

By Physicians. For Physicians.

Georgia Tort Reform Success Brings Insurers Back - Part III

This is our third installment examining the impact tort reform has had on Georgia physicians. As more medical professional liability insurance companies reenter Georgia, physicians and practice managers should closely consider insurance options.

Here are more important factors to keep in mind if you consider other insurers. (For the entire list, go to MAGMutual.com, click on **MAGnets** and select **Results of Tort Reform**).

1. Clearly Defined: Is the policy clearly defined? What are the "tail" provisions upon termination of the policy? The policy should have provisions for vested tails upon retirement, disability and death. Understanding your policy is paramount to your success and peace of mind. Our policy exclusions and definitions are clear and easy to understand. MAG Mutual's "tail" is called an "Extended Reporting Endorsement." Within 30 days of canceling a policy, a former insured will receive a letter explaining the Extended Reporting Endorsement and can choose to keep the coverage indefinitely. There are several ways MAG Mutual will place the Extended Reporting Endorsement on a policy at no cost to the physician: If a policyholder becomes disabled or dies or if the policyholder fully retires from the practice of medicine after age 55 and has been insured with MAG Mutual for more than five years.*

2. Defending Physicians. Are the company's defense lawyers local and do they have experience in defending medical professionals? If you are sued, will your case be handled by a senior member of the law firm or assigned to a less experienced associate? Be prudent in researching a potential insurer's defense representation and counsel. Some companies use out-of-area third parties to manage claims or hire less experienced lawyers and expert witnesses in order to cut corners; be certain their top priority will be you.

MAG Mutual's guiding philosophy on claims is to "do everything possible to provide the best defense – period." That is why the company enjoys such a high success rate when representing policyholders. In 2006 MAG Mutual won more than 90% of the cases tried and since our inception, the company has closed 84% of claims without payment to plaintiffs. When a claim is reported, MAG Mutual is there; with local, seasoned defense attorneys - committed to the

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www.magmutual.com

Risk Management Tips

Do Older Adults Know Their Spouses End of Life Treatment Preferences?

Older married adults often name their spouses to make health care decisions for them should they become incapacitated and unable to convey their wishes to care providers. The common way to do this is through a Durable Power of Attorney for Health Care, also called a health care proxy.

However, according to a new study by University of Wisconsin researchers, many spouses often don't know their spouses wishes. Reviewing responses from 2,750 married couples who participated in the 2004 Wisconsin Longitudinal Study, the researchers concluded that individuals often incorrectly identified their spouse's care preferences.

For example, 28 percent of the study respondents incorrectly named their spouse's preferences when presented with a hypothetical scenario involving the spouse being in great pain and having a low chance of survival. And 14 percent incorrectly identified their spouse's preferences if the spouse were in minimal pain but were cognitively impaired.

The researchers found support for their hypothesis that respondents were projecting their own end-of-life preferences onto their partner. They also concluded that women are not more accurate predictors of their spouse's wishes than men.

Among the researchers' possible explanations for the apparent lack of knowledge of a spouse's end-of-life treatment preferences were: a wish to avoid thinking about a partner's death; an attempt to shield loved ones from potentially distressing concerns; efforts to conceal preferences from one another if they think the spouse will disapprove or change the preference; and the assumption that loved ones

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0% Premium Financing Plans Introduced October 1, 2007

MAG Mutual is now offering installment payment options without a service charge to pay your medical professional liability and other insurance premiums. **That's 0% Financing!** The new options are available for new or renewing medical professional liability and selected business / practice policies effective October 1, 2007.

Policyholders may choose among three installment payment options with 0% financing, paying three, four or six times a year. The two and ten-payment plan options are no longer available. At renewal, policyholders with these plans will automatically be switched to the closest available payment schedule. For example, if you were on a 10-pay plan, your renewal notice will reflect a change to the 6-pay plan.

Policyholders may also switch payment plans by indicating their preference when receiving the renewal notice, or by calling **1-800-282-4882** and speaking with an underwriting representative.

MAG Mutual Insurance Company is always looking for ways to help our policyholders. The insurance savings and new 0% financing plan, together with the dividend are just some of the initiatives MAG Mutual has introduced in 2007 to help our Georgia physician policyholders. ●

Silver Anniversary Tribute To Physicians

MAG Mutual is celebrating 25 years of serving physicians in 2007 and to commemorate our silver anniversary, we've developed a short video tribute in celebration of you and the thousands of physicians we serve.

It both reflects on and celebrates your decision to become a

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(Do Older Adults Know Their Spouses End of Life Treatment Preferences?, continued from page 1)

know them well enough to make the right choices.

Providers can help their patients prepare for end of life decision-making in a number of ways:

- Encourage patients to discuss End of Life options with their spouses and families before a crisis occurs.
- Suggest patients prepare Living Wills so that specific instructions may be given concerning the patient's wishes.
- Ask patients to provide you with copies of any Advance Directives for their medical records, and/or for discussion with you.●

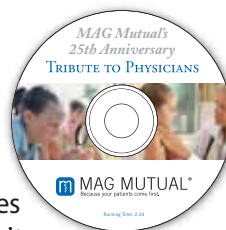
*MAG Mutual does not presume to establish any standard of care or establish rules for the practice of medicine. The particular patient-care strategies or range of patient-care strategies mentioned in this article should be tempered by the physician's judgment.

(Silver Anniversary Tribute, continued from page 1)

physician, your training, personal sacrifices, and daily devotion and dedication to helping your patients.

We hope you will enjoy the video tribute, play it often and share it with your family, friends and associates. The DVD's run time is just over two minutes and can be played in any DVD player. You will receive it by mail mid-October.

Our physician Board of Directors and all employees thank you for your loyalty and trust in MAG Mutual, and we promise to strive for even greater achievements in the next 25 years.●



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By Physicians. For Physicians.**MAG Mutual Announces 10%
Insurance Savings for
Georgia Physicians**

For policies effective November 1, 2007, MAG Mutual's Georgia insured physicians and surgeons will save an average of 10% when purchasing their medical professional liability insurance.

The 10% savings is the combination of a rate reduction, the \$10 million policyholder dividend, announced June, 2007 and the company's 0% financing plan for installment payments.

Savings for individual policyholders will range from a minimum of 5% to as much as 15%, depending on the physician's medical specialty and other factors.

With the passage of Georgia's tort reform law in February 2005, MAG Mutual promised to pass on the savings as the benefits of the law appeared. Since that time, the number of claims against physicians and the amount paid per claim have declined, proving that tort reform is working as intended by Georgia physicians and the Georgia legislature.

As the only medical professional liability insurer in the state to publicly advocate support for tort reform, to say that MAG Mutual is dedicated to serving our physician policyholders, is much more than lip service.●

(Georgia Tort Reform Success Brings Insurers Back - Part III, continued from inside flap)

team for the long haul, physician experts - reviewing the medicine, our one-of-a-kind physician-only Claims Committee, and litigation specialists - to assist with jury selection, and other support.

3. Special Policy Features. Are their any "jewels" in the policy? Does the company go above and beyond to provide uncommon or extra benefits for policy-holders?

MAG Mutual's policy includes several provisions that policyholders may not be familiar with. One provision in particular is our Locum Tenens Coverage. A locum tenens is a replacement physician who substitutes for one physician covered on the policy during that physician's absence. MAG Mutual provides this coverage for up to 60 days per year.

It's a simple equation: the less time you spend worrying about your practice, the more time you have to give to your patients. Over the years, this equation has driven MAG Mutual to find new ways to serve physician policyholders. Our entire organization is focused on you – our policyholders. **For further information, please review your policy or call the Policyholder Service Center at 800-282-4882.●**

MAG Mutual Rated A- (Excellent) with Stable Outlook by A.M. Best

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MAG Mutual Insurance Co.
P.O. Box 52979
Atlanta, GA 30355-0979

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