Company Defined items

1. For all exhibits requiring “by county” information, indicate how the data is grouped, whether by claim county, policy issuing county or other method. If “other”, describe method used. Describe any changes made to the way in which the data has been grouped during the past ten years and the impact of the change(s) on the exhibits.

   MAIC Response: For both exposure and loss data, County reflects the county listed in the physician’s application as the county where the majority of his or her practice is located. The exception to this is with our per visit rated Emergency and Urgent Care business. For that business we have used the policy issuing county.

2. Describe any changes made to reserving or claim payment practices in the past ten years and their impact on the exhibits.

   MAIC Response: No Changes

3. Define closed claim, *i.e.* is a claim closed when it is assigned a closed date, or when both indemnity plus expense reserves are $0, or in some other instance? Describe any changes made to this definition in the past ten years and the impact of the change(s) on the exhibits.

   MAIC Response: A claim is closed when it is assigned a closed date and no changes have been made in the past ten years.

4. Explain/define the corporate policies written by the company.

   MAIC Response: The majority of our business is hospital employed doctors so we have a limited amount of corporation coverage. When necessary and requested, we will issue a corporate policy. For a single physician, a solo corporation can be covered on a shared limits basis at no additional charge. We charge 21% of the top 5 highest rates specialties for separate limits coverage of a corporation.

5. Each company shall use the base class and territory which is consistent with its most recent rate filing. Please define your company’s base class and territory. Describe any changes made to the base class and/or territory in the past ten years and the impact of the change(s) on the exhibits.

   MAIC Response: Base class is Family Practice NMRP for Rest of State and there have been no changes to this.

6. Describe any adjustments made to exposures for extended reporting endorsements and the impact of the adjustment(s) on the exhibits.

MAIC Response: None.

7. For the maturity year and tail factors disclosure, list each tail factor with the corresponding maturity year if a different tail factor is used for each maturity year. If another method is used, list and describe factors and method used.

   MAIC Response: This is shown in the exhibit c(iv) by maturity year.

8. Define what expenses are included in the expense factor.

   MAIC Response: The 16.5% expense factor in c(v) is broken out as follows: 13.5% for underwriting, claims and risk management; 3.5% for general expenses.

9. List and define individually any "other" factors used in the rate filing to establish rates. This could include but is not limited to the following: profit load, reinsurance load, investment income, schedule debits/credits, etc.

   MAIC Response: The 10% factor in c(v) under Miscellaneous is the off-balance factor for the anticipated average credit for loss free credits, scheduled debits/credits, newly practicing physician credits, part-time credits and credits for participation in risk management programs according to our filed rules and rates.

MEDICAL ALLIANCE INSURANCE COMPANY
ACTUARIAL MEMORANDUM
PHYSICIANS PROFESSIONAL LIABILITY

INTRODUCTION

This document summarizes the actuarial assumptions, methodologies and conclusions used to derive the rate and rating plan changes filed by Medical Alliance Insurance Company (MAIC) for its physician professional liability business. The proposed rates were developed based on an analysis of historical premium and loss experience of MAIC, the historical premium and loss experience of two companies which preceded MAIC in writing a substantially similar book of business and the rates and rating plans filed by the Illinois State Medical Inter-Insurance Exchange (ISMIE) effective October 1, 2008.

SUMMARY

We have analyzed MAIC's rate level indications for policies issued on or after January 1, 2009 and concluded that the manual rates can be decreased by 5.2% for annually rated physicians. As the rates for per visit rated business is not being changed, the impact of this filing is a reduction of 5.2%. It is proposed that this reduction be achieved by utilizing the rates filed by ISMIE with four exceptions:

1. Our rates for individually rated physicians are lower than ISMIE's by 10.5%
2. Our per visit rates are based on our own experience, and will remain unchanged with this filing.
3. Our territory definitions are somewhat different than ISMIE's. The following tables compare our territories to ISMIE's:

MAIC Terr #	Counties	ISMIE Terr#	Counties
1	Cook, Madison, St.Clair, Will	1	Cook, Jackson, Madison, St. Clair, Will
2	Jackson, Vermillion	1A	Vermillion
3	Kane, Lake, McHenry, Winnebago	1B	Kane, Lake, McHenry, Winnebego
4	Kankakee	2	Kankakee
5	Bureau, Champaign, Coles, DeKalb, DuPage, Effingham, LaSalle, Macon, Ogle, Randolph	2A	Bureau, Champaign, Coles, DeKalb, DuPage, Effingham, Lasalle, Macon, Ogle, Randolph
6	Grundy, Sangamon	2B	Grundy
7	Rest of State	3	Rest of State

With this change, Lake County will move from Territory 2 to Territory 3. DuPage and Macon Counties will move from Territory 4 to Territory 5. A schedule measuring the impact of these changes is attached as Exhibits 7 and 8. The resulting rates by specialty, territory and claims-made year are shown in Appendix 1.

PROCEDURE

A rate indication is derived by comparing estimates of future losses and expenses to premiums based on the current rate levels. If this comparison indicates that the premiums will not be sufficient to cover projected losses and expenses, a rate increase is indicated. If premium is expected to exceed losses, expenses and profit objectives, a rate decrease is indicated. This report summarizes our analysis of each of the three components:

- Estimated loss and allocated loss adjustment expenses (D&CC);
- Estimated premiums at current rate levels; and
- Other rating components.

LOSSES AND D&CC

The objective of this portion of the analysis is to use historical experience to estimate expected losses for policies issued from January 1, 2009 through December 31, 2009. To do so we must first develop them to an ultimate basis. Secondly, we add a provision for inflation, recognizing that losses occurring in the past would cost more if they occurred in the future.

Development to Ultimate

This step is necessary to account for development on known claims and to add a provision for "pipeline" claims that may be reported after the evaluation date. As a technical note, the data relied on for this analysis was valued as of June 30, 2008 and consisted of only the annually rated physician business, a subset of the total book of business. MAIC provides coverage on a per physician (annually rated) basis or a per visit basis. The per visit basis is utilized by emergency department and urgent care physicians. The following table summarizes the results of this analysis:

Report Year	Reported Losses & D&CC	Selected Ultimate Losses and D&CC
1995	568,983	568,983
1996	649,367	649,366
1997	2,863,889	2,863,887
1998	2,779,682	2,779,679
1999	177,535	177,535
2000	385,503	385,503
2001	1,420,178	1,420,176
2002	3,880,231	3,880,226
2003	3,554,859	3,554,854
2004	2,468,888	2,468,885
2005	4,928,730	4,928,724
2006	4,459,727	4,699,436
2007	2,145,182	5,903,540

2008	671,334	5,141,922

We utilized three methods, as shown on Exhibit I, to develop our estimates of the ultimate losses and D&CC: an incurred loss development method, a pure premium method and a frequency / severity method. The loss development factors were derived using historical triangles of all claims-made business sorted on a report year basis, with June 30 valuations. These factors were adjusted to be applicable to losses and D&CC valued as of June 30, 2008. The triangles and the resulting loss development factors are shown on Exhibit 2, Pages 1 and 2. Note that losses were capped at $500,000 to lend stability to the analysis.

The pure premium method uses a set of base years, adjusted for inflation and changes in exposure, to estimate the ultimate losses and D&CC for the more recent years. This method is shown on Exhibit 2, Page 3.

The frequency / severity method consists of two steps. First we derive an estimate of the ultimate incurred claims (claims that close with indemnity). Second, we apply an average cost per claim. This method is shown on Exhibit 2, Pages 4 through 6.

Adjustment for Inflation

The next step is to adjust the ultimate losses and D&CC for inflation. For purposes of this analysis, we assume that loss severity will increase at 5% per year and loss frequency will increase at 2% per year, for an overall trend of 7.0% per year. The following table, extracted from Exhibit 3, shows the results:

Report Year	Selected Ultimate Losses and D&CC	Trended Ultimate Losses and D&CC
1995	568,983	1,467,278
1996	649,366	1,564,799
1997	2,863,887	6,450,022
1998	2,779,679	5,851,084
1999	177,535	349,271
2000	385,503	708,699
2001	1,420,176	2,440,127
2002	3,880,226	6,231,084
2003	3,554,854	5,335,371
2004	2,468,885	3,462,579
2005	4,928,724	6,460,552
2006	4,699,436	5,757,278
2007	5,903,540	6,759,588
2008	5,141,922	5,501,601

PREMIUM AT CURRENT RATE LEVELS

Like the loss and D&CC provision, we use historical premium with certain adjustments. First, we adjust historical premiums for any changes in the overall average debits and credits by restating the premium at manual rate levels. Second, we adjust for changes in historical rate levels so that all of the historical premiums are stated at MAIC's current manual rate levels.

We now have premiums restated at current levels and losses and D&CC restated at the levels we expect for 2009 policies. We compare the two to develop the expected loss and D&CC ratios without any rate changes. The results are as follows and are also shown on Exhibit 3:

Calendar / Report Year	Premium at Current Rate Level	Trended Ultimate Losses and D&CC	Projected Period Loss and D&CC Ratio
1995	1,236,634	1,467,278	118.7%
1996	3,079,585	1,564,799	50.8%
1997	4,164,844	6,450,022	154.9%
1998	4,571,550	5,851,084	128.0%
1999	4,380,807	349,271	8.0%
2000	4,054,860	708,699	17.5%
2001	4,189,645	2,440,127	58.2%
2002	6,277,650	6,231,084	99.3%
2003	8,803,716	5,335,371	60.6%
2004	11,061,978	3,462,579	31.3%
2005	11,652,317	6,460,552	55.4%
2006	10,465,297	5,757,278	55.0%
2007	10,098,025	6,759,588	66.9%
2008	4,588,427	5,501,601	119.9%

From this data we have selected an expected loss and D&CC ratio of 62.5%.

OTHER RATING COMPONENTS

Losses and D&CC Discounted to Present Value

The purpose of this step is to recognize that the time from when the premium is collected to when the losses and D&CC are paid can take from several months to several years. In order to develop the discount factors, we project the payout of the losses and D&CC, and discount them back using the investment yield assumption adopted by MAIC management of 3.0%. This results in an offset for investment income for losses and D&CC of 9.0% (100% - 91.0% = 9.0%). The support for this calculation is shown on Exhibit 4

Premiums Discounted to Present Value

MAIC bills its premium on a quarterly basis, 34% due up front and 22% due each of the remaining three quarters. Again assuming an investment yield assumption

of 2.5%, the offset for investment income for premium is 0.8% (100% - 99.2% = 0.8%). The details are shown on Exhibit 5.

Provision for Death, Disability & Retirement

The MAIC policy offers a free extended reporting endorsement for qualified physicians who die, become disabled or retire while insured with MAIC. Based on industry data, we have included a provision of 4.0%, stated as a load to the losses & D&CC.

Provision for Expenses

MAIC contracts for the provision of all underwriting, risk management, claims, and marketing services. The costs of those contracts are reflected in the following expense provisions.

Commissions & Other Acquisition Costs	3.00%
State Premium Tax	0.50%
Underwriting, Claims & Risk Management	13.00%
General Expenses	3.50%
Total	20.00%

Provision for Profits & Contingencies

This provision is intended to generate profits for MAIC and to provide a cushion to protect the company should the losses and D&CC turn out to be higher than expected. It is important to note that the contingency provision does not provide an absolute protection against adverse claims experience. Instead it is intended to provide a reasonable margin given the risks inherent in providing professional liability coverage for physicians in Illinois. The profit and contingency provision of 7.0% was selected by management.

Adjustment for Average Debits and Credits

MAIC offers various debits and credits. Examples are credits or debits for favorable or unfavorable loss experience, credits for participation in risk management programs and discounts for newly practicing physicians. Management anticipates that the average debit/credit will be a credit of 10.0%.

OVERALL RATE INDICATION

The overall rate indication is derived by adding up all of the components described above. If the result is below 100%, a rate reduction is indicated. If the total exceeds 100%, a rate increase is needed. The following table, reproduced as Exhibit 6, shows the calculation.

Projected Loss & D&CC Ratio	62.5%
Offset for Investment Income - Losses	0.910
Offset for Investment Income - Premium	0.992
Discounted Loss & D&CC Ratio	57.3%
DD&R Load	4.0%
Expected Discounted Losses & LAE	59.6%
Expense Load	20.0%
Expected Discounted Combined Ratio	79.6%
Profit & Contingency Load	7.0%
Average Credit / (Debit)	10.0%
Total	95.1%
Rate Indication	**-5.2%**

CONCLUSION

It is important to note that estimates of future rate level requirements cannot be known with certainty. While our estimates were prepared with appropriate actuarial methodologies and judgments, the true cost of future claims could vary significantly in either direction from our estimates. This uncertainty is

compounded because MAIC has only been writing new business for less than three years; however, this uncertainty is mitigated by using data from two companies which wrote substantially the same business before MAIC. In addition, potential latent liabilities that may not have historically occurred, new legislation and precedent setting court cases can change the liabilities assumed.

The data underlying our analysis is critical to the assumptions used to derive our reserve estimates. We have assumed that all of the data underlying our analysis accurately reflects the experience of MAIC and similar companies.

LIMITED DISTRIBUTION

This report is intended for the appropriate regulatory authorities and Medical Alliance Insurance Company. Any further distribution without our prior consent is unauthorized. Further, any readers other than the intended parties may not rely on this report either in its entirety or any portion herein.

* * * * *

We appreciate this opportunity to be of service to Medical Alliance Insurance Company, and stand ready to answer any questions.

Respectfully submitted,

Mark J, Cain, FCAS, MAAA
Consulting Actuary

EXHIBIT 1

DEVELOPMENT OF LOSSES & D&CC TO ULTIMATE

Report Year	Incurred Development Method	Pure Premium Method	Frequency / Severity Method	Selected Ultimate Losses & D&CC at 6/30/08
1995	568,983			568,983
1996	649,366			649,366
1997	2,863,887			2,863,887
1998	2,779,679			2,779,679
1999	177,535			177,535
2000	385,503			385,503
2001	1,420,176			1,420,176
2002	3,880,226			3,880,226
2003	3,554,854			3,554,854
2004	2,468,885			2,468,885
2005	4,928,724			4,928,724
2006	4,699,436			4,699,436
2007	3,151,048	5,294,518	6,512,561	5,903,540
2008	2,552,874	5,141,922	9,251,667	5,141,922

EXHIBIT 2, Page 1

LOSS & D&CC DEVELOPMENT METHOD

Report Year	Reported Losses & D&CC at 6/30/08	Month of Development	Loss Development Factor	Ultimate Losses & D&CC at 6/30/08
1995	568,983	162	1.000	568,983
1996	649,367	150	1.000	649,366
1997	2,863,889	138	1.000	2,863,887
1998	2,779,682	126	1.000	2,779,679
1999	177,535	114	1.000	177,535
2000	385,503	102	1.000	385,503
2001	1,420,178	90	1.000	1,420,176
2002	3,880,231	78	1.000	3,880,226
2003	3,554,859	66	1.000	3,554,854
2004	2,468,888	54	1.000	2,468,885
2005	4,928,730	42	1.000	4,928,724
2006	4,459,727	30	1.054	4,699,436
2007	2,145,182	18	1.469	3,151,048
2008	671,334	6	3.803	2,552,874

LOSS DEVELOPMENT FACTORS

EXHIBIT 2, Page 2

Incurred Loss @500k & Incurred ALAE

Report Year	6	18	30	42	54	66	78	90	102	114	126	138	150	162
1995	50,000	218,667	228,167	504,380	566,098	598,623	611,446	566,004	568,959	568,984	568,984	568,984	568,984	568,983
1996	434,500	1,159,000	854,156	684,769	684,769	677,087	677,303	642,045	646,743	649,366	649,366	649,366	649,367	
1997	57,000	472,873	1,255,636	1,426,953	1,185,953	1,434,277	1,514,312	1,607,477	1,353,979	1,326,391	1,326,391	1,326,389		
1998	267,500	1,069,500	1,671,544	1,951,482	1,951,564	1,942,379	1,829,682	1,829,682	1,829,682	1,829,682	1,829,682			
1999	153,000	202,886	566,599	181,805	122,972	122,972	122,972	177,536	177,536	177,535				
2000	190,000	410,873	382,690	408,266	418,266	383,893	383,893	383,893	385,503					
2001	59,205	348,790	786,350	809,648	1,170,559	1,245,953	1,186,986	1,070,178						
2002	338,573	1,936,450	2,893,218	3,547,169	3,576,909	3,396,753	2,936,481							
2003	782,505	2,019,356	3,318,741	3,417,076	3,197,817	2,854,347								
2004	757,000	1,816,775	2,147,961	2,294,099	2,268,888									
2005	2,437,653	3,716,208	4,167,166	4,028,730										
2006	438,757	1,758,927	2,818,964											
2007	707,451	2,145,182												
2008	671,334													
	6.018	18.03	30.042	42.05	54.066	66.078	78.09	90.102	102.114	114.126	126.138	138.15	150.162	
1995	4.373	1.043	2.211	1.122	1.057	1.021	0.926	1.005	1.000	1.000	1.000	1.000	1.000	
1996	2.667	0.737	0.802	1.000	0.989	1.000	0.948	1.007	1.004	1.000	1.000	1.000		
1997	8.296	2.655	1.136	0.831	1.209	1.056	1.062	0.842	0.980	1.000	1.000			
1998	3.998	1.563	1.167	1.000	0.995	0.942	1.000	1.000	1.000	1.000				
1999	1.326	2.793	0.321	0.676	1.000	1.000	1.444	1.000	1.000					
2000	2.162	0.931	1.067	1.024	0.918	1.000	1.000	1.004						
2001	5.891	2.255	1.030	1.446	1.064	0.953	0.902							
2002	5.719	1.494	1.226	1.008	0.950	0.864								
2003	2.581	1.643	1.030	0.936	0.893									
2004	2.400	1.182	1.068	0.989										
2005	1.525	1.121	0.967											
2006	4.009	1.603												
2007	3.032													
Average	3.691	1.585	1.093	1.003	1.008	0.980	1.040	0.977	0.997	1.000	1.000	1.000	1.000	
Col Sum	2.589	1.394	1.054	0.995	0.983	0.945	0.992	0.953	0.995	1.000	1.000	1.000	1.000	
Select	2.589	1.394	1.054	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000 TAIL	
Cum	3.803	1.469	1.054	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

EXHIBIT 2, Page 3

PURE PREMIUM METHOD

Pure Premium Method

Report Year	Mature FP NS, ROS Exposures	Indicated Ultimate Losses & D&CC at 6/30/08	Pure Premium	Pure Premium Trended to 2007 RY [1]	
1995	77	568,983	7,389	16,642	
1996	191	649,366	3,400	7,156	
1997	259	2,863,887	11,057	21,752	
1998	284	2,779,679	9,788	17,994	
1999	272	177,535	653	1,121	
2000	252	385,503	1,530	2,456	
2001	260	1,420,176	5,462	8,197	
2002	390	3,880,226	9,949	13,954	
2003	547	3,554,854	6,499	8,519	
2004	688	2,468,885	3,588	4,396	
2005	724	4,928,724	6,808	7,794	
2006	651	4,699,436	7,219	7,724	
				9,809	Average
				8,431	Select
2007	628	5,294,518	8,431		
2008	**570**	5,141,922	9,021		

[1] Assumes 7% annual trend

EXHIBIT 2, Page 4

FREQUENCY / SEVERITY METHOD

ESTIMATED ULTIMATE CLAIMS INCURRED

Frequency/Severity Method

Report Year	Reported Claims at 6/30/08	Month of Development	Claim Development Factor	Indicated Ultimate Reported Claims at 6/30/08
1995	12	162	1.000	12
1996	25	150	1.000	25
1997	22	138	1.000	22
1998	17	126	1.000	17
1999	20	114	1.000	20
2000	19	102	1.000	19
2001	19	90	1.000	19
2002	39	78	1.007	39
2003	36	66	1.007	36
2004	58	54	1.007	58
2005	119	42	1.011	120
2006	86	30	1.011	87
2007	82	18	1.033	85
2008	49	6	2.352	115

Report Year	Incurred Claims at 6/30/08	Month of Development	Claim Development Factor	Indicated Ultimate Incurred Claims at 6/30/08
1995	3	162	1.000	3
1996	4	150	1.000	4
1997	9	138	1.000	9
1998	5	126	1.000	5
1999	1	114	1.000	1
2000	1	102	1.000	1
2001	4	90	1.000	4
2002	8	78	1.000	8
2003	7	66	0.884	6
2004	11	54	0.736	8
2005	17	42	0.654	11
2006	29	30	0.495	14
2007	50	18	0.253	13
2008	42	6	0.407	17

Exhibit 2, Page 5

FREQUENCY / SEVERITY METHOD

ESTIMATED ULTIMATE CLAIMS INCURRED

Report Year	Indicated Ultimate Reported Claims at 6/30/08	Indicated Ultimate Incurred Claims at 6/30/08	Ratio	
1995	12	3	0.250	
1996	25	4	0.160	
1997	22	9	0.409	
1998	17	5	0.294	
1999	20	1	0.050	
2000	19	1	0.053	
2001	19	4	0.211	
2002	39	8	0.205	
2003	36	6	0.167	
2004	58	8	0.138	
2005	120	11	0.092	
2006	87	14	0.161	
			0.182	Average
			0.156	Wtd Avg
			0.156	Select
2007	85	13	0.156	
2008	115	18	0.156	

Report Year	Incurred Development Method	Ratio to Reported Method	Selected Ultimate Incurred Claims at 6/30/08
1995	3		3
1996	4		4
1997	9		9
1998	5		5
1999	1		1
2000	1		1
2001	4		4
2002	8		8
2003	6		6
2004	8		8
2005	11		11
2006	14		14
2007	13	13	13
2008	17	18	18

Exhibit 2, Page 6

Frequency / Severity Method

Report Year	Selected Ultimate Incurred Claims at 6/30/08	Indicated Ultimate Losses & D&CC at 6/30/08	Average Ultimate	Average Ultimate Trended to 2007 RY 2	
1995	3	568,983	189,661	340,604	
1996	4	649,366	162,342	277,659	
1997	9	2,863,887	318,210	518,330	
1998	5	2,779,679	555,936	862,439	
1999	1	177,535	177,535	262,300	
2000	1	385,503	385,503	542,441	
2001	4	1,420,176	355,044	475,793	
2002	8	3,880,226	485,028	619,033	
2003	6	3,554,854	592,476	720,158	
2004	8	2,468,885	308,611	357,255	
2005	11	4,928,724	448,066	493,993	
2006	14	4,699,436	335,674	352,458	
				485,205	Average
				490,772	Wtd Avg
				490,772	Select
2007	13	6,512,561	490,772		
2008	18	9,251,667	515,310		

EXHIBIT 3

ADJUSTMENT FOR INFLATION IN LOSS COSTS

Report Year	Selected Ultimate Losses & D&CC at 6/30/08	Trend Factor [3]	Trended Ultimate Losses & D&CC	Projected Period Loss & D&CC Ratio
1995	568,983	2.58	1,467,278	118.7%
1996	649,366	2.41	1,564,799	50.8%
1997	2,863,887	2.25	6,450,022	154.9%
1998	2,779,679	2.10	5,851,084	128.0%
1999	177,535	1.97	349,271	8.0%
2000	385,503	1.84	708,699	17.5%
2001	1,420,176	1.72	2,440,127	58.2%
2002	3,880,226	1.61	6,231,084	99.3%
2003	3,554,854	1.50	5,335,371	60.6%
2004	2,468,885	1.40	3,462,579	31.3%
2005	4,928,724	1.31	6,460,552	55.4%
2006	4,699,436	1.23	5,757,278	55.0%
2007	5,903,540	1.15	6,759,588	66.9%
2008	5,141,922	1.07	5,501,601	119.9%
			Select	62.5% <2001-2007

[3] Effective date of 1/1/2009, bulk renew January 1, implies average report date of 7/1/2009, 7% annual trend

EXHIBIT 4

LOSS & D&CC DISCOUNT FACTOR

Paid Loss @500k & Paid ALAE

Report Year	6	18	30	42	54	66	78	90	102	114	126	138	150	162
1995	-	2,667	3,668	484,380	496,612	526,419	542,494	566,004	568,959	568,984	568,984	568,984	568,984	568,983
1996	1,028	321,504	507,118	518,070	578,902	587,870	609,026	637,577	646,743	649,366	649,366	649,366	649,367	
1997	518	25,017	933,798	972,959	1,004,207	1,092,521	1,112,015	1,188,127	1,353,979	1,326,391	1,326,391	1,326,389		
1998	2,693	331,344	758,952	1,314,017	1,821,787	1,828,085	1,829,682	1,829,682	1,829,682	1,829,682	1,829,682			
1999	-	11,833	22,753	52,124	122,972	122,972	122,972	177,536	177,536	177,535				
2000	-	15,850	46,946	76,089	350,676	383,893	383,893	383,893	385,503					
2001	255	193,998	225,924	290,872	841,524	864,120	907,063	1,070,178						
2002	2,047	77,883	1,646,122	2,242,546	2,468,645	2,496,970	2,552,777							
2003	99,647	307,905	1,589,462	1,759,032	2,581,162	2,836,001								
2004	3,892	232,146	558,997	2,155,647	2,172,103									
2005	13,802	835,554	1,512,102	2,530,455										
2006	10,687	672,994	1,116,917											
2007	10,816	384,033												
2008	48,160													
Col Sum	23.474	2.946	1.588	1.261	1.046	1.020	1.063	1.038	0.995	1.000	1.000	1.000	1.000	
Select	23.474	2.946	1.588	1.261	1.046	1.020	1.063	1.038	1.000	1.000	1.000	1.000	1.000	TAIL
Cum	162.884	6.939	2.355	1.483	1.176	1.125	1.103	1.038	1.000	1.000	1.000	1.000	1.000	1.000
Interpolated	12 to ult	24 to ult	36 to ult	48 to ult	60 to ult	72 to ult	84 to ult	96 to ult	108 to ult	120 to ult	132 to ult	144 to ult	156 to ult	
	33.619	4.043	1.869	1.321	1.150	1.114	1.070	1.019	1.000	1.000	1.000	1.000	1.000	
Pmt Pattern	0.030	0.247	0.535	0.757	0.869	0.898	0.935	0.982	1.000	1.000	1.000	1.000	1.000	
Incremental	0.030	0.218	0.288	0.222	0.112	0.029	0.037	0.047	0.018	0.000	0.000	0.000	0.000	
Discounted @	0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5	12.5	
3.0%	0.029	0.208	0.267	0.200	0.098	0.024	0.030	0.038	0.014	0.000	0.000	0.000	0.000	
Dscnt Factor	0.910													

EXHIBIT 5

PREMIUM DISCOUNT FACTOR

Date of Pmt in Days	0	90	180	270
Payment Percentage	0.340	0.220	0.220	0.220
Discounted	0.340	0.219	0.217	0.216
Discount Factor	0.992			

EXHIBIT 6

OVERALL RATE INDICATION

1	Projected Loss & D&CC Ratio	62.5%
2	Offset for Investment Income - Losses	0.910
3	Offset for Investment Income - Premium	0.992
4	Discounted Loss & D&CC Ratio	57.3%
5	DD&R Load	4.0%
6	Expected Discounted Losses & LAE	59.6%
7	Expense Load	20.0%
8	Expected Discounted Combined Ratio	79.6%
9	Profit & Contingency Load	7.0%
10	Average Credit / (Debit)	10.0%
11	Total	95.1%
12	**Rate Indication**	**-5.2%**

Notes:
(4) = (1) x (2) / (3)
(6) = (4) x {1 + (5)}
(8) = (6) + (7)
(11) = (8) / {1 - (9)} / {1 - (10)}
(12) = 100% - 1 / (11)

Exhibit 7, Page 1

Mature Claims Made, $1M/$3M

PERCENTAGE CHANGE

Specialty	Code	Terr 1	Terr 2	Terr 3	Terr 4	Terr 5	Terr 6	Terr 7
Allergy/immunology	80254	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Anesthesiology	80151	-9.6%	-9.6%	-9.6%	-9.5%	-9.5%	-9.5%	-9.5%
Anesthesiology-Pain Management	80182	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Bariatrics	81076	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Cardiac Surgery MRP, NMajS	82042	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Cardiac Surgery	80141	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.0%
Cardiovascular Disease NMRP	80255	-0.5%	-0.5%	-0.7%	-0.6%	-0.6%	-0.7%	-0.7%
Cardiovascular Disease spec MRP	82058	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Cardiovascular Disease MRP	80281	-11.2%	-11.2%	-11.2%	-11.2%	-11.2%	-11.1%	-11.1%
Colon Surgery	85004	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Dermatology	80256	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Diabetes	80237	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Emergency Medicine NMajS Primary	80102	-11.2%	-11.2%	-11.2%	-11.2%	-11.2%	-11.1%	-11.1%
Emergency Medicine MajS	80157	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Endocrinology	80238	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Family Practice NMRP NS	80239	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Family Practice MRP NMajS	80273	-5.5%	-5.1%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Family Practice not primarily MajS	83009	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.5%	-0.5%
Forensic Medicine	80240	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Gastroenterology	80241	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
General Practice NMRP NS	80242	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
General Practice MRP NMajS	80275	-5.5%	-5.1%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
General Practice NMajS Prim	80117	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.5%	-0.5%
General Surgery NMRP	84076	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
General Surgery MRP NMajS	82074	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
General Surgery	80143	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Geriatrics	80243	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Gynecology-NMRP, NS	81050	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Gynecology/Obstetrics-MRP,NMaj	80277	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Gynecological Surgery	86053	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Hand Surgery MRP NMajS	82044	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Hand Surgery	80169	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
HeadlNeck Surgery	80170	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Hematology	80245	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Hospitalist Family Practice	81083	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Hospitalist Internal Medicine	81084	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Hospitalist Pediatrics	81085	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Industrial Medicine	80233	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Infectious Disease	80246	-0.5%	-0.5%	-0.7%	-0.6%	-0.6%	-0.7%	-0.7%
Internal Medicine NMRP	80257	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Internal Medicine MRP	80284	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Neonatology	83015	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%
Nephrology-NMRP	80260	-0.5%	-0.5%	-0.7%	-0.6%	-0.6%	-0.7%	-0.7%
Nephrology-MRP	80287	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Neurology	80261	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Neurosurgery-NMRP,NMajS	81045	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Neurosurgery-MRP,NMajS	82045	-5.5%	-5.5%	-5.5%	-5.5%	-5.6%	-5.5%	-5.5%
Neurosurgery-No Intracranial Surgery	86027	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Neurosurgery	80152	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Nuclear Medicine	80262	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Obstetrical/Gynecological Surgery	80153	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Occupational Medicine	80079	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Oncology	80259	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Ophthalmology-NS	80263	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%

Exhibit 7, Page 2

Mature Claims Made, $1M/$3M

PERCENTAGE CHANGE

Specialty	Code	Terr 1	Terr 2	Terr 3	Terr 4	Terr 5	Terr 6	Terr 7
Ophthalmic Surgery	80114	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Oral Maxillofacial Surgery	86154	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Orthopaedics-NMRP,NS	81057	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Orthopaedics-MRP,NMajS	82025	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Orthopaedic Surgery w/o Spine	86026	-11.5%	-11.5%	-11.5%	-11.5%	-11.5%	-11.4%	-11.4%
Orthopaedic Surgery w Spine	80154	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Otorhinolaryngoiogy-NMRP,NS	80060	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Otorhinolaryngology-MRP,NMajS	80291	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Otorhinolaryngology No Elective Plastic	80159	-11.2%	-11.2%	-11.2%	-11.2%	-11.2%	-11.1%	-11.1%
Otorhinolaryngology head and neck	80155	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Otorhinolarvngology Other than head and neck	86155	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%
Pathology	80082	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Pediatrics-NMRP	80267	-12.3%	-12.2%	-12.2%	-12.1%	-12.1%	-12.0%	-11.8%
Pediatrics-MRP	80293	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Physical Medicine Rehab	80235	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Plastic Surgery	80156	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%
Podiatry No Surgery	86601	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Podiatry Surgery	86602	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Psychiatry	80249	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Public Health and Preventive Medicine	80236	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Pulmonary Diseases	80269	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Radiology-NMRP	80253	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Radiology-MRP	80280	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Radiology-MajRP	83033	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Radiation Oncology	87047	-16.0%	-16.0%	-15.9%	-15.8%	-15.8%	-15.7%	-15.5%
Rheumatology	80252	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Sleep Medicine	81086	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Thoracic Surgery NMRP NS	81065	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Thoracic Surgery	80144	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.0%
Urological Surgery	80145	-5.5%	-5.5%	-5.5%	-5.5%	-5.6%	-5.5%	-5.5%
Urology-MRP NMaj S	82040	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Vascular Surgery MRP, NMajS	82050	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Vascular Surgery	80146	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.0%
Physician Clinical Practice Not Insurable	80086	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Retired Not in Practice	80179	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Physician no clinical practice	80085	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Physician treating patients in free med clinic	81082	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%	-4.4%
Other Specialty NOC	80084	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88002	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88003	-12.3%	-12.2%	-12.2%	-12.1%	-12.1%	-12.0%	-11.8%
Other Specialty NOC	80268	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88005	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88006	-0.5%	-0.5%	-0.7%	-0.6%	-0.6%	-0.7%	-0.7%
Other Specialty NOC	88007	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	80294	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88009	-9.6%	-9.6%	-9.6%	-9.5%	-9.5%	-9.5%	-9.5%
Other Specialty NOC	88010	-5.5%	-5.5%	-5.5%	-5.5%	-5.6%	-5.5%	-5.5%
Other Specialty NOC	83041	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	84042	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88013	-33.0%	-33.0%	-32.9%	-32.9%	-32.8%	-32.7%	-32.6%
Other Specialty NOC	88014	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%	-8.8%
Other Specialty NOC	85043	-11.5%	-11.5%	-11.5%	-11.5%	-11.5%	-11.4%	-11.4%
Other Specialty NOC	88016	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.1%	-8.0%
Other Specialty NOC	86044	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88018	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	88019	-5.5%	-5.1%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%
Other Specialty NOC	87045	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%	-5.5%

Exhibit 8, Page 1

Mature Claims Made, $1M/$3M

PERCENTAGE CHANGE

Specialty	Code	Lake Cnty	DuPage Cnty	Macon Cnty
Allergy/immunology	80254	-10.1%	-10.9%	-10.9%
Anesthesiology	80151	-14.4%	-15.2%	-15.2%
Anesthesiology-Pain Management	80182	#N/A	#N/A	#N/A
Bariatrics	81076	-10.4%	-11.4%	-11.4%
Cardiac Surgery MRP, NMajS	82042	-10.5%	-11.5%	-11.5%
Cardiac Surgery	80141	-13.1%	-14.1%	-14.1%
Cardiovascular Disease NMRP	80255	-5.8%	-6.8%	-6.8%
Cardiovascular Disease spec MRP	82058	-10.5%	-11.5%	-11.5%
Cardiovascular Disease MRP	80281	-16.0%	-16.9%	-16.9%
Colon Surgery	85004	-10.6%	-11.6%	-11.6%
Dermatology	80256	-10.3%	-11.2%	-11.2%
Diabetes	80237	-10.4%	-11.4%	-11.4%
Emergency Medicine NMajS Primary	80102	-16.0%	-16.9%	-16.9%
Emergency Medicine MajS	80157	-10.6%	-11.6%	-11.6%
Endocrinology	80238	-10.3%	-11.2%	-11.2%
Family Practice NMRP NS	80239	-10.4%	-11.4%	-11.4%
Family Practice MRP NMajS	80273	-10.2%	-11.5%	-11.5%
Family Practice not primarily MajS	83009	-5.8%	-6.8%	-6.8%
Forensic Medicine	80240	-10.1%	-10.9%	-10.9%
Gastroenterology	80241	-10.5%	-11.5%	-11.5%
General Practice NMRP NS	80242	-10.4%	-11.4%	-11.4%
General Practice MRP NMajS	80275	-10.2%	-11.5%	-11.5%
General Practice NMajS Prim	80117	-5.8%	-6.8%	-6.8%
General Surgery NMRP	84076	#N/A	#N/A	#N/A
General Surgery MRP NMajS	82074	-10.5%	-11.5%	-11.5%
General Surgery	80143	-10.6%	-11.6%	-11.6%
Geriatrics	80243	-10.3%	-11.2%	-11.2%
Gynecology-NMRP, NS	81050	-10.5%	-11.4%	-11.4%
Gynecology/Obstetrics-MRP,NMaj	80277	-10.6%	-11.6%	-11.6%
Gynecological Surgery	86053	-10.6%	-11.6%	-11.6%
Hand Surgery MRP NMajS	82044	-10.5%	-11.5%	-11.5%
Hand Surgery	80169	-10.6%	-11.6%	-11.6%
HeadINeck Surgery	80170	-10.6%	-11.6%	-11.6%
Hematology	80245	-10.4%	-11.4%	-11.4%
Hospitalist Family Practice	81083	#N/A	#N/A	#N/A
Hospitalist Internal Medicine	81084	#N/A	#N/A	#N/A
Hospitalist Pediatrics	81085	#N/A	#N/A	#N/A
Industrial Medicine	80233	-10.4%	-11.4%	-11.4%
Infectious Disease	80246	-5.8%	-6.8%	-6.8%
Internal Medicine NMRP	80257	-10.5%	-11.4%	-11.4%
Internal Medicine MRP	80284	-10.5%	-11.5%	-11.5%
Neonatology	83015	-13.8%	-14.7%	-14.7%
Nephrology-NMRP	80260	-5.8%	-6.8%	-6.8%
Nephrology-MRP	80287	-10.5%	-11.5%	-11.5%
Neurology	80261	-10.5%	-11.5%	-11.5%
Neurosurgery-NMRP,NMajS	81045	-10.4%	-11.4%	-11.4%
Neurosurgery-MRP,NMajS	82045	-10.6%	-11.5%	-11.5%
Neurosurgery-No Intracranial Surgery	86027	#N/A	#N/A	#N/A
Neurosurgery	80152	-10.7%	-11.7%	-11.7%
Nuclear Medicine	80262	-10.4%	-11.4%	-11.4%
Obstetrical/Gynecological Surgery	80153	-10.7%	-11.7%	-11.7%
Occupational Medicine	80079	-10.1%	-10.9%	-10.9%
Oncology	80259	-10.4%	-11.4%	-11.4%
Ophthalmology-NS	80263	-10.3%	-11.2%	-11.2%

Exhibit 8, Page 2

Mature Claims Made, $1M/$3M

PERCENTAGE CHANGE

Specialty	Code	Lake Cnty	DuPage Cnty	Macon Cnty
Ophthalmic Surgery	80114	-10.4%	-11.4%	-11.4%
Oral Maxillofacial Surgery	86154	#N/A	#N/A	#N/A
Orthopaedics-NMRP,NS	81057	-10.4%	-11.4%	-11.4%
Orthopaedics-MRP,NMajS	82025	-10.5%	-11.5%	-11.5%
Orthopaedic Surgery w/o Spine	86026	-16.3%	-17.2%	-17.2%
Orthopaedic Surgery w Spine	80154	-10.7%	-11.7%	-11.7%
Otorhinolaryngoiogy-NMRP,NS	80060	#N/A	#N/A	#N/A
Otorhinolaryngology-MRP,NMajS	80291	-10.5%	-11.5%	-11.5%
Otorhinolaryngology No Elective Plastic	80159	-16.0%	-16.9%	-16.9%
Otorhinolaryngology head and neck	80155	-10.6%	-11.6%	-11.6%
Otorhinolarvngology Other than head and neck	86155	-13.8%	-14.7%	-14.7%
Pathology	80082	-10.3%	-11.2%	-11.2%
Pediatrics-NMRP	80267	-16.7%	-17.4%	-17.4%
Pediatrics-MRP	80293	-10.5%	-11.5%	-11.5%
Physical Medicine Rehab	80235	-10.1%	-10.9%	-10.9%
Plastic Surgery	80156	-13.8%	-14.7%	-14.7%
Podiatry No Surgery	86601	#N/A	#N/A	#N/A
Podiatry Surgery	86602	#N/A	#N/A	#N/A
Psychiatry	80249	-10.3%	-11.2%	-11.2%
Public Health and Preventive Medicine	80236	-10.1%	-10.9%	-10.9%
Pulmonary Diseases	80269	-10.5%	-11.5%	-11.5%
Radiology-NMRP	80253	-10.5%	-11.5%	-11.5%
Radiology-MRP	80280	-10.5%	-11.5%	-11.5%
Radiology-MajRP	83033	-10.6%	-11.6%	-11.6%
Radiation Oncology	87047	-20.3%	-21.0%	-21.0%
Rheumatology	80252	-10.3%	-11.2%	-11.2%
Sleep Medicine	81086	#N/A	#N/A	#N/A
Thoracic Surgery NMRP NS	81065	-10.4%	-11.4%	-11.4%
Thoracic Surgery	80144	-13.1%	-14.1%	-14.1%
Urological Surgery	80145	-10.6%	-11.5%	-11.5%
Urology-MRP NMaj S	82040	-10.5%	-11.5%	-11.5%
Vascular Surgery MRP, NMajS	82050	-10.5%	-11.5%	-11.5%
Vascular Surgery	80146	-13.1%	-14.1%	-14.1%
Physician Clinical Practice Not Insurable	80086	-10.1%	-11.0%	-11.0%
Retired Not in Practice	80179	-10.1%	-11.0%	-11.0%
Physician no clinical practice	80085	-10.1%	-11.0%	-11.0%
Physician treating patients in free med clinic	81082	-4.4%	-4.4%	-4.4%
Other Specialty NOC	80084	-10.1%	-10.9%	-10.9%
Other Specialty NOC	88002	-10.3%	-11.2%	-11.2%
Other Specialty NOC	88003	-16.7%	-17.4%	-17.4%
Other Specialty NOC	80268	-10.4%	-11.4%	-11.4%
Other Specialty NOC	88005	-10.5%	-11.4%	-11.4%
Other Specialty NOC	88006	-5.8%	-6.8%	-6.8%
Other Specialty NOC	88007	-10.5%	-11.5%	-11.5%
Other Specialty NOC	80294	-10.5%	-11.5%	-11.5%
Other Specialty NOC	88009	-14.4%	-15.2%	-15.2%
Other Specialty NOC	88010	-10.6%	-11.5%	-11.5%
Other Specialty NOC	83041	-10.6%	-11.6%	-11.6%
Other Specialty NOC	84042	-10.6%	-11.6%	-11.6%
Other Specialty NOC	88013	-36.6%	-37.2%	-37.2%
Other Specialty NOC	88014	-13.8%	-14.7%	-14.7%
Other Specialty NOC	85043	-16.3%	-17.2%	-17.2%
Other Specialty NOC	88016	-13.1%	-14.1%	-14.1%
Other Specialty NOC	86044	-10.7%	-11.7%	-11.7%
Other Specialty NOC	88018	-10.7%	-11.7%	-11.7%
Other Specialty NOC	88019	-10.2%	-11.5%	-11.5%
Other Specialty NOC	87045	-10.7%	-11.7%	-11.7%

ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

I, Mark Cain, a duly authorized actuary of Illinois Risk Management Services, am authorized to certify on behalf of Medical Alliance Insurance Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

Mark Cain, SENIOR DIRECTOR, 11/20/08

Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 32-0097644 Filing Number PPL-08-02-R

Insurer's Address 1151 East Warrenville Road PO Box 3015

City Naperville State IL Zip 60563

Contact Person's Name and E-mail Carolyn M .Shanahan CShanahan@ihastaff.org

Direct Telephone and Fax Number 630/276-5659 630/276-5655