



**COVERYS SPECIALTY INSURANCE COMPANY, NAIC #15686
MEDICAL PROFESSIONAL MUTUAL INSURANCE COMPANY**

<i>Dollars in 000</i>				<i>Dollars in 000</i>			
	2017	2018	2019		2017	2018	2019
Total Assets	64,632	81,016	95,210	RBC Ratio (%)	6,236.6	7,057.1	3,148.9
Total Liabilities	13,484	27,838	42,368	2yr Res Development	0	0	0
Policyholder Surplus	51,148	53,179	52,842	2yr Dev / Surplus	0.0%	0.0%	0.0%
Cash & Invested Assets	52,822	52,483	62,255	Affiliated Common Stck	0	0	0
Cash & Invested Assets/ Total Asse	81.7%	64.8%	65.4%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	1,041	-4,696	10,637	Net Reins Recoverable	47,765	94,772	219,697
Loss & LAE Reserves	0	0	0	Net Reins Rec / Surplus	93.4%	178.2%	415.8%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	AMB / S&P Ratings	A / NR	A / NR	A / NR

Income/Loss Trends (\$000)				Combined Ratio (%) Trends			

Premium Trends (\$000)				2019 Investment Portfolio			

2019 Top 5 Geographies (DPW - \$000)				2019 Top 5 Lines of Business (DPW/Total DPW)			
<ul style="list-style-type: none"> WA - \$24,588 CA - \$8,442 FL - \$8,333 NY - \$6,521 IL - \$5,315 All Other - \$60,026 				<ul style="list-style-type: none"> Med Prof Liab (Claims Made) - 60.9% Med Prof Liab (Occurrence) - 29.6% Oth Liab (Occurrence) - 4.6% Oth Liab (Claims) - 4.0% Oth A&H - 0.9% All Other - 0.0% 			
Total NY State DPW		\$6,521		Total All Lines		\$113,225	
Total US ex Terr DPW		\$113,225					

**Top 5 Reinsurers for Coverys Specialty Insurance Co by Gross Recoverables
Period: 2019Y**

<i>Dollars in 000</i>				
Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Medical Professional Mutual Insurance Company	US Affiliated Non-captive Non-pooling	Authorized	191,588	0
2 - Hannover Rück SE	Non-US Unaffiliated	Authorized	18,132	0
3 - NCMIC Insurance Company	US Unaffiliated	Authorized	11,638	0
4 - SCOR Reinsurance Company	US Unaffiliated	Authorized	9,696	0
5 - Odyssey Reinsurance Company	US Unaffiliated	Authorized	7,046	0

#DIV/0 error messages occur in instances where the denominator of the ratio are zero (i.e. zero premium or reserves due to a 100% quota share).

HISTORY

Coverys Specialty Insurance Company (Coverys Specialty) was incorporated in the State of New Jersey in December 2014, as a subsidiary of Medical Professional Mutual Insurance Company (MPMIC) (Massachusetts), itself ultimately owned by the Coverys Group. Financial and operations control of the company remains under the Coverys Group. The company has been eligible to write surplus lines business in New York since May 13, 2015. As of December 31, 2019, Coverys Specialty is eligible in New Jersey as a domestic surplus lines company, and operated on a non-admitted basis in forty nine (49) states and the District of Columbia.

REINSURANCE

Coverys Specialty maintains a 100% quota share agreement with its parent, MPMIC. As a result of this 100% cession, no values are reported for net or earned premiums, underwriting income and the various combined ratio trends. As such, the financial strength of the company is heavily dependent on the credit risk of MPMIC, as well as investment risk from its own investment portfolio, managed in common. For the years 2017 through 2019, respectively, Coverys Specialty net reinsurance recoverable totaled \$48m, \$95m and \$220m, representing 93%, 178% and 416% of company surplus.

HOLDING COMPANY

Founded 1975 with headquarters in Boston, Massachusetts, the Medical Professionals Mutual Insurance Company (MPMIC) originated as a joint underwriting association (JUA) created by the Massachusetts Legislature. The JUA was disbanded in 1992 and the Medical Malpractice Professional Insurance Association assumed responsibility for former JUA clients and insureds, later converting to a mutual insurance company and renamed in the Medical Professionals Mutual Insurance Company. MPMIC provides medical professional malpractice insurance and workers compensation management to healthcare providers, practices and facilities in the United States. AM Best collectively rates six (6) companies of the Coverys Group, including Coverys Specialty Insurance Company. For the years 2017 through 2019 the group was rated 'A' and assigned the financial size of XIV (\$1.5bn - \$2.0bn).

SUBSEQUENT EVENTS

In March 2020, the Covid-19 influenza was recognized as a global pandemic, severely disrupting economic activity. As of April, 2020, the results of this event upon year-ending 2020 insurance operations and those of its parent group are not known. For those companies exposed however, the potential for reduced premiums, return of premiums, and an increase in collections and operation expense may reduce cash flows. Losses and loss adjustment expenses may increase when losses become known and investments in affiliates and equity investments may suffer a decline in values. Also, the effect of future legislation, regulation and litigation could cause an adverse financial impact on those companies exposed.

Important Information Regarding Financial Summaries

This financial summary contains information helpful to New York excess lines brokers in meeting their non-delegable duty to use "due care" in the selection of a financially secure excess line insurer. Definitions of the financial terms used in the summaries appear as pop-up boxes when hovering your mouse over the corresponding text. For additional guidance on assessing insurance company financial statements, please reference "ELANY COMPLIANCE ADVISOR: FUNDAMENTALS OF INSURANCE COMPANY FINANCIAL ANALYSIS".

The Excess Line Association of New York has compiled the insurance company financial information from the Annual Statutory Financial Statements. All ratios, charts, and graphs are based on the compiled information. We have made every effort to ensure all information transcribed for these pages is correct. However, the Excess Line Association of New York cannot attest to the accuracy of data provided by its sources, nor do we make any warranties, either expressed or implied, regarding the accuracy or completeness of information presented in this document. We assume no responsibility for loss or damage resulting from the use of this information.

ULTIMATE PARENT – Medical Professional Mutual Insurance Company

Corporate Profile		Financial Strength Ratings	
Address:	Medical Professional Mutual Insurance Company 675 Atlantic Avenue, 13th Floor Boston, MA 02111	S&P Global:	-
Website:	https://www.coverys.com/	Moody's:	-
President :	-	Fitch:	-
Ticker Symbol:	-: -	AM Best - P&C:	-
2019 Form 10-K:	NA		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	0	0	0	0
Total Policy Reserves	0	0	0	0
Total Debt	0	0	0	0
Total Other Liabilities	0	0	0	0
Sep Account Liabilities	0	0	0	0
Total Liabilities	0	0	0	0
Total Equity	0	0	0	0
Total Liab & Equity	0	0	0	0
Book Value / Share (\$)	0.00	0.00	0.00	0.00
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	NA	NA	NA	NA
Reserves / Equity (x)	0.00	0.00	0.00	0.00
Debt / Equity (x)	0.00	0.00	0.00	0.00
Dec. 31 Closing Price (\$)	0.00	0.00	0.00	0.00
Net Income (\$)	0	0	0	0
Basic EPS (\$)	0.00	0.00	0.00	0.00
Investment Yield (%)	0.00	0.00	0.00	0.00
Ratios (%)				
Loss Ratio	0.00	0.00	0.00	0.00
Expense Ratio	0.00	0.00	0.00	0.00
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	0.00	0.00	0.00	0.00

Company Description and Notes

Industries: Medical Professional Malpractice Insurance and Workers Compensation Management to Healthcare Providers, Practices and Facilities, Captives, Risk Retention Groups, Excess and Surplus Lines, Consulting, Insurance Services, Claims Management and Associated Investment Management

Geography: United States

Medical Professional Mutual Insurance Company does not file publically available financial data. A review of its required annual Policyholders Report showed it to possess Policyholder Equity of \$1,638,269,000.

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