

— 2023 —



ANNUAL REPORT

We'll be there when you need us.

Words From Our President & CEO

Our Story

As KAMMCO approaches its 35th anniversary, we reflect on our journey through 2023 with a sense of accomplishment and deep gratitude for where we started and how far we've come.

KAMMCO was established in response to the insurance crisis of the 1980s. During this time, Kansas patients' access to healthcare was at serious risk due to significant and continual price hikes in medical professional liability insurance (MPLI). The situation reached a tipping point when the Kansas Medical Society (KMS) was pressured to endorse a staggering 50% rate increase by a national insurance carrier, who threatened to withdraw coverage from its Kansas physicians if their rate was not accepted.

The incident propelled KMS's leadership to recognize the urgent need for Kansas physicians to actively manage the availability and affordability of their professional liability insurance. KMS established KAMMCO to safeguard patient access to healthcare in Kansas and ensure a favorable working environment for physicians and other healthcare providers. This decision led to a transformative shift that positioned Kansas as one of the most affordable states for healthcare providers to obtain MPL coverage.

Accomplishments

KAMMCO has good reason to be proud. In 2023, our claims team knocked it out of the park with a staggering 100% win rate at trial. Our team's knowledge and understanding of the Kansas medical litigation landscape is second to none, which means plaintiff's attorneys think twice before bringing a claim against a KAMMCO-insured provider.

Our financial picture also gives us something to celebrate. KAMMCO's proactive approach to our financial portfolio and our responsible management of expenses mean our policyholders' surplus has grown to over \$86 million by a compound annual growth rate of 2.5% since 2019. This has garnered us AM Best's "strongest" rating for MPLI companies' capital-to-surplus ratio. It also has allowed us the privilege of distributing over \$12.81 million in combined Loyalty Awards and dividends since 2011.

Finally, I'd like to express our gratitude for the opportunity to serve the providers and patients of Kansas. The visionary leadership of KAMMCO's founders, especially Jimmie A. Gleason, MD, continues to light our path as servant leaders for the Kansas healthcare community. Everyone at KAMMCO takes this responsibility seriously and works every day to live up to Dr. Gleason's aspirational goal of putting patients and their healthcare providers at the center of everything we do.

It has been my personal privilege to serve Kansas healthcare providers for 34 years, and on behalf of the KAMMCO board of directors and staff, we look forward to serving long into the future. KAMMCO will always be there when you need us.

– Kurt Scott, President and CEO

Gratitude

KAMMCO is grateful for the loyalty and support of Kansas physicians, hospitals, adult care facilities, and all our other insured healthcare professionals across the state. In a time when national insurance carriers are buying up smaller companies in an attempt to amass ever-larger slices of the market share, KAMMCO can boast that we remain the largest writer of MPL insurance in Kansas, with an enviable member retention rate of 93%.

Central to our mission are the relationships we enjoy with the Kansas Medical Society, Kansas Hospital Association, and LeadingAge Kansas, among many others. These organizations are the backbone of legislative advocacy for Kansas healthcare providers across the state. KAMMCO is proud to support these organizations as they work to shape the state's medical landscape.



Achievements in 2023

Finance

Balance Sheet Highlights \$ Thousands		
	2023	2022
Net Admitted Assets	\$152,402	\$146,504
Reserve for Unpaid Losses	\$37,463	\$37,832
Other Liabilities	\$28,730	\$26,843
Policyholder Surplus	\$86,209	\$81,829

Income Statement Highlights \$ Thousands		
	2023	2022
Net Premiums Earned & Other Income	\$21,306	\$18,445
Loss and Loss Adjustment Expense	\$13,775	\$12,746
Underwriting & Other Expenses	\$7,883	\$7,508
Net Investment Income	\$2,857	\$1,745
Net Income	\$2,505	(\$64)

- AM Best's strongest rating for MPLI companies' capital-to-surplus ratio
- Surplus has grown to \$86M with a compound annual growth rate of 2.5% since 2019
- Growth in surplus driven by profits and an increase in asset market value
- Loss and loss adjustment expense reserves decreased due to favorable claims development

Claims

74%

Percent of Claims Closed
Without Indemnity

100%

Win Rate at Trial

Education

713

Members Who Used Med-IQ to
Receive No-cost CE Credits

1,494

Loss Prevention Program
Sessions Attended

Member Services

\$12.81 Million

Combined Loyalty Awards and
Dividends Paid to Members Since 2011

93%

Member Retention
Rate

Our Vision

KAMMCO will be an integral part of the healthcare community with a reputation as a responsible and innovative organization, setting the standards for member protection and advocacy for generations of healthcare professionals to come.

Our Mission

KAMMCO is a member-directed medical professional liability insurance company providing protection for physicians, hospitals, and other healthcare professionals through superior claims defense, versatile insurance products, innovative services, and unrelenting advocacy.



Contact Us !



Telephone

1.800.232.2259

Website

www.kammco.com

Topeka Location

623 SW 10th Ave.
Topeka, KS 66612

Wichita Location

3020 N Cypress St., Ste 110
Wichita, KS 67226