Chair, EX*

## **CHERYL F. MATRICCIANI, Esq., CPA**

President and Chief Executive Officer, MEDICAL MUTUAL

*Comm: EX, Ex Officio: AU, CL, CO, FB, PN, RM, UW*

## **JOHN H. CLIFTON III**

Senior Vice President – Claims and Operations, MEDICAL MUTUAL

## **MARY LURA DUVALL, CPA**

Retired Senior Vice President, Chief Financial Officer and Treasurer of MEDICAL MUTUAL

*Comm: AU, CO, EX, FB*

## **WILLARDA V. EDWARDS, M.D., MBA**

Practicing Internal Medicine Physician in Baltimore, MD, member Board of Trustees of the American Medical Association, past President of MedChi, The Maryland State Medical Society, past President and Chief Operating Officer of Sick Cell Disease Association of America, past President of the National Medical Association

*Comm: UW-Chair, CL, EX*

## **WALTER J. GIBLIN, M.D.**

Practicing Dermatologist in Rockville, MD, member of MedChi, The Maryland State Medical Society, serving as long-time delegate for the Montgomery County Medical Society, past President of the Washington, D.C. Dermatological Society

*Comm: PN-Chair, RM-Chair, CO*

## **SANJAY D. GOEL, M.D.**

Practicing Ophthalmologist in Baltimore and Howard Counties, MD, former member Board of Trustees of the American Academy of Ophthalmology, past President Maryland Society of Eye Physicians and Surgeons

*Comm: AU*

## **MAURICE L. HAYWOOD, CFA**

Managing Director and Senior Portfolio Manager, Brown Capital Management

*Comm: AU, EX, FB*

## **THOMAS W. JOHNSON**

Former Executive Vice President, Chief Risk and Administration Officer of FCCI Insurance Group, former Managing Director, Financial Services Group, HSBC Securities

*Comm: AU, FB*

## **PAUL C. MARINELLI, M.D.**

Practicing Radiologist in Hagerstown, MD, Chairman, Department of Radiology, Meritus Medical Center and President, Associated Radiologists, PA

*Comm: CL-Chair, PN, UW*

## **JOHN W. MCCULLOUGH, CPA**

Retired Partner with the international accounting firm of Ernst & Young LLP

*Comm: AU-Chair, CO, EX, FB*

## **GARY W. MICHAEL**

President of NAI Michael, with over 45 years of experience in all fields of commercial real estate, including sales, leasing, property management, and development

*Comm: FB*

## **GENE M. RANSOM III, Esq.**

Chief Executive Officer of MedChi, The Maryland State Medical Society, former member and President of the Queen Anne's County Commission

*Comm: FB, PN, RM*

## *Board Committee Key*

*AU ... Audit*

*CL ... Claims*

*CO ... Compensation and Retirement Plans*

*EX ... Executive*

*FB ... Finance and Budget*

*PN ... Proxy and Nominating*

*RM ... Risk Management*

*UW ... Underwriting Advisory*

# Officers & Committee Consultants

## **GEORGE S. MALOUF JR., M.D., FACS**

Chair of the Board

## **MARY ELLEN M. VALLIANT, AIF**

Vice Chair of the Board

## **CHERYL F. MATRICCIANI**

President and Chief Executive Officer

## **KEITH P. ALLEN**

Senior Vice President, Chief Actuary

## **JOHN H. CLIFTON III**

Senior Vice President –  
Claims and Operations

## **STEVEN P. KEULER**

Senior Vice President,  
Chief Financial Officer and Treasurer

## **DEREK B. YARMIS**

Senior Vice President,  
General Counsel and Secretary

## **GEORGE CHAMBERS**

Vice President –  
Information Technology

## **NATALIE A. ROBERTS**

Vice President –  
Accounting, Controller

## **BENJAMIN C. ROHM**

Vice President –  
Underwriting

## **DONALD G. WILSON**

Vice President –  
Marketing

## **CORY A. BENDER**

Assistant Vice President –  
Claims Operations

## **CLAIMS COMMITTEE**

### *Consultants*

Syeda Naureen Alam, M.D.  
George H. Bone, M.D.  
Janet F. Brown, M.D.  
J. Douglas Clarke, M.D.  
Kendra K. Kay, M.D.  
Daniel E. Kohn, M.D.  
Michael E. Langbaum, M.D.  
Mark T. Matsunaga, M.D.  
John P. O'Hearn, M.D.  
Neil P. O'Malley, M.D.  
Vasil X. Parousis, M.D.  
Adrian L. Preston, M.D.  
Kevin L. Stitely, M.D.  
Matthew T. Yeatman, M.D.

## **RISK MANAGEMENT COMMITTEE**

### *Consultants*

Steven M. Berlin, M.D.  
Steven J. Brand, M.D.  
Joseph S. Fastow, M.D.  
Andrew P. Fridberg, M.D.  
Samuel D. Friedel, M.D.  
Louis S. Halikman, M.D.  
Karen H. Klocko, D.D.S.  
Daniel E. Kohn, M.D.  
Kiran G. Kuna, M.D.  
Sarah A. Merritt, M.D.

## **UNDERWRITING ADVISORY COMMITTEE**

### *Consultants*

Michael J. Damiano, M.D.  
Jayant B. Desai, M.D.  
Craig A. Dickman, M.D.  
Eugenio S. Machado, M.D.  
Allan R. Rutzen, M.D.

## **INDEPENDENT AUDITORS**

Ernst & Young LLP  
Baltimore, Maryland

*The MEDICAL MUTUAL Difference*

**UNMATCHED**

*The Absolute Strongest Claims Defense*

**UNCOMPROMISING**

*Year-Round Advocacy*

**UNSURPASSED**

*Responsive, Local Customer Service*

**UNBEATABLE**

*Doctor Focus*

**UNPARALLELED**

*Maryland-Focused Risk Management*

**UNWAVERING**

*Commitment to Maryland Doctors*

**MEDICAL  MUTUAL**

*Liability Insurance Society of Maryland*

P.O. Box 8016  
225 International Circle  
Hunt Valley, Maryland 21030  
410-785-0050 || 800-492-0193  
***mmlis.com***

©2024 MEDICAL MUTUAL  
Liability Insurance Society of Maryland.  
All Rights Reserved.  
21-0204-24-1