



**EXAMINATION REPORT
OF**

**MedMal Direct Insurance Company
Jacksonville, Florida**

NAIC Company Code: 13793

**as of
December 31, 2023**

**By
The Florida Office of Insurance Regulation**

TABLE OF CONTENTS

LETTER OF TRANSMITTAL	-
SCOPE OF EXAMINATION.....	1
SUMMARY OF SIGNIFICANT FINDINGS	2
CURRENT EXAMINATION FINDINGS	2
PREVIOUS EXAMINATION FINDINGS	2
COMPANY HISTORY	2
GENERAL	2
DIVIDENDS	2
CAPITAL STOCK AND CAPITAL CONTRIBUTIONS.....	2
SURPLUS NOTES	3
ACQUISITIONS, MERGERS, DISPOSALS, DISSOLUTIONS	3
MANAGEMENT AND CONTROL.....	3
CORPORATE GOVERNANCE	3
HOLDING COMPANY SYSTEM	5
SIMPLIFIED ORGANIZATIONAL CHART	6
INTERCOMPANY SERVICE AGREEMENT.....	7
ACCOUNTS AND RECORDS	7
TERRITORY AND PLAN OF OPERATIONS.....	7
REINSURANCE.....	8
REINSURANCE ASSUMED.....	8
REINSURANCE CEDED.....	8
FINANCIAL STATEMENTS.....	8
ASSETS.....	9
LIABILITIES, SURPLUS AND OTHER FUNDS	10
STATEMENT OF INCOME	11
RECONCILIATION OF CAPITAL AND SURPLUS.....	12
COMMENTS ON FINANCIAL STATEMENT ITEMS	12
CAPITAL AND SURPLUS	12
SUBSEQUENT EVENTS.....	13
CONCLUSION.....	14

June 12, 2025

Michael Yaworsky
Commissioner
Office of Insurance Regulation
State of Florida
Tallahassee, Florida 32399-0326

Dear Commissioner:

Pursuant to your instructions, in compliance with Section 624.316, Florida Statutes, Rule 69O-138.005, Florida Administrative Code, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners (“the NAIC”), we have conducted an examination as of December 31, 2023, of the financial condition and corporate affairs of

MedMal Direct Insurance Company
76 South Laura Street, Suite 900
Jacksonville, Florida 32202

hereinafter referred to as “the Company.” Such report of examination is herewith respectfully submitted.

SCOPE OF EXAMINATION

This examination covered the period of January 1, 2019 through December 31, 2023, and the fieldwork commenced with planning with the Florida Office of Insurance Regulation (“the Office”) on July 1, 2024. The fieldwork concluded as of June 12, 2025. The Company’s last full scope exam by representatives of the Office covered the period of January 1, 2014 through December 31, 2018.

The examination was conducted in accordance with the NAIC Financial Condition Examiners Handbook (“the Handbook”). The Handbook requires that the examination be planned and performed to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer’s surplus to be materially misstated both currently and prospectively.

The examination was on a Florida domestic only and did not involve participation from other states. The Company has business or licenses in multiple states.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with the NAIC Statements of Statutory Accounting Principles (“SSAP”).

This examination report includes information obtained from the examination of the records, accounts, files and documents of or relative to the Company and other information as permitted by Section 624.319, Florida Statutes. There may be other items identified during the examination that, due to their nature (for example, subjective conclusions or proprietary information), are not included within the examination report but separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

Current Examination Findings

There were no significant findings as a result of this examination.

Previous Examination Findings

There were no significant findings in the previous examination.

COMPANY HISTORY

General

The Company was incorporated in Florida on June 14, 2010, and commenced business on June 17, 2010, as MedMal Direct Insurance Company.

As of December 31, 2023, the Company and its affiliate, CorePRO Insurance, LLC was acquired by Integris Financial Services, Inc. ("IFS").

Dividends

The Company did not declare or pay any dividends during the period under examination.

Capital Stock and Capital Contributions

As of December 31, 2023, the Company's capitalization was as follows:

Number of authorized common capital shares	10,000,000
Number of shares issued and outstanding	9,501,240
Total common capital stock	\$9,501,240
Par value per share	\$1.00

On September 17, 2020, the Board approved a change in the par value of the Company's common stock. The par value was increased from \$0.50 to \$1.00 to comply with Section 628.081(3) (d), Florida Statutes.

Surplus Notes

The Company has no surplus notes during the period under examination.

Acquisitions, Mergers, Disposals, Dissolutions

As of the date of the last examination, the Company was a wholly owned subsidiary of Physicians Trust, Inc (“PTI”). Effective December 31, 2023, after receiving regulatory and shareholder approvals, IFS acquired 100% of the issued and outstanding stock of the Company and its affiliate, CorePRO Insurance, LLC from PTI.

MANAGEMENT AND CONTROL

Corporate Governance

The annual shareholder meeting for the election of Directors was held in accordance with Section 628.231, Florida Statutes. Directors serving as of December 31, 2023, are shown below:

Directors		
Name	City, State	Principal Occupation, Company Name
Christopher McNeil Ball	Jacksonville, FL	Chief Executive Officer, Wingard Creative
Phillip Butler Ball	Atlanta, GA	Chief Executive Officer, Physicians Trust, Inc.
Carter Byrd Bryan	Jacksonville, FL	Retired Corporate Executive
William Talbot Buckingham	Ponte Verde Beach, FL	Retired Corporate Executive
Thomas Bryan Carter	Atlanta, GA	Chief Operating Officer, MedMal Direct Insurance Company
Marc Dean Hammett	Atlanta, GA	Chief Executive Officer, MedMal Direct Insurance Company

Effective January 1, 2024, with the acquisition by IFS, the Board of Directors were as follows:

Directors		
Name	City, State	Principal Occupation, Company Name
MaryAnn Dionne Bentz, MD	Waterford, CT	President, Dermatology Associates of Southeast Connecticut Chief of Dermatology, Lawrence & Memorial Hospital
Stephen James Gallant	Glastonbury, CT	President, MedMal Direct Insurance Company Chief Executive Officer, Integris Group
Marc Dean Hammett, CPA	Atlanta, GA	Chief Executive Officer, MedMal Direct Insurance Company
Jeffrey Bruce Hopkins, MD	Milford, MA	President, Orion Emergency Services, Inc. Chair, Department of Emergency Medicine, Milford Regional Medical Center
Mark Andrew D'Agostino, MD	Madison, CT	Owner/Partner, Southern New England Ear Nose Throat and Plastic Surgery Chief of Otolaryngology, Middlesex Hospital
Scott Reed Serels, MD	Norwalk, CT	Chief of Urology, Norwalk Hospital

In accordance with the Company's Bylaws, the Board appointed the following Senior Officers who were serving at December 31, 2023:

Senior Officers		
Name	City, State	Title
Marc Dean Hammett, CPA	Atlanta, GA	President & Chief Executive Officer
Thomas Bryan Carter	Atlanta, GA	Chief Operating Officer
Dana Lynn Fleming, CPA	Jacksonville, FL	Chief Financial Officer

Effective January 1, 2024, with the acquisition by IFS, the Board appointed the following Senior Officers:

Senior Officers		
Name	City, State	Title
Stephen James Gallant	Glastonbury, CT	President
Marc Dean Hammett, CPA	Atlanta, GA	Chief Executive Officer
Michael Patrick Conneely, CPA	Wethersfield, CT	Secretary & Treasurer
Dana Lynn Fleming, CPA ^(a)	Jacksonville, FL	Chief Financial Officer

(a) Dana Lynn Fleming, CPA retired as Chief Financial Officer effective June 28, 2024.

The Company's Board appointed several internal committees. The following were the principal internal board committees and their members as of December 31, 2023. The first person listed for each committee is the chairman.

The Company maintained an audit committee, as required by Section 624.424(8)(c), Florida Statutes.

Audit Committee		
Christopher McNeil Ball	Phillip Butler Ball	William Talbot Buckingham

Investment Committee		
Phillip Butler Ball	Marc Dean Hammett, CPA	

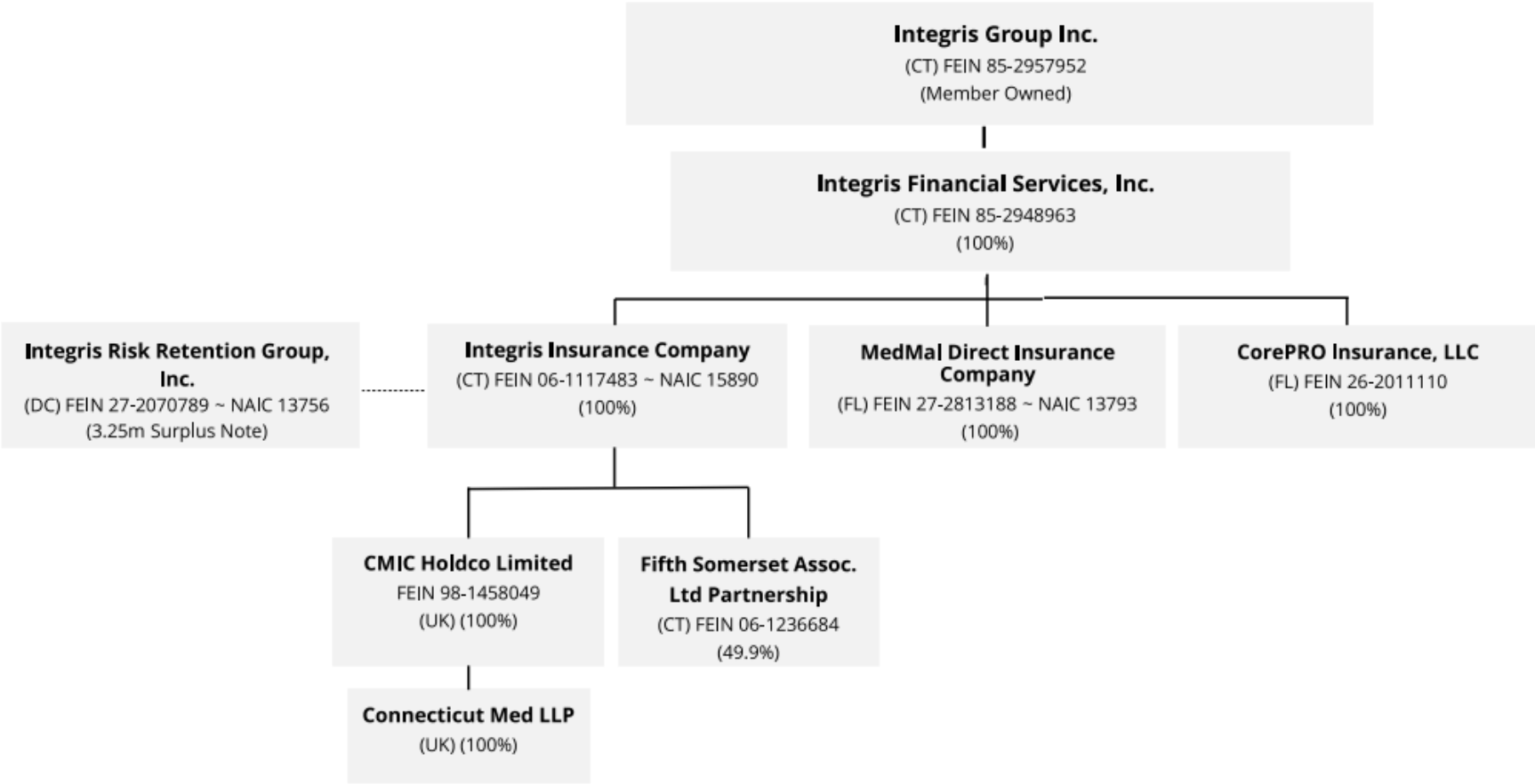
Effective January 1, 2024, all board committees were at the parent level.

Holding Company System

As of December 31, 2023, the Company was a member of a holding company system, and 100% of the Company's issued and outstanding common stock was owned by IFS.

An organizational chart as of December 31, 2023, reflecting the holding company system, is shown on the following page. Schedule Y of the Company's 2023 annual statement provided a list of all related companies of the holding company group.

**Medmal Direct Insurance Company
Simplified Organizational Chart
December 31, 2023**



The following agreements were in effect between the Company and its affiliates:

Intercompany Service Agreement

Effective January 1, 2021, the Company entered into an agreement with Physicians Trust, Inc. ("PTI") under which PTI provided personnel to perform certain services including, but not limited to, sales and marketing, corporate accounting, and other various operations services on behalf of the Company. This agreement terminated with the acquisition by IFS.

ACCOUNTS AND RECORDS

The Company maintained its principal operational offices in Jacksonville, FL.

TERRITORY AND PLAN OF OPERATIONS

The Company was authorized to transact insurance in the following states:

Florida	Indiana	Oklahoma
Alabama	Missouri	Pennsylvania
Georgia	North Carolina	Texas
Illinois	Ohio	Virginia

The Company was authorized to transact insurance in Florida on July 17, 2010, and is currently authorized for Medical Malpractice in Florida as of December 31, 2023.

The Company primarily writes Medical Malpractice claims made and occurrence policies in the southern region of the United States.

REINSURANCE

The reinsurance agreements reviewed complied with NAIC standards with respect to the standard insolvency clause, arbitration clause, intermediary clause, transfer of risk, reporting and settlement information deadlines.

Reinsurance Assumed

The Company did not assume any reinsurance during the examination period.

Reinsurance Ceded

The Company transferred risk through an excess of loss reinsurance agreement arranged by BMS, Re, acting as a reinsurance intermediary. Reinsurers include various syndicates and companies in both international and U.S. markets. The treaty provides coverage for claims made within a one-year period starting January 1. It includes multiple layers of coverage with specific terms for loss payments and aggregate deductibles across the years under review. For certain high-limit policies, the reinsurer covers losses above specified thresholds. The second layer of coverage includes partial reimbursement for awards made under the policies during the treaty term.

FINANCIAL STATEMENTS

The following includes the Company's statutory Statement of Assets, Liabilities, Surplus and Other Funds; statutory Statement of Operations, and the statutory Analysis of Changes in Surplus for the year ended December 31, 2023. The financial statements are based on the statutory financial statements filed by the Company with the Florida Office of Insurance Regulation and present the financial condition of the Company for the period ending December 31, 2023. (Note: Failure of the columns to add to the totals reflected in this Report is due to rounding.)

MedMal Direct Insurance Company
Assets
December 31, 2023

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$24,734,666	\$ -	\$ 24,734,666
Stocks			
Preferred stocks	1,698,303		1,698,303
Common stocks	4,481,323		4,481,323
Cash and short-term investments	8,896,058		8,896,058
Subtotals, cash and invested assets	39,810,349		39,810,349
Investment income due and accrued	176,688		176,688
Premiums and considerations			
Uncollected premiums and agents' balances	7,491,259		7,491,259
Reinsurance			
Amounts recoverable from reinsurers	2,112,397		2,112,397
Current federal and foreign income taxes recoverable and interest thereon	10,244		10,244
Guaranty funds receivable or on deposit	2,024		2,024
Electronic data processing equipment and software	41,776	41,776	
Furniture and equipment	7,610	7,610	
Receivable from parent, subsidiaries and affiliates	8,000,790		8,000,790
Aggregate write-in for other than invested assets	334,902	259,787	75,116
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	57,988,041	309,173	57,678,867
From Separate Accounts, Segregated Accounts and Protected Cell Accounts	-		-
Total	\$57,988,041	\$309,173	\$57,678,867

**MedMal Direct Insurance Company
Liabilities, Surplus and Other Funds
December 31, 2023**

	Per Company
Losses	\$ 21,777,720
Loss adjustment expenses	7,139,113
Other expenses	791,242
Taxes, licenses and fees	159,575
Unearned premiums	10,686,938
Advance premiums	1,036,447
Ceded reinsurance premiums payable	2,531,012
Aggregate write-in for liabilities	3,412
Total liabilities	44,125,459
Common capital stock	9,501,240
Gross paid-in and contributed surplus	23,821,760
Unassigned funds (surplus)	(19,769,592)
Surplus as regards policyholders	13,553,408
Totals	\$ 57,678,867

MedMal Direct Insurance Company
Statement of Income
December 31, 2023

	Per Company
Underwriting Income	
Premiums earned	\$ 20,069,348
Deductions	
Losses Incurred	18,469,931
Loss adjustment expenses incurred	3,767,590
Other underwriting expenses incurred	7,347,868
Total Underwriting deductions	29,585,389
Net underwriting gain (loss)	(9,516,041)
Investment Income	
Net investment income earned	628,979
Net realized capital gains or (losses)	33,380
Net investment gain or (loss)	662,359
Other Income	
Aggregate write-ins for miscellaneous income	237
Total other income	237
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	(8,853,445)
Dividends to policyholders	-
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	(8,853,445)
Federal & foreign income taxes incurred	-
Net Income	\$ (8,853,445)
Capital and Surplus Account	
Surplus as regards policyholders, December 31 prior year	\$ 10,298,060
Net Income	(8,853,445)
Change in net unrealized capital gains or (losses) less capital gains tax	581,507
Change in net deferred income taxes	(48,169)
Change in non-admitted assets	152,455
Capital Changes:	
Paid in	11,423,000
Change in surplus as regards policyholders for the year	3,255,348
Surplus as regards policyholders, December 31, current year	\$ 13,553,408

**MedMal Direct Insurance Company
Reconciliation of Capital and Surplus
December 31, 2023**

Capital/Surplus Change during Examination Period			
Surplus at December 31, 2018, per Company			\$14,394,560
	Increase	Decrease	
Loss in surplus		12,282,241	
Change in net unrealized capital gain (loss)	414,640		
Change in net deferred income tax		1,308,922	
Change in non-admitted assets	912,371		
Change in surplus notes			
Change in paid in surplus	11,423,000		
Transferred to surplus	4,750,620	4,750,620	
Net increase (or decrease)			(841,152)
Surplus at December 31, 2023 per Company			\$13,553,408

No adjustments were made to surplus as regards policyholders as a result of this examination.

COMMENTS ON FINANCIAL STATEMENT ITEMS

Capital and Surplus

The amount of capital and surplus reported by the Company of \$13,553,408, exceeded the minimum of \$4,000,000 required by Section 624.408, Florida Statutes.

SUBSEQUENT EVENTS

Effective January 1, 2024, the Company established a quota share reinsurance agreement with an affiliated company, Integris Insurance Company (“IIC”). Under this agreement, the Company cedes ninety-five percent of its medical professional liability premium and related losses to IIC, including the reserve for Death, Disability or Retirement (DDR). The agreement has a five-year term and may be renewed for additional successive five-year terms upon the approval of the Company’s Board of Directors. This agreement has been approved by the Office.

The Company was acquired by Integris Financial Services, Inc (“IFS”) effective December 31, 2023. As of this date, IFS was a part of a tax sharing agreement with Integris Group Incorporated and all affiliates within the holding group structure. An amendment to this agreement was filed with the Office on April 15, 2025. This amendment will add the Company and its affiliate, CorePro Insurance, LLC, to the existing tax-sharing agreement. This agreement has been approved by the Office.

Effective January 1, 2025, the Company filed the appropriate paperwork to change the company name to Integris Assurance Company.

CONCLUSION

The insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of MedMal Direct Insurance Company as of December 31, 2023, consistent with the insurance laws of the State of Florida.

In addition to the undersigned, the following individuals from Carr, Riggs & Ingram, LLC ("CRI"), The Burkhalter Group ("TBG"), and The Florida Office of Insurance Regulation ("OIR") also participated in the examination:

Joseph May, CPA, CMA, CFE, CIE	Examination Manager	CRI
Mary Anne King, CPA, CHFP, CFE	Participating Examiner	CRI
Francois Houde, CA, CFE, CISA, AES	IT Examiner	CRI
Christopher J Burkhalter, FCAS, MAAA	Examination Actuary	TBG
Bobby Jackson, CPA, APIR	Examination Supervisor	OIR

Respectfully submitted,



R. Dale Miller, CPA, CFE, CFF
Examiner in Charge
Carr, Riggs & Ingram, LLC
Representing the Florida Office of Insurance Regulation



Chad Mason, PIR
Chief Financial Examiner
Property & Casualty Financial Oversight
Florida Office of Insurance Regulation