

BY EMAIL, HARD COPY TO FOLLOW

March 8, 2007

Mr. Lee Barclay
Casualty Actuarial
Office of the Insurance Commission
Insurance Building
P.O. Box 40255
Olympia, WA 98504

Dear Lee:

This letter is written on behalf of our client, NORCAL Mutual Insurance Company, a medical malpractice liability insurer domiciled in California and licensed in Alaska and Rhode Island.

I listened with interest to the discussions during the February 20 conference call of the NAIC Statistical Information Task Force (SITF).

From what I heard on the call, the group's consensus is to restrict the model to capturing data on closed claims. Accurate information on closed claims is essential to any evaluation of the medical malpractice insurance market. But closed claim data can only go so far.

Open claim data is also important. I acknowledge that the area of open claims raises many serious issues, including those related to privacy. Nevertheless, inclusion of open claims data would add critical components to the store of knowledge that would be useful to regulators in gaining a comprehensive understanding of the performance of individual insurers and the medical malpractice insurance market. Open claims files relate directly to reserving and, therefore, to premium prices and solvency. As you know, it is not unusual that a single open claim can result in the posting of a case reserve in the tens of millions of dollars. I would, therefore, respectfully request that the Task Force keep this in mind as it works on a medical malpractice insurance database and in fulfillment its 2007 charge to develop a model law relative to such a database.

I look forward to any questions you might have and to your next meeting.

Most sincerely yours,

A handwritten signature in black ink that reads "Bob Mackin". The signature is written in a cursive, slightly slanted style.

Bob Mackin

Cc: SITF Members
Joe Bieniek, NAIC Staff