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**New State Insurance Commissioner**  
**to Have Say in Critical Healthcare Decisions**

**HARRISBURG (June 12, 2007)** – Pennsylvania Orthopaedic Society (POS) President Charles D. “Chip” Hummer, III, M.D. today recognized Gov. Ed Rendell’s nomination of Joel Scott Ario as Insurance Commissioner. The Senate is expected to consider the nomination in the coming weeks.

“If confirmed by the Senate, Mr. Ario will have his plate full of health care related insurance matters to consider,” Dr. Hummer said. “We look forward to working with Mr. Ario to protect the rights and needs of consumers for a quality healthcare system which includes specialty surgeons such as Orthopaedic surgeons.”

Dr. Hummer mentioned the need for continuing the state’s Mcare Abatement Program, the proposed merger between Highmark and IBC, the Governor’s Prescription for Pennsylvania and most pressing, the July 1 determination on whether or not to shift a

greater portion of medical professional liability insurance coverage to the private insurance market.

Last week, POS wrote to Acting Insurance Commissioner Randolph Rohrbaugh requesting a determination that the coverage levels remain at the current level of \$500,000 in private insurance and \$500,000 in the state's Mcare Fund.

The Rendell Administration estimates a 48% medical liability insurance premium increase for high-risk specialty surgeons such as orthopaedic surgeons unless the current coverage levels are maintained and the state's Mcare Abatement Program is renewed.

"Today's medical professional liability insurance market is quite different than five years ago when the legislation was written to change the coverage levels. In 2002 there were just a few traditional private commercial insurers covering physicians. Today we have a significant percentage of the market represented by self-capitalized entities such as risk retention groups, which filled the void created when commercial carriers left Pennsylvania," Dr. Hummer explained.

POS estimates that 18 of the 46 medical liability insurers listed by the Insurance Department are self-capitalized entities, representing at least 20 percent of the market.

"Even if affordability is not a mandated consideration for your market analysis, the potential destabilization of 20 percent of the market's medical liability carriers should be enough to stop a determination of adequate capacity," Dr. Hummer wrote in his letter. "The loss of these self-capitalized entities may again return the Commonwealth to the days when emergency room and trauma centers were threatened with closure due to a lack of high-risk specialists with the mandated insurance coverage."

A delay in the change of the coverage levels will allow vital reforms already enacted to be realized in the medical community and the market place, according to POS.

POS also supports legislation to extend the state's Mcare Abatement Program, which provides 100% abatement from the state's mandated excess medical liability insurance coverage for high-risk specialty surgeons such as Orthopaedic surgeons. All other doctors receive 50% abatement. The program is due to expire December 31, 2007 unless the General Assembly passes and the Governor signs a bill renewing the program for 2007.

POS is a professional medical specialty organization representing more than 900 orthopaedic surgeons across Pennsylvania in advocating for excellence in the practice of orthopaedic medicine. For more information on the importance of bone, joint and muscle health at every age, visit the POS website at [www.paorthosociety.org](http://www.paorthosociety.org).

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