



FROM

INSIGHT IMPACT

TO

2025
ANNUAL
REPORT

Here for the Humans of Healthcare



A Year of Impact, Grounded in Insight



GERALD ZARLENGO, MD
Chairman and Chief
Executive Officer

Dear Colleagues:

As we reflect on the past year, I am proud to share that 2025 marked new successes in our journey together. Thanks to your trust and commitment, Copic is the market leader in Colorado, Iowa, Nebraska, North Dakota, and South Dakota. We're #2 in Minnesota, Oklahoma, and Wyoming, and #3 in Montana and Utah, making Copic a top three writer in 10 of its 13 core states for physicians and facilities. These achievements are more than numbers—they represent our dedication to excellence, deep alliances with our state medical societies, trusted agents, healthcare providers, industry leaders, and the communities we serve.

We're passionate about moving the practice of good medicine forward. Whether we're supporting our insureds with meaningful education, working side by side with partners advocating for positive changes through legislative advocacy, connecting with the community, or encouraging our team's well-being, everything we do comes from our mission to make a difference together. We support our insureds every step of the way to protect them, their livelihood, and their reputation.

Notably, we've reinforced our commitment to the well-being of providers. Copic signed on as a sponsor of the Federation of State Physician Health Plans Strategic Partner Collaborative. It brings together MPL leaders and physician health program experts to exchange insights and drive innovation. Our shared goal is to improve access to and quality of treatment and support the changes that will help clinicians thrive.

We foster an environment of unmatched service performance—one of our core values at Copic. Our customers have awarded us a Customer Satisfaction score of 98%—high praise! And, our efforts have been recognized nationally: Copic received the Top Workplaces of America award in 2025—a testament to our company-wide commitment to creating a great place to work and grow.

Looking ahead, we will continue to strengthen our impact, guided by insight and collaboration. Thank you for your continued support and partnership. It is my privilege to lead such a dedicated team, and I am excited for what we will accomplish together in the coming years.

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.





STRENGTH

YOU CAN COUNT ON

 **89%**

trial success rate*

We provide vigorous defense when medicine meets the standard of care.

(*Based on claims data from the last 10 years.)

GROWTH HIGHLIGHTS

Copic continues to grow beyond our 13-state target market and offers a variety of coverage options for physicians, advance practice providers, practices, and facilities.

We demonstrate our commitment to our insureds by prioritizing exemplary customer service and focusing on patient safety and risk management education. With a robust library of resources, legal and HR support, and 24/7 access to experienced physician risk managers, we're here when you need us.

Should a claim or suit arise, we stand ready to protect the practice of good medicine.

1 WRITER OF MEDICAL LIABILITY INSURANCE for physicians and facilities in

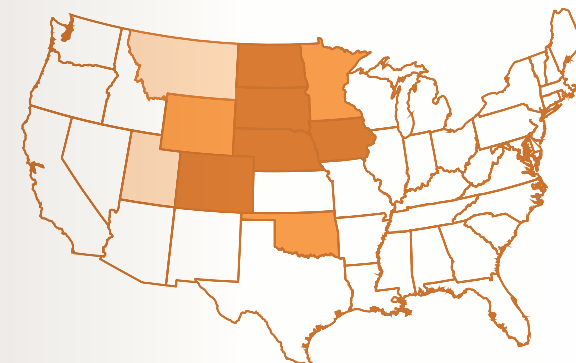
Colorado
Iowa
Nebraska
South Dakota
North Dakota

2 WRITER OF MEDICAL LIABILITY INSURANCE for physicians and facilities in

Minnesota
Oklahoma
Wyoming

3 WRITER OF MEDICAL LIABILITY INSURANCE for physicians and facilities in

Montana
Utah



INSURED PHYSICIAN COUNT
↑7.9%



INSURED FACILITY COUNT
↑6.8%



AVAILABLE CUSTOMER RETENTION RATE



AN "A" (EXCELLENT) RATING SINCE 1999



COPIC RECEIVED THE TOP WORKPLACES OF AMERICA AWARD IN 2025



TOTAL COMMUNITY INVESTMENT (TCI)

TCI shows the resources (grants, sponsorships, volunteer hours, donations, and in-kind support) devoted to corporate social responsibility efforts in 2025. This is 2% of our revenue.

MEETING THE NEEDS OF OUR INSUREDS

THE YEAR IN NUMBERS

Our teams are here to support you. Whether in person or virtual, we focus on you all year long. Our years of experience and our claims data inform the knowledge we share.

LEGAL



110

presentations by our legal department reaching

5,000

insureds

Hot topics: EMTALA, HIPAA, Minors and Risk, Peer Review



575

attendees at our live and virtual Mock Trials

HUMAN RESOURCES



13

presentations by our HR department



2,000

participants

Hot topics: Emotional Intelligence, Evolving Expectations: Creating a Workplace of Choice, Managing Difficult Conversations

PATIENT SAFETY & RISK MANAGEMENT



8,323

clinicians participated in Group Practice Collaborative Plans—a streamlined way to engage in patient safety & risk management programs



1,744

clinicians engaged in 286 site visits led by Copic's nurse risk managers for facilities and practices to help identify potential risk areas



559

people attended Copic's patient safety & risk management conferences in Nebraska, South Dakota, and Utah



194

education sessions presented by our physicians and nurses



1,325

clinicians and practice administrators attended our Bite-Size Webinars



14,493

participants completed 234 different CME/CNE education activities



4,493

On-Demand courses were completed



545

medical residents were trained on patient safety and the business side of medicine

INSIGHT

IN ACTION

SPOTLIGHT ON 2025 ORTHO DAY

Drs. Matthew Fleishman, Alan Lembitz, and Sue Sgambati hosted orthopedic residents from CU Anschutz. This, and our other Transition to Residency programs, reflect our commitment to providing well-rounded educational opportunities and a focus on the importance of patient safety and risk management for future providers.

SPOTLIGHT ON TRANSITION TO RESIDENCY BASECAMP

We once again worked with CU Anschutz and their Transition to Residency Basecamp, a three-day, case-based risk management program for soon-to-graduate fourth year medical students held on their campus. Physicians lead case discussions, share their experiences as a physician in the specialized field, and interact with the medical students.

THOUGHT LEADERSHIP ACROSS COPIC

As leaders in our field, we traveled the country and the world to participate in and present at Medical Professional Liability Association (MPLA) and other conferences as trusted voices in the industry. This provided opportunities to collaborate with and learn from colleagues. Here are some topics we presented:



Dr. Eric Zacharias
Chief Medical Officer chaired the MPLA CMO Roundtable meeting and represented us at MPLA's International Conference in Australia appearing on a plenary panel on "What Are the Current and Future Emerging Risks?"



Shelly Waggoner
Sr. Vice President of Human Resources spoke at the MPLA Leadership Forum on "Evolving Expectations: Creating a Workplace of Choice," and at the CEO/COO conference on "Executive Succession and Continuity."



Janel Loud-Mahany
Sr. Vice President of Underwriting & Policyholder Services chaired the MPLA Underwriting conference in Denver and presented on "The Role of an Underwriter" at the MPLA Finance Section, MPLA conference.



Doug Mason
Vice President of Claims facilitated the session, "Mitigating Risk of Nuclear Verdicts by Combating Current Plaintiff Tactics" at the MPLA 2025 Claims/Risk/Patient Safety Conference.



Jason Crew
Claims Manager presented on a panel at the Professional Liability Defense Federation Conference, "Jury Selection: AI, Blink, Bull, and Other Approaches."



Pamela Johnson
Director, Practice Quality and Facilities spoke to Willis Towers Watson and ASHRM chapter events on "Falls: From the Ground Up."

Our leaders also serve on many healthcare-related and civic boards, and the following MPLA board and committees:

- **Dr. Gerald Zarlengo**, Board member, Continuing Education Advisory chair, Membership & Bylaws chair
- **Sean Gelsey**, Annual Planning committee
- **Janel Loud-Mahany**, Underwriting section chair
- **Doug Mason**, Claims and Risk Management/Patient Safety section
- **Beverly Razon**, Government Affairs committee

SAFETY AND RISK STRATEGIES

Copic's nurse risk managers perform safety and risk strategies reviews to help our insureds identify potential risk areas and blind spots in their processes. We updated and revised our approach based on feedback from insureds and to reflect the ever-changing risk areas in healthcare.



NEW RESOURCES FOR OUR INSURED

Addressing emerging issues, in 2025 we prepared documents for our insureds: *Guidance on Elite Athlete Liability Issues* and *Navigating the Risks of Sexual Misconduct Allegations in Healthcare*.

2025 PROGRAM LAUNCHES

► Copic + American Medical Association

We launched a national telehealth coverage program in collaboration with the American Medical Association providing valuable support and services to their members. This important relationship reinforces our commitment to a national audience of healthcare providers.

► Copic Financial + Colorado Medical Society

Copic Financial partnered with the Colorado Medical Society to offer members an innovative insurance solution that addresses two critical needs in one policy: life insurance and long term care protection. By combining both, physicians gain a solution that helps protect personal wealth, practice income, retirement timelines, and family stability—without sacrificing flexibility or legacy planning. We're pleased to offer this solution and support physicians at all stages of their career.



CONVENING

THE CONVERSATION

STATE MEDICAL SOCIETY EXECUTIVES MEETING IN DENVER

Through year-round conversations and visits, we stay in contact with our state medical society partners. Each spring for the past six years, we've invited our state medical society teams to our Denver headquarters for discussions on the state of the industry. These meetings nurture closer relationships and provide an opportunity to share some common challenges.

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 communities 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

COPIC'S INVOLVEMENT IN THE COMMUNITIES WE SERVE

LEGISLATIVE ADVOCACY

Copic continues to serve as a non-partisan advocate for healthcare. Our legislative advocacy team actively tracks and assesses new bills that may affect the practice of medicine and the delivery of high quality care. We support lawmakers, provide guidance to our insureds on evolving legal matters, and collaborate closely with state medical societies to help navigate today's dynamic healthcare landscape.



We tracked over
493 bills,
engaging on **51**

We hosted **6** Friends of Healthcare
events and **10** Health Policy
Forum meetings in Colorado

Copic's policy team participated in over
313 meetings,
connecting with dozens of incumbent candidates

STATE HIGHLIGHTS

Colorado—We worked with our partners in the medical community to shape Senate Bill 130 which codified EMTALA protections in state law. We also worked with our business community partners to stop Senate Bill 157 which would have created the possibility of treble damages in consumer protection claims.

Nebraska—The state legislature introduced bills to establish a regulatory framework for medical cannabis after the passage of a statewide ballot measure in the fall of 2024. In coordination with NMA and other partners, Copic engaged on matters of physician requirements and qualified conditions. The bill did not pass; the work will continue in 2026.

North Dakota—In association with NDMA, Dr. Gerald Zarlengo testified before the North Dakota House Judiciary Committee against a bill to raise the noneconomic damage cap to \$3 million. The bill died four days later.

Iowa—We worked with our partners to provide insight on various bills related to transparency in litigation financing, healthcare access, and scope of practice.

Utah—We worked alongside our partners on the passage of House Bill 503, a pro-provider tort reform bill.



We hosted 18 legislators at the University of Colorado's Center for Advancing Professional Excellence. They were sent through simulations of a birth, followed by a peer review conversation. The event focused on increasing awareness of the peer review process and how important it is for patient safety.

DEVELOPING MPL LEADERS FOR THE FUTURE



engaged in hands-on activities across various departments. This immersive experience not only helps students apply classroom knowledge to real-world scenarios but also encourages them to consider a future in RMI.

► Inspiring Future Insurance Professionals

Copic hosted a Risk Management and Insurance (RMI) Shadow Day in partnership with CU Denver's Risk Management and Insurance Program. This initiative increases awareness of career opportunities within the RMI field by allowing students to spend a day in local RMI offices. During their visit, they interacted with senior executives and



COPIC HUMANITARIAN AWARDS

Each year, we ask community members to nominate physicians who serve their communities through exceptional volunteer medical services. In association with our state medical society partners, we recognize them with the Copic Humanitarian Award. Copic demonstrates its ongoing commitment to the communities we serve by donating \$10,000 on behalf of each honoree to a healthcare-focused nonprofit organization. Here are this year's recipients:

- 1 Colorado**
Robert Williams, MD
donation to Clinica Colorado
- 2 Iowa**
Elaine Berry, MD
donation to Cass Health Foundation
- 3 Minnesota**
Dave Tilstra, MD
donation to CentraCare Health Foundation
- 4 Nebraska**
Bob Bleicher, MD
donation to Clinic with a Heart,
The Nebraska Medical Association
Foundation, and Lancaster Medical
Society Foundation
- 5 North Dakota**
Julie Blehm, MD
donation to American Foundation for
Suicide Prevention
- 6 South Dakota**
Margaret Becker, MD
donation to Good Shepherd Clinic
- 7 Utah**
Jeff Pettey, MD
donation to John A. Moran Eye Center

► Inspiring Future Defense Attorneys

Sean Gelsey, Chief Claims Officer and Doug Mason, Vice President of Claims along with defense attorneys we work with, spoke to law students at University of Denver Law School and Nebraska Law School on "Exploring Opportunities in Medical Malpractice Defense" to promote this field as a promising career choice, internship opportunities, and give experienced insights into the world of medical professional liability to encourage the next generation of attorneys to consider this niche.



Sean Gelsey and our Nebraska defense attorneys Robert Mooney and Mark Christensen, met with law students at Nebraska Law School.

INVESTING WHERE CARE CONNECTS

COPIC MEDICAL FOUNDATION

Since its inception, the Copic Medical Foundation has provided nearly \$14 million in community investment through grants, scholarships, philanthropy, and other support.

We granted nearly \$1 million in 2025 to the following organizations for their programs that support our goal to be a catalyst to improve the quality of healthcare delivery by reducing adverse outcomes and supporting innovation: Children's Hospital Colorado Foundation, Stigler Health & Wellness Center (OK), St. Mary's Health Clinics (MN), Children's National Medical Center (DC), Nebraska Hospice and Palliative Care Association, and University of Nebraska Foundation.



Grantee Summit Impact

Our Grantee Summit brings together past and present grantees. In 2025, it featured presentations on the 2024 grant projects, reaffirming the power of bringing mission-aligned organizations together to learn, exchange ideas, and strengthen the collective impact of CMF-supported work. Over two days, grantees, board members, and partners explored future healthcare trends and the growing urgency of addressing fragmentation across systems. Attendees noted how valuable it was to hear from peers tackling similar challenges from

very different angles and was a catalyst for fresh thinking, shared tools, and new partnerships. The summit continues to serve as a launchpad for collaboration, innovation, and renewed energy for the year ahead.

EMPLOYEE ENGAGEMENT

At Copic, employees are eager to give back and make a positive impact in the community. Through company-sponsored initiatives, they generously donate to healthcare nonprofits and actively participate in meaningful service projects through our Community Action Team.

We held blood drives for Vitalant, planted flowers for Doctors Care, cooked and served breakfast for Ronald McDonald House, brought holiday gifts to Inner City Health Center families, and donated winter coats to the Coats for Colorado drive. Here's a look at organizations we supported with new projects:

- **Love for Lily:** This organization provides support for families and the medical teams who serve them in the Neonatal Intensive Care Unit. We donated items and hand wrote messages for gift bags for families and nurses working on Mother's Day—a total of 450 gift bags!
- **Every Child Pediatrics:** We raised funds to purchase car seats so that newborns have safe transportation from day one.

Each year, Copic encourages employees to nominate a healthcare-related nonprofit that's meaningful to them to which donations are then directed. In 2025, we supported **27 organizations with \$30,000.**



FINANCIALS: STRONGER BY DESIGN

Balance Sheet – Statutory Basis

COPIC INSURANCE COMPANY YEAR ENDED DECEMBER 31; IN THOUSANDS

| | 2025 | 2024 |
|---|------------------|------------------|
| ADMITTED ASSETS | | |
| Bonds | \$450,717 | \$429,835 |
| Stocks | \$152,612 | \$128,273 |
| Real Estate Fund | \$55,466 | \$59,614 |
| Private Credit | \$19,550 | \$15,458 |
| Cash, Cash Equivalents and Short-Term Investments | \$12,525 | \$6,163 |
| Total Cash and Invested Assets | \$690,870 | \$639,343 |
| Other Assets | \$74,510 | \$63,975 |
| Total Admitted Assets | \$765,380 | \$703,318 |
| LIABILITIES AND CAPITAL AND SURPLUS | | |
| Loss and Loss Adjustment Expense Reserves | \$338,129 | \$305,830 |
| Unearned Premiums | \$84,305 | \$79,432 |
| Other Liabilities | \$31,840 | \$28,230 |
| Total Liabilities | \$454,274 | \$413,492 |
| Total Capital and Surplus | \$311,106 | \$289,826 |
| Total Liabilities and Capital and Surplus | \$765,380 | \$703,318 |

Statement of Income – Statutory Basis

COPIC INSURANCE COMPANY YEAR ENDED DECEMBER 31; IN THOUSANDS

| | 2025 | 2024 |
|---|------------------|------------------|
| Premiums Earned | \$177,116 | \$158,142 |
| Net Losses and Loss Adjustment Expenses | \$(140,798) | \$(129,215) |
| Other Underwriting Expenses Incurred | \$(39,434) | \$(36,350) |
| Underwriting Gain | \$(3,116) | \$(7,423) |
| Net Investment Income | \$25,258 | \$23,020 |
| Net Realized Capital Gains | \$3,160 | \$7,440 |
| Net Investment Gain | \$28,418 | \$30,460 |
| Other Expenses | \$(772) | \$(770) |
| Income After Tax on Capital Gains, Before Distributions to Policyholders and All Other Federal Income Taxes | \$24,530 | \$22,267 |
| Distributions to Policyholders | \$11,484 | \$12,929 |
| Net Income Before Taxes | \$13,046 | \$9,338 |
| Income Taxes | \$3,180 | \$1,054 |
| Net Income | \$9,866 | \$8,284 |

NOTES TO THE FINANCIALS

Copic's last annual audit (conducted by Johnson Lambert and covering statutory financial statements from 2025) was "clean," meaning Copic's statements accurately represent the company's operating results and the company's financial condition as of December 31, 2025. 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.

PEOPLE: STEWARDS OF THE MISSION

▶ BOARD OF DIRECTORS

Gerald V. Zarlengo, MD
Chairman and Chief Executive Officer

Catrina Bubier, MD
OB-GYN

Harris Frankel, MD
Neurology

Oswaldo Grenardo, MD
Family Medicine

Michelle M. Lucero
*Strategic Advisor,
Children's Hospital Colorado*

Sophia Meharena, DO, FAAP
Pediatrics

Steve Neumann
*Managing Partner,
Lattice Work Capital Management*

Hal R. Roth
*Retired, Past Executive Vice President,
Chief Financial Officer, and Chief Legal
Counsel, Colorado Rockies*

Alan Synn, MD, FACS
Vascular Surgery

Rebecca Vogel, MD
General Surgery

▶ COPIC MEDICAL FOUNDATION

Megan Conklin
Executive Director

BOARD MEMBERS

Sophia Meharena, DO, FAAP
Board Chair

Catrina Bubier, MD

Harris Frankel, MD

Kelly Joines

Romana Hasnain-Wynia, PhD

Michelle M. Lucero

Rebecca Vogel, MD

▶ LEADERSHIP TEAM

Gerald V. Zarlengo, MD
Chairman and Chief Executive Officer

Niles Cole*
Chief Financial Officer

Sean Gelsey*
Chief Claims Officer

Ted Tzeng*
Chief Information Officer

Eric Zacharias, MD
Chief Medical Officer

*member of Copic's Operational Council

Matt Groves
General Counsel

Janel Loud-Mahany*
*Senior Vice President,
Underwriting and Policyholder Services*

Beverly Razon
Senior Vice President, Public Affairs

Kristin Stepien*
*Senior Vice President,
Sales and Business Development*

Shelly Waggoner*
Senior Vice President, Human Resources

Douglas Mason
Vice President, Claims

Jeffery Smith
Vice President, Actuarial Services

▶ CONSULTANTS

ACTUARIAL

Milliman
Chad Karls

AUDIT

Johnson and Lambert
Lauren Darr, CPA

INVESTMENTS

Callan Associates Inc.
Alexander Browning

LEGISLATIVE ADVOCACY

Nexus Policy Group (Colorado)
Patrick Boyle
Kayla Tibbals

Eide Walton (Iowa)
Matt Eide
Kate Walton

Poul Haas, PA (Minnesota)
Tom Poul
Amy Walstien

Mueller Robak LLC (Nebraska)
Matt Schaefer

Lincoln Hill Partners (Utah)
Lincoln Shurtz
Casey Hill

REINSURANCE

Howden RE
Joel Wendland

▶ PATIENT SAFETY AND RISK MANAGEMENT CONSULTANTS

Our consultants play a key role in supporting our insureds by leading educational sessions at the Copic Annual Conference, Copic Insights, answering questions via the Risk Management hotline and sharing expertise through articles for the quarterly Copiscope newsletter. Together, these efforts strengthen relationships and promote best practices.

Dr. Katrina Bubier
*OB-GYN
Colorado*

Dr. Ricky Dhaliwal
*Emergency Medicine
Colorado*

Dr. Brian Dwinell
*Internal Medicine
Colorado*

Dr. Matt Hall
*Anesthesiology
Colorado*

Dr. Carrie Horn
*Internal Medicine
Colorado*

Dr. Richard Kubista
*Emergency Medicine
Colorado*

Dr. A. Perry Osborn
*OB-GYN
Iowa*

Dr. Dan Rosenquist
*Family Medicine
Nebraska*

Dr. Jordan Warchol
*Emergency Medicine
Nebraska*

Dr. David Whitling
*Emergency Medicine, Clinical Informatics
Colorado*



7351 E. Lowry Boulevard, Suite 400, Denver, CO 80230
copic.com | TEL: 720.858.6000 or 800.421.1834 | FAX: 877.263.6665