



August 16, 2018

## Grade “A” News

Dear Member-Policyholder:

Independent rating agency A.M. Best recently completed its annual review of Medical Mutual’s financial strength and I’m proud to say that your Company has been upgraded from “A-” to “A”. While it obviously speaks well for the performance of the Company, the A rating is noteworthy mostly because it is the first A rating in Medical Mutual’s history. In its classification of A- and A ratings, A.M. Best officially describes both as “Excellent”. The A rating is also typically associated with companies much larger than Medical Mutual. Which is to say, it officially puts us in a league with some very big, very well-known national insurance carriers.

### **Unwavering approach**

We’re proud, but here’s the thing: Nothing about Medical Mutual’s fundamental approach to financial management has changed since the Company was founded. We invest conservatively and always hold more than ample reserves for our obligations.

If anything, over the years we’ve put greater emphasis – and dedicated greater financial resources – to proactively protecting your assets and reputation. Our risk management programs focus on real, practical, in-the-trenches efforts to help improve quality and patient safety. And there is no question in my mind that they have contributed to our excellent claims history over the past dozen or so years.

### **A reflection of you**

We can’t take all the credit, though. That’s because these efforts have all been undertaken in the spirit of a partnership with you. And for your part, you’ve delivered. Our claims record – and by extension, this recent upgrade of our financial strength rating – is simply a reflection of the quality care that member-policyholders like you provide your patients. So, thank you for your partnership and your commitment to patient safety and the delivery of quality healthcare. You made this upgrade possible.

### **It’s all about partnership**

I cannot share this news without also acknowledging the management and entire staff of Medical Mutual. If you personally don’t see it, your hospital and practice administrators,

as well as your quality and risk managers surely see how the people of Medical Mutual take care of your organization on a daily basis. Each and every manager and employee here takes the commitment to our shared partnership with you to heart. And we're both better off for it.

**Another notable milestone**

Achieving this milestone in the marketplace is a significant and welcome piece of news to share, especially as we prepare to celebrate the milestone of Medical Mutual's 40<sup>th</sup> anniversary. As we begin the next 40 years, let us all remember that in business, financial strength comes not so much from savvy monetary maneuvering, but from vigilant focus on taking care of patients and each other. It's what got us here. And it's what will carry us forward to great success together.

Very truly yours,

A handwritten signature in cursive script that reads "Frank W Lavoie".

Frank W. Lavoie, MD, MBA  
President & Chief Executive Officer

