



Protecting the humans of healthcare

FOR OVER 40 YEARS

2024 ANNUAL REPORT



GERALD ZARLENGO, MD
Chairman and Chief
Executive Officer

Dear Colleagues:

In 2024 we celebrated our first 40 years in business! We're proud of our stability and the tremendous growth we have achieved—starting as a company that only served Colorado physicians to becoming the leading carrier in the Rocky Mountain/Midwest region. During this time, we've been committed to sharing our knowledge by serving on committees, speaking on panels, and participating in national conferences.

We reached another business milestone in 2024. Copic is the market leader in Colorado, Iowa, Nebraska, North Dakota, and South Dakota and in the top five carriers in Arizona, Minnesota, Montana, Oklahoma, Utah, and Wyoming. We continue to build recognition across all our markets, bolstered this year with a "humans of healthcare" rebrand—not simply a new logo and website, but a new voice that reinforces the values we've always led with.

Besides sharing highlights from the past year, this report honors employees who have been with us for 30+ years. They represent the heart of Copic, our dedication, and the tenured expertise that is a testament to our culture. We also received two awards that recognize our values: the Gold Bell Seal for Workplace Mental Health for implementing practices that support employee well-being and the Denver Business Journal Partners in Philanthropy award to celebrate our commitment to the community.

Our mission to improve medicine in the communities we serve remains our "north star." We introduced patient safety and risk management programs early on and continue to find new ways to bring critical, preventative insight to our insureds—because we know the best way to prevent adverse outcomes is through meaningful education. Whether by staunchly supporting our insureds, healthcare partners, and agent-brokers, or through legislative advocacy, community involvement, and employee wellness, all of our efforts connect back to our mission.

Our future is strong as we lead with sensibility, responsiveness, and innovation to offer value beyond coverage.

With deep appreciation,

Our Family of Companies

Copic Insurance Company

is a leading provider of medical liability insurance that goes beyond basic coverage to offer educational resources, expert guidance, and proven programs designed to address healthcare risks and support better outcomes.

Copic Risk Retention Group

is an alternative option for medical liability insurance that allows for flexible coverage across multiple states.

Copic Medical Foundation

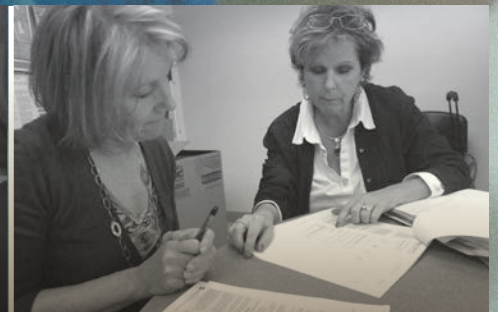
is a 501(c)(3) nonprofit organization that supports improvements in healthcare outcomes through the advancement of patient safety and quality improvement initiatives.

Copic Financial

is a brokerage and consulting firm that focuses on insurance products and financial services for members of the healthcare community.

OUR MISSION

To improve medicine
in the communities
we serve **for over 40 years.**



40 years

OF EVOLUTION

Copic’s logo has evolved over time. Initially, it had circular symmetry for fluidity and adaptability. The addition of the scroll of insurance paper and capitalized letters highlighted strength and security. Now, rounded letters bring approachability while the bold font maintains confidence and reliability. The abstract icon represents our commitment to collaboration across all sectors of healthcare.

1984



1997



2009



2024



Introducing Copic’s New Brand

In 2024 we re-envisioned our brand after an in-depth assessment of our identity. We spent a lot of time understanding how others, from our customers to our partners, perceive Copic: what we do and the value we bring to healthcare. We’re at a pivotal point because of our business expansion, an industry that’s transforming, challenges in healthcare, and a growing audience who we work with. After this examination, we refreshed how we show up in the medical liability insurance space. Our rebrand is centered around “the humans of healthcare,” reinforcing our founding ideals that we’re in this together to make medicine safer for all. We value what you do and who you are, no matter your role in the healthcare landscape. Now it’s easier than ever to find the information you need when you need it. And as always, we’re just a phone call away for personalized help.



New Program: APP Excess Plus Policy

Over the last several years, we've served the Advanced Practice Provider (APP) community with stand-alone MPLI policies. We've seen strong growth year over year. This year saw the launch of another product: the APP Excess Plus Policy for those who want individual protection in excess of their primary coverage. Through our collaborations with key partners, this ever-growing audience has affordable, accessible options for professional protection.

Copic Financial: Adding New Products to Serve Your Needs

Copic Financial, our in-house agency that serves the rest of our physicians' needs beyond MPLI, continues to offer meaningful products and services. Adding Aflac® to their portfolio, now insureds and their families can get a discounted rate for accidents and critical illnesses.

They also enhanced their cyber liability outreach to proactively assess customers' risk. These one-on-one consultations help fill gaps in coverage the client may overlook and are part of the customized solutions.

RISK MANAGEMENT

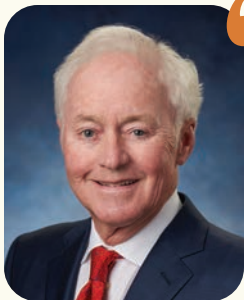
The best way to prevent an unexpected outcome is to be prepared with the latest knowledge. Our research shows our programs make a difference in the number of claims filed with Copic, so we keep finding new ways to meet our insureds where they're at. Our 24/7 Risk Management Hotline for urgent medical advice continues to be a real-time, key resource.

In 2024, we connected at our conferences in Denver, Des Moines, Omaha, and Oklahoma City. Our virtual webinars and on-demand education reached our entire region and we visited physician groups and facilities for site visits. Our Claims team criss-crossed our region to meet with our insureds, digging into claims and conferring on strategies.

Collaborative plans, launched in 2024, paved the way for highly engaged group practices to receive education tailored to their needs, streamlining their acquisition of Copic points—Copic's program that helps lower premiums based on active participation in risk management activities.



40 years
OF PROGRAMMING



“The genesis of this program was Dr. Mason Howard’s* work in the 1990s. The 3Rs Program was a forward-thinking concept in 2000; doctors weren’t trained to talk to their patient about an unanticipated outcome. Plenty of our colleagues thought it didn’t make any sense, but we knew we were onto something.”

– STEVE RUBIN, COPIC’S PRESIDENT, 2000–2022

*DR. MASON HOWARD WAS COPIC’S FIRST CHAIRMAN AND CEO, 1982–1994.

Our **3Rs (Recognize, Respond, Resolve) Program** is a nationally-recognized early communication and resolution program we created in the early 2000s that embraces transparency—one of the first MPLI companies to do so. It offers a path for physicians to address the physical, financial, and emotional needs of patients after an unexpected outcome. It also paves the way to keep the physician-patient relationship intact.

“This program was truly an answer to our prayers—we didn’t know how to resolve our problem until this was suggested. The 3Rs Program saved us from costly legal fees and allowed our daughter to have revision surgery. We really could see no negatives in using 3Rs.”

– 3Rs participant

2024 By the Numbers:



91

practices have **collaborative plans** which engage

7,772

providers



284

site visits for facilities and practices, engaging

1,482

providers across 20 states



113

live and on-demand **CME activities** with

10,382

participants



66

live **CNE activities** with

2,271

participants



493

people attended regional **conferences**



459

residents trained on patient safety and the business-side of medicine



462

attendees at our live and virtual **Mock Trials**



15

Within Normal Limits new **podcast episodes**

Our legal team traveled across our region, presenting seminars for our state medical societies. They also presented on EMTALA, Peer Review, Electronic Health Records, HIPAA/Cures Act, Minors and Risk, Navigating Patient Complaints, and more, and hosted several in-person and virtual Mock Trials and Mock Depositions for our insureds.



Legislative Advocacy

Copic provides a non-partisan voice for healthcare. Our legislative advocacy team monitors and reviews proposed legislation that will impact the practice of medicine and the delivery of quality care, supports legislators, and guides insureds on complex legal issues. We work closely with our colleagues at state medical societies to navigate the current healthcare environment.



We tracked over
200 bills
across six states*:



Colorado - 42	Nebraska - 32
Iowa - 64	South Dakota - 12
Minnesota - 45	Utah - 15

**North Dakota wasn't in session in 2024*



In **Colorado**, we worked tirelessly as part of the Coloradans Protecting Patient Access coalition to thwart a costly ballot fight by passing HB24-1472: modernizing Colorado's medical and general liability laws, and preserving caps on noneconomic damages and critical confidentiality privileges in healthcare. Years of relationship building and education contributed to this bill passing. We're proud that Dr. Zarlengo testified at the Colorado State Capitol on behalf of the bill.

In **Nebraska**, we supported our partners in fending off carryover bills from 2023 aimed at eliminating limits on medical liability claims and broadening the application of punitive damages.

In **Iowa**, we fought off multiple bills that were introduced in response to 2023 tort reform legislation signed into law by Governor Kim Reynolds.

Spending time with state medical society colleagues

Building on our success from previous years, we invited state medical society leaders to Denver to talk about the state of the MPLI industry and restate our commitment to them. In our time together, we listened to their concerns and shared our short- and long-term goals. Coupled with visits to their headquarters, we keep our pulse on each state medical society's challenges year-round and serve as a trusted ear.



40 years
OF ADVOCACY



“

Our commitment to legislative advocacy was to establish a stable, predictable environment in which we could continue to insure doctors and facilities and support them in their delivery of healthcare. And we carried that with us when we went to other markets. It was one of the fundamental structures of how we operated.

– GERRY LEWIS-JENKINS, COPIC'S CHIEF
OPERATING OFFICER, 1991–2021

Copic Humanitarian Awards

Each year physicians are nominated for their exceptional volunteer work in the community. Copic makes a \$10,000 donation on their behalf to a healthcare-related nonprofit as a commitment to the communities we serve. Here are the **2024 recipients**:

Colorado

William Wright, MD
donation to Colorado Physician Health Program, Denver

Iowa

David Muller, MD
donation to Community Health Free Clinic, Cedar Rapids

Minnesota

Tori Bahr, MD
donation to Gillette Children's, St. Paul

Nebraska

Melvin Campbell, MD
donation to Brown County Hospital Auxiliary, Ainsworth

North Dakota

Joan Connell, MD
donation to Soul 57, Bismarck

South Dakota

Shannon Emry, MD
donation to Midwest Street Medicine, Sioux Falls

Utah

David Cope, MD
donation to Switchpoint, St. George



40 years OF DEDICATION

Humanitarian Spotlight

Over the past 46 years, Dr. Melvin Campbell has been involved in numerous humanitarian efforts in Brown County, Nebraska and far beyond. He has participated in immunization clinics, supported missions and outreach programs, and been a member of Doctors Without Borders. His dedication to serving others, both locally and globally, exemplifies the true spirit of humanitarianism. He even makes house calls! **Congratulations to Dr. Campbell on receiving Copic's Humanitarian Award in association with the Nebraska Medical Association.**

Copic Medical Foundation Grants

Since its inception, the Copic Medical Foundation has provided more than **\$13 million in community investment** through grants, scholarships, philanthropy, and more.

We received many excellent proposals during our grants process that align with our focus of reducing fragmentation in care settings. Since 2021 when we directed our focus to this area, we've distributed more than **\$2 million to grantees in 10 states**. These 2024 grant recipients are changing healthcare for the better across the country:

- **Visiting Nurse Association (Nebraska)—Collaborative Multicomponent Care for Elderly Postoperative Recovery and Fall Prevention:** A five-organization collaboration addressing post-op care for elderly people with a focus on reduction of fall risks.
- **St. Elizabeth Healthcare (Kentucky)—Community Paramedicine Pilot Program:** Paramedics are used to address inappropriate use of emergency medical services with a goal to reduce healthcare costs.
- **DaneMAC (Wisconsin)—Expansion of the DaneMAC Multi-Agency Portal (DaneMAP):** A new web-based platform that survivors of sexual violence and post-assault care providers can use to connect with each other, providing immediate, post-assault communication and coordination.



“Our employees wear our mission on their sleeve. From Patient Safety to Claims to Underwriting and all the rest of the departments, their ultimate goal—every day—is aligned with this pursuit of quality improvement for the healthcare delivery system.”

– DR. TED CLARKE, COPIC'S CHAIRMAN AND CEO, 2005–2018

Congratulations are due!

We think it speaks volumes about the culture at Copic and the continuity of knowledge and customer service that we have so many long-tenured employees. **Thank you to these “Copians” who have been with us for most of our 40 years!**

Here are their reflections on what it was like to work at Copic in the early days:

Rachel Panning

37 years

Underwriting

“I got to Copic when I moved to Colorado and never left! The environment was really comfortable and everyone was really sweet and easy to get along with. I fit right in!”



Sam Adams

31 years

IT

“Adjusting to life at Copic was very easy and dare I say great: think the beginning of The Wizard of Oz, when the world turns from black and white to color.”



Brenda Lantzy

30 years

Office Services

“I was most surprised to learn the founding CEO, Dr. Mason Howard, knew every single employee by name, including me, and treated everyone equally—like part of a big family.”



Lori Simkavitz

34 years

Underwriting

“Over the past 34 years, even as the company has grown from one state to multiple states, that strong, family-like atmosphere has remained, with a continued focus on supporting each other, our insureds, agents, and the healthcare community throughout the United States while never forgetting our roots and where we began.”



Kelly Keesee

33 years

Underwriting

“My first impression of Copic was that the people were really nice. I remember Dr. Mason Howard stopping by my office to get to know me better. I remember thinking to myself, ‘what CEO does that?’ He made me feel very welcome.”



Shane Schattinger

31 years

Finance

“I’ve most enjoyed the people of Copic and everyone working toward the same goal of helping the healthcare community. It starts with senior management and the board. They have always set the tone at the top and provided a good work environment for our employees.”



How Our Employees Support the Community

Our employees give back to our communities in so many ways through Copic-sponsored programs. In addition to employee-directed donations to healthcare nonprofits and service projects, here are a few other ways we engage:



Silent Auction: This year's beneficiary was Face-to-Face Colorado. They provide resources and host events to educate, empower, and connect families with children born with cleft lip and palate.

"Your donation is a huge influx of money to our small nonprofit for which we are deeply grateful. It makes a big difference!" – Jamie Idelberg, President, Board of Directors Face-to-Face Colorado

Volunteer Time Off: We provide employees with paid time off to volunteer during work hours to a cause that's meaningful to them.

"We greeted people and helped them shop in the market, organized the food/shelves, answered questions, and cleaned. It was an enjoyable experience and a great way for us to get to know each other better!" – Janel Loud-Mahany with Renée Blattman, Linda Maccagnan, Heather Westermeyer, and Cristin Wimberly who volunteered at SECOR Cares, an organization working to end suburban poverty.



Diversity, Equity, Inclusion, and Belonging (DEI+B): We hosted events that reflect our commitment to learning about and honoring each other's rich heritage and diverse experiences. From concerts to plays to cooking classes, we enjoyed opportunities to connect with each other.

40 years

OF GROWTH



345 → 27,485

Colorado Physician
Count in 1985

Physician Count
in All States in 2024

97.6%

available retention rate

369

Facility Count
in 2024

“



And so the basis of having a mission-driven company and having everybody in the organization rowing in the same direction—100%—has been instrumental to the success of the company over the last 40 years.”

– DR. GERALD ZARLENGO,
COPIC'S CURRENT CHAIRMAN AND CEO

\$2.7M

TOTAL COMMUNITY
INVESTMENT (TCI)

We met our goal of 2% of total revenue and were well above the industry best practice standard of 1%.



A

An “A” (Excellent)
rating since 1999

\$24.9M

PROFIT SHARING
with facilities, health systems, and
surgery centers since inception;
Averaging 12% of premium

Balance Sheet – Statutory Basis

COPIC INSURANCE COMPANY YEAR ENDED DECEMBER 31; IN THOUSANDS

	2024	2023
ADMITTED ASSETS		
Bonds	\$429,835	\$381,383
Stocks	\$128,273	\$131,623
Real Estate Fund	\$59,614	\$50,579
Private Credit	\$15,458	\$0
Cash, Cash Equivalents and Short-Term Investments	\$6,163	\$24,919
Total Cash and Invested Assets	\$639,343	\$588,504
Other Assets	\$63,975	\$74,862
Total Admitted Assets	\$703,318	\$663,366
LIABILITIES AND CAPITAL AND SURPLUS		
Loss and Loss Adjustment Expense Reserves	\$305,830	\$281,975
Unearned Premiums	\$79,432	\$74,388
Other Liabilities	\$28,230	\$25,965
Total Liabilities	\$413,492	\$382,328
Total Capital and Surplus	\$289,826	\$281,038
Total Liabilities and Capital and Surplus	\$703,318	\$663,366

Statement of Income – Statutory Basis

COPIC INSURANCE COMPANY YEAR ENDED DECEMBER 31; IN THOUSANDS

	2024	2023
Premiums Earned	\$158,142	\$131,532
Net Losses and Loss Adjustment Expenses	\$(129,215)	\$(114,824)
Other Underwriting Expenses Incurred	\$(36,350)	\$(31,084)
Underwriting Gain	\$(7,423)	\$(14,376)
Net Investment Income	\$23,020	\$19,398
Net Realized Capital Gains (Losses)	\$7,440	\$(1,831)
Net Investment Gain (Loss)	\$30,460	\$17,567
Other (Expenses) Income	\$(770)	\$(808)
Income After Tax on Capital Gains, Before Distributions to Policyholders and All Other Federal Income Taxes	\$22,267	\$2,383
Distributions to Policyholders	\$12,929	\$12,524
Net Income Before Taxes	\$9,338	\$(10,141)
Income Taxes	\$1,054	\$(1,495)
Net Income	\$8,284	\$(8,646)

NOTES TO THE FINANCIALS

Copic's last annual audit (conducted by Johnson Lambert and covering statutory financial statements from 2024) was "clean," meaning Copic's statements accurately represent the company's operating results and the company's financial condition as of December 31, 2024. To request a full set of audited financial statements, please contact Copic.

Copic's last five-year financial exam by the Colorado Division of Insurance (completed in 2024 and covering 2018 through 2022) resulted in no recommendations or audit differences identified, with no adjustments needed.

Copic Insurance Company prepares its financial statements in accordance with the prescribed statutory accounting principles as permitted by the Colorado Division of Insurance (DOI). The DOI has adopted the National Association of Insurance Commissioners' (NAIC) statutory accounting practices (Codification) as the basis for its statutory accounting practices.

CURRENT LEADERSHIP

BOARD OF DIRECTORS

Gerald V. Zarlengo, MD <i>Chairman and Chief Executive Officer</i>	Michelle M. Lucero <i>Chief Administrative Officer, General Counsel, Children's Hospital Colorado</i>	Hal R. Roth <i>Retired, Past Executive Vice President, Chief Financial Officer, and Chief Legal Counsel, Colorado Rockies</i>
Catrina Bubier, MD <i>OB/GYN</i>	Sophia Meharena, DO, FAAP <i>Pediatrics</i>	Alan Synn, MD, FACS <i>Vascular Surgery</i>
Harris Frankel, MD <i>Neurology</i>	Steve Neumann <i>Managing Partner, Lattice Work Capital Management</i>	Rebecca Vogel, MD <i>General Surgery</i>
Davis K. Hurley, MD <i>Orthopedic/Hand Surgery</i>		

COPIC MEDICAL FOUNDATION

Meredith Hintze <i>Executive Director</i>	BOARD MEMBERS	
	Sophia Meharena, DO, FAAP <i>Board Chair</i>	Romana Hasnain-Wynia, PhD
	Harris Frankel, MD	Michelle M. Lucero
	Kelly Joines	Rebecca Vogel, MD

LEADERSHIP TEAM

Gerald V. Zarlengo, MD <i>Chairman and Chief Executive Officer</i>	Matt Groves <i>General Counsel</i>	Kristin Stepien* <i>Senior Vice President, Sales and Business Development</i>
Niles Cole* <i>Chief Financial Officer</i>	Janel Loud-Mahany* <i>Senior Vice President, Underwriting and Policyholder Services</i>	Shelly Waggoner* <i>Senior Vice President, Human Resources</i>
Sean Gelsey* <i>Chief Claims Officer</i>	Beverly Razon <i>Senior Vice President, Public Affairs</i>	Douglas Mason <i>Vice President, Claims</i>
Ted Tzeng* <i>Chief Information Officer</i>		Jeffery Smith <i>Vice President, Actuarial Services</i>
Eric Zacharias, MD <i>Chief Medical Officer</i>		

*member of Copic's Operational Council

CONSULTANTS

ACTUARIAL Milliman Chad Karls	LEGISLATIVE ADVOCACY Nexus Policy Group (Colorado) Patrick Boyle Kayla Tibbals	Eide Walton (Iowa) Matt Eide Kate Walton
AUDIT Johnson and Lambert Lauren Darr, CPA	Mueller Robak LLC (Nebraska) Kim Robak Matt Schaefer	REINSURANCE BMS Intermediaries, Ltd. Andrew Wheeler
INVESTMENTS Callan Associates Inc. Alexander Browning	J.A. Smith Law (Iowa) Julie Smith	



40 years OF LEADERSHIP



PATIENT SAFETY AND RISK MANAGEMENT CONSULTANTS

We thank the following physicians who share their knowledge in many ways: *Copiscope* articles, legislative policy work, webinars and conferences, resident education, occurrence reviews, and more.

Dr. Catrina Bubier
OB/GYN
Colorado

Dr. Matt Hall
Anesthesiology
Colorado

Dr. Dan Rosenquist
Family Medicine
Nebraska

Dr. Ricky Dhaliwal
Emergency Medicine
Colorado

Dr. Carrie Horn
Internal Medicine
Colorado

Dr. Gregory Sachs
General Surgery
Iowa

Dr. Brian Dwinell
Internal Medicine
Colorado

Dr. Richard Kubista
Emergency Medicine
Colorado

Dr. Jordan Warchol
Emergency Medicine
Nebraska

Dr. Charles Gill
Quality and Safety
Oklahoma

Dr. A. Perry Osborn
OB/GYN
Iowa

Dr. David Whitting
Emergency Medicine, Clinical Informatics
Colorado

STATE MEDICAL ASSOCIATIONS THAT ENDORSE COPIC

Copic values the relationships we have with state medical associations. The work we do together strengthens our organizations and brings value to the people we serve.

Colorado Hospital Association
Colorado Medical Society
Iowa Medical Society
Minnesota Medical Association

Nebraska Medical Association
North Dakota Medical Association
South Dakota State Medical Association
Utah Medical Association



“Colorado Medical Society leadership wisely decided that a doctor-directed professional liability insurance provider was needed. From that nucleus group came the leadership of the future Copic. And with the likes of Mason Howard, David Bates, Fred Lewis, Merlin Otteman, and Amilu Rothhammer at the helm, there should have been little doubt as to Copic’s eventual success.”

– DR. JEROME BUCKLEY, COPIC’S CHAIRMAN AND CEO, 1995-2005



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