

The Physicians REPORT

Physicians Insurance A Mutual Company

Volume 25, Issue 2 Seattle, Washington www.phyins.com

Summer
2012

In This Issue:

Physicians Insurance
Acquires Risk Retention
Group Management
Companies

1

Rural Health Care

2

New PNUW President Sees
First Class Graduate at
Yakima Medical School

3

Tribute and Thanks to
Dr. Campbell

4

Introducing Dr. Brian
Wicks, Our New Chairman

5

AHRQ Demonstration
Update

6

Why Physicians Insurance
Supports HealthPact

7

Medical Error Is a Fact

8

Cyber Liability

9

Risk Management
Calendar of Events

11

Welcome, New Members!

12

Physicians Insurance Acquires EMPAC and SCRUBS, Two Risk Retention Group Management Companies

On August 6, 2012, Physicians Insurance A Mutual Company announced the successful acquisition of the EMPAC and SCRUBS risk retention group management companies. Through this acquisition Physicians Insurance can now offer alternative risk financing options to physicians, clinics, hospitals, their respective single/multistate associations, and other health care facilities.

This was a strategic decision, as it leverages the leadership role of Physicians Insurance and enables the company to respond to changes in the health care environment. Some of these changes are forcing medical professionals and facilities to rethink their risk financing options, and now they have another tool in their toolbox.

Though there are several operational and integration issues to manage in the short term, there is no interruption of service to Physicians Insurance policyholders, or to members of the EMPAC and SCRUBS risk retention groups. All the companies diligently worked to ensure a seamless continuity of business, and have developed an integration plan designed to preserve the relationships and expand the value each company offers.

“There are many new practice models in health care today. Many of those practice models will continue to be best served by the traditional insurance protection provided by Physicians Insurance, but some will want to explore alternatives such as risk retention groups,” said Mary-Lou Misrahy, President and Chief Executive Officer of Physicians Insurance. “By providing different

risk financing options, we are able to collaboratively work with groups in new and exciting capacities to lower their risk exposure.”

Physicians Insurance Board Chair Brian Wicks, MD, commented, “SCRUBS

and EMPAC are physician-driven companies, just like Physicians Insurance. This means that our focus continues to be on improving the delivery of safe and effective medicine. That’s the most important bottom line.”

This acquisition is linked to the company’s mission to lead the industry with programs that have a positive impact on the practice of medicine and patient health and safety. Our continuing focus is to improve the delivery of safe and effective medicine, and provide insurance options that are based on sound financial practices.

“SCRUBS and EMPAC are physician-driven companies, just like Physicians Insurance. This means that our focus continues to be on improving the delivery of safe and effective medicine,” said Brian Wicks, Physicians Insurance’s Chairman of the Board.
