



Dear Colleague:

I am pleased to announce that Medical Insurance Exchange of California (MIEC) is once again reducing policyholders' premiums by an average of 32 percent* by distributing a \$20 million dividend as a credit against premiums for renewals effective February 1, 2010.

The success of the Medical Injury Compensation Reform Act (MICRA) in controlling professional liability costs in California is one of the primary reasons that the MIEC Board of Governors has been able to declare large dividends for California policyholders for many of the past 35 years. Prior to the passage of MICRA in 1975, California physicians were sued frequently and suffered some of the largest jury verdicts in the nation. As a result, California physicians paid some of the highest professional liability insurance premiums in the country. Today, premiums in California are estimated to be less than half of what they would have been without the successful passage and protection of MICRA. According to experts, keeping MICRA intact saves California physicians more than a billion dollars each year and California patients even more.

The trial lawyers are threatening to challenge MICRA in 2011, following the gubernatorial election in 2010. The plaintiffs' bar feels that it has an opportunity to succeed in significantly eroding the benefits of MICRA or even repealing it altogether. The 2010 election of the Governor and open legislative seats possibly makes this the most important election for the preservation of MICRA since 1975. It is imperative that we help elect legislators who share our values and are committed to protecting MICRA.

MIEC's continued success in defending MICRA requires your financial support. The MIEC Board of Governors voted to form a political action committee, the MIEC PAC CA (MIEC Political Action Committee of California), for the primary purpose of protecting MICRA. We ask every policyholder to make a generous contribution to MIEC PAC CA to support our efforts to defend MICRA. You have assurance that your contribution will be used wisely to benefit you and your patients. If you have any questions, please call Bill Guertin of MIEC at 800-227-4527.

Sincerely,

A handwritten signature in blue ink that reads "James O. Gemmer M.D." The signature is written in a cursive, flowing style.

James Gemmer, M.D.
Chairman

PLEASE ENCLOSE YOUR PAC CONTRIBUTION IN THE {BLUE} ENVELOPE PROVIDED.

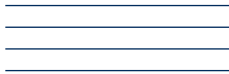
** Based on premiums up to \$1m/\$3m. Individual distributions will vary significantly.*

Please do not mail your premium payment in this MIEC PAC CA envelope; it should be returned directly to MIEC in the larger remittance envelope provided with your statement.

Did you know...

without MICRA your premiums might be double?
That seems like a worthwhile cause.

KEEP MICRA ALIVE!



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IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 739 OAKLAND, CA

POSTAGE WILL BE PAID BY ADDRESSEE

MIEC PAC CA
1127 11th Street, Suite 300
Sacramento, CA 95814





YES! I want to "KEEP MICRA ALIVE". Enclosed is my contribution to help preserve and protect MICRA in California.

- Charter Member \$1,975 Sustaining Member \$250 Regular Member \$99
 Supporting Member \$ _____

My Check is enclosed. Payable to MIEC PAC CA.

Please charge my credit card for my contribution to the MIEC PAC CA.

Visa Master Card AMEX _____ Exp. Date ____/ ____

Security Code: _____ (3 digit number on back VISA/MC; 4 digit number on front of AMEX)

Name as it appears on card: _____

Is this a Corporate Card? Yes No Corporation Name: _____

I understand my contribution to MIEC PAC CA is voluntary. My participation in the PAC will neither advantage nor disadvantage me or my position. I understand that levels of giving to the PAC are suggestions and that I am free to contribute more or less than the suggested amount, up to the maximum permissible by law.

Signature: _____ Date: _____

California Election law requires the following information. Please print clearly.

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Employer Name: _____ Occupation: _____

Daytime Telephone: _____ E-mail Address: _____

Contributions to MIEC PAC CA are not tax deductible. Contributions will be used for California political activities. Check from foreign nationals not admitted for permanent residence status are prohibited. Any person who makes contributions to California state and local candidates, ballot measures, PAC's (such as the MIEC PAC CA) and state political party committee in an aggregate amount of \$10,000 or more in a calendar year will have separate public disclosure requirements.