



Strength in
Foundation

20 | ANNUAL
19 | REPORT

CMIC | Group

A Note From Our Chairman and CEO

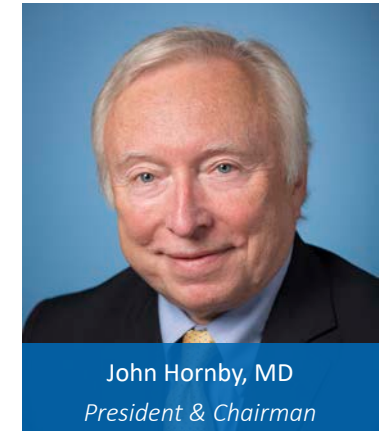
Dear Members,

As we write this letter to you about the successes and challenges of 2019, the coronavirus (COVID-19) continues to ravage the health and economic well-being of our country. The spread of the virus has caused a national healthcare and financial crisis. We understand that your practices and personal health are not immune from this destructive virus. And while the future seems uncertain, one thing is not in doubt, the Company will be there to support you and your practices. We have taken several initiatives that have included enacting our Disaster Recovery Plan to appropriately respond to your needs during this crisis. Also, in early April, 2020 the Company paid a special dividend totaling \$5 million and deferred premium payments due until June 30, 2020. As always, we will endeavor to assist you in any way possible to help you to safely return to practicing medicine.

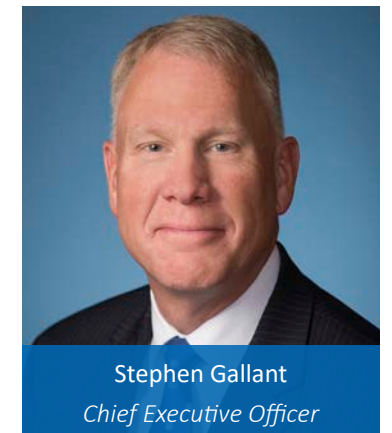
We continue to move forward with our strategic plans to prudently grow the Company in order to meet the demands of an ever-changing healthcare marketplace. In 2019 and early 2020, we made excellent progress on a very important initiative. On January 31, 2020, the Company filed a plan of reorganization with the Connecticut Insurance Department to convert to a mutual insurance holding company and change its name to Integris Group. The holding company structure will provide a framework to acquire and hold related businesses, allowing them to be developed and implemented, when proven to be supportive to the overall mission of the Company. As well, the contemporaneous rebranding will capitalize on our overall strength and experience, but make no mistake the Management and Board are dedicated to retaining the personal relationship we have with you. While this initiative will take time to develop, we anticipate that you will see the fruits of these changes over the next few years.

The medical professional liability market appears on the cusp of transforming into a “hard” market, where increased losses creates a corresponding need to increase rates. Large jury awards, even in states with caps for pain and suffering, are primarily responsible for this trend in social inflation. Should this pattern continue, the Company will not overreact and will continue to provide a reasonable approach to this industry issue. And while providing protection, support and mitigating risks for you will remain our primary focus, we are also seeking to broaden and deepen our partnership with you. We continue to explore new services and resources to provide comprehensive assistance with best practices, regulatory compliance, data sharing, and overall practice management. We are also looking to provide a more complete integration of medical practice and insurance protection, allowing each of us to operate in a more comprehensive and effective manner. A true partnership of common goals with better alignment and results for all.

We are extremely excited about the future, and we look forward to sharing an expanded and diversified program of services to help you flourish. And, while these may be challenging times, they are also times of great opportunity for us to help you improve patient care and safety. We would like to express our deep appreciation to you for your loyalty and support. We view our relationship as a partnership and encourage you to contact us with any questions. We always have your interests in mind when making decisions and we look forward to continuing to serve you.



John Hornby, MD
President & Chairman



Stephen Gallant
Chief Executive Officer

A handwritten signature in black ink that reads "John Hornby MD".

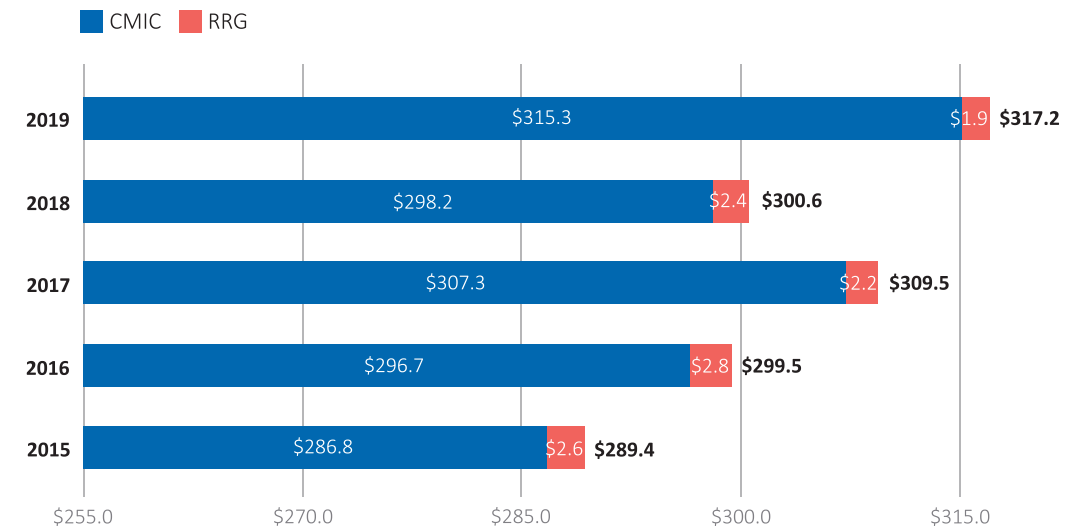
John Hornby, MD

A handwritten signature in black ink that reads "Stephen S. Gallant".

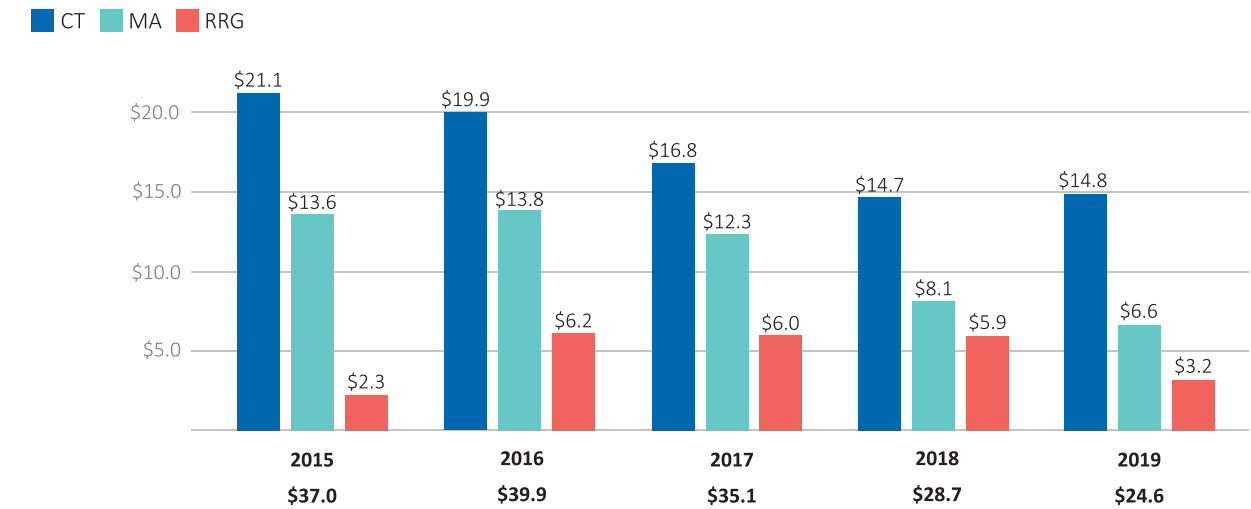
Stephen Gallant, CEO

Financial Overview

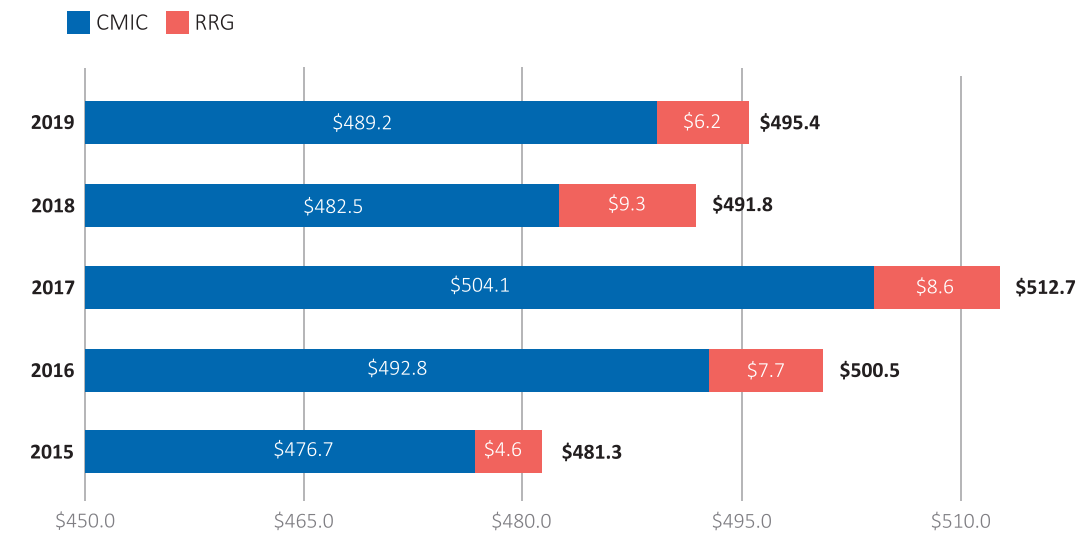
Policyholder Surplus



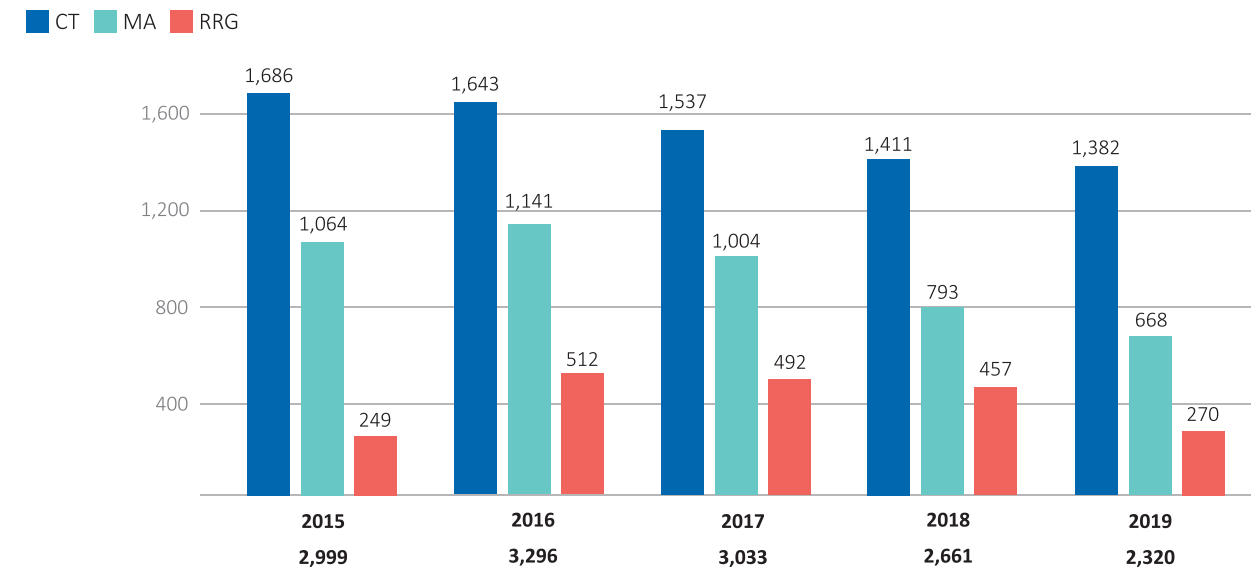
Direct Written Premium



Total Admitted Assets



Policies Inforce



Member Spotlight

Orthopedic Partners

Orthopedic Partners has a long history of providing comprehensive care for their patients. Founded in 1957 in Norwich (then known as Norwich Orthopedic Group), the practice has since grown to 15 doctors, 7 Physician Assistants and 8 physical or occupational therapists, at two locations (one in North Franklin and the other in Niantic). They also operate two urgent care facilities, Ortho On Demand.

Despite their growth, the practice still maintains the same values as when they first opened their doors over 60 years ago. “We’ve adapted according to the needs of the community, keeping with the pace of changing times,” said Executive Board Member & Managing Partner, Dr. Michael Halperin.

With their mission to provide convenient, readily accessible and progressive specialty care utilizing advanced technology delivered by a friendly and engaged team at the center of their practice mentality, the group utilizes their doctors’ 100 years of combined experience and expertise in a wide range of sub-specialties to provide a one-stop shop for care to the community.

Although they have strong partnerships with both Hartford Healthcare and the Yale Health System, Orthopedic Partners remains an independent practice. They also continue to focus on providing comprehensive care within their own group.

“If you live in the area (of our practices) you don’t have to go to New Haven or Providence or Hartford,” said Executive Board Member & Managing Partner, Dr. Tarik Kardestuncer. “We have enough depth to our bench that you don’t have to go anywhere. Patients can find complex care right here at Orthopedic Partners.”

As far as the future, Orthopedic Partners looks to continue to put the healthcare needs of their patients first, while also staying current in an ever changing healthcare landscape.

“There is a lot of uncertainty in healthcare today,” said Executive Board Member & Managing Partner, Dr. Gabriel Abella. “At Orthopedic Partners, we strive to stay current in a constantly evolving industry.”



Gabriel Abella, MD Ammar Anbari, MD Nicole Arcand, MD Michael Halperin, MD Tarik Kardestuncer, MD Kenneth Paonessa, MD



Mohammad Pasha, MD Nimit Patel, MD Jonathan Piposar, MD Scott Stanat, MD Patricia Stuart, MD



R. Justin Thoms, MD Emily Vafek, MD Peter Wagner, MD Steven Wei, MD Erik Frazier, CEO

“Remaining independent, but with strong relationships to other organizations, provides us the greatest flexibility to adapt in the changing healthcare environment,” said Chief Executive Officer, Erik Frazier.

“That includes partnering with our orthopedic peers throughout the state,”

said Dr. Kardestuncer. “It’s better for patient care when everyone works together. We try and foster a collegial atmosphere.”

The practice’s “Core Focus” reiterates this collaborative and patient-centered mentality: To provide superior experiences for our patients, their employers, insurance carriers

and partners in healthcare through a team that is flexible, accountable, positive, and productive.



Member
Since
1984



Mary Ann
Bentz, MD

Dermatology

Board
Member
Since
2018

BOARD MEMBER SPOTLIGHT

Dr. Mary Ann Bentz's calling to Dermatology began when she was an undergraduate at MIT, pursuing a major in Chemistry. At the time, she was weighing out post-graduate options, deciding between a career in medical research and a career in medicine. As a student, she was involved in research to develop a biomaterial artificial skin to treat severe burns. Her experiences in the lab as well as in the clinical trials of the artificial skin led her to realize that she wanted to become a physician where she could use science to help individual patients.

Dr. Bentz went on to pursue a career as a physician at Boston University School of Medicine. While considering specialty options, she realized she'd been studying skin since MIT. "Dermatology is a great balance between being a specialist as well as a generalist," said Dr. Bentz. "I can treat adults and children, perform surgery, treat skin disease, and detect systemic diseases by their skin manifestations."

Following residencies at Boston University and Tufts University, Dr. Bentz entered into private practice at Dermatology Associates of Southeastern Connecticut in New London, CT. "Most of all I enjoy helping my patients," said Dr. Bentz. "We have many patients, especially with melanomas, where I see three or four generations in the same family."

Dr. Bentz has served as the Chief of Dermatology at Lawrence and Memorial Hospital of the Yale-New Haven Health system since 2013. She has also been a member of the CMIC Board of Directors since 2018, though she also served on the CMIC Claims Committee prior to joining the Board of Directors.

"I was impressed by the rigor of the case reviews, and the focus on supporting doctors," she said of her time on the Claims Committee. "None of us want to be sued, and CMIC has excellent education programs for doctors to avoid suits, and to best take care of our patients."

As an independent provider, Dr. Bentz recognizes the importance of providing resources and support to other private practice doctors and aims to continue this aspect of the CMIC mission as a member of the CMIC Board of Directors.

"I like that CMIC has been very supportive of private practice and independent doctors," said Dr. Bentz. "Our CMIC Board is made up of excellent doctors, who are also insureds, who work well together to insure our ability to continue to practice quality patient care. As a newer board member, I hope to be able to continue this focus on supporting physicians in our complex medical environment."

EMPLOYEE SPOTLIGHT

What do you enjoy most about your role? I enjoy assisting our members and working with our brokers. They always keep "things" interesting.

What are the challenges in this industry? I started with CMIC in 2001 where the MPL trend was high in frequency and severity. Even though the renewal years from 2000 to 2004 were difficult times, many of our members stayed loyal to CMIC. Other insurance companies entering Connecticut during this timeframe also brought their own challenges for CMIC and their members. However, CMIC continually meets those challenges with our competitors, also bringing CMIC products and services to the rest of New England, along with District of Columbia, Delaware, Maryland, New Jersey, Pennsylvania, Virginia and South Carolina.

What did you do before joining CMIC? Prior to CMIC I was in healthcare. In 1994 I joined MD Health Plan in North Haven servicing employer groups. MD Health Plan eventually merged with PHS in Shelton (now United Healthcare) where I was an account manager.

What else can you share about your professional background? Like many people of my generation, I started working while still in high school. My first job was a secretary for insurance adjusters. Who knew, during this journey, I would

be working in the healthcare and medical malpractice insurance!

What are your hobbies? My family would say shopping! I love one of a kind pieces by local artists and now I am part of the vintage craze. Brings back happy, childhood memories. With all kidding aside, I always loved visiting art museums and historic homes.

What is your favorite place to visit? I loved my visit to Italy back in 2006, but I am a typical New Englander and cannot pass up Vermont in the fall.

Anything you want to share about your family? I was born and raised in Connecticut, where I met my husband of nearly 39 years. We have two wonderful children, our son who is finishing his master's degree in social work, and our daughter, who graduated college last May, is working her way toward a master's degree in public history.

Do you have any favorite quotations? "No better time than the present."

Do you have any anecdotes you can to share from your time at CMIC? I was speaking with one of our insureds, an ENT. It was first thing in the morning and my voice was a bit raspy. He said, "You drink a lot of coffee." He was right. The early days of telemedicine!



Carol Ann
Hexter

Senior Underwriter

Employee
Since
2001



Excellent presentation. Practice Management topics are great for practices.

Absolutely wonderful program – Looking forward to the next one!

Great speakers, very informative.

Very well put together and informational.

Very helpful, lots of ideas/thoughts to take back and utilize.

Wonderful experience. Detailed and informative.



2019 How To Series

In 2019, CMIC launched the How To Series, a Business Management educational program that focused on operational topics relevant to running a medical practice. All of the topics were identified based on questions, input or feedback from CMIC members and member practices.



Over the course of the year, six programs were offered covering five different topics and at venues spanning the state of Connecticut in order to provide all members the opportunity to have a session close to their office. The topics included: How to Promote Your Practice (presented twice), How to Protect Your Practice from Cyber Threats, How to Handle Sexual Harassment Issues, How to Navigate Employment Law, and How to Spot Fraud and Avoid HR Hazards.

In total, individuals from over 40 different practices attended at least one How To program (with many attending most or all of the sessions). In the post-presentation surveys, 100% of the attendees rated the topics as Good/Excellent and 99% rated the presenters as Good/Excellent.

CMIC has long been a supporter of the independent physicians of the state, having been formed by doctors in the 1980's and led by insured doctors since the Company's inception. Facilitating the How To Series provided an outlet for CMIC to supply some of the resources and support our members have relayed that they need, even outside the Company's lane of professional liability insurance.

In the spirit of supporting all of the independent physicians of Connecticut, the How To Series was made available to all doctors practicing in the state, not just CMIC policyholders. As CMIC looks to build future programs and content, please don't hesitate to let us know of any topics that would be beneficial and relevant to today's independent medical practice.

Board of Directors & Management Team

CMIC Board of Directors

John Hornby, MD President & Chairman of the Board _{1, 2, 3, 4, 5, 6, 7}	James Pellegrini, MD Vice President _{2, 5, 6*, 7}	Mark D'Agostino, MD Treasurer _{2, 4*, 5, 6, 7}	Stewart Bober, MD Secretary _{1, 2, 3, 4, 5*, 7*}	Mary Ann Bentz, MD Board Member _{1, 2, 3*, 4}
Jeffrey Hopkins, MD Board Member _{2*, 3, 5, 7}	Robert Marra, DPM Board Member _{1*, 2, 6}	William Potter, MD Board Member ₃	Scott Serels, MD Board Member ₂	Edmund Schiavoni, MD Board Member _{2, 4}

RRG Board of Directors

Edmund Schiavoni, MD President & Chairman	John Hornby, MD Vice President	Mark D'Agostino, MD Treasurer
Michael Conneely, CFO Secretary	Stephen Gallant, CEO Board Member	James Pellegrini, MD Board Member

Committees

- | | |
|-------------------------|---------------------|
| 1. Business Development | 5. Governance |
| 2. Claims | 6. Loss Prevention |
| 3. Compensation | 7. Underwriting |
| 4. Finance & Audit | *Chair of Committee |

Management Team

Stephen Gallant Chief Executive Officer	Michael Roque Chief Operating Officer	Michael Conneely, CPA Chief Financial Officer	Denise Condron VP of Loss Prevention
Shelly Ursini VP of Business Development & Marketing	Kevin Bresnahan, JD VP of Claims	Garrett Cronin VP of Member Services & Underwriting	

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