

**CELEBRATING THE PAST,
PROTECTING THE FUTURE**

YEARS



LETTER FROM THE CEO AND THE CHAIR OF THE BOARD

This year marks a significant milestone in the journey of Coverys—our 50th anniversary. For five decades, we have proudly delivered trusted insurance protection and risk mitigation solutions, supporting those who dedicate their lives to healing. The 2024 Annual Report serves as both a celebration of this legacy and a reflection of our enduring commitment to the healthcare community.

Our golden anniversary comes at a pivotal moment for Coverys. We have successfully completed our most recent five-year strategic plan, achieved key milestones outlined in our 2024 business plan, and launched our next bold chapter, a new three-year strategic vision designed to propel us forward. In honor of these milestones, this year's report takes a broader perspective, highlighting our historical roots, reflecting on the achievements of the past five years, and providing insight into the initiatives that will define our future.

Within these pages, you'll find an informative and forward-looking narrative that addresses the challenges and opportunities of yesterday, today, and tomorrow. Through it all, our purpose remains clear: to support and protect our customers, empower our employees, serve the communities where we live and work, and honor the producers and business partners who bring our mission to life.

We remain deeply anchored in the values that shaped our founding—compassion, accountability, and a steadfast commitment to those on the front lines of care. At the same time, we are looking ahead with intention and clarity—expanding our offerings beyond our core insurance solutions, reaching new markets, and preparing for the evolving needs of a rapidly changing healthcare landscape.

At Coverys, we are building a future-ready organization—one that anticipates systemic shifts, understands long-term implications, and invests with purpose and vision. We are not only prepared for change—we are leading it.

Thank you for placing your trust in us. Thank you for allowing us to be your partner in navigating emerging risks, seizing new opportunities, and shaping a resilient, sustainable future. As we reflect on the strength of the past 50 years, we invite you to join us in embracing the promise of what lies ahead.

With deep appreciation,

Brenda E. Richardson, MD
Chair of the Board



Joseph G. Murphy
CEO & President







50TH ANNIVERSARY

A SEA OF TURBULENT LITIGATION— A LIFELINE FOR HEALTHCARE PROVIDERS

Over the past five decades, Coverys has evolved from a Massachusetts-based medical professional liability (MPL) joint underwriting association (JUA) into a leading global specialty insurance provider. Today, we serve a broad spectrum of policyholders with a diverse portfolio of MPL, professional liability (PL), and accident and health (A&H) insurance solutions.

Our financial strength, expansive service offerings, and deep commitment to innovation have earned Coverys a trusted reputation among producers and insureds alike, solidifying our position as a cornerstone of the MPL industry in the United States and beyond.

HOW IT ALL BEGAN

The early 1970s marked a critical juncture in the history of American healthcare. A dramatic surge in medical malpractice lawsuits and soaring jury awards led to skyrocketing insurance premiums, making malpractice coverage unaffordable—and, in many cases, unavailable. As insurers exited the market in masses, healthcare providers were left unprotected, threatening the very stability of the healthcare delivery system.



“For half a century, Coverys has been a steadfast partner to healthcare professionals in Massachusetts and beyond, setting the standard for excellence in MPL insurance and risk mitigation. Their enduring commitment has strengthened the healthcare community, fostering a legacy of trust, innovation, and impact. Congratulations on 50 years of making a lasting difference!”

Lois DeHls Cornell

Executive Vice President, Massachusetts Medical Society

Amid this crisis, bold and decisive action was required. Legislative leaders across the country enacted historic tort reform measures and, in Massachusetts, the establishment of the Massachusetts Medical Professional Liability Joint Underwriting Association in 1975 became a turning point. Created to ensure access to malpractice insurance when it was most desperately needed, the JUA was a lifeline for Massachusetts physicians and healthcare organizations facing an uncertain future. From this pioneering initiative, Coverys was born.

FROM REGIONAL RESILIENCE TO INTERNATIONAL REACH

To extend its mission beyond Massachusetts, Coverys pursued strategic growth through state expansion as well as the acquisition of like-minded MPL insurers—many of which, like Coverys, were established during the turbulence of the 1970s by state hospital associations. These acquisitions enabled Coverys to bring its proven model of protection and service to healthcare professionals and institutions across the nation.

As business and healthcare globalized, and mergers and consolidation led to the rise of complex health systems with unprecedented medical liability exposures, Coverys expanded its capabilities and insurance offering to meet these needs. This includes expansion into the London market, and Europe, offering US healthcare professionals and their international peers access to exclusive insurance solutions through London-based platforms and internationally.

Today, Coverys ranks among the top six largest MPL insurance providers in the US, but we have not forgotten our roots. The company remains steadfast in our mission to serve the healthcare industry, empowering professionals and organizations to focus on their mission of delivering exceptional patient care. With an A (Excellent) rating from A.M. Best, Coverys insures nearly 50,000 physicians, dentists, and advanced practice providers along with 1,000 hospitals and health centers nationwide.

But growth wasn't just about expanding reach—it was about deepening impact. As the complexity of healthcare delivery grew and legal risks intensified, Coverys committed to more than just insurance. We invested heavily in robust risk mitigation and education services, integrating sophisticated data analytics with clinical education to help reduce preventable harm and claims.



OVER 1,000

HOSPITALS AND HEALTH
CENTERS INSURED NATIONWIDE



NEARLY 50,000

PHYSICIANS, DENTISTS,
AND ADVANCED PRACTICE
PROVIDERS INSURED



TOP SIX LARGEST

MPL INSURANCE
PROVIDERS IN THE US

“The Ohio Hospital Association proudly joins Coverys in celebrating their 50th anniversary and our shared history. Like Coverys, OHA established a medical professional liability insurance company in response to the medical liability crisis of the 1970s. In 2014, we made the decision to sell the MPL company to Coverys, confident that they would be a trusted ally for Ohio’s hospitals and patients. We deeply value our ongoing affiliation and appreciate Coverys’ unwavering commitment to excellence and support.”

Mike Abrams

President, Ohio Hospital Association

“Congratulations Coverys, formerly known in Michigan as the MHA Insurance Company, which was founded by our Association in 1976. Over the years, Coverys has remained a trailblazer in safeguarding healthcare professionals. Their unwavering commitment to risk mitigation and patient safety initiatives stands as a testament to their leadership. We proudly share Coverys’ vision of supporting the medical community in navigating the challenges of today’s ever-changing healthcare landscape.”

Brian Peters

CEO, Michigan Health & Hospital Association

RAISING THE BAR IN RISK MITIGATION

Central to this strategy was the acquisition of three leading risk mitigation firms, including **Med-IQ®**, a recognized industry leader. These investments allowed us to create a comprehensive ecosystem of support, empowering healthcare providers with advanced tools to proactively manage risk, improve patient outcomes, and reduce liability exposure.

By combining forward-thinking insurance solutions with expert-driven education and analytics, Coverys has built more than a safety net—we’ve built a fortress. We arm our insureds with the knowledge and tools needed to navigate an increasingly litigious and complex healthcare landscape.

Fifty years after our founding, Coverys remains steadfast in its mission to serve and protect the healthcare community. What began as a bold response to crisis has evolved into a legacy of leadership, grounded in the same core vision: to protect the protectors—so they can focus on what matters most—healing.

Our commitment is reinforced by a Board of Directors uniquely composed of physicians, healthcare leaders, and seasoned insurance and business professionals. This blend of perspectives ensures thoughtful, strategic guidance—allowing us to remain innovative, responsive, and financially strong. It’s this foundation of trusted leadership and forward-thinking agility that enables us to deliver the dependable protection our policyholders have come to expect—and will continue to count on for decades to come.



COVERYS COMMUNITY HEALTHCARE FOUNDATION

To support and protect healthcare, in 2013, Coverys launched the Coverys Community Healthcare Foundation, Inc. The Foundation has provided charitable contributions and awarded grants totaling over \$31 million to organizations that improve patient care and safety, promote healthy lifestyles, and support individuals and organizations that provide healthcare services.



"We are proud to join Coverys in celebrating its 50th anniversary and the important role its team has played in serving our local healthcare community over the decades. Coverys has been a trusted ally, and the strong relationships we've built have helped strengthen our mission to support providers and patients in Massachusetts. We appreciate Coverys' unwavering commitment to excellence and partnership."

Steve Walsh

President & CEO, Massachusetts Health & Hospital Association



FIVE-YEAR STRATEGIC PLAN— A PERIOD OF CHANGE AND PROGRESS

As we concluded the final year of our five-year strategic plan (2020-2024), we reflected on our achievements and the transformative journey we undertook. Our commitment to our vision, mission, policyholders, and financial ambitions has positioned us as industry leaders. Throughout this period, Coverys successfully executed on the following core tenets:

**profitable growth • optimizing the core •
diversification • enhancing culture**



PROFITABLE GROWTH

We strengthened our financial foundation by maintaining a robust balance sheet and improving both loss and combined ratios. Enhanced investment performance contributed positively to surplus. Key underwriting improvements—such as a new pricing model, a refined underwriting appetite, and strengthened discipline—helped optimize profitability. We also integrated our accident & health (A&H) segments (formerly VBC) and realigned staffing to support the restructured business model.

OPTIMIZING THE CORE

Operational excellence was a key focus. We established an enterprise project management office (EPMO) and leveraged Lean methodologies to streamline operations and reduce costs. Business analytics capabilities were expanded to provide actionable insights and to better serve our policyholders. Additionally, we launched a Client Services team to directly address customer-facing challenges in collaboration with the EPMO.



“Diversity of thought doesn’t happen by chance—it comes from bringing together people with different backgrounds, experiences, and perspectives. When we create space for different voices, we unlock new ways of thinking. That’s the power of diversity—it drives innovation from the inside out.”

Val Celona

President, Programs, Alternative Markets, & Allied Health

DIVERSIFICATION

We achieved meaningful diversification across products and geographies. This has helped us create a healthier mix across different products and regions, making the business more flexible and resilient. Our underwriting portfolio now reflects a more balanced mix of MPL and non-MPL segments while retaining our core strength in healthcare. Strategic international growth included the establishment of Coverys London, greater syndicate participation in the London market, and the formation of Coverys International Insurance Company to support European expansion. We also broadened our reach into new lines, such as A&H and professional liability.

ENHANCING CULTURE

Throughout the global pandemic, we prioritized the health and well-being of our employees and customers, including a matching donation program to support crisis response organizations. Internally, our focus on diversity, equity, and inclusion (DEI) has sparked new ideas and fresh ways of approaching the business. It's helped us grow stronger as a team and brought real benefits across the organization. We also professionalized the operations of the Coverys Community Healthcare Foundation to improve the impact and reach of our grantmaking.

As the pace of change in healthcare has accelerated—particularly over the past decade—Coverys has not only kept pace, but led the way. We've continuously evolved, reengineered, and reimagined our products, services, and processes to stay ahead of an increasingly complex landscape. With a proactive mindset and a deep understanding of emerging risks, we anticipate the needs of our customers and stand ready to address the challenges of tomorrow with agility, insight, and innovation.



UNDERWRITING

READY TO ADDRESS EVOLVING CUSTOMER NEEDS

Over the past 50 years, change has accelerated—especially in the last decade—and our underwriting practices have evolved accordingly. We continually strive to anticipate our customers' needs and remain prepared to address new risks as they arise.

New Strategies to Meet Evolving Needs

Industry Evolution

Coverys Solution

Healthcare consolidation, shifting from solo physicians to large hospitals and larger groups.
Rise of mega-hospital systems.

London-based coverage solutions to meet the needs of large, complex, or high-limit risks.

Hard insurance market.
Rising rates.
Reduced coverage capacity in the market.

Underwriting options for Excess & Surplus (E&S) high-deductible, captive, self-insured, and reinsurance options to give brokers and healthcare providers more choices.

New methods of care delivery.
Increased reliance on NPs, PAs, and other allied health professionals.
Rise of physician moonlighting, working in multiple arrangements.

**Updated policy language and expanded risk management resources.
Developed specialized coverage to address these providers' unique risks.
Expanded the ability to underwrite a multitude of allied providers.**

New treatment modes, cyber threats.
Rise of telemedicine.
Introduction of AI-driven diagnostic tools.

Core cyber protection included in MPL policies, expanded cyber insurance options, updated policy language, and risk management resources.

Need for increased support and focus on healthcare provider's mental health.

Expanded Emotional Support programs for policyholders.

Expanded care locations.
Retail-/pharmacy-based care.
Rise of surgery centers, outpatient services.

Updated policy language and expanded risk management resources.

Increased need for provider excess loss, employer stop loss, and value-based Medicare reimbursement protection.

Created Accident & Health division.

Increased litigation.
Rise of the nuclear verdict.

New claims strategies and trial preparation tactics.

Challenging medical professional liability insurance environment.

Diversified offerings through Programs, London, and Accident & Health divisions.

European MPL expansion, appetite, and opportunities.

Received approval of Irish insurance license, authorizing Coverys International Insurance Company to sell products throughout Europe.

DIVERSIFICATION

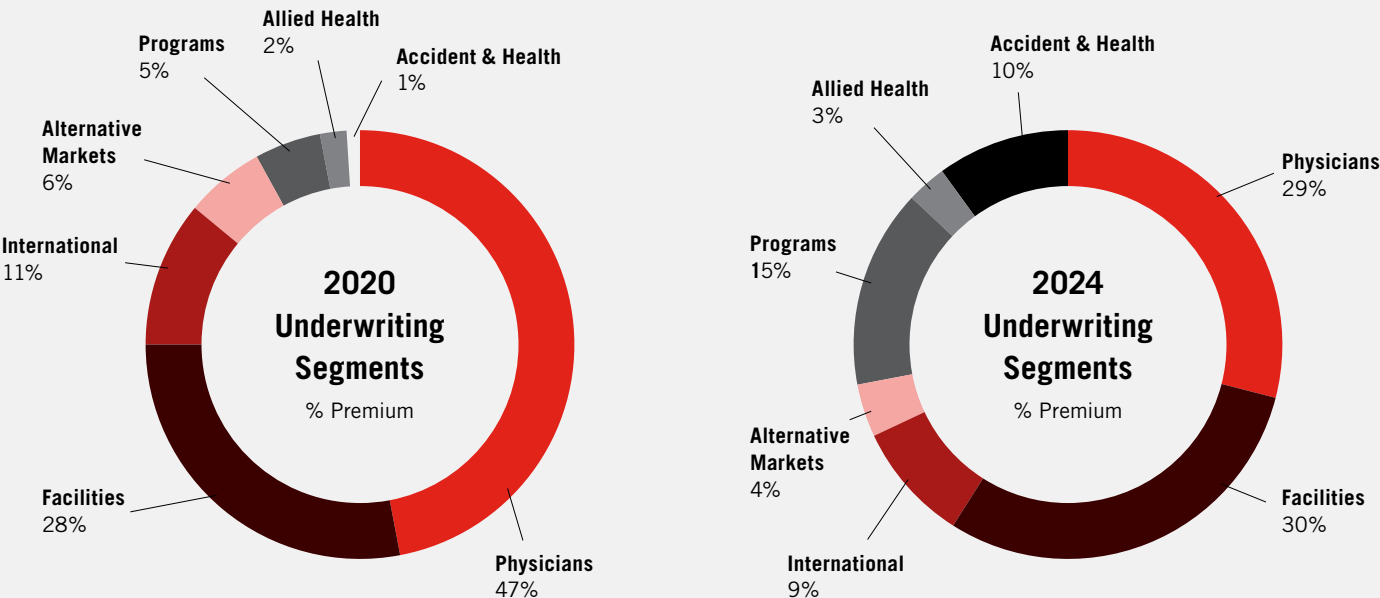
FUTURE-READY AND INCREASINGLY PROFITABLE

Our diversification efforts have enabled us to explore new markets and create multiple opportunities for expansion. These new lines of business generally have lower loss ratios that help mitigate the impact of a tough MPL loss environment.

In 2020, at the beginning of our established five-year strategic plan, MPL premium represented 92% of our overall business. In 2024, MPL premium made up 73% of our business, reflecting a more balanced portfolio as we continued to grow our presence in non-MPL lines, which now represents 27% of our total business. This was a direct result of purposeful diversification, market consolidation, and the profitable re-underwriting of our physician and facility books of business.

Through this shift, we will remain a dominant player in healthcare liability insurance as 73% of our business is expected to be healthcare-related in 2027. This strategic focus on portfolio diversification not only aligns with industry trends but distinguishes us through a commitment to innovation, agility, and responsiveness to global market demands. We will continue to pursue profitable growth in our core MPL business both domestically and internationally while diversifying into adjacent lines of business that leverage our financial strength, expertise, and reputation.

2020 & 2024 Business Mix





COLLABORATIVE, DATA-DRIVEN UNDERWRITING APPROACH

When underwriting a policy, we utilize data from many sources, including from our brokers. With an understanding of both medicine and risk, we use data-based insights to inform our decisions. The more information we have, the better we can understand the customer's story—enabling us to deliver accurate pricing and a wide range of coverage options.

We work to make mutually beneficial relationships by keeping our products and services relevant, creatively overcoming challenges, and offering producers tools they can use to educate and support their clients. We strive to walk the talk—going above and beyond for our customers, focusing on relationships, and quickly restoring our policyholders' well-being in their time of need.



HEALTHCARE-ADJACENT ALTERNATIVES **READY FOR COMPLEXITY**

Protecting the medical community is in our DNA. For more than 50 years, we have developed a deep specialization in medical professional liability coverage and adjacent classes, and our team's expertise allows us to pursue strategies that will help our clients overcome challenges.

"As our clients' needs have changed, we've pioneered new options. If admitted insurance products no longer work, we have an array of other choices—all backed by our signature analytics, risk management, and educational resources, which enable us to truly stand apart. More than half of our customers are now using some form of alternative risk management solutions, and we support them through this journey."

Sam Mezzich

President, Coverys Specialty Insurance Company
and Vice President, Facilities Segment

“When a claim happens, coverage is determined by the language in the policy. Each word matters, and definitions need to be clear. As care systems evolve, policy language must also evolve. We constantly amend our policy language to stay relevant to what is happening in healthcare now. The result is increased clarity, reducing the anxiety and confusion that arise during a lawsuit.”

Ed Lyons

Vice President, Physicians Segment

Industry Challenge

Coverys Solution

Coverage for an aggregated portfolio of unique, small, homogenous risks.

Increased capacity and delegated underwriting authority with a contracted and specialized program administrator.

Cost-effective programs for clients who want to explore alternative risk transfer.

Self-insured retention and captive solutions.

Controlling catastrophic risk for existing or new self-insured or captives.

Reinsurance and stop loss coverage.

Access to “A” rated paper to support non-rated insurance risks.

We provide access to our “A” rated paper through fronting arrangements.

Solutions for accounts that fall outside the scope of admitted markets.

Excess and surplus (E&S) solutions.

SEGMENT PROFILE PROGRAMS

LEVERAGING EXPERTISE FOR NICHE MARKET GROWTH

Our Programs segment is a strategic pillar of our business, designed to meet the unique needs of specialized groups—such as allied healthcare providers and non-medical professionals. We focus on underwriting niche classes through a dedicated program team that integrates both underwriting and claims expertise. This specialized approach gives us the flexibility to develop tailored products and coverage solutions that truly align with our clients' needs. The Programs business allows for strategic growth as well as financially responsible growth.

In this segment, program administrators handle key aspects of policy management, such as marketing, new business submissions, underwriting, pricing, policy forms, and premium handling. However, Coverys remains responsible for claims adjustment and loss payments. This makes it crucial for us to collaborate with program administrators who possess a proven track record and significant experience.



SEGMENT PROFILE

INTERNATIONAL GROWTH AND OPPORTUNITY

Coverys London (MPL)

The traditional facilities business we underwrite in the US continues to face challenges due to consolidation and other market conditions. Larger US hospitals and health systems look to the London insurance market for complex coverage structures resulting in approximately \$900M in surplus lines premium. Our London-based subsidiary was established to target these risks and more widely support the healthcare community by offering complimentary products and services.

Coverys London (Syndicates)

Lloyd's represents a global market capacity of over \$70B. Using our established Lloyd's vehicles, Coverys can access segments of this broad and deep marketplace to support select syndicates as part of our strategy to grow and diversify while benefiting from the unique structures that Lloyd's provides.

"The subscription model enables the London Market to be one of the leading places to underwrite large and complex risks. The goal of Coverys London is to create access to this unique market and support the large US systems that come directly to London for the deep expertise and capacity we provide."

Stef Raftopoulos

CEO, Coverys London



Coverys International Insurance Company (CIIC)

CIIC is a valuable platform providing access across the EU to further diversify and grow beyond our domestic US base. The European MPL market represents €4B and spans 27 countries. Our initial focus will be growing our business in Italy, Ireland, France, and Spain.

Our expanding global footprint is especially useful in providing access to adjacent healthcare portfolios, such as professional liability insurance or physician and hospital worker accident and health coverage. We're also exploring other adjacent opportunities, such as clinical trials, insuring organ transport, and life sciences.

"We are leaning into our expertise and finding new ways to leverage it. Our organizational proficiency in predictive analytics for medical professional liability insurance serves the Accident & Health space effectively as well. We have built a proprietary model to accurately predict claims and outcomes, enabling us to predict a plan's cost. As a result, we're able to consider niche programs that larger carriers typically avoid."

Dave Konrad

Vice President, Accident & Health

SEGMENT PROFILE

ACCIDENT & HEALTH: EMBRACING DIVERSIFICATION TO ENHANCE STABILITY

Diversification in the insurance business is good business acumen. Our Accident & Health business represents just one of the many ways we're avoiding the mistake of placing all our eggs in one basket.

Addressing the Risks of Accountable Care

Under our Accident & Health umbrella, **Medicare Contractual Risk Protection** products address the downside risks of participating in value-based care programs. The demand for this coverage is expected to grow rapidly since CMS set an ambitious goal to have all Medicare beneficiaries and the vast majority of Medicaid beneficiaries in an accountable care relationship by 2030. Currently, 30% to 50% of accountable care organizations participate in outcome-based fee arrangements; by 2030, that number will be 100%.

ACCOUNTABLE CARE ORGANIZATIONS PARTICIPATING IN OUTCOME-BASED FEE ARRANGEMENTS

30%-50%

Today

100%

By 2030

Paving the Way to Self-Funded Employee Benefits

Roughly two-thirds of the employee benefits space is self-funded. There is great interest in self-funded products as a cost-saving measure because employee benefits is often the second-largest charge on a company's balance sheet—right behind payroll. However, brokers in this space tend to compete for very large accounts.

We've discovered an underserved niche in helping employers with fewer than 500 employees make the transition from fully insured to self-funded. We work alongside organizations that are new to self-funding, providing analytics, guidance, captive formation assistance, and stop loss insurance to protect against catastrophic claims—all with low collateral requirements.

While we provide these services primarily to healthcare providers, we offer self-funding solutions to brokers serving other niches.

**EMPLOYERS TYPICALLY
SAVE AROUND 20% WITH
SELF-FUNDED PROGRAMS
AND THEY CAN RECEIVE
REBATES THAT THEY DID
NOT GET BEFORE. ONE
CAPTIVE PARTICIPANT
REPORTED A SAVINGS
OF \$10 MILLION.**

CUSTOMER SUCCESS STORY

Coverys broker, Paul Clark, President of Clark & Lavey, HILB Group, has a successful captive: INCAP. The captive is a health insurance pool joining companies together to reduce the cost of their medical benefit spend, including prescription expenditures. Coverys is the captive's underwriter, providing Employer Stop Loss (ESL) coverage for the INCAP participants.

One of INCAP's clients, Peter Langton from Pierce Aluminum Company, has been benefiting from the INCAP captive, with their self-funded employee benefit health plan saving over \$12 million in the 12 years with INCAP. Coverys ESL coverage supports the entire pools' sharing risk arrangement and enables them to benefit from these impressive saving opportunities.





2024 BUSINESS PLAN RESULTS

As the final year in our five-year strategic plan, 2024 marked a pivotal year of momentum and meaningful progress. Our focus was clear—achieve profitable growth, drive operational excellence, and deepen our understanding of customer needs, meeting them with determination and precision. Equally important was our continued commitment to cultivating a culture that reflects our values, our mission, and the spirit of who we are as an organization.



The foundation of our success lies in the people who bring our vision to life. It's the dedication, talent, and integrity of our teams that inspire our future. In 2024, their collective efforts elevated not just our company, but the standard for excellence across our industry. **Together, we moved forward with purpose—and laid the groundwork for an even stronger tomorrow.**



FINANCIAL

CONTINUE PROGRESS TOWARD PROFITABLE GROWTH



Executed and effectively implemented our growth plan in the UK and EU.



Established enterprise-wide awareness and commitment to expense management in preparation for achieving future cost reduction and efficiency goals.



Optimized our claims operating model and leveraged data/business analytics for decision-making.



Gained a deeper understanding of our value proposition and competitive advantage, the alignment with our business strategy, and the impact on business performance.

OPERATIONAL

IMPROVE OPERATIONAL PERFORMANCE



Established enterprise project management office (EPMO) to optimize the operating model within the organization and create effective, efficient, customer-centric workflows.



Continued enterprise-wide implementation of performance management process to optimize and align individual performance with the company's annual business and long-term strategic goals.



Aligned our analytics capabilities with the needs of the business, empowering leaders to make informed, data-driven decisions.

CUSTOMER

GAIN A BETTER UNDERSTANDING OF CUSTOMER NEEDS



Operationalized data-gathering and knowledge-sharing of market intelligence and customer feedback into action-oriented results.



Enhanced customer service to make it easier for our insureds and producers to do business with us.



Continued our “test and learn” approach to client service innovation, evaluating its impact on customer service delivery.

CULTURE

STRIVE TO UPHOLD OUR VALUES



Embedded a collaboration, inclusion, and communications goal into all employees' individual goals.



Achieved 98% participation rate in online employee training course on inclusivity: “Fostering Voice and Belonging.”



Developed enterprise-wide culture strategy including UK and EU operations.

2024 FINANCIAL HIGHLIGHTS SUMMARY

Coverys offers financial strength to ensure reliable claims coverage when our policyholders need us most. We deliver innovative risk mitigation tools and analytics to help healthcare professionals reduce risk along with our comprehensive insurance protection and dedicated claims support.

2024 delivered a strong financial performance that speaks to both discipline and vision.

Gross written premium rose to \$674 million, nearly 5% above 2023, reflecting smart, strategic growth in a complex market.

Profitability was also strengthened, with an **operating ratio of 89.4%—our best since 2018—**driven by underwriting and operational efficiency. This precision has fortified a balance sheet now boasting **\$3.8 billion in assets and a surplus of \$1.6 billion**, up more than 4% from 2023.



With an “A” rating from A.M. Best, we remain a trusted partner built for long-term success. For our valued policyholders and producers, these results mean confidence, clarity, and opportunity. Coverys continues to move forward—resilient and ready—**and we thank you for being part of our continued success.**

	2023	2024
Gross Written Premium <i>excluding fronted business</i>	\$642,388,633	\$674,243,152
Claims Paid (Net)	\$376,715,159	\$392,578,566
Net Income	\$76,033,281	\$100,504,998
Total Assets	\$3,845,552,576	\$3,759,865,682
Claims Reserves (Net)	\$1,742,368,181	\$1,632,049,872
Policyholder Surplus	\$1,539,127,051	\$1,605,773,450

Financial highlights as of December 31, 2023, and 2024 for all Coverys group insurance companies including affiliated company, Coverys Risk Retention Group, Inc.



FUTURE READY:
PROJECT GOLD
STANDARD

Our new three-year strategic plan, “Project Gold Standard,” was inspired by our strategic vision of continuing to build a profitable insurance company that delivers on its commitment of improving outcomes for the professionals and communities we serve across the globe. The plan reaffirms our promise to support and protect the healthcare community (mission) while expanding beyond our core lines of insurance to serve new customers and foster long-term growth. We aspire to set a higher standard of financial performance, operational efficiency, value creation, and customer service for ourselves and our industry.

And we are committed to living every day “The Coverys Way”—in service to our vision, mission, values, and guiding principles as we work together in pursuit of excellence.



We are embarking on this strategic plan with a strong balance sheet, capital position, and A.M. Best “A” rating. We recognize the continued need to improve operating profitability to remain competitive, bolster our long-term sustainability, and meet the expectations of our customers.

As global healthcare and insurance markets continue to evolve, we will navigate both favorable and challenging market conditions and continue our efforts to diversify and profitably grow our business while serving the needs of our policyholders.

OUR PRIORITIES FOR THE NEXT THREE YEARS

Our key strategic priorities for the next three years serve as a foundation for decision-making, resource allocation, and performance measurement and are critical to achieving our strategic plan ambitions:



Profitable Growth

We remain focused on sustainable, profitable growth through core business expansion, strategic acquisitions, disciplined financial management, and leveraging our value-added services as a competitive advantage.



Operational Efficiency

To support our continued growth, we are implementing a flexible and efficient operating model, aligning our information technology strategy with business needs; leveraging AI to drive efficiency, accuracy, and cost savings; creating an enterprise-wide data strategy; and delivering superior customer service by optimizing the customer experience.



Talent Management

Our people are our greatest asset and the critical factor in achieving the ambitious goals set forth in our strategic plan. We will continue to foster a culture of performance accountability, innovation, engagement, and empowerment as we build a workforce to meet today's business needs and future opportunities.

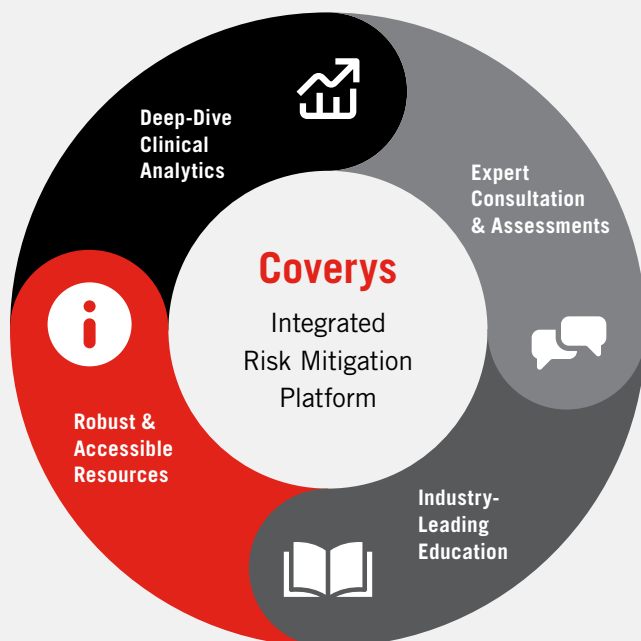
We have a clear roadmap for Coverys to achieve its vision, mission, and financial goals over the next three years. By successfully executing our priorities of profitable growth, operational efficiency, and talent management, we are poised to grow in both our core MPL and diversified underwriting segments. With a strong financial foundation and a commitment to innovation, we aim to set a new standard of excellence in delivering superior value and service to our producers and policyholders across the globe.

A LEGACY OF INNOVATION IN RISK MANAGEMENT AND EDUCATION

In 2024, Coverys Risk Management unveiled its Integrated Risk Mitigation Platform—a groundbreaking, industry-first service model designed to redefine how risk is managed in healthcare. Long recognized as a leader in risk management and analytics, Coverys has raised the bar once again by delivering a more sophisticated, data-informed approach to reducing risk and improving outcomes.

This next-generation platform offers unparalleled depth in the analysis and reporting of claims causation, equipping policyholders with actionable intelligence that drives meaningful improvements in both clinical practice and financial performance. Coupled with our renowned consultation services and industry-leading Med-IQ® educational resources, Coverys delivers a comprehensive risk management experience that is unmatched in the industry.

By empowering policyholders to uncover and understand the clinical drivers behind their malpractice claims, Coverys enables proactive, targeted interventions. This powerful integration of data and strategy—with rich recommendations and resources—helps reduce the frequency and severity of adverse events—the very root of medical malpractice—ensuring safer care environments and stronger organizations.



The new Coverys risk mitigation platform was designed to:

- Provide a portfolio of world-class services for policyholders to support every stage (risk services & mitigation, claims management & support).
- Provide expert partnership and support for urgent needs and proactive strategies.
- Provide clients with the intelligence and tools to reduce the real risks leading to errors, harm, and claims.
- Provide our producers with the tools to support and collaborate with their clients to ensure maximum service and support.



DEEP-DIVE CLINICAL ANALYTICS

Policyholders have access to data intelligence to focus on vulnerabilities that lead to risk, error, and harm.

- Customized practice and facility clinical claims analyses focus on the specific causation factors driving medical error and harm.
- Experienced clinicians provide multidimensional analysis, including key risk factors such as communication, documentation, system issues, and human factors.
- Comparative analysis (e.g., sites, services, locations) supports prioritization and focus of the most urgent risk mitigation needs or opportunities.

Insights from clinical data analysis allow policyholders to focus risk mitigation activities on the root causes driving error, harm, and claims.



EXPERT CONSULTATION & ASSESSMENTS

Our risk teams work with policyholders to provide consultative support, insights, and recommendations to address specific risk issues and concerns.

- Real-time “live” access to the team through the Risk Management Consultation Line for general questions or urgent concerns.
- Dedicated risk consultants for those seeking ongoing collaboration and support for risk teams and clinical providers.
- Clinical Risk Assessments that focus on the organization’s specific areas of concern (including safety culture) and provide insights and advocacy to address identified risks.



INDUSTRY-LEADING EDUCATION

The collaboration of our expert risk consultants and award-winning Med-IQ® education team provides Coverys policyholders with:

- On-site education programs that are customized to their specific risk needs and concerns.
- Webinar series focused on current and emerging topics in risk management and patient safety.
- Professional development programs, education, and networking designed specifically for the organization's risk team.
- CME/CE-certified online courses for front-line clinicians.





ROBUST & ACCESSIBLE RESOURCES

- Direct access to tools and resources to address specific risk concerns.
- Timely and relevant alerts to urgent risk issues, such as recalls or emerging risk trends.

"Our most powerful tools are our people, data, and knowledge. We have vast industry expertise combined with compelling data. When we raise awareness, engage in problem-solving, and foster a culture of risk awareness, we can help our customers create safer systems and interrupt vulnerabilities to deliver safer care."

Dana Siegal

Vice President, Risk Management & Analytics



Customer Feedback

"I knew there was an issue...but I didn't understand the root of the problem until I saw the data."

PRACTICE MANAGER

"I had no idea when I asked for the clinical analysis how valuable the learning would be to my practice."

PHYSICIAN POLICYHOLDER

ADVANCING SUPERIOR CLAIM OUTCOMES THROUGH INTEGRATED EXPERTISE

As healthcare organizations navigate the rising frequency and complexity of claims, understanding the underlying risks and implementing proactive mitigation strategies has never been more essential. At Coverys, we recognize this urgency—and we respond with a distinct, strategic approach to claims management that sets us apart.

Our claims management team works in seamless alignment with our in-house risk management experts, creating a fully integrated service model that delivers more than just claims handling—it delivers insight, support, and results. This collaboration ensures that our policyholders are equipped not only to respond to claims, but to actively reduce the likelihood of future incidents.

Through this holistic and coordinated strategy, Coverys empowers policyholders to strengthen risk mitigation efforts, reduce exposure, and minimize financial and reputational losses. When a claim arises, our experienced team stands alongside our insureds and their healthcare professionals—offering unwavering guidance, defense, and support every step of the way.



"I think Coverys Claims did a great job and brought insights into how I could improve my practice moving forward. They were clear, concise, and extremely helpful during this whole process. Thank you Coverys!"

Coverys-Insured Doctor

What truly distinguishes Coverys is our fusion of deep expertise, strategic thinking, and human compassion. We don't just manage claims—we navigate them together with our clients, drawing on advanced tools such as analytics, focus groups, mock trials, and expert jury consultants.

At every decision point, we provide clear, data-driven insights and candid counsel, enabling our policyholders to make informed choices with confidence. With Coverys, insureds can trust in a relationship that is proactive, prepared, and passionately committed to achieving the best possible outcomes.

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