



THE TOTAL COST OF RISK

Managing healthcare risk can be very costly. Do you know the **total cost** of risk to your organization?



WHY YOU SHOULDN'T CHOOSE YOUR INSURANCE POLICY BASED ON THE PREMIUM ALONE

Your insurance premium alone is not the whole story. Let us show you the full picture of the total cost of risk.

Are you familiar with this formula?

$$\begin{array}{ccccccc} \mathbf{1} & + & \mathbf{2} & + & \mathbf{3} & = & \mathbf{TOTAL} \\ \mathbf{YOUR\ RISK} & & \mathbf{INSURANCE} & & \mathbf{LOSSES} & & \mathbf{COST} \\ \mathbf{MITIGATION} & & \mathbf{PREMIUMS} & & \mathbf{NOT} & & \mathbf{OF} \\ \mathbf{EXPENSES} & & & & \mathbf{COVERED} & & \mathbf{RISK\ TO} \\ & & & & & & \mathbf{YOU} \end{array}$$

1

YOUR RISK MITIGATION EXPENSES

HIROC is your partner in managing risk through value-added insights, tools and services.

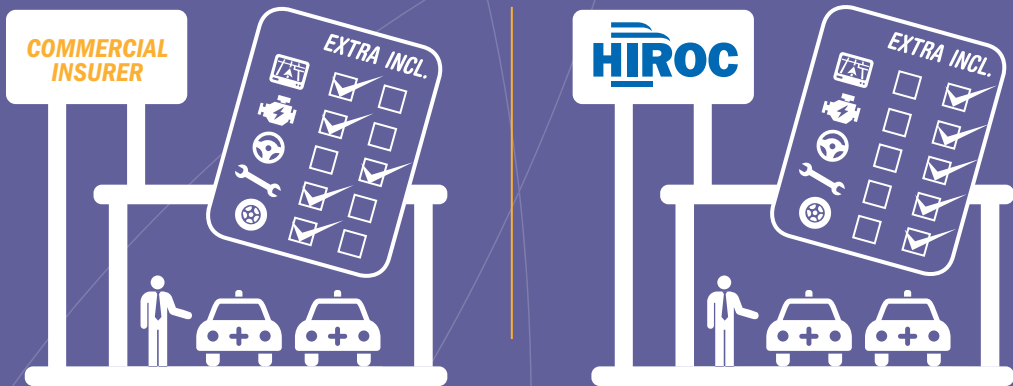


YOUR RISK MITIGATION EXPENSES

Your organization works hard to provide a high standard of care. That comes at a high price – quality control, education, legal advice and consulting fees. We're here to help! At HIROC, we provide consultation and advice, risk management tools, education, data and reports – all at no additional cost to you.

HIROC's Risk Management team helps lower the risk of claims through value-added consultation and advice.

One of the unique features of the HIROC policy compared to our competitors is the focus on risk management. Our goal is to aid our subscribers in enhancing safety, decreasing claims and increasing organizational effectiveness.



2 INSURANCE PREMIUMS

Our not-for-profit model works to reduce the cost of your insurance.

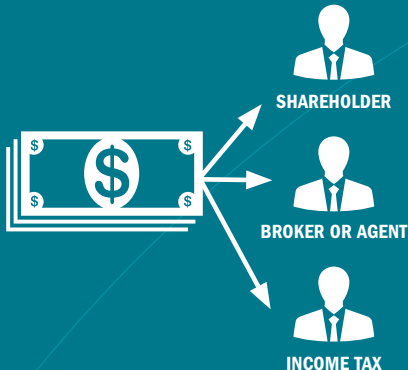


INSURANCE PREMIUMS

As a not-for-profit organization, HIROC does not pay income tax, broker or agent commissions, and does not need to charge extra to ensure dividends for outside investors. Profit or surplus is returned to the insureds – our subscribers!

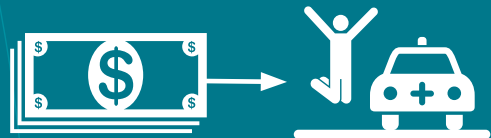
HIROC's efficient cost structure saves you money on your insurance premiums!

COMMERCIAL INSURER



HIROC

YOUR ORGANIZATION AND
THE HEALTHCARE SYSTEM



3 LOSSES NOT COVERED

Our seamless coverage and high limits mean greater stability for you.



HIROC
COVERAGE

LOSSES NOT COVERED

We provide “one stop shopping” for all your insurance needs. We offer a full range of insurance products and services through our comprehensive healthcare liability policy and the services of our brokerage, HIROC Insurance Services Ltd. Our policy does not have deductibles or co-insurance clauses that could create additional costs for your organization.

With HIROC's comprehensive policy, fewer losses are excluded which means more money stays in your organization.

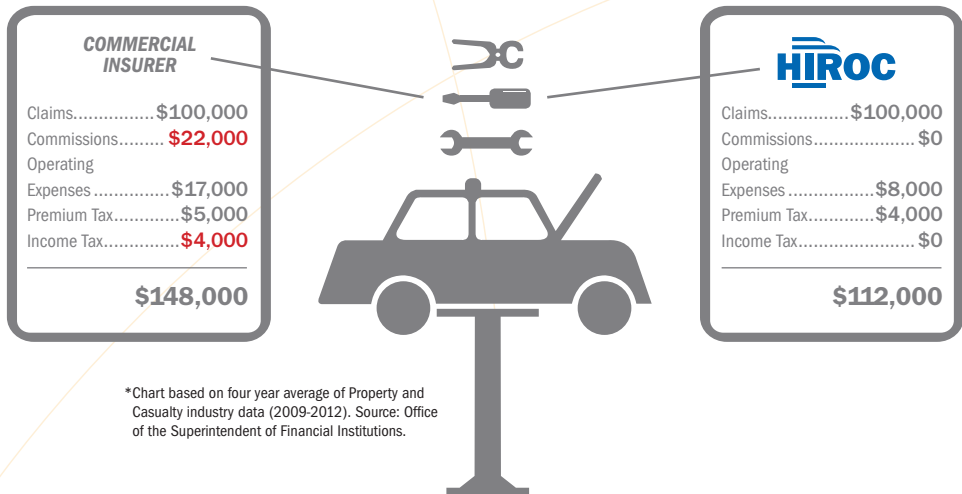


Example: subscriber with claims of \$100,000

| | COMMERCIAL INSURER COVERAGE | HIROC |
|---------------------------------|---|--------------------------|
| CLAIMS | \$100,000 | \$100,000 |
| INSURANCE PREMIUM | \$148,000 | \$112,000 |
| PROFIT/SURPLUS | Paid out as dividends to outside shareholders | Flows back to subscriber |
| RISK MANAGEMENT SERVICES | Not included | Included |

Why HIROC can lower the cost of insurance:
We do not pay commissions and income tax and have lower operating expenses.

INSURANCE COSTS COMPARISON



*Chart based on four year average of Property and Casualty industry data (2009-2012). Source: Office of the Superintendent of Financial Institutions.



Healthcare Insurance
Reciprocal of Canada

HIROC is Canada's leading provider of healthcare liability insurance. As a not-for-profit with over 500 subscribers across Canada, HIROC's risk management programs and claims management expertise results in greater safety and improved system efficiency.

To learn more about how HIROC can be your partner in reducing your total cost of risk, contact us today!

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