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DALE ANNOUNCES 20% MACM PREMIUM REFUNDS

(Jackson)-Commissioner of Insurance George Dale announced today that the Board of Directors of the Medical Assurance Company of Mississippi (MACM) has voted that a premium refund equivalent to 20 percent of that portion paid by each MACM insured for the first million dollars of coverage is in order for this year.

“This is a continuing example of the positive effect lawsuit reform legislation has had in this state. I am confident we will continue to see more signs of progress such as the MACM announcement in the future,” said Dale.

Last December, for the first time in Company history, the MACM Board of Directors decided to refund a portion of paid premium to every physician insured by the Company as of December 15, 2005. This decision was made after the Board had reviewed the financial results of the Company through the first ten months of that year.

“We certainly welcome this great news for both our medical community and our state. These refunds are yet another example of how tort reform has benefited Mississippians by working to protect the quality and availability of healthcare, and I am confident this legal reform legislation will continue to produce positive impacts in our great State,” said Governor Haley Barbour.

“This refund has been made possible almost entirely as a result of the significant reduction in incurred losses. This phenomenon began to manifest itself shortly after the legal environment in Mississippi began its historic turnaround, and has continued throughout 2006,” Michael D. Houpt, President and Chief Executive Officer, said. “Loss and loss adjustments expenses have continued to decline, and our surplus position is such that we can return premium again this year without placing the Company at any financial risk.”

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