



# NORCAL

Our Passion Protects Your Practice

## **FOR IMMEDIATE RELEASE**

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### **NORCAL Mutual Receives “A” Rating for Strength and Stability**

**San Francisco, CA** (May 20, 2011) — A.M. Best, the insurance rating service, has rated NORCAL Mutual Insurance Company of San Francisco, CA “A” (Excellent-Stable). This represents the twenty-eighth consecutive year, the medical malpractice insurer has been rated “A” by A.M. Best. According to Best, the rating outlook is based upon the stability in operating results, continued strong policyholder retention, and demonstrated commitment to pricing and reserving adequacy.

“Today’s physician provides care in a world of rapid change, with many uncertainties about future practice arrangements, reimbursements and risk exposures,” said CEO James Sunseri. “The Best ratings tell NORCAL insureds that they can depend on us to be here no matter what change brings.”

Another sign of the company’s excellent operational performance is the \$13.8 million in dividends declared in 2010. As a physician-owned mutual company, NORCAL has declared a dividend in 31 of the past 33 years. Over its 36-year history, the company has declared \$416 million in dividends.

In their rating assignment, A.M. Best recognized that the NORCAL Group, consisting of NORCAL Mutual and PMSLIC Insurance Company, in Mechanicsburg, PA, is among the top ten medical professional liability carriers in the country by direct written premium. They commented that the rating reflected the group’s excellent risk-adjusted capitalization and strong operating performance, along with the historical pattern of favorable loss reserve development by both companies.

“Much of the credit for the rating goes to the policyholders, who are practicing more safely and managing risk more efficiently,” Sunseri said, citing the fact that 88% of formal claims closed in 2010 were closed without indemnity payment.

A Best rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.

Source: A.M. Best Financial Strength Ratings.

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**NORCAL Mutual Insurance Company** was formed by physicians in 1975 to provide the highest quality medical professional liability insurance products and services to its policyholder-owners. NORCAL Mutual insures nearly 20,000 physicians and other healthcare professionals in solo practice, medical groups, hospitals, clinics and allied healthcare facilities in California, Alaska and Rhode Island.