

supportive committed
professional service
expertise quality
individual care
strength performance
with you always

2016 Annual Review



For 2016 we can again report excellent financial results, good national growth and a strong capital position. Our commitment and passion to providing personal care and quality service remain the core focus of MIGA.

Welcome

MIGA now stronger than ever



We are pleased to provide MIGA's 2016 Annual Review, which includes an overview of the Group's financial results for the year and a summary of key developments in the business.

This year the Group has delivered an excellent financial result further strengthening our capital position.

In addition, we are pleased to report on a number of important new developments across the year which expand on the support and services we provide to our members and policyholders.

At MIGA we stand for three very important things:

- Financial strength and security
- We care – we provide personal service, we look after our clients and we are always there for them
- We are specialists – we know medical indemnity, it is the core of what we do and we are experts in it.

Thank you

MIGA has grown significantly in recent years and now insures thousands of doctors, medical students, healthcare companies and eligible privately practising midwives nationally. As we have grown, what has not changed is our commitment to always deliver the best in terms of personal care and quality service.

We are very proud of our staff whose expertise, commitment and passion is amazing. We would like to thank them, our Board members and key advisors for their contribution during the last year which has been pivotal to the results achieved.

Each year we also reflect on our growing national client base and how much we value it. We take this opportunity to recognise the support and loyalty of our members and policyholders nationally.

The next few years

The medical indemnity industry has been stable for many years now. Unfortunately, we are seeing signs of the discounted pricing of the past re-emerging in the industry. This creates the potential for under-funding of liabilities which could cause the financial instability the industry experienced in 2000, to occur again. This cycle is one which the medical indemnity sector cannot afford to repeat.

Over the last decade MIGA has grown into a strong national organisation with a reputation for excellent financial management, professionalism and caring for our clients.

We have no plans to be the biggest insurer in Australia – but we do want to be the best.

As a leading provider of medical indemnity insurance in Australia, MIGA strives to make protecting our clients simple and effective. Our policy covers are broad and we aim to provide value for money, the highest level of professional support, financial security and high quality service.

Our commitment to our members and policyholders is threefold – to deliver financial security, to care for them when they are in need and to provide them with expert advice.



Dr Martin Altmann
Chairman, MDASA
and Medical Insurance Australia



Mandy Anderson
Chief Executive Officer
and Managing Director

Group highlights of 2016

Net profit (after tax)

Significantly ahead of budget

\$13.209m

↑ **184%**

Net assets

Creating a strong and secure future

\$125.852m

↑ **12%**

Capital Adequacy Ratio

In excess of the Group's Capital Target and APRA's requirements

2.87

↑ **1.4%**

Total membership

At its highest level ever

30,641

↑ **5.8%**

Funds under investment

The Group's conservative Investment Strategy protects our members' funds

\$258.523m

↑ **0.5%**

Total revenue (Subscription and Premium)

At its highest level ever

\$59.452m

↑ **10%**

Claims results

Below budget – Largely driven by reserve releases across most prior years

\$30.332m

↓ **23%**

The arrows and percentages indicate movement over 2015, other than claims which is a movement over budget.

How MIGA is viewed

We regularly survey our members and policyholders and receive excellent feedback from them.¹

Our commitment is about always being there for our clients to help and support them when they need it most.

97.7%

of MIGA members surveyed would recommend us to a colleague

96%

rate MIGA's products and services in terms of value for money as good to excellent

98.6%

rate MIGA's service as good to excellent

1. Based on feedback from members attending MIGA Risk Management Workshops across 2015 to 2016, as at 17 March 2016

MIGA's Boards



Dr Martin Altmann
Chairman
GP Rural Obstetrics



Dr Andrew Pesce
Deputy Chairman
Obstetrician and Gynaecologist



Ms Amanda Anderson
CEO – MDASA and Managing
Director – Medical Insurance Australia



Ms Robyn Bateup
Actuary



Mr Henry Botha
Chartered Accountant



Ms Juliet Brown OAM
Professional Non-Executive
Director



Assoc Professor Peter Cundy
Orthopaedic Surgeon



Ms Joan Fitzpatrick
Professional Non-Executive
Director



Mr David Henderson
General Insurance



Dr Roger Sexton
GP – Urban and Rural



Professor Owen Ung
General Surgeon – Breast &
Endocrine

MIGA is a very personal company and we are proud of our people whose passion and commitment to the business is exceptional.

The Boards of MDASA and Medical Insurance Australia comprise 11 directors with an excellent diversity of skill and knowledge and an important mix of medical and non-medical expertise together with broad representation of our national membership.

Directors as at this Annual Review are as shown above.

About MIGA

Our values

We are committed to:

Providing **certainty** by maintaining our strong financial management and honouring our governance and regulatory responsibilities.

Providing high quality professional **service** and individual care – we are understanding and caring of our clients and each other.

Acknowledging our differences and **respecting** the value of individuality – we will treat each other as we expect to be treated, recognise the efforts and achievements of each other and encourage innovation and the sharing of ideas.

Our **vision** is to empower healthcare professionals to practise with confidence and achieve safer, better health care for all Australians.

Working together and supporting each other to achieve our common goals – we value and support a spirit of teamwork, co-operation and encouragement.

Showing **integrity** by being open, honest and fair with each other and ethical, accountable, non-judgmental and transparent in all we do.

Being **responsible** and accountable for our actions and decisions and leading by example. We will ensure our business practices recognise our social and environmental responsibilities – we will work safely and care for each other's well-being.

Our vision

The Group

MIGA is a national provider of medical indemnity insurance products and associated services to the healthcare profession across Australia.

With its Head Office in Adelaide, and branch offices in Sydney, Melbourne, Brisbane and Perth, the Group has been supporting and protecting the medical profession for over 115 years and the broader healthcare profession for close to 10 years.

The Group's core objectives

The core objectives which underpin the Group's Strategic Plan are that we recognise the need to:

- Achieve growth and maintain our high rate of retention of existing clients in order to strengthen our position; by covering a greater share of the national medical indemnity insurance market
- Grow income by diversifying our client base by extending it to other healthcare professionals
- Invest in our people – retain and attract well qualified staff through our commitment to their personal and professional development, conditions of work, work-life balance and training
- Invest in technology – with a focus on the smart use of technology, improved processes and innovation.

Our mission

Our **mission** is to deliver high quality indemnity insurance and support to the healthcare sector across Australia:

- Offering products which are innovative and progressive and which set the benchmark for the industry, represent real value and which are responsive to our clients' needs
- Providing confidence through our commitment to quality, passion for service, personal care and superior claims and risk management services.

Corporate structure

The Group comprises the following two principal operating companies, which are collectively referred to as MIGA.

Medical Defence Association of South Australia Limited (MDASA)

- A Medical Defense Association (MDO) formed in 1899 which is owned by doctors and provides a range of services and benefits to the Group's policyholders.

Medical Insurance Australia Pty Limited (Medical Insurance Australia)

- A licensed general insurer which is a wholly owned subsidiary of MDASA, is regulated by APRA and which provides:
 - Medical indemnity insurance to doctors, medical students and corporate entities involved in the provision of healthcare services
 - Professional indemnity insurance to midwives, under the Federal Government's Midwives Insurance Scheme, and
 - Medical indemnity insurance to MDASA, to cover its liabilities where it is required to indemnify its members for prior claims incurred indemnity as per its Constitution.



Natalie Simmons

National Manager – Corporate Services



Laura Anderson
Corporate Risk Manager



David Edwards
Finance Manager



Peter Crescitelli
IT / Project Manager

A strong asset position and excellent Capital Ratio support MIGA's key aim of offering secure and affordable medical indemnity insurance to our members and policyholders.

Financial results

A year of achievements

Overview of 2016 results

MIGA reported a net profit of \$13.209m for the financial year ended 30 June 2016, after providing for income tax. This was significantly in excess of budget.

Surplus net assets increased by 12% to \$125.852m as at 30 June 2016.

Key drivers to the excellent result for the year were:

- Claims costs were below budget as a result of the following key factors:
 - The cost of claims in the years up to 2013 was lower than budget as a result of higher than expected reserve releases, offset partially by the cost of claims for the 2015/2016 year being higher than expected
 - Changes to some key valuation assumptions resulting in an overall reduction in claims costs
 - The above were offset by a significant reduction in the discount rate from the budgeted level of 2.51% to 1.8%
- Operating expenses were below budget, notwithstanding the Group's significant growth in recent years
- Investment income was above budget, predominately due to unrealised gains on fixed interest investments.

Financial strength for our clients

Managing our financial affairs well, maintaining a strong capital position and delivering stability in premiums are an important part of the Group's strategy.

Our strong asset position and excellent Capital Ratio support MIGA's key aim of offering secure and affordable medical indemnity insurance to our members and policyholders.

As a not for profit mutual, financial performance is measured each year against a budget which is developed having regard to the capital position of the Group. Once the target capital level is reached (or exceeded), the Group only needs to generate a level of profit which sustains the agreed capital level each year. It does not need to generate a consistent year on year profit to pay dividends to shareholders.

Each year the net profit generated helps to sustain MIGA's capital base to ensure the Group maintains a level of financial strength and security that surpasses the amount of capital we are required to hold as prescribed by the Australian Prudential Regulation Authority (APRA). Above this, we are able to deliver premium stability and affordable medical indemnity insurance to our policyholders.

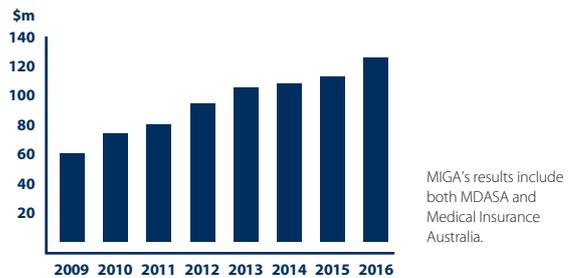
Investment portfolio

MIGA holds significant funds that are invested in accordance with the terms of a comprehensive and carefully managed Investment Strategy.

The last decade has demonstrated how important it is for insurance companies to manage their investments very carefully. Taking too much risk can have a direct impact on what we charge in premium and possibly on the long-term security of the company.

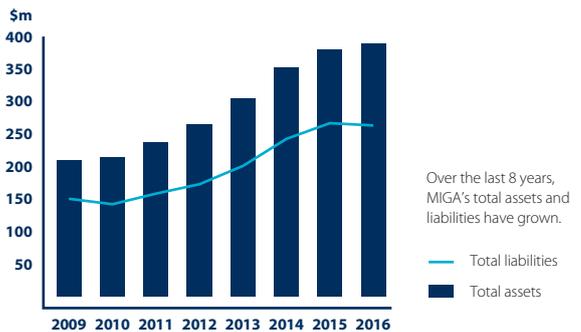
Net assets

MIGA net assets \$125.852 million



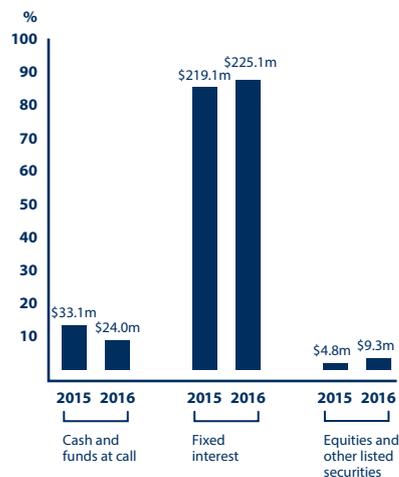
Total assets and liabilities

As at June



Investment portfolio

Funds invested as at June 2016





Maurie Corsini
National Manager – Underwriting



Nihal D'Cruz
Underwriting and Risk Education
Manager



Neil Rankine
Business Development Manager
Healthcare Companies

MIGA's financial strength is maintained through the delivery of market leading policies that stay ahead of industry trends and provide real value for money for our members and policyholders.

MIGA's insurance company

Capital is at the core of MIGA's strength

Insurance policies

The Group's insurance policies are underwritten by Medical Insurance Australia Pty Limited (Medical Insurance Australia), our wholly owned insurance subsidiary, which is licensed and regulated by the Australian Prudential Regulation Authority (APRA).

We place great importance on making sure that our policies meet the needs of our members and policyholders and stay ahead of industry trends and the ever-changing healthcare environment. We strive to ensure that our insurance policies lead the market and provide real value for money.

Medical Insurance Australia is a member of the Insurance Council of Australia which is an industry body established to serve the interests and needs of general insurers in Australia.

Medical Insurance Australia is also a member of the Financial Ombudsman Service (FOS) which has been established to independently and impartially resolve general insurance disputes between insurers and their policyholders.

Medical Insurance Australia – Year end 2016

For the financial year ended 30 June 2016, Medical Insurance Australia had a net profit for the period of \$4.626m (after income tax) (2015: net loss of \$0.636m).

Medical Insurance Australia's total equity increased from \$110.660m in 2015 to \$122.512m in 2016.

In June 2016, the Board of MDASA approved a capital transfer of \$7.226m to Medical Insurance Australia. The Board of MDASA resolved to acquire an additional 7,226,000 Ordinary A Class shares in Medical Insurance Australia effective 28 June 2016 at a total cost of \$7.226m. This increased its investment in Medical Insurance Australia to \$57.801m.

Capital strength

The prudential supervision of general insurers is the responsibility of APRA which requires that general insurers have sufficient capital to ensure they can meet their insurance obligations under a wide range of circumstances. The Prescribed Capital Amount (PCA) is calculated by a complex formula that takes into account a range of risk factors that may threaten an insurer's capital base. The Prescribed Capital Required (PCR) is the PCA plus any supervisory adjustment determined by APRA.

Capital is at the core of MIGA's strength and is fundamental to delivering security to our members and policyholders. Beyond the requirements of APRA, it is the responsibility of an insurance company's Board and management to ensure that the company has an appropriate level of capital having regard to the size and complexity of the business.

The Capital Ratio is the ratio of the total capital base of the insurer over the PCA. The Board of Medical Insurance Australia has determined that its Capital Ratio should be higher than the PCR, taking into account the complexity and long tail nature of medical indemnity insurance.

Medical Insurance Australia's Capital Ratio as at 30 June 2016 is 2.87 compared to 2.83 as at June 2015. This is in excess of the Group's target Capital Ratio and well ahead of APRA's Prudential Capital Requirement.

Reinsurance

Medical Insurance Australia has a comprehensive reinsurance program to protect it against large and catastrophic losses and to assist with managing its year on year claims exposures.

The Group's reinsurance program is placed with a spread of highly rated medical indemnity reinsurers with balanced support from the Australian, European and American reinsurance markets.

We are proud of the long term relationships established with our panel of reinsurers. For MIGA, reinsurance is a real partnership and we place significant value on the strength of our reinsurance program, the quality of our panel of reinsurers and the relationships we have developed and maintained.

A portrait of Cassandra Schrader, a woman with shoulder-length brown hair, smiling and wearing a blue blazer over a patterned top. The background is a blurred office setting.

Cassandra Schrader

National Manager – Business Development

Our steady increase in membership reflects the value placed on the informed advice and guidance provided to our clients. Our level of service and commitment to quality and innovation is a clear differentiator for MIGA.

National growth

Setting new standards for the years ahead

MIGA's strategy

The key objectives of MIGA's Strategic Plan are to:

- Achieve growth and maintain our high rate of retention of existing clients in order to strengthen our position; by covering a greater share of the national medical indemnity insurance market
- Grow income through diversifying our client base by extending it to other healthcare professionals.

The Group's growth strategy is comprehensive and incorporates a requirement to maintain a balanced portfolio with a good spread of risk. As we grow across Australia, we know it is extremely important that we maintain our ability to offer the level of service and commitment to quality and innovation that is a clear differentiator for MIGA and a key component of our vision.

Insurance is complex and can be confusing, and we operate with the expectation that our members and policyholders value an insurer that can reliably guide and advise them in relation to their insurance needs.

The Group's insurance products

MIGA provides insurance and a range of services to a growing and diverse client base across Australia which includes:

- Doctors (including those in private practice and those working in the public sector)
- Medical students
- Corporate entities that provide healthcare services
- Privately practising eligible midwives, under the Federal Government's Midwives Insurance Scheme.

Each of these areas of our business have grown in strength and size in the last year.

Total membership

A key goal of the Group is to increase its market share nationally and extend the services and products offered to meet the needs of members and policyholders. Growth brings economies of scale, benefiting all members and clients and also strengthens the Group's operations.

Total doctor and student membership of MDASA grew by 5.8% in the year with total membership now at its highest level ever at 30,641.

Branch offices and growth across Australia

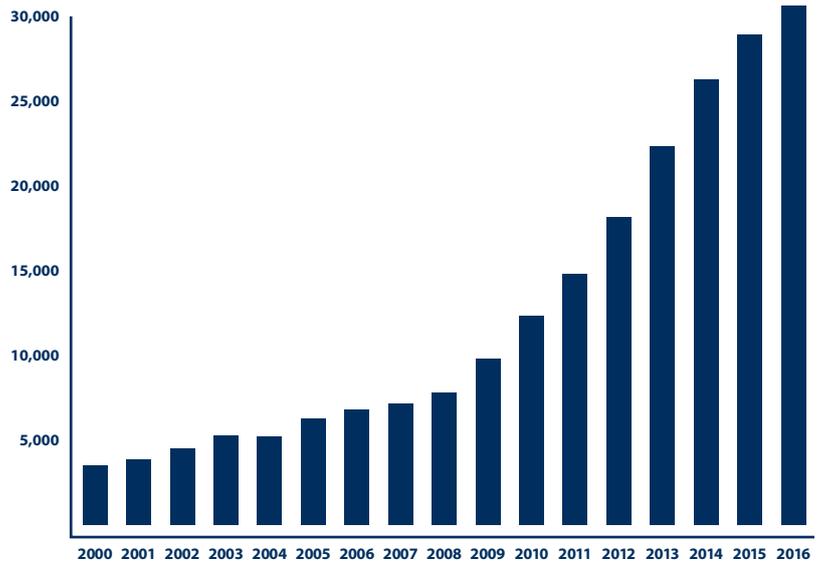
MIGA's branch office in Sydney offers claims, client, risk management and underwriting services and support and our presence in Victoria, Western Australia and Queensland also ensures the provision of local services to our clients in those states.

Having staff and a diverse network of service providers across Australia is a key element of MIGA's strategy to expand nationally and supports its commitment to offer high quality and dedicated service to its members and policyholders.

Doctor and medical student membership outside of South Australia (the location of the Group's Head Office) now represents 80.3% of the Group's business.

Total membership numbers

Over the last 17 years (as at June each year)



Medical students and young doctors

A key strategy for the Group is to grow nationally the number of medical students and young doctors it insures. These two groups are very important for future growth.

MIGA's communications with these two groups focus predominantly on digital strategies with on-line application and renewal capabilities. The ability to transact electronically with students and young doctors makes it easier for them to do business with MIGA and also supports the Group's commitment to the environment by reducing postage and printing costs.

The savings made on printing and production of documents are channelled into improving member and policyholder services.

Diversification

Diversification of the Group's business is a key component of its Strategic Plan, and offering professional indemnity cover to other healthcare professionals is an important element of MIGA's growth strategy.

The Group anticipates tangible benefits and economies by being a provider of professional indemnity insurance to a growing range of healthcare professionals.

The Group's diversification strategy continues to deliver good outcomes, with growth across the year in both Healthcare Insurance (previously Business Medical Indemnity) and income from insurance for eligible privately practicing midwives. Income from these sources now represents 4.5% of the Group's total income.

Carolyn Norris

National Manager – Client Services



We recognise that while our clients may have similar needs, they are all individuals. We strive to make that connection in each service opportunity knowing it is valued by our clients.

Services and support

Continuing to grow and diversify

The Group's commitment

At MIGA we pride ourselves on the effort we put into helping and supporting our clients when they need it.

Our products and commitment to service support our long term strategy to:

- Be a specialised national medical indemnity insurer for the healthcare sector
- Be the insurer of choice for the Australian healthcare indemnity market
- Offer high quality and competitively priced insurance products, differentiating MIGA with a broad range of benefits and services which support our members and policyholders
- Lead the industry in a changing healthcare environment, ahead of all competitors in terms of our professionalism, reputation and commitment to quality.

New services in 2016

In April 2016, the Group launched an important and exciting new direct debit initiative. This enables members and policyholders to streamline their payments to MIGA by establishing a direct debit payment from either their bank account or credit card at no additional cost to them and with no on-charging of credit card fees for this benefit. The new benefit was widely used by clients at their June 2016 renewals.

Across the year the Group also released two new and exciting risk management e-Books:

- In April 2016, MIGA launched an e-Book to help companies involved in the provision of healthcare services better understand the risks of being exposed to legal action. As a leading provider of Professional Indemnity Insurance to healthcare businesses and medical practices the e-Book is a valuable initiative for members and clients covering the risks organisations may be exposed to through providing healthcare treatment and advice, how the risks might emerge and how they can be mitigated via insurance
- In June 2016, MIGA launched a Doctors' Health e-Book which covers some of the key issues impacting doctors and how they manage their own health. Incorporating videos and audio files, the content is engaging and encourages doctors to consider their circumstances and take steps to make their own health a priority. This e-Book is a key component of MIGA's very important focus on Doctors' Health.

Both e-Books can be downloaded for free from MIGA's website.

MIGA Plus

In April 2016, the Group launched MIGA Plus, through which members and policyholders have access to a range of insurance products and services provided via partnerships entered into by MIGA.

MIGA Plus complements the medical indemnity and professional indemnity insurance clients have with MIGA, as the products and services

MIGA provides a wide range of services and benefits to support our members and policyholders in everything they do as part of their day-to-day practice.

Services and benefits for members and clients as part of their insurance

- ✓ 24 hour emergency telephone support
- ✓ Convenient payment options
- ✓ Bi-monthly Bulletins
- ✓ Risk Management Program
- ✓ Risk Resources
- ✓ Personal advice
- ✓ Practitioners' Support Service
- ✓ Doctors' Well-being Program
- ✓ On-line client portal
- ✓ Starting in Private Practice Package
- ✓ Doctors in Training and Student Elective Grants Programs

MIGA Plus

- ✓ Business Insurance
- ✓ Business Education

offered through it support their medical and healthcare practices. A key requirement in offering products and services via MIGA Plus is that they are high quality, competitive and genuinely respond to the needs of MIGA's clients.

The Group's first MIGA Plus product, Business Insurance, was launched in April 2016. It is offered in partnership with Guild Insurance, and offers clients the opportunity to cover the day to day insurance risks of running their business via one insurance policy to cover damage to building, contents and stock, public liability, burglary, business interruption and tax audit.

The Group's second MIGA Plus offer was launched in August 2016. It provides clients with access to Business Education courses at special rates via a partnership between MIGA and The Private Practice, a well-established education provider to the health care profession. Through this partnership MIGA's clients have access to a regular schedule of Business Education courses in major capital cities across Australia. The courses are designed specifically for the healthcare profession and are aimed at assisting doctors and practice managers develop their business management skills to help them get the most out of their medical practices.

Across the years ahead MIGA will be expanding the products and services offered via MIGA Plus, all with the aim of providing members and policyholders with access to high quality benefits and services.

[Liz Fitzgerald](#)

National Manager – Risk Services



[Keryn Hendrick](#)
Risk Education Manager

Actively managing risk in practice provides the best opportunity to avoid incidents and complaints. Our risk education program delivers innovative and engaging content to support and benefit our clients.

Risk management services

Helping to reduce risk exposure and build a confident future

Overview

At MIGA we see risk management as a vital tool to help control the severity and frequency of claims. It also assists our clients manage the potential risks of day-to-day practice and avoid the stress of a claim and potential harm to patients.

MIGA has significant experience in the development and implementation of risk management services and educational support for the medical and healthcare professions.

We believe there is a real correlation between MIGA's improving claims results and the Group's unique and extensive focus on risk management, supported by the significant number of our members and clients who have undertaken risk management activities over the years.

Risk management services

The Group delivers risk management support and educational services by way of:

- A formal Risk Management Program, which includes access to a wide range of risk management educational services and a premium discount on completion
- A Doctors' Wellbeing Program – offering access to an interactive e-Book, guidelines for health checks and resources to assist with maintaining individual health and supporting colleagues
- A package of on-line Risk Resources offered via our website
- The risk management articles and tips we include in our Bulletins
- The risk management services and advice we offer through our Risk Management Department.

MIGA's Risk Management Program

MIGA has a formal incentive based Risk Management Program which is available to doctors and midwives insured with MIGA.

Through the Program, MIGA offers a range of risk management initiatives that can be completed on-line, as part of a virtual classroom and by attendance at Conferences and Workshops across Australia.

The key benefits for our clients in completing the Program are:

- Access to education which better equips them to manage risk in their day-to-day practice
- Access to a premium discount of 10% off next year's premium
- Ability to claim CPD points with most Australian Colleges.

In our view the value of the Risk Management Program is far more than the premium rebate that clients receive on full completion as it also helps them with:

- Improving patient outcomes
- Avoiding the stress and pressure of the claims process
- Expanding knowledge, awareness of and involvement in risk management
- Making improvements in managing risk in their practice
- Reducing exposure or vulnerability to complaints and claims.

Risk management completion over the years

The following shows the level of completion of risk management by MIGA's clients across the years.

66.6%	of insured doctors enrolled in MIGA's Risk Management Program in the last year
92.6%	of insured doctors used it for their CPD points in the last year
2,348	doctors completed MIGA risk management activities in the last year
716	doctors who attended half-day Conferences at locations around Australia in the last year
19	Workshop topics were available, all of which were developed by MIGA
7	on-line risk management educational activities were available
31,597	attendees at Workshops as part of MIGA's Risk Management Program since 2002

Feedback

MIGA regularly asks its members and policyholders what they think about the Group's range of risk management initiatives, support and materials.

The feedback tells us that a significant percentage rate the risk management services that MIGA provides as important and valuable and that the value of what MIGA offers increased in the last year.

MIGA offers a half-day Conference in most capital cities and some regional areas. When asked "What is important in making a decision to attend a Risk Management Conference?" the responses were²:

How do you rate the importance of the following when making your decision to attend a Conference?	High importance	
	2014/2015	2015/2016
Ongoing risk management education	69%	73%
Premium discount	59%	65%
Getting most of my Points (for premium discount) in one day	70%	73%

2. MIGA Conference evaluations 2014/2015 and 2015/2016

When asked about the value placed on what MIGA offers in terms of risk management, doctors who responded advised³:

What value do you place on	Highly valued	
	2014/2015	2015/2016
The Risk Management Program	46%	53%
Being able to claim CPD for Risk Management activities	45%	48%
MIGA's general risk management advice and support	60%	64%

3. MIGA Services evaluations 2014/2015 and 2015/2016

Cheryl McDonald

National Manager – Claims & Legal Services



Anthony Mennillo
Manager – Claims & Legal Services



Mark Helier
Solicitor – Claims & Legal Services



Marie-Claire Elder
Senior Solicitor – Claims & Legal Services



Timothy Bowen
Senior Solicitor – Advocacy, Claims & Education

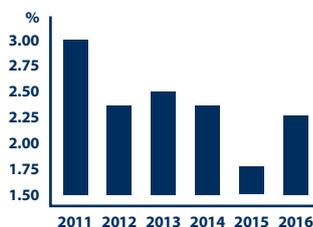
Handling around 3,500 matters each year we listen to and understand our clients.

Providing advice, support and guidance we apply our vast experience to work through each matter to achieve the best outcome for all.

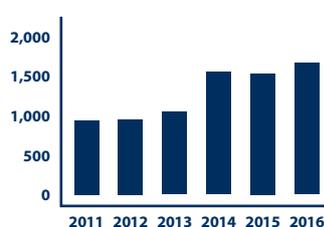
Claims and legal support

Building confidence in the healthcare profession

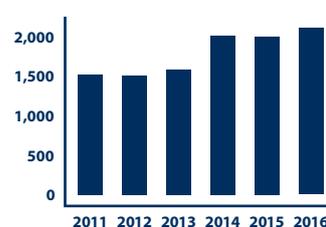
Ultimate claim frequency⁴



Number of claims and incidents



Number of advice matters



4. For claims against doctors which is currently the Group's key claims expense. This no doubt will change over the next few years as other areas of our portfolio grow.

MIGA's claims and advice services

One of the services most valued and accessed by our members and policyholders, and one in which we take great pride, is our medico-legal advice and support.

Many of our clients will have dealt with staff from our Claims and Legal Services team either in relation to an incident or in seeking medico-legal advice. The team services our members and policyholders nationally from offices in South Australia and New South Wales.

When our members and policyholders have a claim or need help or advice, we are there to support, guide and work through the matter with them. We support them with a professional claims management service provided by legal practitioners providing high quality and ongoing advice, progress updates and comprehensive trial preparation if necessary. We engage with our members and policyholders throughout the process.

The team has vast experience in managing claims for compensation and providing our clients not only with advice but support and guidance on all types of medico-legal matters.

We understand that the medico-legal process can be very stressful and that support, guidance and advice are the key to assisting our clients through matters that fortunately they do not encounter on a day-to-day basis.

This can be a difficult time for our clients and, to help with this, we provide additional support via our Practitioners' Support Service if needed.

The services of our in-house legal team are provided free to members and policyholders as part of their membership and insurance with MIGA.

The service provided by our staff is underpinned by an outstanding panel of external solicitors across the nation.

MIGA's claims experience

MIGA handles approximately 3,500 matters each year on behalf of our clients (and in emergencies via our 24 hour emergency medico-legal advice service) with close to 45% of these being for medico-legal advice. The matters we are asked for advice on are diverse, ranging from patient complaints, to matters to do with advertising, contract clauses or provisions from a medico-legal perspective, privacy obligations and patient requests for reimbursement of fees. The Group's 24 hour emergency telephone service is highly valued and widely used.

Analysis of claim frequency provides a guide as to whether the claims profile for the Group is changing, irrespective of movements in the number or speciality of practitioners we are insuring.

Until 2007, claim frequency (the number of claims per 100 policyholders) was above 4% and after this it reduced and across the last five years has stabilised at around 2.5%.

MIGA's role in advocacy and industry submissions

MIGA keeps abreast of industry developments and plays a key role in advocating on behalf of our members and policyholders on issues that may impact them in their day-to-day work.

In recent times MIGA has increased its focus in this area looking at advocacy, research and development of MIGA position papers and submissions in the areas of medico-legal, professional standards and matters that impact on regulation of the healthcare profession.

Following are key submissions made by MIGA across the last year:

Medical Board of Australia	Specialist registration standards AMC certificate registration standards
Federal Attorney-General	Mandatory serious health data breach
Office of the Australian Information Commissioner	Health privacy resources
Australian Law Reform Commission	Elder abuse
SA Health	Assisted reproductive treatment legislation review
NSW Health	National Law Regulations Cosmetic surgery regulation Advance care directives Root cause analysis
NSW Justice Department	Coronial legislation review
NSW Law Reform Commission	Guardianship legislation review Insurance contract charges
NSW Medical Council	Performance assessment Performance program education
QLD Parliament	OHO / AHPRA / Queensland Medical Board inquiry Hospital discharge record access Medicinal cannabis
QLD Health	Medicinal cannabis
VIC Health	Medical treatment decision-making
Australian Commission on Quality and Safety in Health Care	Orthopaedic standards

Our commitment in this area demonstrates the importance MIGA places on representing the medical profession and our clients on matters that impact their practice and where we can contribute our expertise to the discussion on their behalf.



Jane O'Sullivan

National Manager – Human Resources

People are our greatest asset. Across the Group we are fortunate to have a pool of talented and committed staff, focused on delivering real value for our clients.

MIGA's people

Personal support from an experienced team

At MIGA we really care for our clients and we are immensely proud of our staff whose passion and commitment to the business is exceptional.

The Group's staff are highly professional, dedicated and are experts in their areas of responsibility. The resources across the Group enable us to respond with confidence to the diverse needs of our members and policyholders and to manage the complex regulatory and legislative requirements that apply to our industry. Through our offices across the nation we provide local and personal support as needed to our clients.

Organisational structure

MIGA's staff are led by an Executive team with significant experience and knowledge of all components of medical and professional indemnity.

CEO	Mandy Anderson CEO and Managing Director	<ul style="list-style-type: none">– Leading the strategic direction and key business initiatives for the Group– Member, policyholder and stakeholder relations– Oversight of the Group's financial performance– Leading the Group's staff, oversight of employment and management of staff– Ensuring the Group complies with all legal and regulatory requirements
Underwriting	Maurie Corsini National Manager – Underwriting	<ul style="list-style-type: none">– Underwriting guidelines, policies and procedures and oversight of underwriting practices– Development of the Group's insurance policies– Growth and retention of the Healthcare portfolio– Oversight of the Group's reinsurance program
Risk Management	Liz Fitzgerald National Manager – Risk Services	<ul style="list-style-type: none">– Delivery and management of the Group's Risk Management Program for members and clients– Advice and value added risk management services including practice visits and risk management education– Development and delivery of Risk Resources
Claims and Legal Services	Cheryl McDonald National Manager – Claims & Legal Services	<ul style="list-style-type: none">– Advice and assistance on medico-legal matters and management, handling and settlement of claims– 24 hour emergency medico-legal advice service– Oversight of the Group's national panel of external solicitors
Client Services	Carolyn Norris National Manager – Client Services	<ul style="list-style-type: none">– Insurance and membership services and advice and management of all renewals– Growth and retention of the Midwife Insurance Scheme portfolio– Growth and retention of client group insurance arrangements– Production of policy documentation, processing and policyholder correspondence
Human Resources	Jane O'Sullivan National Manager – Human Resources	<ul style="list-style-type: none">– Delivery of HR services including recruitment, employee development, training, performance management and remuneration– Provision of HR advice and support to staff
Business Development	Cassandra Schrader National Manager – Business Development	<ul style="list-style-type: none">– Sales and business development nationally– Key stakeholder relations and support
Corporate Services	Natalie Simmons National Manager – Corporate Services	<ul style="list-style-type: none">– Management of financial matters and reporting– General office support services– IT and network management

Corporate social responsibility

Commitment to our community

An important core value of MIGA is to support the community and the environment, which we do in many different ways.

When funds are used for external activities they are applied to support programs that add real value to the broader community. MIGA does this via a range of important and innovative initiatives.

Supporting the community – Grants Programs

Through a Doctors in Training (DIT) Grants Program, each year MIGA provides support for advanced training for junior doctors by providing four Grants of \$5,000 each. The DIT Grants Program assists doctors in training whilst pursuing specialist training opportunities in Australia and abroad.

Through an Elective Grants Program, each year MIGA provides six Grants of \$3,500 each to students travelling to developing communities. The Grants help them meet the costs of an elective as part of their studies and provide a contribution to fund medical or other aid needed by the community which they visit. Since the launch of the Grants Program, the communities that MIGA has helped and the aid it has provided is extensive.

The two Programs enable MIGA to support the personal growth of junior doctors and medical students for the benefit of medicine and the community. The benefits that flow from the efforts of these individuals are immeasurable and ongoing, and the Group is proud to support them in their endeavours.

Since 2004 MIGA has awarded:

- 34 Doctors in Training Grants totalling \$170,000
- 70 Medical Student Grants and 63 Medical Support Grants totalling \$140,000 to medical students and developing communities.

2016 Grants

Doctors in training

Recipients of Grants in the 2016 year undertook a wide variety of training in key locations around the world which included:

Boston, USA

Research Project – Neurological complications in recipients of bone marrow transplants

Brisbane, Australia

Clinical Research Fellowship – Plastic and Reconstructive Surgery

Peshawar, Pakistan

Neonatology Mission through Médecins Sans Frontières

Sydney, Australia

Master of Medicine – Developmental Biology

2016 Grants (cont.)

Medical students

During the 2016 year students who received Grants provided their valuable medical skills and aid to a range of developing communities which included:

Rwamagana, Rwanda

Rwamagana Hospital

Provision of basic medical equipment and reagents needed to measure electrolyte levels. A printer was also purchased to allow the hospital to print patient results and protocols.

Dili, Timor Leste

Bairo Pite Clinic

Purchase of a large quantity of benzyl benzoate to assist in the treatment of scabies in patients.

Torres Strait Islands, Australia

Torres & Cape Hospital & Health Service

A donation to the hospital to provide desperately needed medical supplies.

Port Vila, Vanuatu

Vila Central Hospital

A donation to the Paediatric Vaccination Program, as well as funding to help repair structural damage to the hospital sustained by Cyclone Pam.

Riobamba, Chimborazo Province, Ecuador

Cachamsi Medical Spanish Institute

Funding to provide a scholarship for a local student to study a health profession, as well as support for rural programs for communities in remote areas.

Maluti, Lesotho

Maluti Adventist Hospital

Purchase of basic supplies including gloves, scrubs, syringes and hand sanitiser. An additional donation was made to the AIDS Orphan Project, helping provide safe housing, clean water, food and education.

Investment Strategy

MIGA has an extensive investment portfolio guided by an Investment Strategy which incorporates important ethical guidelines. Our decisions about what and where to invest are carefully managed and considered. The ethical guidelines ensure that we avoid investment in businesses engaged in activities that may negatively impact the health of the broader community. The Investment Strategy specifically excludes investments in organisations whose retail sales or manufacturing revenue from the following products or services exceed 10% of the total revenue of the organisation:

- Produce products or provide services known to adversely affect the physical and mental health of individuals
- Produce alcohol or tobacco products
- Are involved in gambling services.

Environmental Policy

At MIGA we are committed to ensuring that we reduce our impact on the environment and contribute to creating a sustainable environment for future generations. We acknowledge the impact of the printing process on the environment and we only use printing firms that are committed to protecting the environment both locally and globally. We are also moving more to electronic communications with our members and policyholders to reduce our reliance on printed materials. As an example, during the year we commenced electronic distribution of our Bulletin, which is now delivered to the majority of our clients by email.

When we print documents we try to do so in an environmentally sound way.

Along with the carbon neutral credentials of our primary printer, Finsbury Green, we also use FSC Mixed Source Paper for the production of our corporate and product brochures. Through our printing with Finsbury Green, during the 2015 to 2016 year, we have been able to save 21,352 kg in CO² emissions.

For our 2016 reporting year we have again provided an on-line Annual Report (incorporating the Summary Financial Report) and produced a shorter Annual Review which is distributed both electronically and in printed form. We also communicate and transact renewals and new business with our clients more and more on-line.

These initiatives help us minimise our environmental impact, reduce the costs of running our business and assist us with achieving economies and savings in our expenses.



MIGA has taken responsibility to ensure that this publication minimises its environmental impact. It has been printed by Finsbury Green on paper manufactured using FSC® (Forest Stewardship Council®) paper pulp, sourced from well managed forests. Inks used were vegetable based without the requirement for isopropyl alcohol, and printed using world's best practice ISO 14001 Environmental Management Systems.

work together support
goals high quality
giving confidence
experience tailored advice
listen understand
protect excellence with

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and Client Service**

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Claims and Legal Services

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