# BEST'S COMPANY REPORT

## PROASSURANCE GROUP

**AMB #:** 018559 **NAIC #:** N/A **AIIN #:** N/A
**Phone:** **Fax:** **Website:** N/A

| | |
|---|---|
| Allied Eastern Indemnity Co | A |
| Eastern Advantage Assurance Co | A |
| Eastern Alliance Insurance Co | A |
| FD Insurance Company | A |
| Medicus Insurance Company | A |
| Medmarc Casualty Insurance Co | A |
| NORCAL Insurance Company | A |
| NORCAL Specialty Insurance Co | A |
| Pref Phys Med RRG, Mut Ins Co | A |
| ProAssurance Amer Mut, A RRG | A |
| ProAssurance Indemnity Company | A |
| ProAssurance Ins Co of America | A |
| ProAssurance Specialty Ins Co | A |

### Best's Credit Rating Effective Date

July 09, 2025

### Analytical Contacts

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### Information

Best's Credit Rating Methodology

Guide to Best's Credit Ratings

Market Segment Outlooks

### Financial Data Presented

Financial data in this report: (i) includes data of affiliated entities that are not rating unit members where analytics benefit from inclusion; and/or (ii) excludes data of rating unit member entities if they operate in different segments or geographic areas than the Rating Unit generally. See list of companies for details of rating unit members and any such included and/or excluded entities.

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: Best's Financial Report.

# ProAssurance Group

**AMB #:** 018559
**Associated Ultimate Parent:** AMB # 050660 - ProAssurance Corporation

## Best's Credit Ratings - for the Rating Unit Members

| Financial Strength Rating (FSR) | Issuer Credit Rating (ICR) |
|---|---|
| **A** | **a+** |
| **Excellent** | **Excellent** |
| Outlook: **Stable** | Outlook: **Stable** |
| Action: **Affirmed** | Action: **Affirmed** |

## Assessment Descriptors

| | |
|---|---|
| Balance Sheet Strength | **Strongest** |
| Operating Performance | **Adequate** |
| Business Profile | **Favorable** |
| Enterprise Risk Management | **Appropriate** |

## Rating Unit - Members

**Rating Unit: ProAssurance Group | AMB #: 018559**

| AMB # | Rating Unit Members | AMB # | Rating Unit Members |
|---|---|---|---|
| 012527 | Allied Eastern Indemnity Co | 003744 | NORCAL Specialty Insurance Co |
| 013861 | Eastern Advantage Assurance Co | 011056 | Pref Phys Med RRG, Mut Ins Co |
| 012115 | Eastern Alliance Insurance Co | 022383 | ProAssurance Amer Mut, A RRG |
| 013063 | FD Insurance Company | 003826 | ProAssurance Indemnity Company |
| 013758 | Medicus Insurance Company | 001832 | ProAssurance Ins Co of America |
| 002216 | Medmarc Casualty Insurance Co | 012468 | ProAssurance Specialty Ins Co |
| 003644 | NORCAL Insurance Company | | |

## Rating Rationale

**Balance Sheet Strength: Strongest**

- ProAssurance Group (ProAssurance) continues to maintain the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR).
- Surplus was roughly flat over the prior five-year period as consistently profitable after-tax results were largely offset by stockholder dividends.
- Mixed loss reserve development trends over prior calendar and accident years reflect, in part, adverse development reported by the NORCAL subsidiaries as well as development associated with a large national healthcare account.
- Liquidity measures are adequate and supported by an invested asset base that predominantly consists of high-quality fixed-income securities.
- Members of the ProAssurance family of companies benefit from the financial flexibility afforded by the ultimate parent, ProAssurance Corporation, via access to the capital markets.

**Operating Performance: Adequate**

- Underwriting results have been consistently unprofitable over the most recent five-year period and lag the medical professional liability (MPL) composite average by a few points.
- Net investment income has been more than sufficient to offset underwriting losses in the three most recent years.
- Positive net income in each of the most recent five years, with over $100 million of earnings in 2024.

**Business Profile: Favorable**

- ProAssurance is a U.S.-based leading national provider of MPL insurance through its specialty property and casualty segment, covering physicians, physician groups, podiatrists, dentists, chiropractors, hospitals, healthcare systems, institutions and surgical centers, clinics, allied professionals, as well as medical technology and life sciences.
- The group benefits from additional product diversification from the Eastern Alliance companies, a specialty workers' compensation underwriter primarily in rural and suburban areas of selected states within the Mid-Atlantic, Midwest, Gulf South, and New England regions, covering over 600 class codes and 32 markets.
- Professional liability business is primarily focused on providing coverage to healthcare providers with the majority of business written in the standard market, although the group offers professional liability insurance on an excess and surplus lines basis through its specialty business, as well as alternative risk and self-insurance products.
- Successful track record of partnering and achieving growth through acquisitions or business combinations and successfully integrating them into the ProAssurance family of companies.

**Enterprise Risk Management: Appropriate**

- The group maintains a well-developed enterprise risk management (ERM) framework.
- Risk management capabilities are generally in line with the group's risk profile.
- An appropriate governance structure and risk culture are in place.

**Outlook**

- The stable outlooks reflect AM Best's expectation that the group will maintain its strongest level of balance sheet strength assessment, supported by effective capital management, while ongoing initiatives implemented by management will maintain stable operating performance, supported by its favorable business profile.

**Rating Drivers**

- Negative rating actions may occur if the group’s loss experience continues to negatively impact underwriting profitability and leads to further deterioration in operating performance trends.
- Negative rating actions may also occur if the group's balance sheet strength were to weaken, which could result from deterioration of risk-adjusted capitalization or from adverse reserve development in its workers' compensation and/or medical professional liability books from rising claims frequency or severity, and/or changes in regulatory, legislative and judicial actions.
- While unlikely in the near term, positive rating actions may occur following a positive trend in operating performance metrics that outpaces peers in the markets in which the group serves and materially contributes to surplus growth.

## Credit Analysis

### Balance Sheet Strength

The group's risk-adjusted capitalization based on Best's Capital Adequacy Ratio (BCAR) is at the strongest level.

#### Capitalization

Risk-adjusted capitalization, as measured by BCAR, remains at the strongest level. Available capital and surplus had declined steadily in recent years as excess capital was returned to shareholders. Dividend activity has funded the various capital management activities of the parent corporation, including the payment of shareholder dividends, mergers and acquisitions, share repurchases, and debt redemption. Net and gross underwriting leverage ratios are elevated relative to composite averages, resulting from the overall reductions in policyholders surplus and premiums and modest growth in loss reserves overall during this time.

The group maintains adequate liquidity as non-affiliated invested assets exceed overall liabilities; however, liquidity measures generally trail those of the MPL composite and overall property casualty industry. Operating cash flows are positive over the most recent five year period.

#### Asset Liability Management - Investments

At year-end of 2024, long-term bonds comprised most of the portfolio. Fixed-income investments have a relatively short average duration at approximately four years. More than half of the bond portfolio is invested in high-grade corporate bonds. The portfolio's overall credit quality is excellent. Common shares and alternative investments (investments in real estate and tax credit partnerships), declined as the group actively reduced their allocation to equities in order to preserve capital for the planned acquisition of NORCAL, now member of the ProAssurance Group. Allocations to equity investments remained extremely low in 2024.

#### Reserve Adequacy

Historically, ProAssurance has been conservative in establishing initial reserves and also cautious in recognizing the impact of underlying trends. The group had favorable loss reserve development on a calendar year and accident year basis for many years. However, adverse loss reserve development was reported on some recent accident years. In addition, in the fourth quarter of 2019, the group's statutory favorable reserve development was greatly reduced following losses from a single large healthcare account, which was subsequently non-renewed. Although, AM Best views the group's reserve cushions as diminished in comparison to the earlier portion of the prior ten year period, AM Best believes the group's reserving practices continue to be appropriate.

#### Holding Company Assessment

AM Best views the ultimate parent, ProAssurance Corporation (PRA), as a neutral factor in the group's rating. PRA has the ability to access the capital markets and maintains financial leverage ratios that are well within AM Best ranges for the current rating. Balancing the low leverage and financial flexibility is the PRA's willingness and history of returning capital to its investors through special and regular dividends and share repurchases as well as its dependence on its insurance operations to service existing debt obligations and maintain holding company liquidity.

### Operating Performance

ProAssurance's historical operating results compared favorably to the industry and its medical professional liability (MPL) peers. Some recent performance trends reflected some deterioration, however, results rebounded somewhat in 2021 and through 2024 following the re-underwriting of the groups book of business and the successful integration with NORCAL since its acquisition in May 2021. Despite the decrease in frequency over the five year period, the frequency of higher severity claims, healthcare and medical wage inflation have impacted results.

During the earlier portion of the prior five-year period, underwriting performance in MPL had gradually weakened due to a prolonged soft market reflected in declining premium in competitive markets and increasing loss severity caused by social inflation, higher settlements and higher-than-expected jury awards. MPL underwriting performance in recent years benefited from the impacts of year-over-year rate increases and a complete re-underwriting of its book of business as well coverage changes. However, loss costs in the groups' MPL book of business remain pressured by the impacts of social inflation, increasing frequency of excess verdicts and competitive market conditions.

## Operating Performance (Continued...)

The group's workers compensation line are written through its Eastern Alliance Insurance Group companies. The group emphasizes rural underwriting territories with strong economies and diverse employer classifications, and focuses on risk management programs that would bring an injured worker backer to employment quickly. Beginning in 2021, the group saw some increase in workers' compensation claims as insureds returned to work. Volatility continued in recent years amid an influx of violent crimes claims, wage inflation, an increase in the indemnity portion of claims, and medical inflation, which have all impacted results and exceeding loss ratio estimates. Pure net loss ratios have consistently lagged the industry over the most recent five year period.

Management believes that its corporate strategy is most effective when it is applied locally to underwriting and claims. As such, ProAssurance has established a regional underwriting and claims presence in key markets. This has allowed the group to benefit from the local perspective and capitalize on the local knowledge gained from a legal standpoint. Claim defense continues to be one of the group's core competencies and ProAssurance remains committed to the aggressive defense of non-meritorious claims, which management believes provides a long term competitive advantage.

ProAssurance maintains a conservative investment approach that focuses primarily on fixed income markets, with limited exposure to equity markets. ProAssurance's net investment income had declined steadily in most years over the past five years due to persistently low yields and changes in allocations, despite and increasing invested asset base. However, net investment income increased in the three most recent years due to the rise in interest rates, and has benefited the operating ratio by approximately 14 points on average over the most recent five year period.

## Business Profile

ProAssurance is a leading national provider of medical professional liability insurance in the U.S., covering physicians, physician groups, podiatrists, dentists, chiropractors, hospitals, healthcare systems, clinics, allied professionals, as well as medical technology and life sciences. The consolidated group also writes workers compensation through Eastern Alliance Insurance Group (EAIG), a specialty workers compensation underwriter. For MPL the group has licenses in all fifty states and the District of Columbia, with the majority of its business written in the Midwestern and Southeastern regions of the United States.

Companies within the group are engaged in the delivery of professional liability insurance to physicians and surgeons, dentists, hospitals and others involved in the health care industry. In addition, through Medmarc Casualty Insurance Company, the group provides product liability and completed operations liability coverage to manufacturers and distributors of medical technology and life science products and for clinical trials of these products.

Policy limits range from $250 thousand (offered only where mandated by law) up to typically $1 million per occurrence and $3 million in the aggregate for physicians with limits in certain jurisdictions designed around state specific provisions, such as patient compensation funds. Higher limits are offered in a variety structures which may include with facultative quotes through the company's reinsurance partners. Policies are written on claims made forms in all states; a small amount of occurrence coverage is written for physicians in Wisconsin where a state fund bears responsibility for losses greater than $1.0 million. A limited amount of dental professional liability coverage is also written on an occurrence form.

EAIG (consisting of Eastern Alliance Insurance Company, Eastern Advantage Assurance Co and Allied Eastern Indemnity Co), writes workers compensation primarily in rural and suburban areas of selected states within the mid-Atlantic, Midwest, Gulf South, and New England regions. About half of direct written premiums were in Pennsylvania. The target market is small to mid-sized employers (1,000 employees or less) generating an average workers' compensation premiums size of approximately $20,000. The group offers workers' compensation coverage on a diverse platform including guaranteed cost, alternative markets, deductible, retrospective rating and policyholder dividend type of programs.

EAIG is affiliated with Inova Re and Eastern Re Ltd., S.P.C. (Eastern Re) through its common ownership by an intermediate holding company, Eastern Insurance Holdings Inc., and ultimately by ProAssurance Corporation. Inova Re is a Cayman Islands - domiciled reinsurance company that offers alternative market workers compensation solution to individual companies, groups and associations through the creation of segregated portfolio cells. It currently consists of 26 segregated portfolios including a cell that assumes 100% medical professional liability business from ProAssurance. EAIG cedes 100% of losses arising under the policies insured to Inova Re.

ProAssurance also provided capital to Lloyd's Syndicate 1729, which writes a range of property and casualty insurance and reinsurance lines. The group's participation in Syndicate 1729 for 2014 through 2023 underwriting years had ranged from a low of 5% to a high of 62%. ProAssurance decided to discontinue participation in the results of Lloyd's Syndicate 1729 effective December 31, 2023. Results from their participation in Syndicate 1729 from open underwriting years prior to 2024 will continue to earn out pro rata over the entire policy period of the underlying business.

## Business Profile (Continued...)

The group has a successful track record of partnering and acquiring companies and integrating them into the ProAssurance family of companies. The acquisition of California-based NORCAL has been no different as integration with NORCAL was nearly 100% complete in 2023, contributing value, scope and scale to the organization.

## Enterprise Risk Management

The organization's enterprise risk management program (ERM) is comprehensive and makes use of various factors to assess the impact of risk on operations and capital levels across a wide range of time periods, jurisdictions, and market cycles. Analysis includes in depth reviews of market factors, discussion of strategic opportunities, and stress testing using economic capital models. Risk tolerances are clearly defined and actionable plans are in place to address challenges. The organization uses specific financial factors to measure overall operational performance and successful implementation of strategic initiatives. The group's ERM program consists of numerous processes and controls that have been designed by senior management with Board of Directors' oversight, and has been implemented across the organization. Given its national presence, the organization has extensive business continuation plans in place.

### Reinsurance Summary

ProAssurance maintains an appropriate reinsurance program, provided by a diversified panel of highly rated counterparties. The program is renewed annually and primarily consists of excess of loss treaties for each of the group's segments: medical professional liability, medical technology/life sciences products, workers' compensation and segregated portfolio cell reinsurance. For MPL, the group retains 100% of the first $2 million and cedes losses up to $24 million, with facultative coverage in place for large MPL risks above these limits. At the most recent renewal, ProAssurance incorporated podiatry and chiropractic policies and MPL coverages in excess of $2 million changed from 9% to 0% co-participation. The next $24 million of risk changed from 9.5% to 7.5% co-participation. For medical technology/life sciences product risks, the group retains 100% of the first $2 million and secures $8 million of coverage above. This treaty renewed at a higher rate than the previous treaty. For workers' compensation risks, the group retains 100% of the first $750K per occurrence and purchases reinsurance protection up to $119.3 million per loss occurrence. This treaty renewed at a higher contract rate than under the previous treaty and included the elimination of the annual aggregate deductible as well as an increase in the per occurrence retention to $750K from $500K. For workers' compensation business ceded to Inova Re, each segregated portfolio cell has its own reinsurance arrangements.

### Environmental, Social & Governance

AM Best views the main ESG risks to ProAssurance to be governance and social inflation. Governance covers all decision-making matters, including policy setting, underwriting, reserving, risk mitigation, claims management, setting corporate strategy, hiring practices as well as establishing risk tolerances and risk appetites that are appropriate for the group. Depending on how well management and the Board of Directors execute on these matters is key to adhering to good corporate governance. At this point, governance at ProAssurance has been appropriate.

As an MPL insurer with a national footprint, the group is subject to effects of social inflation. AM Best defines social inflation in the US as the rise in current or future claims caused by higher court awards and legislated rises in claims payments driven by societal behavior. Changes in demographics, litigation financing, a perceived decay in the public trust of corporations, and changes in tort reform are some additional factors affecting higher claim settlements as well. These factors could lead to adverse reserve development that negatively impacts the group's operating performance. While ProAssurance has not specifically identified social inflation as a primary driver when settling and litigating claims, they have noted an upward trend in loss costs as the frequency of higher severity losses is increasing.

## Financial Statements

| | 3-Months | | Year End - December 31 | | | |
|---|---|---|---|---|---|---|
| | 2025 | | 2024 | | 2023 | |
| **Balance Sheet** | **USD (000)** | **%** | **USD (000)** | **%** | **USD (000)** | **%** |
| Cash and Short Term Investments | 138,645 | 2.8 | 140,066 | 2.8 | 185,064 | 3.7 |
| Bonds | 3,798,629 | 76.4 | 3,763,196 | 76.1 | 3,757,640 | 75.1 |
| Preferred and Common Stock | 63,954 | 1.3 | 55,597 | 1.1 | 64,148 | 1.3 |
| Other Invested Assets | 270,825 | 5.4 | 294,172 | 5.9 | 310,817 | 6.2 |
| **Total Cash and Invested Assets** | 4,272,053 | 85.9 | 4,253,031 | 86.0 | 4,317,670 | 86.3 |
| Premium Balances | 367,470 | 7.4 | 334,752 | 6.8 | 352,548 | 7.0 |
| Net Deferred Tax Asset | 92,503 | 1.9 | 102,510 | 2.1 | 94,320 | 1.9 |
| Other Assets | 242,284 | 4.9 | 255,592 | 5.2 | 239,673 | 4.8 |
| **Total Assets** | 4,974,310 | 100.0 | 4,945,885 | 100.0 | 5,004,209 | 100.0 |
| Loss and Loss Adjustment Expense Reserves: | | | | | | |
| Net Reported Loss Reserves* | 1,861,647 | 37.4 | 1,613,993 | 32.6 | 1,747,615 | 34.9 |
| Net IBNR Loss Reserves* | 759,154 | 15.3 | 89,152 | 1.8 | 31,487 | 0.6 |
| Net LAE Reserves | ... | ... | 904,583 | 18.3 | 921,969 | 18.4 |
| Total Net Loss and LAE Reserves | 2,620,801 | 52.7 | 2,607,728 | 52.7 | 2,701,071 | 54.0 |
| Net Unearned Premiums | 509,021 | 10.2 | 467,682 | 9.5 | 479,024 | 9.6 |
| Other Liabilities | 321,970 | 6.5 | 361,108 | 7.3 | 369,097 | 7.4 |
| **Total Liabilities** | 3,451,792 | 69.4 | 3,436,519 | 69.5 | 3,549,192 | 70.9 |
| Capital Stock | 35,455 | 0.7 | 35,455 | 0.7 | 35,455 | 0.7 |
| Paid-In and Contributed Surplus | 903,615 | 18.2 | 903,615 | 18.3 | 903,615 | 18.1 |
| Unassigned Surplus | 391,533 | 7.9 | 378,381 | 7.7 | 322,032 | 6.4 |
| Other Surplus | 191,915 | 3.9 | 191,915 | 3.9 | 193,915 | 3.9 |
| **Total Policyholders' Surplus** | 1,522,519 | 30.6 | 1,509,366 | 30.5 | 1,455,018 | 29.1 |
| **Total Liabilities and Surplus** | 4,974,310 | 100.0 | 4,945,885 | 100.0 | 5,004,209 | 100.0 |

Source: BestLink® - Best's Financial Suite
* Interim reserves balances include LAE.

**Last Update**
July 09, 2025

**Identifiers**
**AMB #:** 018559

This company is a data record that AM Best utilizes to represent the AM Best Consolidated financials for the Property/Casualty business of AMB#: 050660 ProAssurance Corporation.

AMB#: 003826 ProAssurance Indemnity Company, Inc. has been assigned as the AMB Group Lead for this consolidation and should be used to access name, address, or other contact information for this AM Best Consolidated Group.

**Financial Data Presented**

See LINK for details of the entities represented by the data presented in this report.

# ProAssurance Group

## Operations

**Date Incorporated:** October 01, 1976

**Domiciled:** Alabama, United States

**Business Type:** Property/Casualty
**Organization Type:** Stock
**Marketing Type:** Independent Agency

## Best's Credit Ratings

**Rating Relationship**

This group represents an AM Best Rating Unit. In our opinion, companies under this Rating Unit have an Excellent ability to meet their ongoing insurance obligations and an Excellent ability to meet their ongoing senior financial obligations.

**Best's Credit Rating Effective Date:** July 09, 2025

Rating rationale and credit analysis can be found in the Best's Credit Report for AMB# 018559 - ProAssurance Group.

| | | Best's Credit Ratings | |
|---|---|---|---|
| **AMB#** | **Rating Unit Members** | **Financial Strength Rating** | **Long-Term Issuer Credit Rating** |
| 012527 | Allied Eastern Indemnity Co | A | a+ |
| 013861 | Eastern Advantage Assurance Co | A | a+ |
| 012115 | Eastern Alliance Insurance Co | A | a+ |
| 013063 | FD Insurance Company | A | a+ |
| 013758 | Medicus Insurance Company | A | a+ |
| 002216 | Medmarc Casualty Insurance Co | A | a+ |
| 003644 | NORCAL Insurance Company | A | a+ |
| 003744 | NORCAL Specialty Insurance Co | A | a+ |
| 011056 | Pref Phys Med RRG, Mut Ins Co | A | a+ |
| 022383 | ProAssurance Amer Mut, A RRG | A | a+ |
| 003826 | ProAssurance Indemnity Company | A | a+ |
| 001832 | ProAssurance Ins Co of America | A | a+ |
| 012468 | ProAssurance Specialty Ins Co | A | a+ |

## History

ProAssurance Indemnity Company, Inc. was formed as a mutual insurance company, Mutual Assurance Society of Alabama in 1976, to write professional liability insurance for Alabama physicians. The name was later shortened to Mutual Assurance, Inc. The company demutualized in 1991, and later became a subsidiary of Medical Assurance, Inc., an insurance holding company formed in 1996. Numerous acquisitions of smaller medical professional liability insurers pre-dated the 2001 merger that created ProAssurance Corporation; subsequent to that merger, there have been a number of other transactions. The West Virginia Hospital Insurance Company, a West Virginia medical professional liability writer acquired in 1993, was later renamed Medical Assurance of West Virginia, Inc., then Woodbrook Casualty Insurance, Inc. and merged into ProAssurance Indemnity effective December 31, 2008. American Physicians Insurance Company, a leading writer of medical professional liability insurance in Texas and surrounding states, was acquired by ProAssurance in late 2010 and was merged into ProAssurance Indemnity effective September 16, 2011. The NCRIC Group, the leading writer of medical professional liability policies in the District of Columbia, was acquired by ProAssurance Corporation in 2005 and subsequently renamed ProAssurance National Capital Insurance Company. It was merged into ProAssurance Indemnity effective July 1, 2012.

ProAssurance Casualty Company was formed in 1980, as Physicians Insurance Company of Michigan before changing its name first to ProNational Insurance Company, and then to ProAssurance Casualty. It is currently among Michigan's leading providers of medical professional liability insurance. The company is also well represented in Florida as a result of the 1998 merger of Physicians Protective Trust Fund (PPTF) into ProNational. ProAssurance Casualty is currently endorsed by various county medical societies and specialty organizations. Physicians Insurance Company of Wisconsin, the leading writer of medical professional liability insurance in Wisconsin, was acquired by ProAssurance in 2006 and subsequently renamed ProAssurance Wisconsin before being merged into ProAssurance Casualty effective December 31, 2011. Independent Nevada Doctors Insurance Exchange was acquired by ProAssurance in 2012 and was merged into ProAssurance Indemnity effective October 1, 2013.

ProAssurance Specialty Insurance Company, Inc.'s. (ProAssurance Specialty) origins date back to 1994, when ProNational formed a wholly owned subsidiary, PICOM Insurance Company of Illinois, to renew a book of physician professional liability insurance formerly written by a physician-owned carrier in that state. This gave the group a significant entry into the Illinois market and broadened the group's spread of underwriting risk. In September 2002, the subsidiary adopted the name of Red Mountain Casualty Insurance Company, Inc., re-domesticated to Alabama and began writing business in several states on an excess and surplus lines basis. The company adopted its current name at the end of 2008, in order to identify better with its parent organization. It merged with Noetic Specialty Insurance Company, another E&S company in the ProAssurance Group, in December 2021, and is now a Vermont domiciled insurer still called ProAssurance Specialty Insurance Company.

In 2009, the Podiatry Insurance Company of America (PICA) was acquired through a sponsored demutualization and expanded the company's footprint into professional liability for podiatrists and chiropractic medicine. PICA was renamed ProAssurance Insurance Company of American in December 2019.

In 2013, ProAssurance Corporation acquired Medmarc Mutual, subsequently renamed Medmarc Casualty. This marked its entrance into the Product Liability lines.

In 2014, Eastern Insurance Holdings was acquired by the Company as it expanded its lines into Worker's Compensation. Eastern operations include its captive business, Inova Re.

The acquisition of Norcal Mutual Insurance Company, a medical professional liability insurance company, was completed May 2021. Upon acquisition, it became Norcal Insurance Company. Norcal Insurance Company wholly owns Norcal Specialty Insurance Company, Medicus Insurance Company, FD Insurance Company and operates Preferred Physicians Medical Risk Retention Group via its ownership of PPM Insurance Services Inc.

## State Rate Filings

**Director of State Rate Filings:** Kathryn A. Neville | Vice President & Legal Counsel

### Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to [Best's State Rate Filings - 018559 - ProAssurance Group]

| Major Line | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Commercial General Liability | 2 | 10 | 33 | 43 | 96 |
| Commercial Interline | 1 | 1 | 3 | ... | ... |
| Credit | ... | ... | ... | 3 | ... |
| Medical Malpractice | 157 | 221 | 502 | 220 | 450 |
| Workers Compensation | 15 | 41 | 43 | 44 | 31 |
| **Total** | 175 | 273 | 581 | 310 | 577 |

Source: Best's State Rate Filings

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

A Best's Issue/Issuer Credit Rating is an opinion regarding the relative future credit risk of an entity, a credit commitment or a debt or debt-like security.

Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do not address any other risk, including but not limited to liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

In arriving at a rating decision, AM Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, AM Best does not independently verify the accuracy or reliability of the information. Any and all ratings, opinions and information contained herein are provided "as is," without any express or implied warranty.

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