

BEFORE THE DEPARTMENT OF INSURANCE, FINANCIAL  
INSTITUTIONS AND PROFESSIONAL REGISTRATION  
STATE OF MISSOURI

IN RE: )  
)  
MISSOURI PROFESSIONALS MUTUAL- )  
PHYSICIANS PROFESSIONAL INDEMNITY ) Case No.  
ASSOCIATION ("MPM-PPIA"), )  
)  
Respondent. )

CONSENT ORDER REGARDING VOLUNTARY PLAN

The Director of the Department of Insurance, Financial Institutions and Professional Registration ("Director" of the "Department") orders that Missouri Professional Mutual-Physicians Professional Indemnity Association ("MPM-PPIA") shall submit a voluntary plan to restore its surplus as regards policyholders to at least zero dollars. In support of this Order, MPM-PPIA and the Director state as follows:

1. MPM-PPIA is a nonprofit corporation organized in the State of Missouri. The Department first licensed MPM-PPIA, under a prior name, as an assessable Chapter 383, RSMo malpractice insurance association ("383 Association") on or about February 24, 2003.
2. MPM-PPIA continues to have an active, but limited, license to operate in the State of Missouri. MPM-PPIA purported to "surrender" its license on or about March 12, 2018. But on September 27, 2018 MPM-PPIA's counsel wrote the Director asserting that MPM-PPIA had not in fact surrendered its license and that no law allowed for such surrender. The Director accepts MPM-PPIA's request to rescind the surrendering of its license. Such license is valid and is scheduled to expire on February 24, 2019, however, MPM-PPIA's license is limited to running off its liabilities and MPM-PPIA is not authorized to write or renew insurance business. Any renewal of MPM-PPIA's license will be subject to this Consent Order or subsequent Orders. MPM-PPIA stipulates that upon the termination of this Consent Order, it will not seek further renewal of its license.
3. During the period between MPM-PPIA's attempted surrender of its license and the entry of this order, MPM-PPIA did not submit quarterly financial reports as required by 20 CSR 200-1.030. MPM-PPIA is ordered to submit such reports within 30 days of the date of this Order.
4. MPM-PPIA stipulates that its surplus as regards policyholders is less than zero dollars. MPM-PPIA further agrees and the Director hereby orders that

*CWH  
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MPM-PPIA shall submit a plan, pursuant to § 383.035.5, RSMo, within 60 days of the date of this order, under which MPM-PPIA will restore its surplus as regards policyholders to at least zero dollars.

5. If the Director determines that such plan is insufficient to restore MPM-PPIA's surplus to at least zero dollars, the Director may reject the plan and explain the reasons therefore. In such case, MPM-PPIA shall submit a new plan, addressing the Director's reasons for rejection, within 30 days of such rejection.
6. The Director or her designee shall monitor MPM-PPIA's performance under the plan. If MPM-PPIA fails to meet any targets proposed in the plan for three consecutive quarters, the Director or her designee may order modifications to the plan to assist MPM-PPIA in meeting the targets in the plan.
7. The Director bases this Order upon the following conduct, conditions, or grounds:
  - a) MPM-PPIA consents to this Order
  - b) MPM-PPIA stipulates, and the Director finds, that the company's surplus is less than zero dollars.
8. SERVICE. MPM-PPIA waives formal service of this Consent Order by registered mail and by hand-delivery.
9. DURATION AND TERMINATION. This Consent Order shall extend until MPM-PPIA provides evidence to the Director that its surplus is at least zero dollars for three consecutive quarters. This Consent Order may terminate prior to MPM-PPIA providing such evidence if:
  - a) MPM-PPIA secures adverse loss development coverage or some other transaction approved by the Director that is designed to achieve a solvent runoff if assets are exhausted before remaining claims liabilities are fully extinguished; or
  - b) Any other transaction approved by the Director that transfers all of MPM-PPIA's remaining claims liabilities to another party; or
  - c) MPM-PPIA secures a loss portfolio transfer transferring all remaining claims liability to another insurer.
10. VIOLATION. Should MPM-PPIA violate this Consent Order, the Director may institute proceedings in the Circuit Court of Cole County to compel compliance subject to the provisions of §§ 374.048, 383.035.5 and 383.035.6, RSMo.

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So notified, so furnished, so stated, and SO ORDERED, with signature and official seal affixed this 28<sup>th</sup> day of December, 2018.



Chlora Lindley-Myers, Director



For Jonathan Downard, MPM-PPIA

John Smith