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MASSACHUSETTS HOSPITALS WILL SEE NO RATE INCREASE FROM PROMUTUAL GROUP IN 2007

Boston, MA (August 1, 2007) – Massachusetts hospitals will benefit from level medical liability insurance rates after Medical Professional Mutual Insurance Company (“ProMutual”) announced today its intention to not increase its Massachusetts facility rates in 2007. This decision will impact close to 150 hospitals, clinics, clinical laboratories and community health centers insured by ProMutual in Massachusetts. The last time the company was able to hold rates steady for hospitals in Massachusetts was over a decade ago in 1996.

“Although the trend we are seeing with rate stabilization, both at ProMutual Group and across the industry, is what we had expected, we believe that our strategy of working with policyholders to enhance patient safety has benefited everyone involved.” said Gregg L. Hanson, ProMutual Group’s senior vice president of underwriting. “We closely collaborate with our facility policyholders to maximize patient safety efforts and minimize risk, and we believe that our efforts with these groups have led to these steady rates.”

The decision to not increase rates was reached after a careful analysis of objective data which revealed patterns that clearly support rate stabilization. The decision to not increase rates is the second of the year for the company, after not increasing rates for individual medical liability policies in Massachusetts earlier in 2007.

“Maintaining the long-term financial stability of the company in balance with protecting our policyholders is our foremost priority,” said Richard W. Brewer, CEO and president for ProMutual Group. “We believe in the strong defense of good medicine, and we are proud that these efforts coupled with disciplined underwriting practices have brought about the beneficial flattening of rates.”

ProMutual Group pledges to continue working closely with Massachusetts hospitals and healthcare facilities to sustain this positive development and maintain the company’s financial stability while benefiting the healthcare community.

About ProMutual Group

ProMutual Group is the largest provider of medical malpractice liability insurance in New England, insuring more than 18,000 physicians, surgeons, and dentists as well as a large number of hospitals, health centers and clinics. It is one of the top 10 medical liability insurance providers in the country based on direct written premium. ProMutual Group has more than \$2.1 billion in admitted assets, \$504.7 million in policyholder surplus, and \$338.8 million in direct written premium. ProMutual Group has a Best’s Rating of A- (Excellent), and is acknowledged as a leader in providing risk management and claim services.

Based in Massachusetts, ProMutual Group member companies also operate in Connecticut, Maine, New Hampshire, New Jersey, Pennsylvania, Rhode Island and Vermont. ProMutual

Group distributes its products through independent agents. For more information, visit ProMutual Group's web site at www.promutualgroup.com.

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