

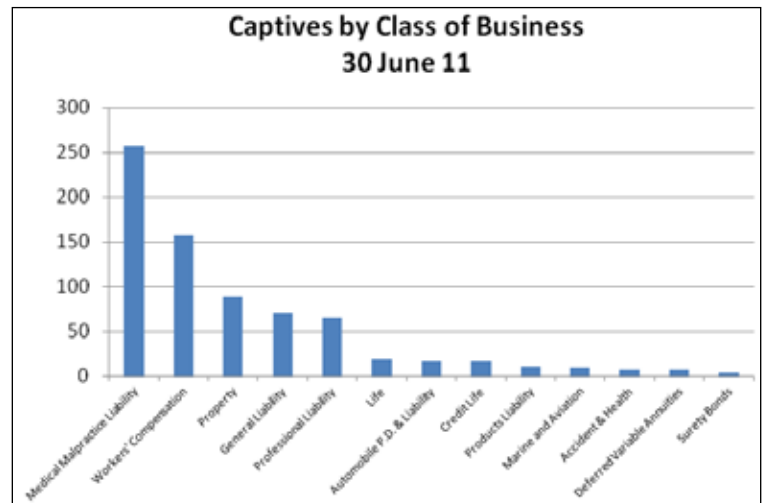
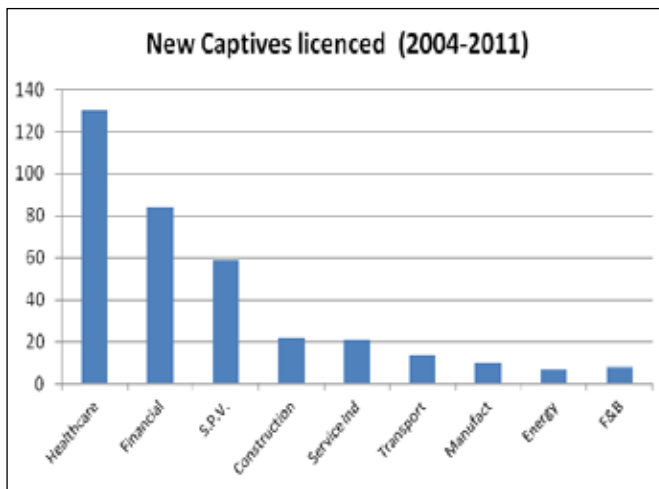
Cayman Captive Insurance Market

The Cayman captive insurance market is quite varied, with prominent risk types including healthcare, workers' compensation, property and general liability. Cayman has developed particular expertise in Medical insurance, and with 36% of the captive market covering healthcare risks, Cayman is the number one domicile for healthcare captives.

The following graphs detail the captives licenced by industry sector, from 1 January 2004 to 30 June 2011:

Industry Sector	Year of Formation									Total	%
	2004	2005	2006	2007	2008	2009	2010	Jun-11			
Healthcare	41	25	20	8	11	9	8	8	130	36.6%	
Financial	14	14	11	12	8	13	7	5	84	23.7%	
S.P.V.	3	7	9	12	8	9	7	4	59	16.6%	
Construction	5	1	8	4	2	0	1	1	22	6.2%	
Service Industry	3	2	3	5	3	1	1	3	21	5.9%	
Transportation	1	3	3	2	0	4	0	1	14	3.9%	
Manufacturing	4	3	0	2	0	1	0	0	10	2.8%	
Energy	1	2	1	0	0	3	0	0	7	2.0%	
Food&Beverage	3	2	1	1	0	0	1	0	8	2.3%	
Total	75	59	56	46	32	40	25	22	355	100.0%	

The growth during the past 7.5 years also corresponds with the present statistics that 36% of all captives in the Cayman Islands are Healthcare.



The information above shows the dominance of the Healthcare industry sector on the growth of the industry. During this 7.5 year period, 36.6% of all captives formed were Healthcare.

There were 725 active class "B" licences as at 30 June 2011 - medical malpractice liability was written by 257 captives (36%) representing US\$3 billion in premiums, followed by workers compensation with 157 (22%) and property with 88 (12%). Other major lines include general liability with 70 captives (10%) and professional liability with 65 captives (9%).

As at 30 June 2011, premiums written by Cayman captives represented US\$9 billion, with assets under management of US\$57.4 billion.

Healthcare Captives Education

Healthcare Captives Education

The Annual Cayman Captive Forum will be held from 29 November to 1 December 2011 at The Ritz Carlton, Grand Cayman. There are 20 sponsors, over 40 exhibitors and over 600 attendees registered at present. The Agenda for the Forum and Pre-Forum Tutorials is almost finalized and is available at www.caymancaptive.ky. As in past year there is a focus on topics of great interest to healthcare captives. The following is a listing of some of these topics.

How to prepare your healthcare captive for a Hard Market

This session is for advanced risk managers of healthcare organizations, IDS, physicians groups or managed care organizations. The purpose of the session is providing guidance on how to prepare for a hard market/cycle change and to examine the purpose and use of the wholly owned healthcare captive which should assist you in a hard market.

Bonnie Boone - Alliant

Judith Camp - Concentra / Humana

Lisa Havens, Scott & White Healthcare

Healthcare Captives and Patient Safety Organizations: Gaining Protection from Discovery and Enhancing Quality of Care

Hospital, physician and other healthcare captives can benefit from association with a Patient Safety Organization (PSO). US Patient Safety and Quality Improvement Act provides Federal protection from discovery of info that is gathered to improve quality/safety that is reported to a PSO. Discuss steps to take to access protection under the Act.

Anna Marie Hajek, Clarity Group Inc.

Diane Jacoby, Ingalls Health System

Hospital-Sponsored Physician Insurance Programs that Work: Achieving Success with a Captive

How an existing captive owner used their captive to create an extremely successful insurance program for emergency medicine physician groups. The program encompasses not only insurance for the physicians, but it also fosters communication between the physicians and the hospitals regarding emergency medicine issues and procedures, peer review, improved quality control, claims mgmt, education and clinical support. Program has been a win-win for all parties and is a great success story to share with others in the healthcare captive arena.

Dale Schultz - Banner Health Systems

Dr. Robert Baron - Emergency Professional Services

John Ashton - Ashton Tiffany

Senior Care- The market is so soft, do we still need this captive?? (and answers to many of the other most common senior care captive topics)

This interactive panel of Senior Care captive owners with executive, legal, finance, and risk mgmt expertise, will discuss the constant analysis and choices made by those operating Senior Care captives. While this panel represents the senior care industry, the issues discussed, case studies reviewed and recommendations made apply to many healthcare captive owners. Will also discuss market conditions, use of loss portfolio transfer, M&A activity, risk mgmt in senior care captives.

Joanne Wankmiller, Integro Insurance Brokers - Moderator

Bruce Mackey, Five Star Quality Care

Jen Ziolkowski, Opis Mgmt Resources

Employing Physicians: Impact on the Captive Insurance Program

Increasingly, physicians are becoming employed by health systems, many of which own captive insurance companies. This presentation will address the issues faced in extending coverage to employed physicians, from the perspective of a broker, the health system and an attorney. Topics to be covered include: Underwriting, Prior ACTs, insurance staff involvement in recruiting, coverage options, employment contracts, ramping up risk mgmt and claims, impact on captives.

Ruth Goodell - Marsh,

Julie Robertson - Honigman

Bill Powel - Summa Health System

How Your Captive Program Can Help You Make the \$Case\$ for Patient Safety

Using the Six Sigma DMAIC method (Define, Measure, Analyze, Improve and Control) NMH endeavored to improve the quality of their care and reduce their malpractice costs across a variety of departments by implementing projects around (as examples): Electronic fetal monitoring, Shoulder dystocia, Foreign body retention, Surgical site infection. With a multidisciplinary team comprised of staff from quality, risk mgmt, finance and their actuarial consultants NMH has successfully implemented a variety of projects that have lead to significant cost savings and improved quality of care. Presentation will provide an overview of the process and underscore the important interactions needed to make the case.

Jeremy Brigham, Towers Watson

William Bower, Northwestern Memorial Hospital

Todd Burgener, Northwestern Memorial Hospital

Healthcare Captives Education

Insuring Cyber Liability In A Captive Insurance Program

As organizations experience increasing events relating to a loss of private information and illegal access to their electronic information, many are beginning to consider how to utilize their existing captive insurance program to fund this exposure. This presentation includes an overview of cyber liability exposure, suggestions on how to design / manage a program to insure the liability within the captive, as well as a discussion regarding claims handling and risk mitigation practices.

Linda Jones & Dana Cary – RCM&D
Lauree Barreca, Johns Hopkins Health System

Using Healthcare Captives to Fund Accountable Care Organization (ACO) Benefit Plans

The new healthcare law, the Patient Protection and Affordable Care Act has given rise to a new framework, the Accountable Care Organization (ACO), for containing the costs of non-Medicare employee health plans. This session will discuss the ACO concept, and how an existing healthcare captive can be instrumental in forming the ACO and helping it realize its cost containment mandate.

Karin Landry - Spring
Rebecca Havlisch, Trinity Health System
Larry Smith - Medstar Health

Health Care and Social Media: Engagement, Advocacy & Risks

This panel will discuss the use of social media in health care and its underlying liability issues. As more health care organizations move to use social media, a host of issues, both anticipated and unanticipated, arise. Additionally, the business implications are far-reaching as employees, patients, and the public increasingly utilize and rely on social media.

Julie Carmichael, Suburban Health
Elizabeth Cisco, St. Vincent Health
William Thompson, Legal counsel

Cayman Islands Financial Services attends ASHRM

IMAC is pleased that the Cayman Islands is sponsoring a booth at ASHRM Annual Conference & Exhibition, this year being held at the Phoenix Convention Center. Over 35 representatives from many service providers including captive insurance managers, auditors, attorneys, bankers and investment managers are attending together with representatives from The Cayman Islands Monetary Authority and The Cayman Islands Government. This indicates the great importance that is placed on the financial sector of the Cayman

Islands economy.

The Cayman Islands are recognized as the world's most complete financial center with a well earned reputation for integrity, intellect and innovation. In September 2011 the Cayman Islands signed its 26th Tax Information Exchange Agreement ("TIEA") with the People's Republic of China.

If you are in the Convention Center please visit us at booth #700 to learn more about the Cayman Islands and drop off a business card.

We will be having a draw for:

- Complimentary accommodation at the Ritz-Carlton, Grand Cayman for up to 5 nights for arrival at any date starting Sunday November 27, 2011 and departing by December 2, 2011, subject to room availability. For details regarding the Ritz-Carlton, Grand Cayman please visit www.ritzcarlton.com/resorts/grand_cayman
- One complimentary full forum pass and one complimentary networking pass (for spouse or guest) to the Cayman Captive Forum 2011 from November 29 – December 1, 2011. For conference details see www.caymancaptive.ky

