



February 28, 2017

Honorable Donald White, Chair  
Banking and Insurance Committee  
Senate of Pennsylvania  
286 Main Capitol  
Harrisburg, PA 17120

Honorable Sharif Street, Minority Chair  
Banking and Insurance Committee  
Senate of Pennsylvania  
535 Main Capitol  
Harrisburg, PA 17120

Honorable Tina Pickett, Chair  
Insurance Committee  
Pennsylvania House of Representatives  
315-A Main Capitol  
Harrisburg, PA 17120

Honorable Anthony DeLuca, Minority Chair  
Insurance Committee  
Pennsylvania House of Representatives  
115 Irvis Office Building  
Harrisburg, PA 17120

Dear Senators and Representatives:

We are pleased to provide this Annual Report on the Medical Care Availability and Reduction of Error Fund which includes information on Pennsylvania's patient compensation fund from inception through December 31, 2016.

Newly reported excess claims during the claims year 2016 were 3,005 compared to 2,960 in 2015. Total payments for claims finalized during claims year 2016 were \$174 million as compared to \$160 million for claims finalized in claims year 2015.

The annual actuarial study, prepared by an outside actuarial firm, concludes that an unfunded liability of \$1.00 billion exists as of December 31, 2015. This amount is a decrease over the prior year's estimate of \$1.08 billion.

If you have any questions about this report, please feel free to contact me, Deputy Insurance Commissioner Laura Slaymaker at 717-787-6009 or Mcare Executive Director Theodore Otto at 717-783-7657.

Sincerely,

A handwritten signature in blue ink that reads "Teresa D. Miller".

Teresa D. Miller  
Insurance Commissioner

Enclosure