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5% Rate Reduction Approved



The Insurance Commissioner has approved the Mutual's request for a five percent rate reduction effective January 1, 2012.

“This premium reduction continues our efforts to provide responsible, sustainable premium relief to our policyholders”

- R. Austin Wallace, M.D.
Chairman and incoming CEO of the Mutual.

“The twelve percent renewal credit has also been extended for the 2012 policy year,” he noted. The Mutual was formed to provide stability and a reliable source of medical professional liability insurance for West Virginia physicians. “The physician-led Board of Directors will continue to develop leading-edge services for its policyholders while delivering on the promise of stability for the future,” Wallace said.

Since 2005 Mutual policyholders have seen significantly reduced premiums. “Physicians have experienced premium reductions ranging between forty and fifty percent depending on specialty,” Wallace continued, “This fact highlights the value and strength of our physician-owned Mutual.”

QUARTERLY COVERAGES

WINTER 2011



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Letter from the Chairman



Your West Virginia Mutual Insurance Company is a member of the Physician Insurers Association of America (PIAA), which is an association of physician-led professional medical liability companies similar to ours. Interestingly, the PIAA member companies insure more than 60% of U. S. physicians that purchase commercial malpractice insurance, hence representing the majority of the Medical Professional Liability Market. I can confidently state to you, our owners, that your Mutual has one

of the most robust and innovative Risk Management departments in the country. Our risk managers, Judy Davis-Thomas, Libby Bridgeman, Cheryl Payton, Michael Harmon and Debbie Henceroth extensively travel our state providing educational seminars, site visits, and staff support that is second to none. As Tony Caridi might say, we cover Weirton to Welch, Matewan to Martinsburg, and beyond (including parts of Virginia, Ohio, and Kentucky). Our very dedicated and talented professionals work tirelessly to provide these very helpful services to you.

Their efforts, in concert with our superlative underwriting performed by an experienced staff directed by Underwriting Vice President Scott Atkins and our previously hard-fought and hard-won medical liability civil justice reforms, have resulted in a much lower frequency of medical malpractice claims being filed in West Virginia. This success, in turn, has allowed your Mutual to significantly reduce premiums across all specialties over the seven years we have been in existence.

As a practicing Otolaryngologist, I remain quite sensitive to physician practice overhead issues in this era of declining reimbursements, so our company is very proud to be able to reduce your premium burden again. Indeed, we recently have been granted approval by the West Virginia Department of Insurance for a 5% rate reduction effective on January 1, 2012. This premium reduction will be applied at your next renewal. In addition, your physician-led

Board is also continuing the 12% premium renewal credit that has been offered for the past two years and the risk management credits we all enjoy that can total up to an additional 10% savings for you. We are able to take these very positive steps because your Mutual has enjoyed excellent management and is among the financially strongest of PIAA companies.

Two key figures in these successes are retiring on January 1, 2012: Dave Rader, our President and CEO, and Judy Davis-Thomas, our senior risk manager. Fortunately, both will still be available to your Mutual for the foreseeable future, which is great for their successors, yours truly as President and CEO, and the aforementioned Ms. Henceroth of the Risk Management department. Please convey your gratitude and best wishes to these extremely talented individuals as they undertake the next stage of their lives, as both have been instrumental to the strength of your Mutual.

Your Mutual has enjoyed much success over these past seven years because of a strong Board of Directors led by physicians, excellent management and staff and especially the loyalty of you, our physician owners. We continue to stand strong as PHYSICIANS INSURING PHYSICIANS.

Sincerely,



R. Austin Wallace, M.D.

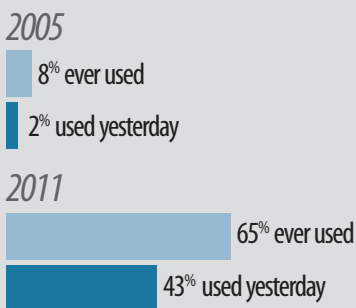
What is your Social Media Policy?

Facebook. Twitter. LinkedIn. If you do not use these social media platforms, odds are, your employees and patients do. These new forms of media continue to grow exponentially. It is important to outline usage guidelines for your staff to mitigate risk and define the role these will play in your practice.

This exponential growth in usage, and the presence of social media in almost every aspect of our society, has caused professional organizations to adopt and recommend policies to assist physicians in managing these new communication tools.

Social Media Growth Statistics

Percentage of all adult internet users who use social networking



Source: Pew Research Center's Internet & American Life Project surveys • February 2005, May 2011

Health care professionals have also recognized that the proliferation of Smartphones, connected directly to social media tools, means that protected health information can be distributed and patient privacy breached easier than ever before.

Here are some examples:

A health care employee asks for all his friends on Facebook to keep a patient and his family in their thoughts because

the patient has just learned he has cancer. The patient has not told anyone about this condition. A Facebook friend of the employee calls the patient's sister and asks how they can help during this difficult time. This is the first time the patient's sister has learned of the illness. The patient did not want his illness revealed to anyone at this time and files a complaint with the Office for Civil Rights.

An employee of an OB/GYN clinic known for fertility treatments takes a picture of flowers sent to her on her birthday. The picture is uploaded to Twitter for her husband and family to see. Patients, sitting in the lobby of the practice, are easily recognizable in the background of the picture. One of the patients in the picture shares a mutual friend of the employee who posted the picture. This friend sees the picture. At the grocery store the next day the mutual friend asks the patient if she is trying to have a baby because she saw a picture of her online at the practice. The patient is embarrassed, was seeking assistance with another health issue, and is now furious with the practice.

Establishing written policies and procedures for social media usage in your practice and educating your staff on these issues will help lessen the likelihood of an inadvertent breach of patient privacy. As these media continue to grow, and the sharing of information becomes easier and faster, establishing written guidelines and incorporating this topic into your ongoing employee training program is an important aspect in managing your practice.

AMA Policy: Professionalism in the Use of Social Media

The Internet has created the ability for medical students and physicians to communicate and share information quickly and to reach millions of people easily. Participating in social networking and other similar Internet opportunities can support physicians' personal expression, enable individual physicians to have a professional presence online, foster collegiality and camaraderie within the profession, provide opportunity to widely disseminate public health messages and other health communication. Social networks, blogs, and other forms of communication online also create new challenges to the patient-physician relationship. Physicians should weigh a number of considerations when maintaining a presence online:

- (a) Physicians should be cognizant of standards of patient privacy and confidentiality that must be maintained in all environments, including online, and must refrain from posting identifiable patient information online.
- (b) When using the Internet for social networking, physicians should use privacy settings to safeguard personal information and content to the extent possible, but should realize that privacy settings are not absolute and that once on the Internet, content is likely there permanently. Thus, physicians should routinely monitor their own internet presence to ensure that the personal and professional information on their own sites and, to the extent possible, content posted about them by others, is accurate and appropriate.
- (c) If they interact with patients on the Internet, physicians must maintain appropriate boundaries of patient-physician relationship in accordance with professional ethical guidelines, just as they would in any other context.
- (d) To maintain appropriate professional boundaries, physicians should consider separating personal and professional content online.
- (e) When physicians see content posted by colleagues that appears unprofessional they have a responsibility to bring that content to the attention of the individual, so that he or she can remove it and/or take other appropriate actions. If the behavior significantly violates professional norms and the individual does not take appropriate action to resolve the situation, the physician should report the matter to appropriate authorities.
- (f) Physicians must recognize that actions online and content posted may negatively affect their reputations among patients and colleagues, may have consequences for their medical careers (particularly for physicians-in-training and medical students), and can undermine public trust in the medical profession.

Source: <http://www.ama-assn.org/ama/pub/meeting/professionalism-social-media.shtml>
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Risk Management Credits Available for 2012

Our innovative Risk Management programs continue to increase in popularity with our policyholders. Mutual policyholders have access to quality risk management programs including in-service presentations for office staff, online CME, loss control CME workshops for physicians and risk management office visits.

These programs help control your exposure to potential claims while enhancing your physician-patient relationships and earning both CME and premium credits. Premium credits are applied at the next policy renewal after they are earned, and policyholders may earn up to 10% in risk management premium credits each year.

The credits offered below are effective January 1, 2012.

<i>Initiative</i>	<i>Credit</i>	<i>Years</i>
C.A.R.E. Program	5%	2
Health Information Technology	1%	2
Risk Management Office Visit	2%	2
Online CMEs for Physicians	1%	2
CME Loss Prevention Workshop	2%	1
In-service for Office Staff	1%	2

Contact your insurance agent to learn how to take advantage of all the Risk Management benefits offered as part of your policy with the Mutual.

Loss Control CME Presentations Continue to Increase in Popularity

Attendance at the Mutual's Loss Control CME presentations has steadily increased. More than 500 policyholders have attended at least one seminar in the past two years. Mutual CME programs are developed based on feedback from policyholders and the risk exposures with which they are most concerned. Effective January 1, 2012, a 2% premium credit may apply to your next policy renewal after attendance and will be effective for one year.

Our current programs:

HIPAA Compliance - Reality and Perspective

- This program provides a practical approach and recommendations to managing patient privacy in your practice. Attendees also receive updated information and recommendations regarding compliance with Federal guidelines.

Dealing with Difficult & Disruptive Behavior in Health care -

Topics discussed in this program are designed to assist health care providers in recognizing the destructive effects of disruptive behavior. Attendees are also offered advice on recognizing and managing this behavior in the health care setting.

Our current CME schedule can be found on the Mutual's website at www.wvmic.com. Call 800-998-7642 to register for a seminar.



How to Request Risk Management Services Online:

- 1 Go to:** www.wvmic.com
- 2 Click on:** Physicians
- 3 Click on:** To schedule a site visit -or- register for a seminar
- 4 Click on:** Complete Risk Management Service Request form