

Physicians Mutual® Announces Officer Promotions and Elections

Omaha, Neb., April 25, 2005 – During the recent annual meeting at Physicians Mutual, President and CEO **Robert A. Reed** announced the following promotions.

Melody A. Heilig was promoted to senior vice president of direct marketing. She oversees the direct marketing environment which includes database marketing, acquisition marketing, new business development and customer marketing. Most recently, Heilig served as vice president of direct marketing at Physicians Mutual. She has worked for the company since 1979 and earned a bachelor of science degree in business management from Wayne State College. She holds the professional designation of Fellow Life Management Institute (FLMI) and became certified in Insurance Direct Marketing in 1996.

Michael V. Carstens was promoted to vice president and actuary. Previously, Carstens served as assistant vice president and actuary. He is responsible for pricing recommendations for the company's medicare supplement and primary health insurance products. He joined the company in 2000 and has a bachelor of science degree in mathematics and actuarial science from the University of Nebraska – Lincoln. He earned the professional designations Fellow of the Society of Actuaries (FSA) and Member of American Academy of Actuaries (MAAA).

Jane R. Phillips was promoted to vice president of direct marketing. She is responsible for all customer marketing, billing and retention activities. Most recently, Phillips was an assistant vice president of direct marketing at the company. She began her career at Physicians Mutual in 1996. Phillips graduated from the University of Iowa with a bachelor of science degree in journalism.

Howard G. Daubert was elected assistant vice president of human resources. Daubert manages the compensation, benefits and wellness areas at the company. Previously, Daubert was a manager in human resources at Physicians Mutual. He joined the company in 2003 and has a bachelor's degree in human resources management from Bellevue University and a bachelor's degree with specialization in health care management from Wayland Baptist University. Daubert holds the professional designation of Professional in Human Resources (PHR).

Delana A. Rauterkus was elected assistant vice president of enterprise technology. Rauterkus oversees the IT environment which includes project management, systems analysis, software development, help desk and hardware and software support functions. Previously Rauterkus was director of the IT operations at Physicians Mutual. She joined the company in 2003 and has a bachelor of science in business administration from Southern Illinois University and a master's in computer systems management from Creighton University.

About Physicians Mutual

Physicians Mutual Insurance Company and Physicians Life Insurance Company, a member of the Physicians Mutual family, provide a full portfolio of health and life insurance products, as well as financial products. The companies have total assets exceeding \$2 billion.

Both Physicians Mutual and Physicians Life consistently receive the highest grades from independent insurance analysts. They have an A.M. Best rating of “A (Excellent),” based on financial strength. Standard and Poor’s[®] gives both Physicians Mutual and Physicians Life an “AA- (Very Strong)” rating based on financial strength. Physicians Mutual is one of only two companies to be ranked in the Wards’ Top 50 for 14 straight years based on balanced safety, consistency and performance.

Founded in 1902, Physicians Mutual headquarters are in Omaha, Nebraska.