

# Rounds

NEWS FROM MEDICAL MUTUAL



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## Medical Mutual taps Shawn Anderson as next Company CEO

**The longtime hospital exec will succeed Frank Lavoie, MD, MBA December 2, 2023**

After a broad-scale search that attracted numerous candidates, Medical Mutual recently named Shawn D. Anderson, MSB, a current Company Board member, to succeed Frank W. Lavoie, MD, MBA as President and CEO of the Company. Anderson is currently the CEO of Houlton Regional Hospital in Houlton, Maine and will begin with Medical Mutual as President-elect on October 16, 2023.

Company Board Chair Bob Stevens, MD, who led the search committee, said Anderson stood out in what was an exceptional field of high-quality applicants.

“Not only does Shawn have a proven track record of success, but like every Medical Mutual President before him, he has been a highly-respected and accomplished member of the healthcare community for many years, giving him unique insight into the challenges the medical community faces,” said Stevens. “That’s important both to the Company and to our member-policyholders.”

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## Checking All The Boxes



Stevens said Anderson brings a strong background of operational and CEO experience, as well as experience addressing healthcare issues both nationally and, in our core Northern New England territory. That experience, which Stevens said “checks all the boxes” the search committee sought, includes serving on numerous related boards and committees, such as the Maine Hospital Association Board, the American Hospital Association’s Region 1 (New England) Policy Board and Medical Mutual’s own Board of Directors, as well as the Company’s Maine Advisory Committee.



In announcing Anderson’s appointment, Lavoie, the current President and CEO, said Anderson’s mid-October start date allows for “roughly a six-week period in which I will assist in his integration into our Company and culture, thereby ensuring a smooth transition for our member-insureds, employees, regulators and business partners.”



A lifelong Mainer who grew up in Aroostook County, Anderson graduated from the University of Maine at Presque Isle before earning his MSB at Husson University in Bangor. He then served as Director of the University’s Continuing Education Division and as an Adjunct Faculty Member for 10 years, teaching courses in Ethical Theory in Business and Human Resources Management.

## Progressive Leadership in Healthcare



Starting with an appointment to Director of Human Resources at Visiting Nurses of Aroostook, Anderson’s healthcare career has been marked by 25 years of progressive leadership in the industry. During his three years with Visiting Nurses, he added the title of Director of Business Development before taking a position as Senior Operations Officer at Horizons Health Services, The Aroostook Medical Center.

He returned to his hometown of Caribou, Maine in 2004, where he served as Chief Operating Officer of Cary Medical Center for 14 years before taking the same position at Houlton Regional Hospital. Less than two years later he was named Chief Executive Officer, a position he has served with distinction, successfully guiding the critical access hospital through the challenges of the pandemic. Notably, during this same time he led the facility to three consecutive years of positive operating margins, a rare accomplishment for a rural independent hospital in Maine.

**Next CEO** | Continued on back panel.



# Medical Mutual institutes deductible to maintain embedded cyber security coverage

## Company cites escalating claim costs, turbulence in digital security sector for the change

Cyber security coverage became part of every Medical Mutual policy in 2013 when the Company partnered with NAS Insurance Services to include \$100,000 in free cyber coverage for all member-policyholders. At the time, data breaches and cyber-attacks were just beginning to become a problem in the healthcare industry and for American business in general. So the Company took the proactive step to provide market-leading coverage for the then-emerging new risk.

Since that time, cyber breaches and attacks have become both more frequent and more severe. In fact, by 2019, virtually all hospitals, including Medical Mutual's insured hospitals, carried separate cyber insurance policies with substantial limits that reflect the potentially costly liability hazard. Yet while many other carriers dropped embedded cyber coverage altogether, Medical Mutual dropped the redundant coverage from its hospital policies only. It has remained committed to helping its independent physician practices and nursing homes guard against the increasingly prominent threat and has maintained that \$100,000 of embedded coverage in their base policies.

Knowing this cyber security coverage is critical to our member-insured, physician-owned practices and nursing homes — which in many cases would otherwise be fully liable for the expenses incurred as the target of a cyber-attack — the Company absorbed a substantial 40 percent increase in the cost of the cyber program last year. And while the Company is steadfast in continuing to offer embedded

cyber coverage, Medical Mutual is announcing two important updates. First, after consultation with Tokio Marine HCC, Medical Mutual's current partner in providing this value-added coverage, the Company is instituting a modest deductible in order to continue the program. Second, the coverage will now include a war/cyber war exclusion.

Of the changes, Vice President of Marketing and Administration John Doyle said Tokio Marine HCC, and by extension Medical Mutual, simply cannot ignore the reality of the increasing frequency, complexity, and cost these cyber-attacks are having on the healthcare industry and that the modifications are necessary to continue the program.

"This year, if there were no modifications to the program, we were facing another 15 percent increase. Thus, after careful consideration, we have made the decision to introduce a modest deductible to help manage costs while ensuring the continuity of this vital program," said Doyle.

Therefore, pending state approval, any policy that renews on or after November 15, 2023, can expect to have a \$2,500 deductible attached to the cyber policy, for which the insured will be responsible should they experience a breach and file a claim. "We believe this deductible strikes a balance between providing a level of comprehensive protection against cyber-attacks and managing program costs effectively," Doyle said.

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Doyle added that the Company is proud to continue offering this market-leading coverage to support its member-policyholders, who face financial challenges throughout their operations in today's healthcare environment—and might otherwise forego cyber coverage due its high cost on the open market—were it not embedded in their fundamental Medical Mutual policy.

For more information regarding cyber resources, log in to your member-policy holder account at [MedicalMutual.com](https://www.MedicalMutual.com) and click the Risk Management tab, then select Cyber Resources from the dropdown menu.



## Member-policyholders and guests learn best practices for preventing workplace violence at risk management seminar

Medical Mutual recently hosted a highly successful risk management seminar on workplace violence in the healthcare setting. The event, held on June 13 at the Harraseeket Inn, saw over 60 healthcare professionals—practice managers, various patient safety, risk and quality personnel, physicians and hospital administrators—gather to gain valuable insights on this critical issue. Renowned national speaker Monica Cooke, an expert in the field of behavioral health and workplace violence, led the engaging and informative discussion.

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Cooke's expertise in this area made her the ideal speaker for the seminar. With her extensive knowledge and experience, Cooke provided attendees with perspectives and practical strategies to address workplace violence in healthcare settings. The seminar received significant praise from attendees, who commended Cooke's expertise and the insightful content of the program. One participant expressed, "I always have a new takeaway after listening to Monica." This feedback highlights the value and relevance of the information shared during the seminar, emphasizing its impact on attendees' professional growth and ability to navigate workplace violence challenges.

The seminar served as a platform for healthcare professionals to come together, exchange knowledge, and discuss best practices for managing and preventing workplace violence. The engagement and participation from such a diverse group of professionals created a rich learning environment.

**"It's a pleasure to connect directly with our members and medical professionals in the local community,"** said John Doyle, Medical Mutual Vice President of Marketing and Administration.  
**"Thank you to everyone who participated and contributed to the success of this event."**

Doyle added that Medical Mutual's commitment to hosting seminars on timely, substantive topics demonstrates the Company's dedication to promoting risk management and ensuring a safe environment for healthcare professionals. He said by providing access to experts like Monica Cooke, healthcare professionals become empowered with the knowledge and tools necessary to address workplace violence effectively.



- ◀ All members of Medical Mutual's risk management team were on hand at the Harraseeket Inn in Freeport for the department's annual risk management seminar, which this year focused on preventing workplace violence in healthcare settings. From LR: Sherryann St. Pierre, Thom Goodwin, Andrea Lopez, Alicia LaRoche, Guest Keynote Speaker Monica Cooke, Lou Anne McLeod, Beth Bunker-Anderson and Michelle Boucher.

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## “Eager to get going”

For his part, Anderson says the Medical Mutual name has, in his mind, always been synonymous with quality, so he was excited to be selected as the new CEO. And emails of congratulations he has received since the announcement have even increased his excitement level.

“I kid you not, I received emails from at least three or four people within the organization welcoming me, and this is a quote, ‘to the best company on the planet.’ As I thought about it, it made complete sense because this is the truth that I know from my role as the CEO of a member-policyholder myself. So, I’m eager to get going and lead the Company into the future.”

The search process, from recruitment to initial applicant screening through to the final offer sheet, was managed by Medical Mutual Director of HR, Kelly Tirabassi. Dr. Stevens also noted that Tirabassi provided invaluable interview guidance in support of the larger committee. In addition to Stevens, the search committee included Board Members Al Swallow, CPA and CFO of MaineHealth in Portland, Maine, Lois Skillings, retired CEO of Mid Coast Hospital in Brunswick, Maine, Adam Kunin, MD, a cardiologist in Morrisville, Vermont, and Cynthia DeSoi, MD, a nephrologist in Lewistown, Maine.

Following his six weeks as President-elect, Anderson will assume his new position as President and CEO effective December 2, 2023.

