

FOR IMMEDIATE RELEASE

New Med Mal Insurance Company
Medicus To Stay In Illinois
Company remains focused on expanding business

CHICAGO, IL – Medicus Insurance Company today vowed to continue writing medical malpractice insurance in Illinois despite a Cook County Circuit Court ruling overturning the states two-year-old tort reform law which placed caps on awards for non-economic damages.

“Today’s ruling hasn’t changed our decision to be a major player in Illinois for years to come,” Sheldon Davidow, President of Medicus said. “Although Medicus is a strong supporter of tort reform, we entered the market after a thorough examination of the entire business climate and chose to write policies with or without tort reform. Our decision is irrevocable, and we will continue to work hard in growing our company.”

The Illinois tort reform act, signed by Gov. Blagojevich in August 2005, places a cap of \$500,000 on non-economic damages in medical malpractice cases among other important reforms. Hospital liability is capped at \$1 million. Medicus strongly supports such tort reform, and will continue to honor all quotes, renewals, and entertain new business in Illinois despite today’s ruling. Davidow noted that today’s decision is only the initial step in the judicial process.

“Medicus is a strong supporter of tort reform and we will do everything in our power to fight for this law,” Davidow added. “However, today’s ruling is on the lowest rung of the judicial ladder and we are confident that tort reform will ultimately be upheld by the Illinois Supreme Court.”

The Texas-based insurance company entered the Illinois med-mal market this past spring writing policies in all specialties and in all parts of the state. As the cost of medical malpractice insurance skyrocketed in Illinois over the past decade, some communities found themselves without specialty physicians or in some cases with no doctors at all. In 2001, there were 17 malpractice insurance providers in Illinois. The crisis drove most major carriers out of the state.