

PRESS ROOM

For Immediate Release

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MedAmerica Mutual's Outlook Positive

MedAmerica Mutual Risk Retention Group, Inc. has received notice that AM Best has increased the Company to a "positive" outlook. At the same time, AM Best (the industry's rating agency) has reconfirmed the Company's rating of B++ (Very Good).

Gloria H. Everett, President & Chief Executive Officer, welcomed the news of AM Best's assessment. Ms. Everett stated "The change in outlook to positive means the Mutual is receiving recognition for delivering consistent positive financial results through disciplined underwriting, implementation of good risk management programs, and adherence to investment guidelines." Ms. Everett believes the Mutual is poised to continue increasing the Company's exceptional financial results as staff remains focused on maintaining an underwriting ratio of less than 100 by proactively managing claims and operating expenses.

The Mutual's 2005 combined ratio was 89.7% while the total surplus increased by 12%. The Mutual, a self-managed captive, has a strong business position in its niche market, insuring emergency physicians and their medical groups. More information on MedAmerica Mutual can be learned at www.mmrrg.com.