Whereas, For approximately forty years, the Medical Liability Mutual Insurance Company (MLMIC) has been a physician policy holder–owned and run Mutual Insurance Company and has enjoyed a close and mutually supportive relationship with the Medical Society of the State of New York, the State’s County Medical Societies, and the State’s Specialty Societies; and

Whereas, The Board of Directors of MLMIC has voted to propose sale of the company to Berkshire Hathaway, a decision which would need to be approved by current MLMIC policyholders and which would "mutualize" the company; and

Whereas, The MLMIC Board announced its endorsement of the sale in July, 2016; and

Whereas, Some policyholders have expressed concern about having sufficient time to consider the advantages and disadvantages of the proposal before policyholder hearings, especially as more than six months have passed since the initial announcement; and

Whereas, Requests for information sufficient to be an active participant in such hearings have not yet been fulfilled; and

Whereas, MLMIC representatives have said that the New York State Department of Financial Services (DFS) is preventing release of information, although sources at the DFS have said that the Department is not setting such limits; and

Whereas, The fact that the MLMIC Board of Directors was provided with evidence convincing enough such that it has endorsed the proposal, indicates that the same information sufficient to the policyholders should be available; and

Whereas, The only group of people whose relationship to the Company definitely will be changed with approval of the sale will be the policy shareholders, who will no longer be owners, although it is presumed that MLMIC management and its Board will continue their roles with the new version of the Company; and

Whereas, The owners of the Company, who have depended on it and valued their ownership, and whose status will change dramatically with the sale, should have the option of asking independent counsel questions about the proposal and its effects on them, as their position will change substantially with the sale; and

Whereas, This new position of the policyholders as a result of the Board’s decision is radically different than other decisions that the Board makes on behalf of the policyholders, and this difference requires additional representation; and

Whereas, Consulted law firms have said that it is not unusual for there to be additional counsel in such circumstances; and
Whereas, The magnitude of the proposed deal is such that an additional expense to satisfy the policyholder owners should not be prohibitive; and

Whereas, In spite of the many positive attractions of the proposal, prudent owners should be expected to carefully consider their options and the repercussions before making irrevocable decisions; therefore be it

RESOLVED, That the Medical Society of the State of New York ask for the immediate release of the term sheet for the proposed sale of MLMIC to Berkshire Hathaway; and be it further

RESOLVED, That the Medical Society of the State of New York ask for immediate release of the independent appraisal of MLMIC used to establish the terms of sale; and be it further

RESOLVED, That the Medical Society of the State of New York ask MLMIC to provide and finance independent counsel to represent the policyholders in determining their interests in the proposed sale; and be it further

RESOLVED, That the Medical Society of the State of New York should assist the policyholders in convening a policyholders' meeting to address issues of concern about the sale if MLMIC does not respond positively to immediate request for information and general counsel.