Exhibit 2B Reserve Study Responses:

1. With respect to actuarial methodologies used to determine and monitor carried loss and loss adjustment expense reserves for medical malpractice business, CNA reviews all products associated with medical malpractice at least once per year. Many of the products are reviewed twice per year. We review all Medical Malpractice products, including but not limited to:
    - Nurses
    - Dentists
    - Physicians
    - Primary Medical Institutions (Hospitals and Allied Medical Facilities)
    - Excess Medical Institutions (Hospitals and Allied Medical Facilities) – at least excess of $1M SIR or underlying coverage.
    - Chiropractors

   CNA employs methods to project ultimate losses and allocated loss adjustment expenses (ALAE) separately that are commensurate with the type of business written. Most of the business written is of a primary nature (where CNA is first dollar). Customary actuarial methods are employed. For Excess analyses, such as in the Excess Medical Institutions book, a Bornheuter-Ferguson approach and/or an excess modeling approach are used. In all cases, there would be judgment applied after examining the results of the various methods employed.

   These reviews are used as backup for the Actuarial Opinion for CNA, within the filed Annual Statement. The reviews are housed at CNA and could be viewed upon request.

2. Regarding the adequacy of medical malpractice loss and loss adjustment expense reserves as of the most recent year-end, the carried medical malpractice loss and ALAE reserves as of December 31, 2006 are not significantly different from the actuarial point estimate.

   The following are the NET changes for the overall calendar year developments that have taken place for the Continental Casualty Company and Continental Insurance Company consolidated companies combined (for only Medical Malpractice – ALL states combined). These are taken from Schedule P of the Annual Statements, thus NET only results are shown. Gross changes would be larger to some degree, with similar comments.

Data as of 12/31/xxxx	NET Change (in Millions)	
2006	$44.7	released, favorable change
2005	($32.7)	(strengthened, unfavorable change)
2004	($32.2)	
2003	($101.7)	
2002	($85.4)	

In 2002 and 2003, there was a general worsening of severities in the physicians and excess medical institutions products. The increases in the physicians product mostly came from the states of Oregon, Arizona, California and Nevada. Since that time, CNA has not targeted the individual first dollar physician marketplace as a countrywide strategy, although our risk appetite continues for large multi-specialty practices that are able to assume a large deductible or high self-insured retention and meet our underwriting guidelines. In Arizona, California and Nevada, physician writings have not been pursued. For the excess medical institutions, reserves were evaluated on an account by account basis, and where claims had been expected to be less than the point at which the Combined Companies' coverage applies. The current claim trends now indicate that the layers of coverage provided by the Combined Companies will be affected.

In 2004, the Nurses product was the major source of development, with lesser amounts in the Physicians and Primary Medical Institutions products. The nurses' program showed a higher number and size of claims than had been previously indicated. The physicians and primary institutions programs showed a higher incidence of large claims.

In 2005, the Excess Medical Institutions product showed development due primarily to large claims.

In 2006, the favorable development is due to improved severity and frequency in the healthcare professional liability business, primarily in dental, physicians and other healthcare facilities. The improved severity and frequency are due to underwriting changes. These changes have resulted in business that experiences fewer larger claims.

In general, the Medical Malpractice business at CNA has been re-underwritten since 2003. This re-underwriting effort was implemented to target the most favorable jurisdictions, increase the attachments in the Excess Medical Institutions product, decrease limits on the Excess Medical Institutions product, along with rate changes as necessary.

3. With respect to the query to compare company trends to industry trends, regarding the medical malpractice line of business and include information about the specific business written by the company, and, if necessary, reasons why company trends are different from the industry, such information is not readily available. It would be necessary to undertake a vast review of Schedule P data on an industry-wide basis, which would represent an onerous administrative burden.

Exhibit 2B Surplus Study Responses

1. CNA Financial Corporation's ("CNAF") domestic insurance subsidiaries are subject to risk-based capital requirements. Risk-based capital ("RBC") is a method developed by the National Association of Insurance Commissioners ("NAIC") to determine the minimum amount of statutory capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The formula for determining the amount of risk-based capital specifies various factors, weighted based on the perceived degree of risk, which are applied to certain financial balances and financial activity. The adequacy of a company's actual capital is evaluated by a comparison to the risk-based capital results, as determined by the formula. Companies below minimum risk-based capital requirements are classified within certain levels, each of which requires specified corrective action. As of December 31, 2006, as well as December 31, 2005, all of CNAF's domestic insurance subsidiaries exceeded the minimum risk-based capital requirements. Specifically, the results for Continental Casualty Company ("CCC") and eight of its domestic insurance subsidiaries (collectively referred to as the "Combined Group") as of December 31, 2006, are as follows (in thousands):

	Total Adjusted Capital	Authorized Control Level RBC
Continental Casualty Company	$ 8,018,268	$ 2,129,165
National Fire Insurance Company of Hartford	177,059	641
American Casualty Company of Reading, PA	114,330	342
Transcontinental Insurance Company	99,015	248
Columbia Casualty Company	256,318	347
Valley Forge Insurance Company	55,908	137
Transportation Insurance Company	87,955	100
The Continental Insurance Company	1,925,358	138,778
The Continental Insurance Company of New Jersey	26,795	1,562

The authorized control level RBC is equal to 50% of the RBC requirement. The Combined Group total adjusted capital compared with its RBC requirement indicates that capital and surplus is above its RBC requirements.

2. Please refer to the following list of significant events, favorable or unfavorable, impacting surplus over the past five years. No material unfavorable trends exist. Events disclosed consist of those items that were deemed to have a material impact to surplus during the year in which they occurred and as such, were subsequently disclosed in the applicable footnote or MD&A.

- 2002 Sale of CNA Re Management Company Limited and its subsidiaries – In 2001, CCC recorded an impairment loss associated with plans to dispose of its United Kingdom subsidiary, CNA Re U.K. In anticipation of this disposal and based on the estimated value of the investment, CCC recorded a realized loss of $625 million which consisted of the write-off of the investment's book value of $415 million, as well as estimated future costs of $210 million associated with the disposal. At December 31, 2001, CCC recorded a write-in liability representing the estimated future costs and liability of $24 million. The write-in liability represented the estimated future costs and capital contributions related to the sale of CNA Re U.K., and the funds held represented amounts expected to be reimbursed to the purchaser of one of the former CNA Re Management Company Limited subsidiaries for certain future expenses. CCC also recorded a decrease in unrealized capital losses of $82 million, which resulted from the write-off of the book value and carrying value as of December 31, 2000.

In March 2002, CCC contributed capital of $120 million to CNA Re U.K. to bring its statutory surplus above the regulatory minimum.

On October 31, 2002, CCC completed the sale of CNA Re U.K. The sale was approved in the United Kingdom by the Financial Services Authority ("FSA") and by the Illinois Department of Insurance. The purchase price was $1, subject to adjustments based primarily upon results of operations and realized foreign currency losses of CNA Re U.K. The final purchase price adjustments were agreed to by CCC and the purchaser. Under the terms of the purchase price adjustment, CNA is entitled to receive $5 million from the purchaser after it is able to legally withdraw funds from CNA Re U.K. CCC will record these amounts when received. The increase in purchase price of $11 million is related to foreign currency losses. As the sale and related agreements have now been completed, CCC has finalized its impairment analysis based upon the terms of the completed transactions. Accordingly, in 2002, the impairment loss was reduced by $19.6 million pre-tax. The remaining write-in liability at December 31, 2002 of $32 million provides for the $11 million adjustment noted above and paid in January 2003, $9 million covering the guarantee to CNA Europe for assuming CCC's obligations with respect to a CNA Re U.K. corporate joint venture, and $12 million in additional closing costs related to the sale. The funds held liability established in 2001 related to the sale of one of the former CNA Re U.K. subsidiaries has been reduced to $5 million at December 31, 2002.

- 2002 Impairment Losses – For the year ended December 31, 2002, the Combined Group recorded $556 million in investment impairment losses included in net realized capital losses. The impairment losses related primarily to corporate bonds in the communications industry sectors, including $69 million related to debt securities issued by WorldCom, Inc., $35 million related to Adelphia Communication Corporation, and $19 million for AT&T Canada, all of which subsequently filed for bankruptcy.

  In connection with a routine review of CNAF's periodic filings with the Securities and Exchange Commission ("SEC"), CNAF supplied information to the SEC Staff related to its realized investment losses and other-than-temporary impairment losses from its investment portfolio. CNA also had discussions with the SEC Staff about CNAF's treatment of those losses. Subsequent to the filing of the Combined Group's 2002 annual statements, CNAF continued to work with the SEC Staff on this matter. The discussions and resolution of this matter resulted in CCC taking additional write-downs for other-than-temporary impairment losses in the amount of $36 million. This pre-tax amount was reflected as realized investment losses in the 1st quarter 2003 filing of CCC's quarterly statement.

- 2003 Third Quarter Results and Capital Plan – Through the third quarter of 2003, CCC recorded reserve strengthening for prior accident years of approximately $1.7 billion. This reserve strengthening was the result of the completion of CCC's review of approximately 90% of its property-casualty reserve base pursuant to its regular practice with regard to such reserves, including a comprehensive review of APMT (asbestos, pollution, and mass tort), construction defect, and other volatile exposures. The total reserve strengthening consisted of approximately $335 million related to APMT and approximately $1.4 billion related to core lines of business, including workers' compensation, commercial multi-peril, and medical malpractice.

  Also during the third quarter of 2003, CNAF announced a capital plan which, in part, offsets the surplus impact of the reserve strengthening. This plan includes a number of components, including capital support from Loews, consolidation of CNA's U.S. property and casualty operations, and possible sales or other dispositions of businesses and assets. On November 24, 2003, Loews provided capital support through the purchase of $750 million of a new series of CNAF convertible preferred stock (Series H Issue). Proceeds from the preferred stock sale were contributed by CNAF to CCC during the fourth quarter of 2003. Loews also committed additional capital support of up to $500 million through the purchase of surplus notes issued by CCC in the event that certain additions to CCC's surplus were not achieved by February 26, 2004 from business or asset sales. After consideration of the increase in CCC's statutory surplus resulting from the sale of the Group Benefits and Life Businesses, Loews purchased $345.6 million of CCC surplus notes on February 25, 2004. Following the consummation of the individual life sale (refer to sale of individual life business discussion below), CNA planned to seek approval from the relevant state insurance department for the repayment of the surplus notes purchased in relation to such sale. This approval was subsequently received (refer to surplus notes discussion below).

  CNA has undertaken a plan to consolidate its U.S. property and casualty risks and capital so that they reside within CCC. This consolidation included the fourth quarter 2003 implementation of the 100% quota share reinsurance agreement between CCC and its subsidiary, The Continental Insurance Company ("CIC"), whereby the net underwriting risks residing in CIC are reinsurance by CCC on a funds-held reinsurance basis, effective January 1, 2003 ("Reinsurance Agreement"). As a result of this reinsurance structure, CCC assumed the 2003 underwriting year activity that we previously reflected in the former CIC Pool, including approximately $724 million of reserve strengthening recorded in the former CIC Pool through the third quarter. This was reflected in CCC's statutory financial statements as of December 31, 2003. Also in the fourth quarter of 2003, the CIC Group of fifteen insurers was contributed to CCC in order to properly align the insurance risks with the supporting capital. CCC also continued its efforts to reduce both the number of U.S. property and casualty insurance entities it maintains and the numbers of states in which such entities are domiciled.

Both the Reinsurance Agreement and the ownership changes received the applicable regulatory approvals.

- 2003 Surplus notes to Loews – As referenced above, on February 25, 2004, CCC issued two separate surplus notes to Loews for cash at the stated face values of $300 million and $45.6 million. Both notes mature on February 25, 2024 and accrue interest annually at a rate of 350 basis points over the London Interbank Offer Rate (“LIBOR”). The notes can be repaid prior to maturity at CCC’s discretion contingent upon regulatory approval. CCC did not accrue or pay interest/principal on the notes in these financial statements since the date of issuance is subsequent to the balance sheet date. CCC provided verification that the cash proceeds were received prior to issuance of these financial statements to the Illinois Department of Insurance, which enabled the Company to record the proceeds as surplus for the period ended December 31, 2003, pursuant to the statutory accounting guidance provided in SSAP 72 – Surplus and Quasi-reorganization (“SSAP 72”), paragraph 4.

  With approval from the Department, CCC repaid the $300 million notes, plus interest of $4 million on June 16, 2004.

  With approval from the Department, CCC repaid the $46 million notes, plus interest of $2 million on December 15, 2004.

- 2003 Impairment Losses – For the year-ended December 31, 2003, CCC recorded $414.0 million in investment impairment losses included in net realized capital losses. The impairment losses related primarily to corporate bonds in the Communications and Consumer Cyclical/Non-Cyclical industry sectors, as well as to an affiliate note issued by Viaticus.

- 2004 Sale of Individual Life Business – In February 2004, CCC’s wholly-owned subsidiary, Continental Assurance Company (“CAC”), entered into a definitive agreement to sell the individual life insurance business to Swiss Re Life & Health America Inc. (“Swiss Re”) for approximately $700 million. Such business included term, universal and permanent life insurance policies and individual annuity products. This transaction closed on April 30, 2004 and was accomplished through (i) the sale to Swiss Re of all of the outstanding capital stock of Valley Forge Life Insurance Company (“VFL”), a wholly owned subsidiary of CAC, (ii) a reinsurance transaction in which CAC ceded to Swiss Re, on a 100% indemnity reinsurance basis, its individual life insurance business, and (iii) the sale to Swiss Re of all of the outstanding capital stock of CNA International Life Corp., a wholly-owned subsidiary of CAC. CCC's increase in statutory surplus from this transaction was in excess of $504 million. While Swiss Re acquired all of the outstanding capital stock of VFL, the individual long term care business of VFL was excluded from the sale and was reinsured to CCC immediately prior to the sale. As of April 30, 2004, VFL's assets, liabilities and surplus were $2,932 million, $2,710 million and $223 million, respectively.

- 2005 Sale of Continental National Indemnity Insurance Company (“CNI”) – On June 30, 2005, Continental National Corporation (“CNC”) and CCC, CNI’s direct and indirect parent companies, respectively, and Applied Underwriters, Inc. entered into a Stock Purchase Agreement for Applied Underwriters, Inc. to purchase the outstanding shares of common stock of CNI. This transaction closed, effective December 30, 2005, and resulted in a statutory gain of approximately $3.4 million, increasing CCC’s statutory surplus. This transaction also resulted in a return of capital from CNC to CCC of $13.5 million, which had a neutral effect on CCC’s surplus but served to reclassify invested assets. CCC provided verification to the Illinois Division of Insurance that the cash proceeds from the return of capital were received on January 20, 2006 to reflect the return of capital for the period ended December 31, 2005, pursuant to the statutory guidance provided in SSAP No. 72. CCC will continue to reinsure CNI’s insurance liabilities prior to the December 30, 2005 effective date of the sale transaction.

- 2005 Sale of Option Companies to the Allstate Corporation and Certain of its Subsidiaries (Allstate) - Five direct subsidiaries of CCC were sold to Allstate, effective October 1, 2005, pursuant to several agreements executed in October 1999, and corresponding amendments executed subsequently, between CNA and Allstate in order to effect the sale of CNA’s personal insurance business to Allstate. These five direct subsidiaries, also referred to as the option companies, included Encompass Insurance Company of Massachusetts, Encompass Home and Auto Insurance Company, Encompass Independent Insurance Company, Encompass Property and Casualty Company and Encompass Insurance Company of America. This sale transaction resulted in a statutory gain of approximately $8.3 million during the fourth quarter of 2005, increasing CCC's statutory surplus as of December 31, 2005.

- 2005 Implementation of SSAP No. 88 – In June 2004, the NAIC adopted SSAP No. 88, a replacement of SSAP No. 46. SSAP No. 88 refines the valuation requirements for investments in non-insurance SCA entities involved in specified activities. SSAP No. 88 was effective after January 1, 2005 and resulted in a reduction of surplus of $20 million as of December 31, 2005.

- 2006 Series H Issue Repurchase – As indicated above, in December 2002, CNA sold $750 million of a new issue of preferred stock, the Series H Issue, to Loews. The Series H Issue accrued cumulative dividends at an initial rate of 8% per year, compounded annually. In August 2006, CNA repurchased the Series H Issue from Loews for approximately $993 million, a price equal to the liquidation preference.

  CNA financed the repurchase of the Series H Issue with the proceeds from its sales of: (i) 7.0 million shares of its common stock in a public offering for approximately $235.5 million; (ii) $400 million of new 6.0% five-year senior notes and $350 million of new 6.5% ten-year senior notes in a public offering; and (iii) 7.86 million shares of its common stock to Loews in a private placement for approximately $264.5 million. CNA used the proceeds in excess of the amount used to repurchase the Series H Issue to fund the repayment of its $250 million outstanding 6.75% senior notes in November 2006.

Company Defined Items

1. Where the county indicated for a policy in our data systems was in another state, we first attempted to determine the county based on the county recorded for the insured, then based on the county in which the loss occurred. If none of these indicated a county in Illinois, or the county was recorded as “Unknown”, we reported the county as “Other” (#103). This approach was undertaken to minimize the amount of loss dollars reported as “Other”.

2. We have not made any changes to our reserving philosophy in the past ten years in terms of how we evaluate damages and case value. Our reserving practices over the past ten years have involved continuous efforts to strive for timely and accurate reserving. In our view, such diligence has improved case reserve accuracy and has resulted in strengthening of the case reserves. The data reflect this case reserve strengthening, beginning in 2003, and applying to all medical malpractice products. This causes a sharp increase in the calendar year 2003 diagonal of the incurred loss triangle relative to prior years. In the years since 2003, compared to the years prior to 2003, a different development pattern has emerged. A more recent development includes the increased use of national counsel for severe cases. This initiative results in larger ALAE payments, especially with respect to the Nurses Professional Liability Program. Our claim payment practices have not materially changed over the past ten years.

3. A claim is closed in our system when the indemnity plus expense reserves are $0. We have not implemented any material change to the definition of “closed claim”.

4. Individual healthcare providers may purchase a separate limit corporate policy for their practice. For facility products (hospitals, allied healthcare facilities, excess institutions, etc.), the policy is considered a “corporate” policy.

   We provide professional liability coverage to hospitals and allied health care facilities for claims arising from an act, error or omission in the rendering of "professional services", as defined in Form G-144101-A, and as set forth in the Healthcare Liability Policy Common Conditions, G-144102-A, as filed and approved by the Illinois Department of Financial and Professional Regulation Division of Insurance.

5. The base classes and base territories from recent rate filings differ by product, as shown in the following table.

Product	Base Class	Base Territory	Any Changes In Past 10yrs?
Nurses	None	Entire State	No
CRNA	CRNA	Remainder of State	No
Dental	Dentist	Remainder of State	No
Hospitals	Occupied Acute Care Bed	Remainder of State	No
Allied Healthcare Facilities	NA	NA	NA
Chiropractors	Class I	Remainder of State	No
Excess Institutions	NA	NA	NA
Physicians	Family Practice - No Surgery	Remainder of State	No

6. No adjustments have been made to the exposures for extended reporting endorsements.

7. The tail factors shown in our Continental Casualty Company (FEIN# 36-2114545) ASCII file are for Physicians only. Other tail factors are shown below. The tail factors are based on mature premiums, except for the Dental and Chiropractor factors, which are based on expiring annual premiums.

Company	Product	Maturity	TailFactors
ACCO	Nurses	1	0.92
ACCO	Nurses	2	1.43
ACCO	Nurses	3	1.70
ACCO	Nurses	4 or more	1.87
ACCO	CRNA	Any	1.00
CCC	Dental	1	0.79
CCC	Dental	2	1.23
CCC	Dental	3	1.45
CCC	Dental	4 or more	1.57
CCC	Hospitals	1	0.74
CCC	Hospitals	2	1.05
CCC	Hospitals	3	1.19
CCC	Hospitals	4	1.27
CCC	Hospitals	5 or more	1.31
CCC	Allied HealthCare Facilities	1	0.75
CCC	Allied HealthCare Facilities	2	1.15
CCC	Allied HealthCare Facilities	3	1.30
CCC	Allied HealthCare Facilities	4	1.35
CCC	Allied HealthCare Facilities	5	1.40
CCC	Chiropractors	1	1.42
CCC	Chiropractors	2	1.34
CCC	Chiropractors	3	1.23
CCC	Chiropractors	4 or more	1.21

8. The expense factors shown in our Continental Casualty Company (FEIN# 36-2114545) ASCII file are for physicians only. Other expense factors are as follows:

Product	Company	Expense	Contingency	DDR	Commission	Tax	Impact	Misc	Misc name
Nurses	ACCO	48.99%	0.00%	0.00%	40.00%	1.88%	1.000	-0.70%	profit
CRNA	ACCO	33.60%	0.00%	0.00%	20.00%	1.88%	1.000	1.76%	profit
Dental	CCC	35.37%	0.00%	0.00%	21.65%	1.88%	1.000	2.10%	profit
Chiro	CCC	34.10%	0.00%	0.00%	20.00%	2.60%	1.000	1.80%	profit
Allied	CCC	33.10%	0.00%	0.00%	10.00%	3.00%	0.979	5.80%	profit
Hospitals	CCC	26.90%	0.00%	0.00%	10.00%	2.40%	1.000	2.30%	profit

The amounts shown in the Expense fields include all expenses and ULAE, but not our profit provision.

9. The Miscellaneous factors shown in the above table are all attributable to our profit load. These are the only “other” factors used in the rate filing to establish rates.

10. The level of detail of ULAE Paid Coding within our information technology systems did not permit identification of the Health Care Insurer Type. Therefore, we allocated the Medical Malpractice ULAE Paid amounts based on the Net Paid amounts in the corresponding categories.

The level of detail of Assumed IBNR Reserves within our information technology systems also did not allow for identification of the Health Care Insurer Type. Therefore, we allocated based on the percentage of Case Assumed Reserves to create the IBNR Assumed portion.

The system that houses our claim counts does not contain the same detail asked for in this data request. In identifying the correct gross claim counts reported, we used the business unit type that housed the claim counts to determine the Health Care Insurer Type.

The Policy Type (Code) is either CMPA or OERE (4 characters long). In Appendix B, this field is assigned a character length of 2. Per Julie Anderson, we have given this field a length of 4, which pushes all the remaining fields over two character places.

Where the Direct and Assumed Loss and Loss Expense Percentage did not fit in the allotted space with the specified formatting, we have left the field blank. In these cases, the value that would otherwise be shown would be rather meaningless (2000% of 50, -153% of -200, etc.). This field can be calculated off of other values shown in the file if there is interest in the value.

Other Notes on ASCII Files

In general, if a number or word did not fill the appropriate number of character places, we have filled the empty character places with spaces. In places where there was no applicable data, we have also filled in spaces. This ensures that any data to the right of the blank area falls in the right location.

To eliminate problems with numbers being too large for their allotted column lengths, we have reported all of our amounts in thousands of dollars.

Exhibit 1a
We do not track whether a specific claim is asserted against an individual or a corporate policy. We, therefore, assumed that all claims in products that were primarily individual policies were, in fact, claims against the individuals. For example, claims in our physicians product were assumed to be against individuals, and claims in our primary institutions product were assumed to be against corporations.

Exhibit 1b
Where the limits were not recorded in our data systems, we recorded the limit to be "0/0". Where the limits would otherwise be "1,000,000/1,000,000", we have abbreviated to reflect "1M/1M" in order to remain within the length constraints of the column. Note that this remains in thousands of dollars.
Certain historical data for the company is excluded from the exposure exhibits. The table below shows the premium volume for these excluded items. Below is a description of the reason codes contained in this data.

X-EXCESS - We have no exposure information for our Excess Institutions policies.
X-CAPTIVE - We have no exposure information for our Captives policies.
X-NO_ISO - Records that did not have a recognizable ISO Code.
X-NO_EXP_BASE - Records for which the there is an ISO Code, but the code has no rating basis.
X-UNKNOWN - All other records for which an exposure could not be determined.

Year	PolicyType	Premium	EXPO_TYPE	Reason	Company
1997	CMPA	76,669	CORP	X-UNKNOWN	American Casualty Co.
1997	CMPA	15,000	INDL	X-EXCESS	American Casualty Co.
1997	CMPA	4,700	INDL	X-NO_EXP_BASE	American Casualty Co.
1997	OERE	184,496	CORP	X-NO_EXP_BASE	American Casualty Co.
1997	OERE	11,464	INDL	X-NO_ISO	American Casualty Co.
1998	CMPA	82,173	CORP	X-UNKNOWN	American Casualty Co.
1998	CMPA	187,960	INDL	X-NO_EXP_BASE	American Casualty Co.
1998	OERE	98,000	CORP	X-NO_EXP_BASE	American Casualty Co.
1999	CMPA	14,250	CORP	X-EXCESS	American Casualty Co.
1999	CMPA	83,783	CORP	X-UNKNOWN	American Casualty Co.
1999	CMPA	349,591	INDL	X-NO_EXP_BASE	American Casualty Co.
1999	OERE	109,844	CORP	X-NO_EXP_BASE	American Casualty Co.
2000	CMPA	57,282	CORP	X-NO_EXP_BASE	American Casualty Co.
2000	OERE	2,518	CORP	X-UNKNOWN	American Casualty Co.

2001	CMPA	25,379	CORP	X-UNKNOWN	American Casualty Co.
2006	OERE	525	INDL	X-NO_ISO	American Casualty Co.
1997	CMPA	81,502	CORP	X-NO_EXP_BASE	CCC-Parent
1997	CMPA	129,414	CORP	X-UNKNOWN	CCC-Parent
1997	CMPA	1,265,218	INDL	X-EXCESS	CCC-Parent
1997	CMPA	206,777	INDL	X-NO_EXP_BASE	CCC-Parent
1997	CMPA	16,995	INDL	X-NO_ISO	CCC-Parent
1997	OERE	2,884,319	CORP	X-NO_ISO	CCC-Parent
1997	OERE	5,483	CORP	X-UNKNOWN	CCC-Parent
1998	CMPA	6,620	CORP	X-CAPTIVE	CCC-Parent
1998	CMPA	103,500	CORP	X-EXCESS	CCC-Parent
1998	CMPA	116,220	CORP	X-NO_EXP_BASE	CCC-Parent
1998	CMPA	53,818	CORP	X-UNKNOWN	CCC-Parent
1998	CMPA	35,000	INDL	X-EXCESS	CCC-Parent
1998	CMPA	12,500	INDL	X-NO_EXP_BASE	CCC-Parent
1998	CMPA	60,916	INDL	X-NO_ISO	CCC-Parent
1998	OERE	2,551,783	CORP	X-NO_ISO	CCC-Parent
1999	CMPA	1,017,870	CORP	X-EXCESS	CCC-Parent
1999	CMPA	51,400	CORP	X-NO_EXP_BASE	CCC-Parent
1999	CMPA	248,262	CORP	X-UNKNOWN	CCC-Parent
1999	CMPA	7,875	INDL	X-EXCESS	CCC-Parent
1999	CMPA	16,883	INDL	X-NO_EXP_BASE	CCC-Parent
1999	CMPA	11,490	INDL	X-NO_ISO	CCC-Parent
1999	OERE	2,415,273	CORP	X-NO_ISO	CCC-Parent
1999	OERE	75	INDL	X-NO_ISO	CCC-Parent
2000	CMPA	1,852,573	CORP	X-EXCESS	CCC-Parent
2000	CMPA	49,395	CORP	X-NO_EXP_BASE	CCC-Parent
2000	CMPA	255,048	CORP	X-UNKNOWN	CCC-Parent
2000	CMPA	325,387	INDL	X-NO_EXP_BASE	CCC-Parent
2000	CMPA	10,732	INDL	X-NO_ISO	CCC-Parent
2001	CMPA	2,355,822	CORP	X-EXCESS	CCC-Parent
2001	CMPA	130,986	CORP	X-NO_EXP_BASE	CCC-Parent
2001	CMPA	46,989	CORP	X-UNKNOWN	CCC-Parent
2001	CMPA	7,687	INDL	X-CAPTIVE	CCC-Parent
2001	CMPA	889,419	INDL	X-NO_EXP_BASE	CCC-Parent
2001	OERE	22,800	CORP	X-NO_EXP_BASE	CCC-Parent
2001	OERE	566,129	CORP	X-NO_ISO	CCC-Parent
2001	OERE	23,429	INDL	X-NO_ISO	CCC-Parent
2002	CMPA	3,490,283	CORP	X-EXCESS	CCC-Parent
2002	CMPA	48,771	CORP	X-NO_ISO	CCC-Parent
2002	CMPA	2,246	CORP	X-UNKNOWN	CCC-Parent
2002	CMPA	8,000	INDL	X-NO_ISO	CCC-Parent
2003	CMPA	1,955,994	CORP	X-EXCESS	CCC-Parent
2003	CMPA	37,154	CORP	X-NO_ISO	CCC-Parent
2003	CMPA	14	INDL	X-NO_EXP_BASE	CCC-Parent
2003	OERE	1,422,437	CORP	X-NO_ISO	CCC-Parent
2004	CMPA	9,910,591	CORP	X-EXCESS	CCC-Parent
2005	CMPA	7,957,469	CORP	X-EXCESS	CCC-Parent

2006	CMPA	11,199,154	CORP	X-CAPTIVE	CCC-Parent
2006	CMPA	9,900,654	CORP	X-EXCESS	CCC-Parent
2006	CMPA	54,414	CORP	X-NO_ISO	CCC-Parent
1997	CMPA	103,750	CORP	X-EXCESS	National Fire
1997	CMPA	103,750	INDL	X-EXCESS	National Fire
1998	OERE	200	INDL	X-NO_ISO	National Fire
1999	OERE	150	INDL	X-NO_ISO	National Fire
2000	CMPA	15	INDL	X-NO_EXP_BASE	National Fire
1997	CMPA	19,700	CORP	X-NO_EXP_BASE	The Continental Insurance Co
1997	CMPA	104,060	CORP	X-UNKNOWN	The Continental Insurance Co
1997	CMPA	735,732	INDL	X-EXCESS	The Continental Insurance Co
1998	CMPA	98,750	CORP	X-EXCESS	The Continental Insurance Co
1998	CMPA	5,932	CORP	X-UNKNOWN	The Continental Insurance Co
1998	CMPA	110,500	INDL	X-EXCESS	The Continental Insurance Co
1999	CMPA	171,000	CORP	X-EXCESS	The Continental Insurance Co
2000	OERE	17,747,893	CORP	X-CAPTIVE	The Continental Insurance Co
1998	CMPA	39,318	INDL	X-NO_ISO	Transportation
1999	CMPA	1,225	INDL	X-NO_ISO	Transportation

Reconciliation

Our analysis of the Illinois Medical Professional Liability Insurance Uniform Claims Report has revealed that discrepancies may arise between those medical malpractice claims reported to the National Association of Insurance Commissioners (NAIC) and those claims reported to the Illinois Division of Insurance due to the governing standards for claim reporting that may result in inconsistent data based upon the unique reporting requirements of both entities.

With respect to the NAIC "Supplement A to Schedule T" reporting, claim reporting data is submitted based upon the calendar year. Consequently, a claim payment made on December 15, 2006 would not require reporting to the Illinois Division of Insurance Regulation until ninety (90) days after the end of the quarter, or March 31, 2007. Nevertheless, the same claim payment would be included in the 2006 NAIC "Supplement A to Schedule T". Therefore, such inconsistencies may perpetually arise due to timing differences applying to the reports submitted to the Illinois Division of Insurance and the NAIC. Moreover, it should be noted that on the "Supplement A to Schedule T", each payment may reflect multiple claims for purposes of the "Supplement A to Schedule T" Statement. Nevertheless, the claim was reported to the Division of Insurance as one claim with multiple payments. A claim payment included in the 2006 NAIC "Supplement A to Schedule T" may not have been reported to the Illinois Division of Insurance for a variety of reasons which make a claim not reportable under Illinois law. For example, the claim may have represented: 1) a structured settlement payment reported at the time of settlement but not in later years, 2) a health care professional disciplinary board action which is not reportable; 3) a claim settled within a self-insured retention for which the Insured may report the claim directly to the Division of Insurance or retain a third-party administrator to report the claim on its behalf; or 4) other matters pertaining to the litigation status of the specific claim.

As a result of the issues enumerated above, it would be impossible to fully reconcile the claims data reported on the NAIC Statement with the claims reported with respect to the Illinois Medical Professional Liability Insurance Uniform Claims Report.