

A POWERFUL CHAMPION FOR HEALTHCARE

2024 Annual Report



Table of

CONTENTS



4 Serving Those Who
Provide Care

9 Advocacy on Behalf of
the Medical Profession

12 Living Our Mission

19 Maintaining Enduring
Financial Strength

22 The Leaders in Our Boardroom

Letter from the

CHAIRMAN AND CEO



RICHARD E. ANDERSON, MD, FACP

As the nation’s largest physician-owned provider of insurance and risk management solutions, TDC Group is relentlessly dedicated to serving the healthcare profession. We’d like to personally thank our members and insureds for their loyalty and incredible work on the front lines of patient care every day—we are honored to support you with the best imaginable service, industry-leading coverage and protection, and tireless advocacy on behalf of the practice of good medicine.

We also would like to thank our employees, who work constantly to develop data-driven, innovative solutions that predict complications and provide resources and insights to help healthcare leaders address the challenges they face.

Guided by our Board of Governors, a majority of whom are healthcare professionals, TDC Group is uniquely positioned to understand the difficult issues in today’s evolving environment. Healthcare systems in the United States are stretched thin, and the expanding complexity created by consolidation, administrative burdens, and clinician shortages and burnout is causing mounting concerns about the accessibility of affordable quality care in the future. We are seeing firsthand how nuclear malpractice verdicts are changing the legal landscape, how artificial intelligence (AI) is poised to bring significant benefits alongside legal uncertainties, and how limited resources and widening care gaps among shifting demographics are leading patients to social media as a first port of call for medical advice.

In all this complexity, doctors, medical practices, advanced practice clinicians (APCs), and healthcare systems need a champion—a resolute voice loud enough to be heard. TDC Group is committed to supporting medical liability reform and to safeguarding access to patient care. We lead the industry with a dedicated, award-winning Government Relations team and the only medical liability advocacy program covering all 50 states and the federal level.

Through The Doctors Company Foundation, we continue to fund cutting-edge research into patient safety education for healthcare professionals in training and in practice, and patient safety research with clinically useful applications. Three new grants were approved in 2024, funding programs at esteemed institutions like UCSF and Johns Hopkins.

The service and advocacy of TDC Group extends to the communities in which we live and work. Achieving environmental, social, and governance (ESG) sustainability follows naturally from our mission and values. We have integrated these issues into our Board oversight, strategic planning, and business operations. And we are committed to building healthy communities, improving access to healthcare, and addressing the social determinants of health through our community investment programs.

“

We continue to drive discussions around the most prevalent concerns in healthcare today. Our annual Executive Advisory Board conference gathers together many of the most respected physicians and opinion leaders in the country to advance understanding of these key topics. In 2024, the impact of AI was a main focus, with keynote speakers examining both the theory and practical implementation of this revolutionary technology.”

Our focus on giving back goes beyond community investment—we are proud to be the industry leader in rewarding the practice of good medicine. The Tribute® Plan, an unparalleled program that rewards clinicians for a career spent providing superior patient care, has now distributed more than \$175 million in awards to our members.

We continue to broaden our capabilities and expand our services, and our success was clear in 2024. New members again grew by over 10,000 per year, and we now serve 119,000 healthcare professionals nationwide. Our Net Promoter Score stands at 78, a world-class rating, but this score rises to 91 among those members with whom we have partnered through the trials of litigation.

Premiums have reached \$1.5 billion, more than doubling in the past decade, and financially, 2024 was one of the strongest years in our history. Our financial strength is built on a conservative business philosophy designed to fully empower our mission, and we are already working to build upon last year’s success: We have entered into a definitive agreement, pending regulatory approval, to acquire ProAssurance, an industry-leading specialty insurer. The addition of ProAssurance to The Doctors Company will significantly enhance our ability to serve healthcare professionals now and well into the future.

Our vision of building an enduring national platform for service to healthcare has never been more important, as we support our members and all medical professionals in embracing healthcare change with confidence.

A handwritten signature in black ink that reads "Richard E. Anderson MD". The signature is fluid and cursive.

Chairman and CEO, The Doctors Company and TDC Group

Serving Those Who
PROVIDE CARE



Building an enduring national platform for service to

ALL HEALTHCARE PROFESSIONALS AND ORGANIZATIONS

TDC Group is guided by our vision: To build the preeminent organization for service to healthcare.

Through TDC Group's organizational structure of strategic business units—The Doctors Company, TDC Specialty Underwriters (TDCSU), and Healthcare Risk Advisors (HRA)—we are able to provide an effective response to rapid changes in healthcare. Our exceptionally broad capabilities are constantly evolving to keep pace with the ever-shifting landscape. We are defined by our depth of experience, commitment to the best imaginable service, and unrivaled product offerings.

Serving the full continuum of care—including physicians, APCs, dentists, medical groups of all sizes, hospitals, large healthcare systems, and the life sciences industry—we help medical professionals overcome the complexities of today's practice environment with expert guidance, resources, and coverage.

That's why so many of the nation's leading healthcare groups turn to TDC Group when it comes to achieving clinical, operational, financial, and legal outcomes that propel them forward. We provide a unique synthesis of insurance solutions, claims and risk management experience, unparalleled data analytics, and patient safety expertise for healthcare practitioners to embrace change and advance with certainty.

The Doctors Company offers healthcare professionals a vast library of award-winning patient safety resources, including closed claims studies that analyze top risks by specialty, care environment, and healthcare technology; articles written by leading experts that provide strategies to help practices reduce risk and improve patient care; and free accredited education courses on a wide range of key risk management topics for physicians, dentists, and APCs.

TDCSU's strong, experienced team provides standard and tailored coverage solutions for any type of complex risks, including hospitals, healthcare systems, reinsurance of captives, or any other segments that require nontraditional structures. They use data-driven risk management and data-driven claims handling to minimize each client's financial exposure.

HRA's experienced analytics team leverages a modern data analytics platform that analyzes a wealth of procedural and claims data to identify liability trends, losses, and potential exposures. Their in-house experts work collaboratively with their clients to develop action plans and resources to mitigate the risks identified by the analytics team. HRA partners with each client's team to establish an organizational culture that encourages constant improvement in risk management efforts.

TDC Group is proud to serve:

- 38 of the 48 largest healthcare systems by revenue
- 16 of the 20 top healthcare systems as ranked by *Yahoo Finance's* reputation score
- 15 of the 20 best hospitals as ranked by *U.S. News & World Report* Best Hospitals
- 12 of the 15 top healthcare systems as ranked by patient reviews

Our vision of service is backed by unrivaled national strength and leadership. With annual revenue of more than \$1 billion, \$7.8 billion in assets, and locations nationwide, TDC Group serves 119,000 medical professionals and organizations throughout the United States.



For healthcare professionals looking to improve outcomes while reducing risk and controlling cost, there's not a better, more experienced partner than TDC Group."

—Robert E. White, Jr., President,
The Doctors Company and TDC Group

The Doctors Company

Treating doctors as members, not policyholders, as we

ADVANCE THE PRACTICE OF GOOD MEDICINE

Founded and led by physicians, The Doctors Company has an unmatched understanding of the risks—and complications—of today's practice environment. Since 1976, we have been driven by our mission to advance, protect, and reward the practice of good medicine. We are a medical professional liability insurer that stands by our over 97,000 members with strong defense, visionary risk management specialists, and the best imaginable service.

Providing superior service is more than just a best practice for us: It is at the core of who we are. We regularly survey our members, and our 2024 results revealed exceptional rankings across multiple categories of support. Our Net Promoter Score (NPS) of 78 ranks us among the world's most respected brands. For perspective, the highest NPS in the property and casualty insurance industry is 53. And through surveying the physicians whom we have defended from malpractice allegations, we found that among that group, our NPS rises to 91—a world-class score that indicates extremely high member satisfaction as we work on their behalf to protect them and their reputations.

Our professional liability insurance coverage offers unique features, such as access to personalized risk management services and patient safety programs and the Tribute Plan, a breakthrough financial benefit that rewards members for their loyalty and dedication to providing superior patient care. To date, we have distributed more than \$175 million in Tribute awards to medical professionals—and 88 percent of our members agree the way we reward them is incomparable.

When it comes to risk management, 90 percent of our members are very satisfied with our claims prevention efforts. We provide members with a wealth of resources, including industry-leading programs that help them implement effective protocols, resulting in significantly fewer allegations of malpractice. Having access to the industry's largest claims database gives us an unparalleled understanding of lawsuits against healthcare professionals, and with our data-driven approach, we anticipate emerging trends and deliver innovative patient safety tools to help our members reduce risk.

If a claim occurs, we fight to win—both in and out of the courtroom. In fact, 93 percent of members agree that The Doctors Company provides them with

relentless defense. Our members' defense starts with a promise to never settle a claim without their consent, where permitted by law. If they are sued, seasoned advocates support them throughout the litigation process. We offer our members Surviving Litigation Seminars to provide them with constructive ways to deal with the stress of malpractice litigation. Experts guide members through legal jargon, deposition engagements, arguments, and verdicts. Litigation consultants explain how medical professionals can put forward a strong, effective defense.

And through our industry-leading national and state advocacy efforts, we are relentlessly committed to supporting medical liability reform and safeguarding access to patient care. We dedicate ourselves to this calling so that those caring for our communities can make decisions based on the best outcomes for patients, rather than the ever-present threat of litigation, invasive regulation, or financial loss.



Through unwavering commitment to advancing, protecting, and rewarding the practice of good medicine, The Doctors Company is always there for our members with expert guidance and counsel, both in and out of the courtroom.”

—**Deepika Srivastava, MBA, PMP,**
Chief Operating Officer, The Doctors Company
and TDC Group Shared Services

2024 Member Experience Survey

93% Exceptional Service

Members are satisfied with how we handle phone calls, questions, and requests.

90% Claims Prevention

Members are satisfied with efforts to help them prevent claims.

93% Relentless Defense

Members agree we relentlessly defend them.

88% Unrivalled Rewards

Members agree that our Tribute Plan awards are unmatched.

TDC Specialty Underwriters

Specialty solutions for the

LEADING EDGE OF HEALTHCARE DELIVERY

TDCSU is TDC Group's excess and surplus (E&S) specialist, focused on providing specialty insurance capabilities and related services to the rapidly evolving healthcare industry. Conducting business in a straightforward, honest, and thorough manner, we are a company committed to ease of doing business and service innovation. Since our inception in 2016, we have been and continue to be recognized as a leading and respected healthcare specialty lines insurer.

We offer broad E&S capabilities with options for nationwide admitted paper where needed. Our experienced experts design management and professional liability solutions for a variety of healthcare organizations and professionals, including:

- Physicians and physician groups
- Hospitals and healthcare systems
- Medical and long-term care facilities
- Managed care and life sciences organizations

Excess & Surplus Lines Specialists

Medical Professional
Liability

General Liability

Managed Care
Errors and Omissions

Products Liability

Directors and Officers
Insurance

Fiduciary Insurance

Early in 2024, a new identity—TDC Specialty—was introduced to provide a single point of access for TDC Group's Excess and Surplus Lines product offerings for institutional clients and the brokers who represent them. A journey that began with TDCSU and HRA represented separately in the market has evolved into an alignment of products, services, and capabilities. Their collective focus and expanded risk appetite is leveraged by data analytics resources that provide actionable claims and risk management insights.

Our experienced claims staff sets us apart through not only our commitment to rigorous claim file handling, but consistent and ongoing attention to the rapidly changing healthcare environment. We provide:

- Enhanced support for those experiencing a claim to keep them focused on delivering quality care
- A national panel of experts and the industry's top defense attorneys
- Individual attention and knowledge of the local legal environment

The Associate General Counsel of Professional Liability of one of our valued clients, a large urgent and primary care facility, praised their claims experience: "TDCSU's claims handling has been excellent across the board. Their claims staff responds immediately to questions and concerns. They are always well informed and willing to facilitate necessary meetings, make recommendations, and participate in all aspects of our claims, from report to resolution. The claims team provides objective oversight that is an essential part of our risk and liability assessment. And we benefit daily in their expertise in all phases of litigation management. We appreciate the partnership we have with the TDCSU claims staff, which includes everything from fostering team relationships with outside counsel to budget oversight."



With TDC Specialty now recognized as a single identity in the market, the unique capabilities of each organization were deeply examined with the goal of taking the best aspects from each and mutually adopting them. This integration has enabled stronger internal cohesiveness, allowing us to deliver even more exceptional service to hospital and health system insureds and the agents and brokers who serve them."

—Paul Romano, President, TDCSU

Insurance, data analytics, and claims and risk management solutions in

COLLABORATION WITH LEADING HOSPITALS AND HEALTHCARE SYSTEMS

For over four decades, HRA has provided comprehensive insurance and risk management advisory services to healthcare systems, hospitals, long-term care facilities, and social service agencies. Their foundation is built upon strong partnerships with Mount Sinai Health System, Montefiore Health System, Maimonides Medical Center, BronxCare Health System, and numerous social service agencies, becoming an integral part of these organizations' operations.

As part of the TDC Specialty identity introduced in 2024—which resulted in a unified alignment of products, services, and capabilities between TDCSU and HRA—HRA focuses on providing expanded services to clients and the brokers who represent them. Supported by broad data analytics capabilities, HRA works collaboratively with healthcare facilities to provide data-driven insights that can help reduce the total cost of claims and assist with mitigating future liability exposures.

Additionally, HRA utilizes the admitted writing paper of Hospitals Insurance Company (HIC), which has an AM Best financial strength rating of A and a long history of meeting the professional liability insurance needs of New York hospitals—including physicians affiliated with these medical systems.

A leading hospital in New York praised our work together: “HRA has been our integral partner in identifying opportunities to improve patient safety and outcomes through their careful analytics. While this has reduced the risk of our liability, our relationship has also helped us improve the quality of care that we provide.”

“



HRA provides services to large and small organizations by leveraging superior data analytics and practical lessons learned from decades of experience to help our partners access best-in-class self-insurance and risk reduction services.”

—Robert Kauffman, President, HRA

Advocacy on Behalf of
**THE MEDICAL
PROFESSION**

Advocating for healthcare professionals IN THE COURTROOM AND THE LEGISLATURE

TDC Group is relentlessly committed to supporting medical liability reform and safeguarding access to patient care. We lead the industry with a dedicated, award-winning Government Relations team and the only medical liability advocacy program covering all 50 states and the federal level. We work tirelessly on behalf of our members to defend reforms already in place, prevent legislation that would undermine our members' defense, and enact new measures to limit liability exposure for our members and all medical practitioners.

Our in-house team has been actively advocating on behalf of healthcare professionals in the U.S. since our founding in 1976. Most other carriers tend to have one nonspecialist staff member, who can only dedicate part of their time to government relations work. Our professional Government Relations *team* has no focus other than being committed to legislative, regulatory, and judicial advocacy on a full-time basis.

With more than 150,000 bills introduced each year in state and federal legislatures, our team constantly monitors legislation that impacts our members and advocates on their behalf. More than 30 states have enacted medical liability reform laws to promote access to healthcare; however, these laws are constantly under attack. Our Government Relations team works continuously at the legislative level to counter such threats—as well as on the judicial level with a robust friend of the court (*amicus curiae*) briefing program—and defend these hard-won protections.

Since TDC Group encompasses more product lines than just medical professional liability insurance, our advocacy work extends to support all facets and members and insureds of our strategic business units.

Key Advocacy Successes in 2024

In working with our coalition partners in 2024, we saw the culmination of our advocacy efforts to defeat attempts at the ballot box and in state legislatures to repeal existing medical liability reform laws nationwide. Here is a small handful of our successes in 2024:

- Defeated a bill that would have effectively skirted a cap on damages in all cases involving elders, and a veto request was granted on another bill that would have lowered the standards of proof in elder abuse cases
- Provided financial support to defeat a measure that would have imposed an extraordinary new services tax burden on healthcare providers
- Negotiated a legislative resolution to thwart ballot measures that would have (1) eliminated all caps on noneconomic damages in wrongful death and personal injury cases with few exceptions, and (2) permitted access to most medical records, effectively gutting protected peer review
- Defeated a bill that would have significantly increased the damages recoverable in a wrongful death action
- Established a Healthcare Access Amicus Committee to address a court decision that greatly expands recklessness as a cause of action to evade a state's medical malpractice damage cap
- Advocated successfully against a complex bill that would have effectively eliminated the noneconomic damages cap
- Preserved a fund that helps children injured by medical malpractice, which was underfunded and at risk of being suspended indefinitely
- Defeated legislation that would have removed a state's cap on medical liability damages where the alleged malpractice involved a patient 10 years of age or younger
- Defeated bills that would have significantly increased prejudgment interest amounts awarded to plaintiffs



Around the nation, our Government Relations team has built diverse political relationships with a broad coalition of healthcare interests, trade associations, political organizations, and public policy makers that work with us to support medical liability reform and other key initiatives of importance to TDC Group and all medical professionals.”

—**David McHale**, Chief Legal and Human Resources Officer,
The Doctors Company and TDC Group

Strong champions need equally **STRONG PARTNERS**

The nation's leading medical societies and organizations endorse or sponsor The Doctors Company as their preferred medical liability insurer. Placing their trust in us, they recognize our continuing commitment to enabling medical professionals to provide superior patient care. Each of these organizations and societies matches our dedication and integrity in serving healthcare.

We are honored by their vote of confidence.

American Academy of Otolaryngology—Head and Neck Surgery

American Association of Neurological Surgeons

American College of Cardiology

American College of Surgeons

American Society of Plastic Surgeons®

Brevard County Medical Society

California Association of Oral & Maxillofacial Surgeons

California Medical Association

Central Coast Medical Association

Community Oncology Alliance

Dade County Medical Association

Duval County Medical Society

Florida Chapter of the American Academy of Pediatrics

Florida Dental Association

Florida Medical Association

Georgia Obstetrical and Gynecological Society

Indian River County Medical Society

Lee County Medical Society

Medical Association of Atlanta

Michigan State Medical Society

New Mexico Medical Society

New York County Medical Society

New York Regional Society of Plastic Surgeons

New York State Society of Plastic Surgeons

Ohio State Medical Association

Osteopathic Physicians & Surgeons of Oregon

Palm Beach County Medical Society

Polk County Medical Association

Richmond Academy of Medicine

San Diego County Medical Society

Sarasota County Medical Society

Ventura County Medical Association

Wyoming Medical Society



Living Our
MISSION



The practice of good medicine deserves

UNRIVALED REWARDS

Owned and led by physicians, The Doctors Company is focused on rewarding our members.

We launched the Tribute Plan in 2007 as a pioneering member benefit for those who devote their careers to superior patient care. With Tribute, we made a long-term commitment to our members and their practices, and that dedication is just as strong today. Tribute reflects our founding charter—to support healthcare professionals by advancing and protecting the practice of good medicine.

We have distributed more than \$175 million in Tribute Plan awards. While other insurers have attempted to follow our lead, The Doctors Company is by far the only medical liability insurer that celebrates the careers of healthcare practitioners with rewards of this magnitude.

Our commitment is undeniable: More than 14,000 members have received Tribute awards, and we have funded over \$1 billion in Tribute accounts to date.

And as a result of our 2024 Member Experience Survey, we learned that the Tribute Plan is of critical importance to our members: 91 percent of those who know their Tribute balance are likely to renew their medical malpractice insurance policy with The Doctors Company, and 93 percent are likely to retire as a member.

Tribute Plan awards have absolutely no impact on current or future premiums—they are simply a financial reward unmatched by any other national medical professional liability insurer. Nor do they affect The Doctors Company’s ongoing dividend program, which returns premiums to qualifying members for better-than-expected loss experience. To date, The Doctors Company has declared more than \$485 million in dividends.

Tribute Plan Achievements

<div>5,000+</div> <div>Members with balances over \$25,000</div>	<div>\$264,808</div> <div>Highest Tribute award to date</div>	<div>14,000+</div> <div>Tribute award recipients</div>	<div>\$334,889</div> <div>Highest individual accrued balance</div>
--	---	--	--



Great service and communication. Enjoy watching my Tribute Plan grow. It pays to be an owner in the organization.”

—Gynecologist, Virginia



Leading the industry with INNOVATIVE GUIDANCE AND SOLUTIONS

TDC Group has a longstanding history of providing expert insights, superior guidance, and innovative products and resources to our members and insureds and all healthcare professionals.

In an ever-shifting healthcare landscape, TDC Group is the most experienced partner in the nation helping practitioners navigate change with certainty by shining a light on risks and trends that others cannot see. Our experts are dedicated to delivering the tools and services needed to identify potential sources of patient harm, increase quality of care, and enhance safety within any practice environment. This includes access to an unrivaled collection of data-driven, evidence-based patient safety and risk management programs and resources.

Award-Winning Service to Healthcare

With a national reach complemented by local expertise, our role as leaders in the industry was recognized multiple times in 2024 for various endeavors—often with esteemed company.



As APCs take on greater responsibilities in healthcare, their need for tailored malpractice coverage has never been clearer. TDC Group is here to support APCs with solutions designed specifically for their expanding roles, and we were presented with an InnoLead 2024 Impact Award for our digital automated underwriting platform for APCs.

Our automated platform enables real-time quoting, underwriting, payment, and policy issuance. The solution integrates third-party credentialing data, which enhances efficiency, shrinking transaction time from days to minutes, and reduces underwriting costs by 5 percent. In addition to TDC Group, the 2024 award winners included household names like Apple and Ray-Ban.



The Doctors Company's Chief Operating Officer, Deepika Srivastava, MBA, PMP, was named a *Business Insurance* 2024 Women to Watch honoree, part of an annual program that recognizes female leaders who do outstanding work in risk management and commercial insurance.

The Doctors Company was recognized this year with an eHealthcare Leadership Award in the category of Best Healthcare Content. The Doctors Company's website was honored for delivering exceptional resources for physicians and clinicians.



The Doctors Company's Claims team was named a *Business Insurance* 2024 U.S. Insurance Awards finalist for Claims Team of the Year. The recognition highlights the collaboration between the Patient Safety and Claims teams on *Diagnosis-Related Medical Malpractice Claims With Indemnities Over \$1 Million: Understanding the Primary Drivers*. The study was chosen as a finalist for its work addressing high-indemnity verdicts, an industry-wide concern.

Unlike traditional awards that focus solely on individual achievements, the U.S. Insurance Awards recognize that major achievements are seldom the work of individuals alone but are the result of the talent and dedication of collective teams working on specific projects in the commercial insurance and risk management sectors.

Combating Nuclear Verdicts and Social Inflation



In 2024, Robert E. White Jr., President of The Doctors Company and TDC Group, explained in the *Fortune* article "Medical Malpractice Payouts Are Ballooning—and Insurers Are Warning It Will Cost Patients" how social inflation is increasing the cost of healthcare through nuclear verdicts, or plaintiff verdicts over \$10 million.

Medical malpractice verdicts over \$10 million have surged by 67 percent from 2013 to 2023, with over half of those verdicts exceeding \$25 million in 2023 alone. Despite fewer claims overall, social inflation is driving increases in verdict amounts, fueled by societal desensitization to large numbers, third-party litigation investors, and emotional jury manipulation. This trend raises healthcare costs and promotes defensive medicine, but fortunately, tort reform may offer a solution.

To further help educate medical professionals on this trend, Mr. White was also featured on *The BI Interview*, a video series by *Business Insurance*. Skyrocketing malpractice verdicts, if left unchecked, will lead to healthcare becoming

unaffordable and inaccessible. An expert on the subject, Mr. White explained how social inflation and nuclear verdicts are forcing insurers to combat plaintiff attorney tactics, and how we are fighting nationwide to protect doctors and patients.

Focusing on the Future of Healthcare



AI has the potential to be a powerful ally for healthcare professionals—but it can also create new patient safety risks. *Artificial Intelligence in Healthcare* is a valuable TDC Group resource dedicated to exploring and examining AI technologies and sharing expert insights and actionable strategies to help healthcare professionals navigate new technologies.

In August 2024, under the guidance of Robert M. Wachter, MD, a member of our Board of Governors and one of the nation's leading experts on the challenges and promises of digital medicine, TDC Group gathered experts and representatives of the nation's leading healthcare organizations to discuss important topics around AI in healthcare at the 2024 Executive Advisory Board meeting. During the meeting, speakers shared their insights on integrating AI into healthcare systems and practices, and we shared key learnings in our resource center to keep practitioners informed of issues impacting AI and healthcare.



As our leaders at TDC Group continue to look forward, we are exploring the trends, challenges, key lessons, and emerging risks in the next decade of healthcare. We remain committed to serving those who provide care by delivering insights into the evolution of healthcare to help guide the actions of medical leaders making critical decisions. Our report, *What U.S. Healthcare Will Look Like in 2035*, lays out many of these key issues and outlines our top 10 predictions for changes over the next decade. The goal of the report is to promote discussion of the issues and trends among our members and all healthcare professionals to help them prepare for inevitable industry change in the future.

Promoting a people-focused culture with

INTEGRITY AND INCLUSIVENESS

TDC Group prioritizes attracting and retaining talent to ensure we have a quality workforce now and in the future—one that mirrors the healthcare profession we serve.

We recognize the strength that comes from varied perspectives, backgrounds, and experiences, fostering an environment where every employee can thrive. Our commitment to employee growth regularly earns our strategic business units Great Place to Work® (GPTW) certification.


Employee engagement and recognition are key priorities at TDC Group. Our strong engagement scores, consistently measured through internal surveys and GPTW assessments, reflect the depth of our workplace culture. Through our recognition program, employees actively celebrate one another’s contributions, reinforcing a culture of appreciation and motivation.

Our people-first approach is evident in our exceptional 90.2 percent retention rate. Through our rigorous succession planning process, we identify and develop the right talent for key roles, keeping our leadership pipeline strong and aligned with our long-term strategy. With an average employee tenure of over 10 years, we have built an environment where employees choose to stay, grow, and advance their careers.

We also understand the importance of well-being and work-life balance. TDC Group supports our employees with flexible work options, paid time off, and family-friendly policies.

Our commitment to a people-first approach is reflected in every aspect of how we hire, develop, and support our team.

“



Our people are the foundation of TDC Group’s success. By prioritizing the attraction, retention, and development of talent, we build a strong workforce and culture—ensuring TDC Group remains an employer of choice that empowers our employees and delivers excellence.”

—**Rachel Nelson**, Senior Vice President, Human Resources, The Doctors Company and TDC Group



							
Hiring	Employee Growth	Ongoing Development	Succession	Retention and Well-Being	Pay Equity	Strategic Partnerships	Data-Driven Insights
We seek talent that brings skill, potential, and value alignment—ensuring each hire strengthens our culture and future.	We provide opportunities for employees to stretch, lead, and shape their careers within the organization.	Learning is continuous—through training, mentorship, coaching, and tools that support skill-building at every level.	We invest in identifying and preparing future leaders to ensure long-term stability and progress.	We prioritize well-being and meaningful engagement to create a fulfilling employee experience that encourages long-term retention.	We regularly review compensation to ensure fairness, consistency, and market competitiveness.	We build strong relationships with mission-aligned external partners to expand opportunity and drive innovation.	We use workforce data to inform decisions, track progress, and continuously improve our people strategies.

Operating always with

THE HIGHEST LEVEL OF GOVERNANCE

TDC Group maintains robust governance practices that are supervised by the Board of Governors and its various specialty committees. This expert oversight of our management of enterprise risk and financial processes is designed to ensure we deliver the long-term fiscal stability required to support our members throughout their entire careers.

The Nominating and Governance Committee is responsible for our governance structure and processes. This includes reinforcing our strong ethical culture, such as through the ratification of the Corporate Governance Annual Disclosure (CGAD) report. The committee also oversees board recruitment and board diversity, for which we exceed all regulatory requirements. Our Finance and Risk Committee is responsible for the oversight of material financial risk, including scenario planning and the ratification of our Own Risk and Solvency Assessment (ORSA) Report.

Our Audit Committee oversees TDC Group’s Enterprise Risk Management activities with regular reviews of any issues that arise. The Technology and Cyber-Risk Committee oversees our technological advancement, cybersecurity risks, and data security. Our Investment Committee oversees our investment policies and practices that support corporate social responsibility efforts,

including oversight of our corporate investment managers, who integrate ESG considerations into asset allocation and investment decision making.

The integration of AI into healthcare-related organizations and medical professional liability insurance carriers represents a transformative leap to enhance risk assessment, claims management, and overall operational efficiency. At TDC Group, we are committed to innovation and cutting-edge practices to improve our operations. We aim to leverage these new technologies to proactively mitigate risks and provide value to our stakeholders by advancing our AI implementation where ethically appropriate.

Our approach prioritizes improving our effectiveness, ensuring strict adherence to ethical best practices and compliance standards, and fostering a data governance framework that is both progressive and responsible to our members.

“



Our Board of Governors provides strong oversight of our governance efforts, with robust processes that protect our members and assets. TDC Group is committed to conducting business with honesty, integrity, and the highest level of ethics.”

—**Bryan Lawton, PhD**, Chief Governance and Corporate Development Officer, The Doctors Company and TDC Group



Supporting the health of the entire community

IN AND OUT OF THE CLINICAL SETTING

TDC Group is dedicated to building healthy communities, improving access to healthcare, and addressing the social determinants of health. Our commitment is demonstrated through the volunteer and financial contributions of our employees, which are matched by TDC Group, and through corporate charitable donations that directly support the communities where we work.

Our employees believe in contributing to society in an ethically and socially responsible manner that reflects our core values: Service, integrity, accountability, professionalism, collaboration, and agility.

2024 Community Investment Programs Summary



Investing in Sustainability

In addition to our matching fund and corporate charitable giving programs, TDC Group has a long track record of investing in and aligning with partners that reflect a commitment to a shared mission, allowing us to create community benefits as we deliver value for our members and insureds.

Over \$4.3 billion, or 65 percent, of our investment portfolio is managed by external advisors who, based on internal ratings, adhere to principles of sustainability and inclusiveness in the investments and operations of their respective companies.

Included in this endeavor is participating in the California Organized Investment Network’s (COIN’s) mission, which is “to guide insurers on making safe and sound investments that yield environmental benefits throughout California and/

or social benefits within the State’s underserved communities.” COIN-qualified capital is allocated to investments in communities traditionally underserved in financial markets and to environmental projects promoting sustainability in California.

Under the leadership of our Chief Investment Officer, T.C. Wilson, who serves as Chair of the COIN Advisory Board, we have approved a minimum allocation of 1 percent of total TDC Group—invested assets in COIN-qualified strategies.

In addition, when evaluating prospective money management firms, TDC Group considers and gives credit to minority-owned firms. In 2024, we engaged two women-owned firms in managing a combined \$320 million of our assets. We invest in renewable energy projects and affordable housing, which often connect to healthcare and offer attractive opportunities from a return and risk perspective.

Our investments have positive community and environmental impacts, such as investing in California municipalities to benefit underserved communities and impact investments in green bonds, energy conservation, and renewable power. For example, last year we funded a new energy investment, which invests in debt securities of power generation, energy infrastructure, and other clean energy—related projects.



“TDC Group focuses on investments that align with our mission, such as projects supporting affordable housing, improving patient outcomes, and expanding access to care for rural and underserved populations while achieving attractive market-rate, risk-adjusted returns.”

—T.C. Wilson, Chief Investment Officer,
The Doctors Company and TDC Group

The Doctors Company Foundation

Funding patient safety research, education, and training to IMPROVE CLINICAL OUTCOMES

The Doctors Company Foundation is a 501(c)3 nonprofit organization created to support patient safety research and education for healthcare professionals in training and in practice, with a primary focus on innovative research with clinically useful applications that develop knowledge, techniques, and tools likely to reduce or eliminate the risk of adverse events that cause harm to patients while under care.

In 2024, The Doctors Company Foundation received 72 letters of intent, and after review, invited eight applicants to submit proposals. After final examination of all applications, the Foundation’s Board of Directors awarded grants to three projects, bringing its funding since its inception in 2008 to more than \$8.5 million.

\$8.5M
in grants to date from
The Doctors Company Foundation



An AI-Driven Approach to Reduce Chronic Post-Surgical Pain and Opioid Use
Developing an AI-driven approach for patient enrollment into a transitional pain service to reduce chronic post-surgical pain and opioid use.



FALLPRO: Fall Prevention and Risk Optimization Tool
Employing machine learning algorithms and mathematical optimization to develop a dynamic risk-scoring system and provide actionable insights for personalized intervention strategies.



Optimizing Blood Product Use in Critically Ill Patients With Liver Disease Through Thromboelastography
Testing the hypothesis that using thromboelastography to measure coagulation and hemostasis in patients with liver disease will lower blood product usage and result in fewer adverse events compared to conventional coagulation tests.

We will provide study outcomes and publications as they become available at tdcfoundation.com.

Maintaining Enduring

FINANCIAL STRENGTH

Financial success to

EMPOWER OUR MISSION

TDC Group is a strong, reliable partner in today’s ever-changing market. Our members and insureds can count on us to have the power and financial resources necessary to protect them now and in the future.

Our financial success has been built on a conservative business philosophy designed to fully empower our commitment to the best imaginable service for our members and insureds and advocacy for the medical profession.

Our long history of stability and strong performance has been repeatedly recognized by many independent evaluators: The Doctors Company is rated A by both AM Best and Fitch Ratings, and HIC is rated A by AM Best.

With \$7.8 billion in assets, we offer unmatched financial strength and backing to protect our 119,000 insureds. Our member surplus is \$3.1 billion, making us the strongest of any national physician-owned medical liability carrier. Member surplus is a measure of a company’s ability to pay claims, and it’s a critical measure of our financial stability.

2024 Financial Highlights

\$7.8B

Assets

Unrivaled financial strength and backing for our members

119K

Insureds

We’re the nation’s largest physician-owned provider of insurance and risk management solutions

\$3.1B

Member Surplus

Strongest of any national physician-owned medical liability carrier

0.42:1

Written Premium-to-Surplus Ratio

This ratio, based on net written premium, is a measure of our financial strength. Industry standards prescribe a ratio no higher than 3.0:1.

1.19:1

Reserves-to-Surplus Ratio

This ratio is a measure of our financial stability. Industry standards prescribe a ratio no higher than 4.0:1.

“



Our \$242 million of surplus growth in 2024 was the second highest in the company’s 48-year history and is attributable to solid business growth, strong claims results, and prudent investment of funds. We set high standards for ourselves throughout our operations and in our fiscal management to ensure we continue to be out front in protecting healthcare practitioners and organizations well into the future.”

—**Marco Vanderlaan, CPA**, Chief Financial Officer,
The Doctors Company and TDC Group

TDC GROUP CONSOLIDATED OPERATING RESULTS

Financial Highlights	2024	2023
(dollars in thousands)		
Total Assets	\$7,830,294	\$7,289,038
Loss Reserves	\$3,726,069	\$3,471,209
Direct Premiums Written	\$1,489,115	\$1,425,053
Net Premiums Earned	\$1,284,289	\$1,233,541
Policyholders' Surplus	\$3,118,583	\$2,878,496
Number of Insured Healthcare Professionals	118,572	112,436
Total Open Claims	14,713	15,202
Reserves-to-Surplus Ratio	1.19	1.21
Premium-to-Surplus Ratio	0.42	0.44
Balance Sheet		
Assets		
Bonds	\$4,782,356	\$4,637,444
Equity Securities	1,364,638	1,109,289
Cash and Short-Term Investments	546,050	503,920
Other Invested Assets	588,905	544,917
Total Cash and Invested Assets	\$7,281, 949	\$6,795,570
Uncollected Premiums	\$417,060	\$341,746
Reinsurance Recoverable	14,991	20,804
Other Assets	116,294	130,918
Total Assets	\$7,830,294	\$7,289,038
Liabilities and Policyholders' Surplus		
Reserves for Losses and Loss Adjustment Expenses	\$3,726,069	\$3,471,209
Unearned Premiums	722,428	682,675
Accrued Expenses	11,005	8,072
Policyholder Dividends	10,773	6,060
Other Liabilities	241,436	242,526
Total Liabilities	\$4,711,711	\$4,410,542
Surplus Notes	505,000	505,000
Policyholders' Surplus	2,613,583	2,373,496
Surplus as Regards Policyholders	\$3,118,583	\$2,878,496
Total Liabilities and Policyholders' Surplus	\$7,830,294	\$7,289,038

Income Statements	2024	2023
(dollars in thousands)		
Underwriting Income		
Net Premiums Earned	\$1,284,289	\$1,233,541
Underwriting Deductions		
Loss and Loss Adjustment Expenses	947,480	917,595
Other Underwriting Expenses Incurred	288,839	273,078
Total Underwriting Deductions	1,236,319	1,187,917
Net Underwriting Gain	\$47,970	\$45,624
Net Investment Income Earned	266,958	211,774
Realized Gain (Loss) on Sale of Investments	(29,215)	20,464
Net Investment Gain	237,743	232,238
Other Operating Income	2,789	2,756
Income Before Taxes and Dividends	\$288,502	\$277,862
Policyholder Dividends	(13,605)	(8,204)
Federal Tax Expense	(44,395)	(42,341)
Net Income	230,502	227,317

The financial data shown here are based on statutory accounting principles.


We Lead the Industry Because of

THE LEADERS IN OUR BOARDROOM

BOARD OF GOVERNORS


The Doctors Company Board of Governors comprises an accomplished, distinguished group of professionals who are passionate about advancing, protecting, and rewarding the practice of good medicine. The Board includes physicians, healthcare leaders, and distinguished executives—representing many of the nation's leading medical centers, property and casualty insurers, and financial advisors.

RICHARD E. ANDERSON, MD, FACP



Medical Oncologist; Chairman and Chief Executive Officer, The Doctors Company and TDC Group; Chair of the Medical Professional Liability (MPL) Association's forum for top insurers and Vice-Chair of the MPL Association's Education and Research Foundation

JAMES P. BAGIAN, MD, PE



Founding Director, Center for Risk Analysis Informed Decision Engineering, Center for Healthcare Engineering and Patient Safety, and Professor, Medical School and College of Engineering, University of Michigan; Diplomate, American Board of Preventive Medicine; NASA Astronaut

STEVEN J. BENSINGER, CPA



Senior Advisor, Howden Re; Board Director, Ariel Re, Clearcover Insurance, Kinsale Capital Group, Inc., and Accredited Insurance Program Management.

EUGENE M. BULLIS, CPA




Former Executive Vice President and Chief Financial Officer, Hanover Insurance Group

DANIEL KENT CASSAVAR, MD, MBA, FACC



Interventional Cardiologist; Medical Director, The Doctors Company and TDC Group; Former President and Chief Medical Officer, ProMedica Physicians

CHARLES R. KOSSMAN, MD, PhD




Hematologist and Medical Oncologist; Former Clinical Professor of Medicine, University of California, San Diego

MEGAN MAHONEY, MD, MBA



Family Medicine Physician; Chair, Department of Family and Community Medicine, University of California, San Francisco

ELLEN H. MASTERSON, MBA, CPA




Former Senior Partner, PricewaterhouseCoopers LLP; Former Senior Vice President and Chief Financial Officer of American General Corporation

HOWARD MILLS



Retired Deloitte Managing Director and Global Insurance Regulatory Leader; Former Superintendent, New York State Insurance Department; Board Member, Genworth Financial; and Partner, Pavement Management Group

WILLIAM C. RUPP, MD



Hematologist and Medical Oncologist; Former Chief Executive Officer, Mayo Clinic in Florida

CHRISTA STEELE, MBA



Financial and Governance Executive; Board Director at Tanimura & Antle, Velocity Risk, and Lantronix Inc.

MARY ANN THODE, JD, MPH, RN



Former President and Chief Executive Officer, Kaiser Foundation Health Plan and Hospitals, Northern California Region

GRACE VANDECRUZE, MBA, CPA




Financial Industry Executive; Founder and Managing Director, Grace Global Capital LLC; Former Managing Director, Swiss Re; Former Associate, Financial Institutions Group, Merrill Lynch

ROBERT M. WACHTER, MD




Internist; Professor and Chair, Department of Medicine, University of California, San Francisco

RONALD H. WENDER, MD, FACA



Anesthesiologist; Chairman Emeritus and Professor of Anesthesiology, Cedars-Sinai Medical Center

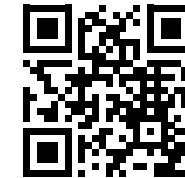
BRYAN LAWTON, PhD*



Chief Governance and Corporate Development Officer and Board Secretary, The Doctors Company and TDC Group

FOLLOW US

We're your source for timely healthcare and liability news—including emerging medical trends and continuing education opportunities. Stay informed by following us on our industry-leading social media channels and visiting tdcg.com.



[@TDCGrp](https://twitter.com/TDCGrp)



youtube.com/@tdcgroup



facebook.com/TDCGrp



linkedin.com/company/tdcg/



The Doctors Company
185 Greenwood Road, Napa, CA 94558
800.421.2368

TDC Specialty Underwriters
29 Mill Street, Unionville, CT 06085
888.277.3152

Healthcare Risk Advisors
111 West 33rd Street, 8th Floor, New York, NY 10120
212.891.0700