

**GLOUCESTER COUNTY INSURANCE COMMISSION
AGENDA AND REPORTS
THURSDAY, FEBRUARY 28, 2013**

**115 BUDD BLVD.
LARGE CONFERENCE ROOM
WOODBURY, NJ
9:30 AM**

**To attend the meeting via teleconference please dial 1- 866-921-5493
and enter passcode 6364276#**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I. Sending sufficient notice to South Jersey Times and Courier Post, NJ**
- II. Filing advance written notice of this meeting with the Commissioners of the Gloucester County Insurance Commission,**
- III. Posting notice on the Public Bulletin Board of at the office of the County Clerk.**

**GLOUCESTER COUNTY INSURANCE COMMISSION
 AGENDA
 OPEN PUBLIC MEETING: February 28, 2013
 WOODBURY, NJ
 9:30 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ROLL CALL OF COMMISSIONERS**
- APPROVAL OF MINUTES: January 24, 2013 Open Minutes.....Appendix I
 January 24, 2013 Closed Minutes.....Handout**

- CORRESPONDENCE**

- COMMITTEE REPORTS**
 - Safety Committee:Page 4**
 - Claims Committee:Page 4**

- EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA**
 - Executive Director's Report.....Pages 5-32
 - Resolution 9-13 Certifying the Election of Chairman & Secretary..... Page 9
 - Resolution 10-13 Appoint Agent for Service of Process and Custodian of Records Page 10
 For the year 2013
 - Resolution 11-13 Designating Official Newspapers for the Commission Page 11
 - Resolution 12-13 Designating Authorized Depositories for Fund Assets and.....Pages 12-16
 Establishing Cash Management Plan
 - Resolution 13-13 Designating Commission TreasurerPage 17
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 Bank Accounts
 - Resolution 15-13 Indemnifying Gloucester County Insurance Fund CommissionPages 19-20
 Official/Employees
 - Resolution 16-13 Plan of Risk Management for 2013Appendix II
 - Resolution 17-13 Revision of Resolution 57-11 Ancillary CoveragePages 23-24
 Defense Costs
- EMPLOYEE BENEFITS – Conner Strong & Buckelew**
 - Monthly Report.....Pages 33-43
- TREASURER – Gary Schwarz**
 - Resolution 18-13 February Bill List – Motion RequiredPages 44-45
 - December Monthly Treasurer ReportsPages 46-47
- CLAIMS SERVICE – Inservco Insurance Services, Inc.**
 - Resolution 19-13 Authorizing Disclosure of Liability Claims Check RegisterPages 48-49
 - Liability Claim Payments – 1/01/13 to 1/31/13.....Pages 50-51

- MANAGED CARE – Consolidated Services Group, Inc.**
 CSG Monthly Summary Report for January.....Page 52
- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 Monthly ReportPages 53-54
- RISK MANAGERS REPORT, UNDERWRITING SERVICES DIRECTOR**
Hardenbergh Insurance Group
- ATTORNEY – Long Marmero & Associates, LLP**
 CL/LEL Claim – Autumn PasqualePage 55
- OLD BUSINESS**
- NEW BUSINESS**
- PUBLIC COMMENT**
- CLOSED SESSION – Payment Authorization Requests (PARS)Pages 56-59**
 Resolution [20-13](#) Executive Session for purpose as permitted by the Open Public Meetings Act, more specifically to discuss PARS related to pending or anticipated litigation as identified in the list of claims prepared by third-party claim administrator Inservco Insurance Services, Inc. and attached to this agenda. Also the possible settlement of Kristina Gajderwicz v Gloucester County, Claim Petition No. 2010-26433 and Antonia Rios-Lester v Gloucester County, Claim Petition No. 2010-29882
- Motion for Executive Session

MEETING ADJOURNMENT

NEXT SCHEDULED MEETING: March 28, 2013, 9:30 AM, 115 Budd Blvd., Woodbury, NJ

MEMORANDUM

TO: Commissioners of the Gloucester County Insurance Commission (GCIC)

CC: Joseph Hrubash, GCIC Executive Director

FROM: Dean Sizemore, Chairman – Safety & Accident Committee & Claims Committee

DATE: 2/20/13

RE: Committee Update

The Safety and Accident Committee will be meeting on March 5, 2013 at the GCUA location at 9:30 AM.

The Claims Committee Meeting scheduled for February 12th was cancelled as there were no claims to present as of the meeting date. The next Claims Committee Meeting is scheduled for March 12, 2013 at 9:30 AM.

GLOUCESTER COUNTY INSURANCE COMMISSION

9 Campus Drive, Suite 16, Parsippany, NJ 07054

Telephone (201) 881-7632

Fax (201) 881-7633

Date: February 28, 2013

Memo to: Commissioners of the Gloucester County Insurance Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

❑ **2013 Risk Management Plan (Appendix II)** – Attached in Appendix II of the agenda is the 2013 Plan of Risk Management. The changes are highlighted in yellow. The pertinent changes are (1) an increase in the Crime deductibles to \$10,000 and \$15,000 respectively, (2) the pollution liability annual aggregate limit was increased to \$25 million and (3) the County's equipment deductible was reduced to \$5,000. The Risk Management Plan was reviewed by the Underwriting Services Director. We are requesting that the Commissioners approve the 2013 Plan of Risk Management Resolution 16-13 with the Reorganization resolutions.

❑ **Reorganization Resolutions (Pages 9-20)** – As we do annually the GCIC is required to reorganize at the February Executive Committee meeting to be effective March 1st as per the Commission By Laws. Listed below are the necessary Reorganization Resolutions which are included in the agenda on pages 9-20.

- Resolution 9-13 Certifying the Election of Chairperson and Vice Chairman
- Resolution 10-13 Appointing Agent for Service of Process and Custodian of Records for the Year 2013
- Resolution 11-13 Designating Official Newspapers for the Commission
- Resolution 12-13 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan
- Resolution 13-13 Designating Commission Treasurer
- Resolution 14-13 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 15-13 Indemnifying Gloucester County Insurance Fund Commission Officials/Employees
- Resolution 16-13 Plan of Risk Management for 2013

❑ **Motion to approve Reorganization Resolutions Number 9-13 through 16-13**

❑ **2013 Health Benefits Revised Budget (Pages 21-22)** – Included in the agenda on page 21 is a copy of a memorandum from Ms. Brown of Conner Strong & Buckelew to the Executive Director recommending a revision to the Health Benefit Budget that was approved at the December Commission meeting. Also attached on page 22 is a copy of the revised budget in

the amount of \$632,459. Since the change is more than 5% a public hearing is required. PERMA will advertise accordingly.

- ❑ Motion to introduce the revised 2013 Health Benefits Budget in the amount of \$639,459 and schedule a public hearing to take place on March 28, 2013 at 9:30 AM at 115 Budd Blvd, Woodbury, NJ. 08096**
- ❑ Member Entity Deductibles and Litigation Defenses Costs for Certain Ancillary Coverage (Pages 23-24)** – Included in the agenda on pages 23 and 24 is Resolution 17-13 prepared by the Commission Attorney. This Resolution amends Resolution 57-11 which was approved by the Commissioners at its meeting in November 2011. After discussions with Chairman White, it was agreed the procedure previously established for settlement payments required revision. The revised Resolution allows the Insurance Commission to pay as an advance (1) the final settlement amount within the member entity deductible and (2) any defense litigation costs and then upon final settlement, the member entity will be billed by the Commission in full on the first assessment installment billing for the new Commission Fund year for the final settlement and any defense litigation costs previously advanced. The previous Resolution required reimbursement at the time of final settlement. We are recommending the Commissioners approve the revision to the original Resolution.
- ❑ Motion to approve Resolution 17-13 revising Resolution 57-11 establishing a procedure for payment of defense costs within a member entity deductible for ancillary coverage**
- ❑ RFP For Defense Attorney** – At the last Commission meeting Chairman White requested the Executive Director’s office prepare and advertise a Request for Proposal in an effort to add additional qualified firms to the Defense Attorney Panel. The RFP was advertised in the Commission’s newspapers and the responses were due on Friday, February, 15, 2013. The contract period would be effective the date of the award and expire on 12/31/15 with an option for (2) one year extensions. This contract period expiration would coincide with the contract expirations of our current panel. Responses were received from (1) Decotis, Fitzpatrick & Cole, LLP, (2) Eric M. Bernstein & Associates, LLC, (3) Freeman, Huber, Sacks, Brennan & Fingerman, (4) Sweeney & Sheehan, and (5) Trimble & Armano. The responses are being reviewed and will be discussed and evaluated at the meeting.
- ❑ RFP For Commission Attorney** – At the request of Chairman White and at the advice of County Counsel the Executive Director’s office prepared and advertised a Request for Proposal for the Commission Attorney. The RFP was advertised in the Commission’s newspapers and the responses were due on Monday, February 25, 2013. The reason for the RFP is that the statutes are not clear on whether a Commission Attorney can be awarded a multi year appointment. This RFP will result in a one year appointment. The responses will be reviewed and discussed at the March Commission meeting.
- ❑ Certificate of Insurance Report (Pages 25-28)** - Attached on pages 25-28 is the certificate of issuance reports from the CEL listing those certificates issued for the period of 1/19/13 to 2/22/13. There were 26 certificates of insurance during this period.

- ❑ **GCIC Property and Casualty Financial Fast Track (Page 29)** Included in the agenda on page 29 is a copy of the Property & Casualty Financial Fast Track Reports as of **December 31, 2012**. As of **December 31 2012**, there is a statutory surplus of **\$1,587,841**. Please note that the Commission picked up an additional surplus of **\$266,358** between November and December. Line 7 of the report, “Investment in Joint Venture” is the Gloucester County Insurance Commission’s share of the equity in the CEL, **\$622,142**.
- ❑ **NJ CEL Property and Casualty Financial Fast Track (Page 30)** - Included in the agenda on page 30 is a copy of the NJ CEL Financial Fast Track Reports as of **December 31, 2012**. As of **December 31 2012**, there is a statutory surplus of **\$2,215,265**.
- ❑ **GCIC Health Benefits Financial Fast Track** – The January 31, 2013 Health Benefits Financial Fast Track was not available for this meeting. The report will appear in the March agenda.
- ❑ **NJ Excess Counties Insurance Fund (CEL JIF) (Pages 31-32)** The CEL met on January 24, 2013. Please note the CEL Underwriting Manager is continuing their efforts in putting together a replacement program for the current Meadowbrook program. Attached on pages 31-32 is the summary report of the CEL’s meeting.
- ❑ **2013 Renewal Information and 2013 Remarketing Information** – The Underwriting Services Director has been working with the membership to provide the necessary information to the CEL Underwriting Manager.
- ❑ **Excess Underground Storage Tank Coverage** – The CEL Underwriting Manager has advised if you wish to pursue Underground Storage Tank (UST) coverage through the Pollution Legal Liability policy with Zurich American Insurance Company for any in-force Underground Storage Tank policies, please provide the following:
 1. Declaration page of the in-force policy
 2. UST age and most recently completed tank tightness tests
 Please note there will be an additional premium for this Excess UST Coverage. Also please note that there is no Excess coverage for Underground Storage Tanks provided under this program unless you provide the above note information. Information can be sent to Missy Williamson at mwilliamson@connerstrong.com.
- ❑ **2013 Excess Insurance and Ancillary Coverage Policies** - The CEL renewal policies will again be available electronically through the Conner Strong & Buckelew secure website for those authorized representatives who were designated by their respective member entity. In addition to this, certain Commission professionals are granted access. The login information will remain the same as last year. The CEL Underwriting Manager is in the process of reviewing the policies and will release an e-mail with instructions to access the website when the policies are available. The policies are expected to be available by 4/1/13.
- ❑ **2013 Assessments** - The Treasurer’s office advised all of the January assessments were received.

- ❑ **Indemnity & Trust Agreement** - The Executive Director's office has received all of the Indemnity & Trust Agreements from the member entities to continue their memberships in the Commission.
- ❑ **2013 Service Agreements** – The Commission Attorney prepared the 2013 Service Agreements for the Professionals. The Executive Director is reviewing the agreements and they will be sent to the Professionals for execution.
- ❑ **Inservco Insurance Services, Inc. Stewardship Report-** At the last Commission meeting Inservco Insurance Services, Inc. presented their Stewardship Report as of December 31, 2012. We have included this to determine if there are any questions or any one wishes to provide feedback on this report.

RESOLUTION NO. 9-13

GLOUCESTER COUNTY INSURANCE COMMISSION

**CERTIFYING THE ELECTION OF
CHAIRPERSON AND VICE CHAIRPERSON**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC has deemed it necessary and appropriate to formally re-organize for the 2013 commission year; and

NOW THEREFORE by the Gloucester County Insurance Fund Commission that the following persons have been elected as Chairperson and Vice Chairman:

<u>Gerald A. White</u>	Chairman
<u>Dean R. Sizemore</u>	Vice Chairman
<u>Tamarisk Jones</u>	Commissioner

BE IT FURTHER RESOLVED that the Chairman and Vice Chairman shall serve for a one-year term through 2014 reorganization of the Commission and until their successors shall be elected and qualified.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

BY: _____
GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

RESOLUTION NO. 10-13

**GLOUCESTER COUNTY INSURANCE COMMISSION
APPOINTING AGENT FOR SERVICE OF PROCESS AND CUSTODIAN OF RECORDS
FOR THE COMMISSION
FOR THE YEAR 2013**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC has deemed it necessary and appropriate to formally re-organize for the 2013 commission year; and

NOW THEREFORE be it resolved by the Gloucester County Insurance Commission that PERMA Risk Management Services is hereby appointed as agent for service of process upon the GCIC, at its office located at 9 Campus Drive, Parsippany, NJ 07054 for the year 2013 or until its successor has been appointed and qualified. Said appointment shall be at no cost to the GCIC.

BE IT FURTHER RESOLVED that PERMA Risk Management Services shall also be the Custodian of Records at no cost to the GCIC.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

BY: _____
GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

RESOLUTION NO. 11-13

**GLOUCESTER COUNTY INSURANCE COMMISSION
DESIGNATING OFFICIAL NEWSPAPERS FOR THE COMMISSION**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC has deemed it necessary and appropriate to formally re-organize for the 2013 commission year; and

BE IT RESOLVED by the Gloucester County Insurance Commission, (hereinafter the GCIC) the South Jersey Times and the Courier Post are hereby designated as the official newspapers for the Commission and all official notices required to be published shall be published in both newspapers.

BE IT FURTHER RESOLVED that the designation of official newspapers shall be effective upon adoption of the within resolution for the term of one year through the 2014 re-organization of the GCIC.

BE IT FURTHER RESOLVED that in the case of special meetings or emergency meetings, the Executive Director of the GCIC shall give notice of said meetings to the Gloucester County Times and Courier Post.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

BY: _____
GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

RESOLUTION NO. 12-13

GLOUCESTER COUNTY INSURANCE COMMISSION

**DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS
AND ESTABLISHING CASH MANAGEMENT PLAN**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC has deemed it necessary and appropriate to formally re-organize for the 2013 commission year; and

NOW THEREFORE BE IT RESOLVED that Bank of America is hereby designated as the depository for assets of the Fund and or including the following banks:

FULTON BANK	PARKE BANK
NJ CASH MANAGEMENT	FIRST COLONIAL BANK
COLONIAL BANK	BANK OF AMERICA
SUSQUEHANNA BANK	SOVEREIGN BANK
WACHOVIA	SUN NATIONAL BANK
PBB BANK	NEWFIELD NATIONAL BANK
JP MORGAN CHASE BANK	THE BANK OF NEW YORK
SWARTHMORE GROUP	TD Bank, N.A.
PNC BANK	WELLS FARGO BANK

for investment purposes or any services upon adoption of the within Resolution through 2014 reorganization of the GCIC; and

BE IT FURTHER RESOLVED that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

BY: _____
GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

GLOUCESTER COUNTY INSURANCE COMMISSION

2013 CASH MANAGEMENT AND INVESTMENT POLICY

1.) Cash Management and Investment Objectives

The GLOUCESTER COUNTY INSURANCE COMMISSION's (hereinafter referred to as the Commission) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the Commission's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Commission year.
- h.) Where legally permissible, cooperation with other local municipal joint insurance funds, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the Commission's economic surplus.

2.) Permissible Investments

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- c.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or
- d.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
- e.) Debt obligations of federal agencies or government corporations with maturities not greater than five (5) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent the Division's own investment guidelines, and providing that the

investment a fixed rate of interest not dependent on any index or external factors.

- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions establish by the N.J. Department of Community Affairs.

No investment or deposit shall have a maturity longer than five (5) years from date of purchase.

3.) **Authorized Depositories**

In addition to the above, the Commission is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, N.J.S.A. 17:9-14 et seq. (GUDPA).

The Commission is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the Executive Committee. Such asset managers shall be discretionary trustees of the COMMISSION.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages, which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the Commission's asset managers.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the Commission shall be delivered electronically or physically to the Commission's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the Commission.

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

Asset managers, custodial banks and operating banks shall be retained for contract periods of one (1) year. Additionally, the Commission shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the Commissions portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Executive Committee at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the Commission's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the Commission Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with N.J.S.A. 40A:5-15.

In the event a check is made payable to the Treasurer rather than the Commission, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Commission and deposits it into the Commission account.

- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Commission.

The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.

The method of calculating banking fees and compensating balances shall be documented to the Executive Committee by the Treasurer at least annually.

Cash may be withdrawn from investment pools under the discretion of asset managers only to Commission operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks, which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the Commission.

RESOLUTION NO. 13-13

**GLOUCESTER COUNTY INSURANCE COMMISSION
DESIGNATING COMMISSION TREASURER**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC has deemed it necessary and appropriate to formally re-organize for the 2013 commission year; and

NOW THEREFORE BE IT RESOLVED that pursuant to the GCIC Rules and Regulations, Article III - Organization, Commission Professionals, provision 1, the GCIC does hereby appoint Gary Schwarz as GCIC Treasurer for the term commencing upon adoption of the within resolution through 2014 GCIC Reorganization; and

BE IT FURTHER RESOLVED that Gary Schwarz shall receive no compensation to serve as Treasurer to the GCIC.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

BY: _____
GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

RESOLUTION NO. 14-13

**GLOUCESTER COUNTY INSURANCE FUND COMMISSION
DESIGNATING AUTHORIZED SIGNATURES FOR COMMISSION BANK ACCOUNTS**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC has deemed it necessary and appropriate to formally re-organize for the 2013 commission year; and

NOW THEREFORE BE IT RESOLVED by the GCIC, that all funds of the GCIC shall be withdrawn from the official named depositories by check, which shall bear the signatures of at least one (1) of the following persons who are duly authorized pursuant to this resolution.

- GERALD A. WHITE - Chairman
- DEAN R. SIZEMORE - Vice Chairman
- TAMARISK JONES - Commissioner
- GARY SCHWARZ - Treasurer

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

BY: _____
GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

RESOLUTION NO. 15-13

**INDEMNIFYING GLOUCESTER COUNTY INSURANCE FUND COMMISSION
OFFICIALS/EMPLOYEES**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC has deemed it necessary and appropriate to formally re-organize for the 2013 commission year; and

NOW THEREFORE BE IT RESOLVED by the GCIC that Commission elected officials, appointed officials, and employees are hereby indemnified in a manner similar to the provisions of N.J.S.A. 59:10-1, et seq. and 59:10A-1 et seq.; and

BE IT FURTHER RESOLVED that the aforesaid indemnification shall include the reasonable costs of defense; and

BE IT FURTHER RESOLVED that in interpreting the above referenced statutes, all discretion statutorily vested with the State shall be exercised by the GCIC, and all discretion vested with the Attorney General shall be exercised by the GCIC Attorney, subject to review by the GCIC; and

BE IT FURTHER RESOLVED that any employee, inclusive of public officials employed by the GCIC, shall be and is hereby indemnified for exemplary or punitive damages resulting from the employee’s civil violation of State or Federal law if, in the opinion of the GCIC, the acts committed by the employee, upon which the damages are based, did not constitute actual fraud, actual malice, willful misconduct, or an intentional wrong; and

BE IT FURTHER RESOLVED that the aforesaid indemnification shall include the reasonable costs of defense and shall permanently attach to all acts performed during the calendar year 2013 through 2014 GCIC Re-organization, and to all acts performed in all prior years thereto; and

BE IT FURTHER RESOLVED that the GCIC may undertake an evaluation of the acts committed by an employee, for the purpose of determining whether the acts constituted actual fraud, actual malice, willful misconduct, or an intentional wrong, at such time as there shall be sufficient factual data available to reach a reasonable determination on the issue, and such determination, based upon the availability of information, may be made either prior to or subsequent to trial or settlement of the matter in question.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

BY: _____
GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, SECRETARY



Memorandum

To: Joseph Hrubash
From: Tammy Brown
Date: February 22, 2013
Re: GCIC: Notice to Amend the Budget

On May 1, 2012, the GCIC entered into the State Health Benefits Plan. As a result of the change in vendor and plan designs for the County, Library and DDS employees, Conner Strong and Buckelew provided services to the Commission for all transitional activities such as open enrollment, member services activities and provided full consultancy services for the Dental lines of business that remained outside of the State Health Benefit Plan administration.

As we begin the 2013 policy year, the GCIC has now settled into the State Health Benefit Plan and is quite familiar with the networks and benefit designs. As a result, the required fees for CSB's services are to be reduced commensurate with the reduction in service. In that regard, we are recommending the 2013 GCIC budget be revised to reflect the reduced fees as noted. In addition to the reduced fees, the 2013 budget will also reflect an update of the claims projections based on data through December 2012.

Please do not hesitate to give me a call with any questions or concerns.

A handwritten signature in blue ink, appearing to be "T. Brown", written over a horizontal line.

Tammy L. Brown
Senior Vice President

NEW JERSEY

PENNSYLVANIA

DELAWARE

FLORIDA

**GLOUCESTER COUNTY INSURANCE COMMISSION HEALTH INSURANCE FUND
2013 Proposed Budget**

Census:

Dental Premier - 961

County, Library, Division of Social Services

	LINE ITEMS	Proposed Budget FY2013
1	Self Insured Claims	
2	Dental Claims	\$ 508,718
3	Subtotal	\$ 508,718
4		
5	Fully Insured Programs	
6		n/a
7		n/a
8	Subtotal Premiums	n/a
9		
10	Reinsurance	
11	Dental	\$ -
12	Subtotal Reinsurance	\$ -
13		
14	Claims Margin	\$ 531,871
15		
16	Total Loss Fund	\$ 531,871
17		
18	General Expenses	
19	Legal	\$ -
20	Treasurer	\$ -
21	Benefits Consultant	\$ 72,300
22	Dental TPA admin fees	\$ 35,288
23	Misc/Cont	\$ -
24	Plan Documents	\$ -
25	Total Expenses	\$ 107,588
26		
27	Total Employee Contributions	\$ -
28	Total Budget	\$ 639,459

% Change

1.7%

RESOLUTION NO. 17-13

**GLOUCESTER COUNTY INSURANCE COMMISSION
MEMBER ENTITY DEDUCTIBLES AND LITIGATION DEFENSE COSTS
(Amended from Resolution No. 57-11)**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter "GCIC") is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the County of Gloucester and certain departments, boards, agencies and/or commissions have by resolution entered into an agreement to participate in the GCIC to self fund and/or share the costs of insurance; and

WHEREAS, certain insurance coverages contain member entity deductibles such as the POL/EPL ancillary coverage which is commercially insured such that there is no self funding at the commission or CEL levels; and

WHEREAS, the GCIC has deemed it necessary and appropriate to outline an accepted procedure to handle such costs, including but not limited to litigation defense costs; and

NOW THEREFORE BE IT RESOLVED by the Commissioners of said Gloucester County Insurance Commission as follows:

1. The GCIC will advance litigation defense costs as they are incurred on a calendar year basis, not on a claims made basis.
2. When a claim settles, the GCIC pays the final settlement and the member entity will be billed in full for the final settlement and any defense litigation costs previously advanced on the first assessment installment billing for the new GCIC year.
3. For those claims that remain open, the prior year calendar defense litigation costs will be billed to the member entity in full on the first assessment installment billing for the new GCIC year.
4. The GCIC will provide an ongoing report to the member entity so it will know the reimbursement costs which are due in advance.
5. The GCIC shall charge a reasonable rate of interest if it is not reimbursed in a timely manner.
6. The defense litigation costs billed to date on pending claims (all County Proper claims) will be reimbursed when billed by the GCIC. The defense litigation costs billed for open claims after the approval date of this Resolution will be handled based on the process described above.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN SIZEMORE, SECRETARY

Gloucester County Insurance Commission Certificate of Insurance Monthly Report

Monday, February 25, 2013

From 1/19/13 to 2/22/13

Holder (H) / Insured Name (I)	Holder / Insured Address	Code	Operations	Date	Coverage
GCIC H- Gloucester County 4-H Fair Association, Inc I- County of Gloucester	PO Box 149 Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	9	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester County 4-H 2013 English Qualifying Show series of two horse shows are scheduled for May 4 and June 8, 2013. Shows are 7 a.m. thru 10 p.m. Shows offer an opportunity for 4-H members to qualify for the State 4-H Horse Show. Shows are sponsored by the Gloucester County 4-H Youth Development Program and the Gloucester County 4-H Horse Advisory. Shows take place at the Gloucester Co. 4-H Fairgrounds, 275 Bridgeton Pike, Mullica Hill. CLD	2/12/2013	GL EX AU WC
H- Gloucester County 4-H Fair Association, Inc I- County of Gloucester	PO Box 149 Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	9	Evidence of insurance. All operations usual to County Governmental Entity as respects to to the Gold Clover Dressage Series of Horse Shows to be held April 28, June 16, and Sept. 29, 7 am-7 pm, at the Gloucester Co. 4-H Fairgrounds, 275 Bridgeton Pike, Mullica Hill, NJ 08062. Sponsored by the Gloucester Co. 4-H Youth Development Program, and the Gloucester Co. 4-H Horse Advisory. CLD	2/12/2013	GL EX AU WC
H- Gloucester County 4-H Fair Association, Inc I- County of Gloucester	PO Box 149 Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	9	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester County 4-H 2013 Western Qualifying Show series of two horse shows are scheduled for May 5 & June 9, 2013. The June 9 event will incorporate a 4-H Rabbit Show as well Shows are 7 AM -10 PM Shows offer an opportunity for 4-H members to qualify for the State 4-H Horse Show. Shows are sponsored by the Gloucester County 4-H Youth Development Program & the Gloucester County 4-H Horse Advisory Shows take place at the Gloucester Co. 4-H Fairgrounds, 275 Bridgeton Pike, Mullica Hill. CLD	2/12/2013	GL EX AU WC
H- Gloucester County 4-H Fair Association, Inc I- County of Gloucester	PO Box 149 Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	9	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester Co. 4-H Open Hunter Horse Show Series, to be held April 20, June 1 and Sept. 21, 2013, at the Gloucester Co. 4-H Fairgrounds, 275 Bridgeton Pike, Mullica Hill, NJ 08062. Show times 7 am to 7 pm. Sponsored by the Gloucester Co. 4-H Youth Development Program and the Gloucester Co. 4-H Horse Advisory. CLD	2/12/2013	GL EX AU WC

H- Gloucester County 4-H Fair Association, Inc I- County of Gloucester	PO Box 149 Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	9	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester Co. 4-H Series of 4 Horse Shows: April 13, June 15, Sept. 7, and Oct. 19, 2013. Takes place at Gloucester Co. 4-H Fairgrounds, 275 Bridgeton Pike, Mullica Hill, NJ 08062. Events open 7 am and go until approximately 8 pm. CLD	2/12/2013 GL EX AU WC
H- Gloucester County 4-H Fair Association, Inc I- County of Gloucester	PO Box 149 Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	9	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester County 4-H 2013 Western Qualifying Show series of two horse shows are scheduled for May 5 and June 9, 2013. The June 9 event will incorporate a 4-H Rabbit Show as well Shows are 7 a.m. thru 10 p.m. Shows offer an opportunity for 4-H members to qualify for the State 4-H Horse Show. Shows are sponsored by the Gloucester County 4-H Youth Development Program and the Gloucester County 4-H Horse Advisory. Shows take place at the Gloucester Co. 4-H Fairgrounds, 275 Bridgeton Pike, Mullica Hill. CLD	2/12/2013 GL EX AU WC
H- Gloucester County 4-H Fair Association, Inc I- County of Gloucester	PO Box 149 Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	9	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester County 4-H Fair and New Jersey Peach Festival, for all activities including set up and take down, from July 22 through July 29, 2013. CLD	2/19/2013 GL EX AU WC
H- Logan Township Board of Education I- County of Gloucester	110 School House Lane Logan Township, NJ 08085 2 South Broad Street Woodbury, NJ 08096	50	All operations usual to County Governmental Entity including only with respects to the negligent acts of the named insured as respects to use of facilities for the Gloucester County's Parks and Recreation summer theater and productions to be held at Logan Elementary School on June 24th to August 27, 2013. Subject to the terms, conditions, limitations and exclusions of the policy. CLD	1/22/2013 GL EX AU WC
H- Gloucester County Improvement Authority I- Gloucester County Improvement Authority	109 Budd Boulevard Woodbury, NJ 08096	157	Evidence of insurance for Shady Lane Nursing Home. Gloucester County Improvement Authority dba Shady Lane Nursing Home has a \$10,000 SIR on GL/Professional. Excess GL/Professional Limits: Professional -\$10,000,000 Each Medical Incident' GL- \$10,000,000 Each Claim; Policy Aggregate-\$20,000,000. CLD	1/30/2013 GL, AU, EX, MM
H- Leaf Funding Inc. I- Gloucester County Improvement Authority	Its successors and/or assigns c/o Insurance Service Center PO Box 979127 Miami, FL 33197 109 Budd Boulevard Woodbury, NJ 08096	165	Certificate holder is included as additional insured ATIMA for General and Excess Liability pursuant to the terms, conditions, limitations and exclusions of the JIF Casualty Insurance Policy only and as loss payee with respects to lease equipment #1001188277004 Xerox WC5335 Copier System . CLD	1/28/2013 PR
H- Leaf Funding Inc. I- Gloucester County Improvement Authority	Its successors and/or assigns c/o Insurance Service Center PO Box 979127 Miami, FL 33197 109 Budd Boulevard Woodbury, NJ 08096	165	Certificate holder is included as additional insured ATIMA for General and Excess Liability pursuant to the terms, conditions, limitations and exclusions of the JIF Casualty Insurance Policy only and as loss payee with respects to lease equipment #1001188277004 Xerox WC5335 Copier System . CLD	1/28/2013 GL EX AU WC

H- Gloucester County College I- County of Gloucester	1400 Tanyard Road Sewell, NJ 08080 2 South Broad Street Woodbury, NJ 08096	252	All operations usual to County Governmental Entity including 1/22/2013 GL EX AU WC certificate holder as additional insured for General Liability but only with respects to the negligent acts of the named insured as respects to use of facilities for the Gloucester County's Parks and Recreation summer theater productions to be held at Gloucester County Colleges Fine Arts Center on June 24 through July 27, 2013. Subject to the terms, conditions, limitations and exclusions of the policy. CLD
H- East Greenwich Library Association I- Gloucester County Library Commission	c/o GCLC 389 Wolfert Station Road Mullica Hill, NJ 08062 389 Wolfert Station Road Mullica Hill, NJ 08062	257	All operations usual to County Governmental Entity including 2/1/2013 GL EX certificate holder as an insured for General Liability but only with respects to the negligent acts of the certificate holder as respects to book sales held at any of the GCLC Libraries. Subject to the terms, conditions, limitations and exclusions of the policy. CLD
H- Friends of Gloucester County Library System, Inc. I- Gloucester County Library Commission	c/o GCLC 389 Wolfert Station Road Mullica Hill, NJ 08062 389 Wolfert Station Road Mullica Hill, NJ 08062	258	All operations usual to County Governmental Entity including 2/1/2013 GL EX certificate holder as an insured for General Liability but only with respects to the negligent acts of the certificate holder as respects to book sales held at any of the GCLC Libraries. Subject to the terms, conditions, limitations and exclusions of the policy. CLD
H- Gloucester County Vocational -Technical School District I- County of Gloucester	1360 Tanyard Road Sewell, NJ 08080 2 South Broad Street Woodbury, NJ 08096	276	All operations usual to County Governmental Entity including 1/22/2013 GL EX AU WC certificate holder as additional insured for General Liability but only with respects to the negligent acts of the named insured as respects to use of facilities for the Gloucester County's Parks and Recreation summer theater workshop from July 8, 2013 through August 10, 2013. Subject to the terms, conditions, limitations and exclusions of the policy. CLD
H- State of New Jersey I- County of Gloucester	Department of Children and Families Camden Area Office, 201 Laurel Road 4 Echelon Plaza--1st Floor Voorhees, NJ 08043 2 South Broad Street Woodbury, NJ 08096	286	All operations usual to County Governmental Entity including 1/25/2013 GL EX AU WC certificate holder as additional insured for General Liability but only with respects to the negligent acts of the named insured as respects to 2013 Human Services Planning Grant Contract # 13ANHS. Subject to the terms, conditions, limitations and exclusions of the policy. CLD
H- Frankiln Township Community Center I- County of Gloucester	c/o: Judson Moore, Township Administrator 1584 Coles Mill Road Franklinville, NJ 08322 2 South Broad Street Woodbury, NJ 08096	368	All operations usual to County Governmental Entity including 1/25/2013 GL EX AU WC certificate holder as additional insured for General Liability but only with respects to the negligent acts of the named insured as respects to use of premises during a public health threat or emergency, requiring the G.C. Dept. of Health & Senior Services' necessity to open a Point of Distribution (POD) site in agreement with Franklin Township Community Center located at 1584 Coles Mill Road, Franklinville, NJ. To provide mass prophylaxis to the public.
H- The Bank of Mellon I- County of Gloucester	Marcelly Segro-Corp Trust 385 Rifle Camp Rd., 3rd Floor Woodland Park, NJ 07424-3206 2 South Broad Street Woodbury, NJ 08096	416	Certificate holder is named as loss payee, subject to the terms, 1/22/2013 PR conditions, limitation and exclusions of the policy as respects to property coverage at the County Justice Complex, 70 Hunter Street, Woodbury, NJ 08096 valued at \$37,136,417 with a \$10,000 deductible. CLD

H- Deptford Township Public Schools I- Gloucester County College	2022 Good Intenet Road Deptford, NJ 08096 1400 Tanyard Road Sewell, NJ 08080	446	Evidence of insurance. All operations usual to County Governmental Entity as respects to use of Deptford High School Track for Gloucester County College's Men's and Women's Track & Field Teams for practices from February 15-May 15, 2013. CLD	2/8/2013	GL EX AU WC
H- Manor Care Health Services I- Gloucester County College	Washington Township 378 Fries Mill Rd Sewell, NJ 08080 1400 Tanyard Road Sewell, NJ 08080	518	Evidence of insurance. All operations usual to County Governmental Entity as respects to Nursing and GCC staff and students per the clinical site agreement. KAF	2/6/2013	GL EX AU WC
H- Woolwich Township I- County of Gloucester	120 Village Green Drive Woolwich, NJ 08085 2 South Broad Street Woodbury, NJ 08096	706	All operations usual to County Governmental Entity including certificate holder as additional insured for General Liability but only with respects to the negligent acts of the named insured as respects to the Farmland Seminar for County Resident on 1/24/13 and or 1/31/13. Subject to the terms, conditions, limitations and exclusions of the policy. CLD	1/23/2013	GL EX AU WC
H- Gloucester County Improvement Authority I- Gloucester County Improvement Authority	109 Budd Boulevard Woodbury, NJ 08096	718	Evidence of insurance for Shady Lane Nursing Home. CLD	1/30/2013	POL/EPL/SDLL
H- Gloucester County Improvement Authority I- Gloucester County Improvement Authority	109 Budd Boulevard Woodbury, NJ 08096	720	Evidence of insurance for Shady Lane Nursing Home. CLD	1/30/2013	PR
H- The County of Gloucester I- Gloucester County College	Board of Chosen Freeholders It's Department & Agencies et al PO Box 337 Woodbury, NJ 08095 1400 Tanyard Road Sewell, NJ 08080	722	All operations usual to County Governmental Entity including certificate holder as additional insured for General Liability but only with respects to the negligent acts of the named insured as respects to the amended agreement because the County of Gloucester received additional Workforce Learning Link (WLL) funds from the NJ Department of Labor and Workforce Development. The additional literacy funds of \$20,000 increases the agreement from \$36,000 to \$56,000. Subject to the terms, conditions, limitations and exclusions of the policy. CLD	2/5/2013	GL EX AU WC
H- Swedesboro Library I- Gloucester County Library Commission	c/o GCLC 389 Wolfert Station Road Mullica Hill, NJ 08062 389 Wolfert Station Road Mullica Hill, NJ 08062	723	All operations usual to County Governmental Entity including certificate holder as an insured for General Liability but only with respects to the negligent acts of the named insured as respects to book sales held at any of the GCLC Libraries. Subject to the terms, conditions, limitations and exclusions of the policy. CLD	2/1/2013	GL EX
H- Gloucester Co. 4-H Association I- County of Gloucester	1200 N. Delsea Dr., Bldg A. Clayton, NJ 08312 2 South Broad Street Woodbury, NJ 08096	741	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Little Giants Gloucester Co. 4-H Miniature Horse Club's Equithon horse event to be held at the Gloucester Co. 4-H Nature Preserve, 3950 S. Black Horse Pike, Williamstown NJ 08094, two day event held April 20 and 21, 2013, 7 am-8 pm. CLD	2/19/2013	GL EX AU WC

Total # of Holders = 26

GLOUCESTER COUNTY INSURANCE COMMISSION
Property and Casualty Division
FINANCIAL FAST TRACK REPORT

AS OF DECEMBER 31, 2012

ALL YEARS COMBINED

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	470,491	5,617,061	9,668,396	15,285,457
2. CLAIM EXPENSES				
Paid Claims	65,292	1,269,602	2,006,100	3,275,702
Case Reserves	296,871	405,285	1,642,622	2,047,907
IBNR	(340,457)	237,818	1,062,975	1,300,793
Discounted Claim Value	7,758	(36,829)	(193,914)	(230,743)
Total Claims	29,464	1,875,876	4,517,783	6,393,659
3. EXPENSES				
Excess Premiums	204,560	2,425,886	3,891,687	6,317,573
Administrative	46,408	595,563	1,020,200	1,615,763
Total Expenses	250,968	3,021,449	4,911,887	7,933,337
4. UNDERWRITING PROFIT (1-2-3)	190,059	719,736	238,726	958,462
5. INVESTMENT INCOME	-	2,799	4,439	7,237
6. PROFIT (4+5)	190,059	722,535	243,164	965,699
7. INVESTMENT IN JOINT VENTURE	76,299	278,750	343,392	622,142
8. SURPLUS (6+7)	266,358	1,001,285	586,556	1,587,841

SURPLUS (DEFICITS) BY FUND YEAR

2010	86	(13,779)	463,666	449,888
2011	4,672	273,680	122,890	396,570
2012	261,600	741,384	-	741,384
TOTAL	266,358	1,001,285	586,556	1,587,842

CLAIM ANALYSIS BY FUND YEAR

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
FUND YEAR 2010				
Paid Claims	15,855	389,459	1,067,746	1,457,205
Case Reserves	(2,292)	(252,512)	645,441	392,928
IBNR	(9,563)	(111,946)	193,510	81,564
Discounted Claim Value	779	26,221	(55,925)	(29,703)
Total Claims	4,779	51,222	1,850,772	1,901,994
FUND YEAR 2011				
Paid Claims	20,389	392,218	938,354	1,330,572
Case Reserves	203,574	(79,614)	997,181	917,567
IBNR	(188,257)	(614,899)	869,465	254,566
Discounted Claim Value	(429)	61,714	(137,989)	(76,275)
Total Claims	35,277	(240,581)	2,667,011	2,426,430
FUND YEAR 2012				
Paid Claims	29,048	487,925	-	487,925
Case Reserves	95,588	737,411	-	737,411
IBNR	(142,637)	964,663	-	964,663
Discounted Claim Value	7,409	(124,764)	-	(124,764)
Total Claims	(10,592)	2,065,235	-	2,065,235
COMBINED TOTAL CLAIMS	29,464	1,875,876	4,517,783	6,393,659

Claim Reserves have been discounted on line 2 above. Equity in NJCEL is reflected in line 7 above

This report is based upon information which has not been audited nor certified
by an actuary and as such may not truly represent the condition of the fund.

**NEW JERSEY COUNTIES EXCESS JIF
FINANCIAL FAST TRACK REPORT**

AS OF DECEMBER 31, 2012

ALL YEARS COMBINED

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1. UNDERWRITING INCOME	905,264	10,894,133	12,321,743	23,215,876
2. CLAIM EXPENSES				
Paid Claims	5,688	38,135	-	38,135
Case Reserves	(146,256)	683,999	902,110	1,586,109
IBNR	104,435	1,711,731	2,200,025	3,911,756
Discounted Claim Value	5,680	(367,789)	(521,611)	(889,400)
Total Claims	(30,453)	2,066,076	2,580,524	4,646,601
3. EXPENSES				
Excess Premiums	578,567	6,948,922	7,707,545	14,656,467
Administrative	62,037	781,157	1,006,422	1,787,579
Total Expenses	640,604	7,730,078	8,713,967	16,444,046
4. UNDERWRITING PROFIT (1-2-3)	295,113	1,097,978	1,027,252	2,125,230
5. INVESTMENT INCOME	4,223	45,921	44,115	90,035
6. STATUTORY PROFIT (4+5)	299,336	1,143,899	1,071,366	2,215,265
7. DIVIDEND	-	-	-	-
8. STATUTORY SURPLUS (6-7)	299,336	1,143,899	1,071,366	2,215,265

SURPLUS (DEFICITS) BY FUND YEAR

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
2010	13,380	101,026	446,577	547,604
2011	112,515	146,039	624,789	770,829
2012	173,441	896,833	-	896,833
TOTAL	299,336	1,143,899	1,071,366	2,215,265

CLAIM ANALYSIS BY FUND YEAR

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
FUND YEAR 2010				
Paid Claims	-	-	-	-
Case Reserves	(2)	(23,896)	202,078	178,182
IBNR	(16,131)	(92,240)	845,058	752,818
Discounted Claim Value	3,553	25,166	(153,952)	(128,786)
Total Claims	(12,580)	(90,970)	893,184	802,214
FUND YEAR 2011				
Paid Claims	-	-	-	-
Case Reserves	(139,769)	(7)	700,032	700,025
IBNR	14,769	(179,992)	1,354,967	1,174,975
Discounted Claim Value	13,875	68,534	(367,659)	(299,125)
Total Claims	(111,125)	(111,465)	1,687,340	1,575,875
FUND YEAR 2012				
Paid Claims	5,688	38,135	-	38,135
Case Reserves	(6,485)	707,902	-	707,902
IBNR	105,797	1,983,963	-	1,983,963
Discounted Claim Value	(11,748)	(461,489)	-	(461,489)
Total Claims	93,252	2,268,511	-	2,268,511
COMBINED TOTAL CLAIMS	(30,453)	2,066,076	2,580,524	4,646,601

This report is based upon information which has not been audited nor certified
by an actuary and as such may not truly represent the condition of the fund.

NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 16
Parsippany, NJ 07054-4412
Telephone (201) 881-7632 Fax (201) 881-7633

Date: January 24, 2013
To: Executive Committee
Gloucester County Insurance Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

Camden Metro Police: In 2011 the Fund passed Resolution 36-11 which resolved that the Fund shall not provide workers compensation or liability coverage on behalf of or for the police officers of the Camden County Police Department or any other County Police Department. The resolution was subsequently clarified allowing the “Department” to assess the commercial insurance of the Fund such as the property insurance and ancillary coverages where there is no sharing of the losses amongst members. As the Metro Department start operations they are beginning to hire police for administrative and management responsibilities under the Camden County budget. It is our understanding that no patrolling or traditional police activity has commenced. The Board of Fund Commissioners agreed to allow coverage for Camden until such time as police begin actual patrol of the City or a fixed date prior to that event. Fund Attorney was authorized by Board to amend Resolution 36-11 memorializing the action for the next meeting. Commissioners White, Smith and Angilella volunteered to serve on a sub-committee to work with the Executive Director to review the Metro Department.

Commission Membership Renewal: Camden County Insurance Commission and Gloucester County Insurance Commission renewed their membership with the Fund for the term of January 1, 2013 to December 31, 2015. The fund office has made the appropriate filings with the State.

2013 Budget - In accordance with the regulations, the budget adopted by the Fund has been advertised in the Fund’s official newspaper, as well as, filed same with the State.

NJCE JIF Website: Legislation passed last year required governmental entities to have a website to host public information, such as agendas, minutes and budgets with a deadline of February 5th. The fund office will obtain letter quotes from vendors for a web-hosting service with approximate costs to be between \$2,000-\$4,000. The Board of Fund Commissioners authorized the Executive Director and Fund Attorney to negotiate final terms with the website vendors and appoint a vendor for ratification by the Board, based on the terms and conditions negotiated, at the next meeting.

Financials: Executive Director reviewed the Financial Fast Track as of November 30, 2012 stating that the fund’s current statutory surplus is currently \$1,915,929.

2013 Reorganization & Meeting schedule: The February 28, 2013 meeting will serve as the Fund’s reorganization and the Board of Fund Commissioners agreed to the 2013 meeting dates, which will be held at 1:00pm in the Camden County College Regional Training Center.

February 28, 2013 – 2013 Reorganization meeting

April 25, 2013

June 27, 2013

September 26, 2013

November 7, 2013 1st Thursday

December 12, 2013 2nd Thursday

Request For Proposals Professional Services: The NJCE released Request for Proposals for Executive Director, Underwriting Manager and Safety Director, which were due on January 23, 2013. The Fund Attorney reported that one firm responded to each position and that a sub-committee of Chairman DiRado, Vice-Chairman Smith, the Fund Attorney and Fund Treasurer will meet to review the responses and confirm appointments at the February fund meeting.

Remarketing of the Meadowbrook Casualty Program: Underwriting Manager confirmed that Meadowbrook is resigning from the governmental market at the end of this year; and in an effort to create an alternative program, both the Executive Director and Underwriting Manager have participated in presentations to several governmental risk underwriters. In addition, the Safety Consultant has also accompanied insurance company inspectors to numerous facilities within Camden County with additional visits are being scheduled in other counties. Underwriting Manager reported that various self-insured retentions and program structures are being reviewed and would report any new activity at next month's meeting.

Risk Control: Safety Director's report included a report reflecting the risk control activities from December through February 2013.

Claims Administrator: Claims Administrator provided a summary report of claims to date.



CLIENT ACTIVITY REPORT

JANUARY 2013

GCHIC - Gloucester County Health Insurance Commission

This is your monthly BeneService Advocacy Activity Report providing de-identified details regarding calls, emails or other inquiries received and acted upon by Conner Strong & Buckelew. Note that the data is de-identified to protect the confidentiality of the individual participant pursuant to HIPAA. Furthermore, this reflects cases and inquiries under activity. Some cases are closed immediately while other, depending on their complexity, may take additional time to bring to closure. Conner Strong & Buckelew manages all activity and ensures all cases are acted upon, followed up and brought to closure in as timely a basis as possible.

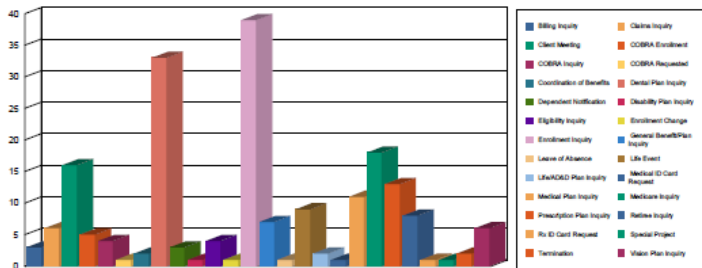


CLIENT ACTIVITY SUMMARY REPORT

From: 1/1/2013 To: 1/31/2013

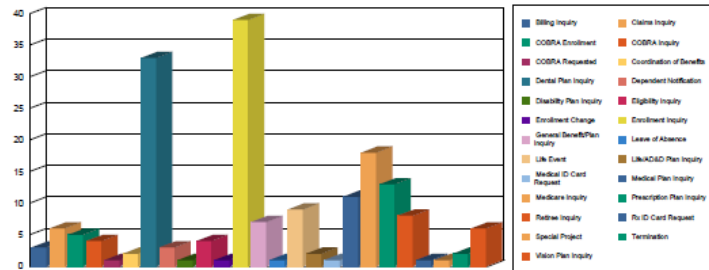
GCHIC - Gloucester County Health Insurance Commission

SUBJECT (JANUARY)	<u># of Issues</u>
Billing Inquiry	3
Claims Inquiry	6
Client Meeting	16
COBRA Enrollment	5
COBRA Inquiry	4
COBRA Requested	1
Coordination of Benefits	2
Dental Plan Inquiry	33
Dependent Notification	3
Disability Plan Inquiry	1
Eligibility Inquiry	4
Enrollment Change	1
Enrollment Inquiry	39
General Benefit/Plan Inquiry	7
Leave of Absence	1
Life Event	9
Life/AD&D Plan Inquiry	2
Medical ID Card Request	1
Medical Plan Inquiry	11
Medicare Inquiry	18
Prescription Plan Inquiry	13
Retiree Inquiry	8
Rx ID Card Request	1
Special Project	1
Termination	2
Vision Plan Inquiry	6
Total for Subject	198



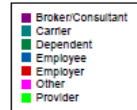
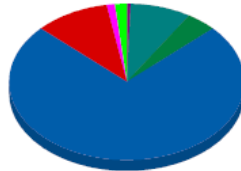
SUBJECT (YTD)	# of Issues
Billing Inquiry	3
Claims Inquiry	6
COBRA Enrollment	5
COBRA Inquiry	4
COBRA Requested	1
Coordination of Benefits	2
Dental Plan Inquiry	33
Dependent Notification	3
Disability Plan Inquiry	1
Eligibility Inquiry	4
Enrollment Change	1
Enrollment Inquiry	39
General Benefit/Plan Inquiry	7
Leave of Absence	1
Life Event	9
Life/AD&D Plan Inquiry	2
Medical ID Card Request	1
Medical Plan Inquiry	11
Medicare Inquiry	18
Prescription Plan Inquiry	13
Retiree Inquiry	8
Rx ID Card Request	1
Special Project	1
Termination	2
Vision Plan Inquiry	6

Total for Subject 182



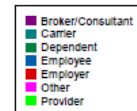
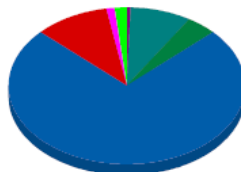
CALL SOURCE (JANUARY)

	<u># of Issues</u>
Broker/Consultant	1
Carrier	15
Dependent	8
Employee	134
Employer	19
Other	2
Provider	3
Total for Call Source	182



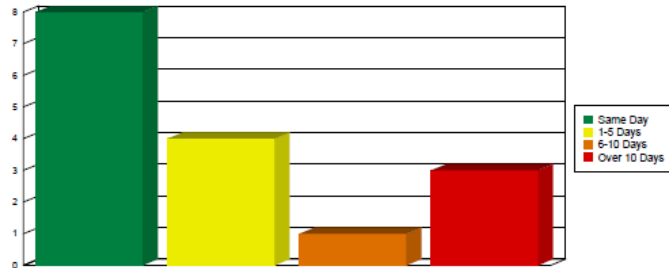
CALL SOURCE (YTD)

	<u># of Issues</u>
Broker/Consultant	1
Carrier	15
Dependent	8
Employee	134
Employer	19
Other	2
Provider	3
Total for Call Source	182



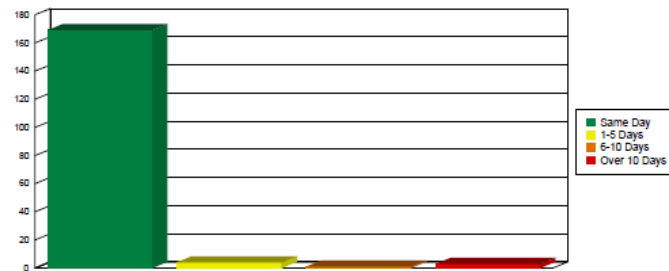
CLOSED TIME (JANUARY)

	<u># of Days</u>	<u>%</u>
Same Day	169	95%
1-5 Days	4	2%
6-10 Days	1	1%
Over 10 Days	3	2%
Total for Time Range	177	100%



CLOSED TIME (YTD)

	<u># of Days</u>	<u>%</u>
Same Day	169	95%
1-5 Days	4	2%
6-10 Days	1	1%
Over 10 Days	3	2%
Total for Time Range	177	100%





CLIENT ACTIVITY DETAIL REPORT

From: 1/1/2013 To: 1/31/2013

GCHIC - Gloucester County Health Insurance Commission

<u>Received</u>	<u>Call Source</u>	<u>Subject</u>	<u>Short Description</u>	<u>Status</u>	<u>Closed Time</u>
1/2/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/2/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/2/13	Employee	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/2/13	Provider	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/2/13	Employee	Claims Inquiry	Detailed Claim/Billing Review for	Open	
1/2/13	Employee	Retiree Inquiry	Retiree Benefits Inquiry	Closed	1-5 Days
1/2/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/2/13	Employee	Retiree Inquiry	Retiree Benefits Inquiry	Closed	Same Day
1/2/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/2/13	Employee	Life/AD&D Plan Inquiry	Life/AD&D Plan Inquiry	Closed	Same Day
1/2/13	Dependent	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/2/13	Employer	General Benefit/Plan Inquiry	General Benefit Plan Inquiry for	Closed	Same Day
1/2/13	Employee	General Benefit/Plan Inquiry	General Benefit Plan Inquiry for	Closed	Same Day
1/2/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/2/13	Employer	Enrollment Inquiry	Address Update for	Closed	Same Day
1/2/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/2/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/3/13	Employee	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/3/13	Employee	Enrollment Inquiry	Enrollment Inquiry for	Closed	Same Day
1/3/13	Other	COBRA Enrollment	COBRA Enrollment for	Closed	Same Day
1/3/13	Employer	Dependent Notification	Dependent Notification	Closed	Same Day
1/3/13	Dependent	COBRA Inquiry	COBRA Related Inquiry	Closed	Same Day
1/3/13	Employee	Dependent Notification	Dependent Notification	Closed	Same Day
1/3/13	Other	Termination	Employee Termination	Closed	Same Day
1/3/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/3/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/3/13	Employee	Vision Plan Inquiry	Vision Plan Inquiry for	Closed	1-5 Days
1/3/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/3/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/4/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/4/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/4/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/4/13	Employee	Enrollment Inquiry	Enrollment Inquiry for	Closed	Same Day



CLIENT ACTIVITY DETAIL REPORT

From: 1/1/2013 To: 1/31/2013

GCHIC - Gloucester County Health Insurance Commission

<u>Received</u>	<u>Call Source</u>	<u>Subject</u>	<u>Short Description</u>	<u>Status</u>	<u>Closed Time</u>
1/4/13	Employee	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/4/13	Carrier	General Benefit/Plan Inquiry	General Benefit Plan Inquiry for	Closed	Same Day
1/4/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/4/13	Employer	Medicare Inquiry	Medicare Inquiry for HR	Closed	Same Day
1/4/13	Employee	Claims Inquiry	Detailed Claim/Billing Review for	Closed	1-5 Days
1/4/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/4/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/7/13	Employee	Claims Inquiry	Detailed Claim/Billing Review for	Closed	Over 10 Days
1/7/13	Employer	Enrollment Inquiry	Enrollment Inquiry for	Closed	Same Day
1/7/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/7/13	Employee	Enrollment Inquiry	Enrollment Inquiry for	Open	
1/7/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/7/13	Carrier	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/7/13	Employee	General Benefit/Plan Inquiry	General Benefit Plan Inquiry for	Closed	Same Day
1/7/13	Carrier	Enrollment Inquiry	Enrollment Inquiry for	Closed	Same Day
1/7/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/7/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/7/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/7/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/7/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	1-5 Days
1/8/13	Employee	Billing Inquiry	Billing Inquiry for	Closed	Same Day
1/8/13	Employer	Enrollment Inquiry	Address Update for	Closed	Same Day
1/8/13	Carrier	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/8/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/8/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/8/13	Employee	COBRA Enrollment	COBRA Enrollment for	Closed	Same Day
1/8/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/8/13	Employee	Life Event	Life Event for	Closed	Over 10 Days
1/8/13	Employee	Life Event	Life Event for	Closed	Over 10 Days
1/8/13	Employer	COBRA Requested	COBRA Requested	Closed	Same Day
1/9/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/9/13	Carrier	Billing Inquiry	Billing Inquiry for	Closed	Same Day
1/9/13	Employee	Enrollment Inquiry	Enrollment Inquiry for	Closed	Same Day



CLIENT ACTIVITY DETAIL REPORT

From: 1/1/2013 To: 1/31/2013

GCHIC - Gloucester County Health Insurance Commission

<u>Received</u>	<u>Call Source</u>	<u>Subject</u>	<u>Short Description</u>	<u>Status</u>	<u>Closed Time</u>
1/9/13	Employee	Life Event	Life Event for	Closed	Same Day
1/9/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	NA	
1/10/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/10/13	Employee	Claims Inquiry	Detailed Claim/Billing Review for	Open	
1/10/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/10/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/10/13	Employer	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/10/13	Employee	Retiree Inquiry	Retiree Benefits Inquiry	Closed	Same Day
1/11/13	Dependent	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/11/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/11/13	Employee	COBRA Enrollment	COBRA Enrollment for	Closed	Same Day
1/11/13	Employee	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/11/13	Employee	Life Event	Life Event for	Closed	Same Day
1/11/13	Employee	Vision Plan Inquiry	Vision Plan Inquiry for	Closed	Same Day
1/11/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/14/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/14/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/14/13	Employer	Leave of Absence	Leave of Absence for	Closed	Same Day
1/14/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/14/13	Employee	Eligibility Inquiry	Eligibility Inquiry for	Closed	Same Day
1/14/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/14/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/14/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/14/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/14/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/14/13	Employee	Vision Plan Inquiry	Vision Plan Inquiry for	Closed	Same Day
1/14/13	Employee	Medical ID Card Request	Member Request for New Medical ID Card(s)	Closed	Same Day
1/14/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/14/13	Employee	Life Event	Life Event for	Closed	6-10 Days
1/14/13	Employee	Life Event	Life Event for	Closed	Same Day
1/14/13	Employee	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/14/13	Employee	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/15/13	Employee	Enrollment Change	Enrollment Change	Closed	Same Day
1/15/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day



CLIENT ACTIVITY DETAIL REPORT

From: 1/1/2013 To: 1/31/2013

GCHIC - Gloucester County Health Insurance Commission

<u>Received</u>	<u>Call Source</u>	<u>Subject</u>	<u>Short Description</u>	<u>Status</u>	<u>Closed Time</u>
1/15/13	Employee	Life Event	Life Event for	Closed	Same Day
1/15/13	Employee	Vision Plan Inquiry	Vision Plan Inquiry for	Closed	Same Day
1/15/13	Employee	COBRA Inquiry	COBRA Related Inquiry	Open	
1/15/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/15/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/15/13	Carrier	General Benefit/Plan Inquiry	General Benefit Plan Inquiry for	Closed	Same Day
1/15/13	Dependent	COBRA Enrollment	COBRA Enrollment for	Closed	Same Day
1/15/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/15/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/15/13	Employee	COBRA Inquiry	COBRA Related Inquiry	Closed	Same Day
1/15/13	Employee	Dependent Notification	Dependent Notification	Closed	Same Day
1/16/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/16/13	Employee	Disability Plan Inquiry	Disability Plan Inquiry	Closed	Same Day
1/16/13	Carrier	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/16/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/16/13	Employer	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/16/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/16/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/16/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/16/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/16/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/16/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/16/13	Employee	Claims Inquiry	Detailed Claim/Billing Review for	Closed	Same Day
1/16/13	Carrier	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/17/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/17/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/17/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/17/13	Employee	Enrollment Inquiry	Medicare Inquiry	Closed	Same Day
1/17/13	Carrier	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/17/13	Employer	Life Event	Life Event for	Closed	Same Day
1/17/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/18/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/18/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/18/13	Employee	Eligibility Inquiry	Eligibility Inquiry for	Closed	Same Day



CLIENT ACTIVITY DETAIL REPORT

From: 1/1/2013 To: 1/31/2013

GCHIC - Gloucester County Health Insurance Commission

<u>Received</u>	<u>Call Source</u>	<u>Subject</u>	<u>Short Description</u>	<u>Status</u>	<u>Closed Time</u>
1/18/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/18/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/18/13	Employee	Claims Inquiry	Detailed Claim/Billing Review for	Closed	Same Day
1/18/13	Provider	Eligibility Inquiry	Eligibility Inquiry for	Closed	Same Day
1/18/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/18/13	Carrier	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/18/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/18/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/18/13	Dependent	Retiree Inquiry	Retiree Benefits Inquiry	Closed	Same Day
1/21/13	Carrier	Coordination of Benefits	Coordination of Benefits for	Closed	Same Day
1/21/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/22/13	Employer	Medical Plan Inquiry	Medical Coverage Inquiry for Sam Disimone	Closed	Same Day
1/22/13	Carrier	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/22/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/22/13	Carrier	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/22/13	Employer	General Benefit/Plan Inquiry	General Benefit Plan Inquiry for	Closed	Same Day
1/22/13	Employee	Enrollment Inquiry	Enrollment Submission Inquiry	Closed	Same Day
1/22/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/24/13	Employee	Billing Inquiry	Billing Inquiry for	Closed	Same Day
1/24/13	Employer	Termination	Termination for Margaret Aiello	Closed	Same Day
1/24/13	Employer	Life Event	Life Event for	Closed	Same Day
1/24/13	Employee	Retiree Inquiry	Retiree Benefits Inquiry	Closed	Same Day
1/24/13	Employee	Vision Plan Inquiry	Vision Plan Inquiry for	Closed	Same Day
1/24/13	Dependent	Retiree Inquiry	Retiree Benefits Inquiry	Closed	Same Day
1/24/13	Employee	COBRA Inquiry	COBRA Related Inquiry	Closed	Same Day
1/24/13	Employee	Retiree Inquiry	Retiree Benefits Inquiry	Closed	Same Day
1/24/13	Employee	Retiree Inquiry	Retiree Benefits Inquiry	Closed	Same Day
1/24/13	Employer	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/28/13	Employee	COBRA Enrollment	COBRA Enrollment for Natalie Dicrescenzo	Closed	Same Day
1/28/13	Employer	Special Project	Special Project for	Closed	Same Day
1/28/13	Dependent	Enrollment Inquiry	Address Update for	Closed	Same Day
1/28/13	Employee	Medical Plan Inquiry	Medical Coverage Inquiry for	Closed	Same Day
1/28/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day



CLIENT ACTIVITY DETAIL REPORT

From: 1/1/2013 To: 1/31/2013

GCHIC - Gloucester County Health Insurance Commission

<u>Received</u>	<u>Call Source</u>	<u>Subject</u>	<u>Short Description</u>	<u>Status</u>	<u>Closed Time</u>
1/28/13	Employee	Vision Plan Inquiry	Vision Plan Inquiry for	Closed	Same Day
1/28/13	Employee	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/28/13	Employee	Life/AD&D Plan Inquiry	Life/AD&D Plan Inquiry	Closed	Same Day
1/29/13	Employee	Enrollment Inquiry	Address Update for	Closed	Same Day
1/29/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/29/13	Employer	Enrollment Inquiry	Address Update for	Closed	Same Day
1/29/13	Broker/ Consultant	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/29/13	Employer	Eligibility Inquiry	Eligibility Inquiry for	Closed	Same Day
1/29/13	Provider	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/30/13	Employee	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/30/13	Employee	Coordination of Benefits	Coordination of Benefits for	Closed	Same Day
1/30/13	Carrier	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/30/13	Dependent	Medicare Inquiry	Medicare Inquiry for	Closed	Same Day
1/30/13	Carrier	Prescription Plan Inquiry	Prescription Plan Inquiry for	Closed	Same Day
1/31/13	Employee	Dental Plan Inquiry	Dental Plan Inquiry	Closed	Same Day
1/31/13	Employee	Rx ID Card Request	Member Request for New Rx ID Card(s)	Closed	Same Day
1/31/13	Employee	General Benefit/Plan Inquiry	General Benefit Plan Inquiry for	Closed	Same Day

**GLOUCESTER COUNTY INSURANCE COMMISSION
BILLS LIST**

Resolution No. 18-13

February 2013

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Gloucester County Insurance Commission's hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Commission.

FUND YEAR 2012

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000045			
000045	VICTORIA L. BERGLUND	VOIDED	
000046			
000046	VICTORIA L. BERGLUND	SETTLEMENT OF EEOC CHARGE - 9/27/12	5,000.00
			5,000.00
000047			
000047	NEW JERSEY COUNTIES EXCESS JIF	GCIC BALANCE DUE FROM'12 PROPERTY ADJ	2,621.29
			2,621.29
000048			
000048	CONNER STRONG & BUCKELEW	PERMA CONSULTING FEE 12/2012	8,011.50
000048	CONNER STRONG & BUCKELEW	CONNER STRONG & BUCKELEW - 12/2012	5,350.80
000048	CONNER STRONG & BUCKELEW	CONNER STRONG & BUCKELEW - 10/2012	8,040.76
000048	CONNER STRONG & BUCKELEW	PERMA CONSULTING FEE 10/2012	20,737.25
000048	CONNER STRONG & BUCKELEW	CONNER STRONG & BUCKELEW - 11/2012	5,347.16
000048	CONNER STRONG & BUCKELEW	PERMA CONSULTING FEE 11/2012	8,006.05
			55,493.52

TOTAL PAYMENTS FY 2012

63,114.81

FUND YEAR 2013

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000049			
000049	INSERVCO INSURANCE SERVICES	CLAIMS ADMIN - 02/2013	6,458.33
			6,458.33
000050			
000050	PERMA RISK MANAGEMENT SERV	POSTAGE FEE 01/2013	1.83
000050	PERMA RISK MANAGEMENT SERV	EXECUTIVE DIRECTOR FEE 02/2013	10,934.48
			10,936.31
000051			
000051	HARDENBERGH INSURANCE GROUP	UNDERWRITING SERVICES FEE 02/2013	4,680.00
			4,680.00
000052			
000052	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES FEE 02/2013	625.00
			625.00
000053			
000053	COURIER-POST	ACCT NO. 91699CP - 2/4/13 - RFQ COMM ATT	64.35
000053	COURIER-POST	ACCT NO. 91699CP - 1/29/13 - RFQ DEF PNL	64.35
000053	COURIER-POST	ACCT NO. 91699CP - 01/30/13 - 2013 MTG	75.90
			204.60

000054			
000054	LONG MARMERO & ASSOCIATES, LLP	ATTORNEY FEE 2/15/13	5,070.00
			5,070.00
000055			
000055	ROBERT SCOLPINO	REIMBURSE MEDICAL PRESCRIPTION 01/2013	1,047.64
			1,047.64
000056			
000056	VIOLA YEAGER	REIMBURSE MEDICAL, PRESCRIPTION 01/2013	523.82
			523.82
000057			
000057	SOUTH JERSEY TIMES	RFQ COMMISSION ATTORNEY - 2/5/13	66.77
000057	SOUTH JERSEY TIMES	RFQ DEFENSE ATTORNEY - 1/30/13	66.05
000057	SOUTH JERSEY TIMES	2013 MEETING - 1/30/13	77.21
			210.03
000058			
000058	HARDENBERGH INSURANCE GROUP	RMC FEE 02/2013	21,320.00
			21,320.00
		TOTAL PAYMENTS FY 2013	51,075.73

TOTAL PAYMENTS ALL FUND YEARS \$ 114,190.54

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS					
GLOUCESTER COUNTY INSURANCE COMMISSION					
ALL FUND YEARS COMBINED					
CURRENT MONTH	December				
CURRENT FUND YEAR	2012				
	Description:	Instrument #1	Instr #2	Instr #3	
	ID Number:	GCIC Deposit A	GCIC WC Clai	GCIC Liability	
	Maturity (Yrs)	0	0	0	
	Purchase Yield:	0	0	0	
	TOTAL for All Accts & instruments				
Opening Cash & Investment Balance	\$4,069,045.73	4,094,555.83	(25,846.37)	336.27	
Opening Interest Accrual Balance	\$0.00	0	0	0	
1	Interest Accrued and/or Interest Cost	\$0.00	\$0.00	\$0.00	\$0.00
2	Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00	\$0.00
3	(Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00	\$0.00
4	Accretion	\$0.00	\$0.00	\$0.00	\$0.00
5	Interest Paid - Cash Instr.s	\$0.00	\$0.00	\$0.00	\$0.00
6	Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00
7	Unrealized Gain (Loss)	\$0.00	\$0.00	\$0.00	\$0.00
8	Net Investment Income	\$0.00	\$0.00	\$0.00	\$0.00
9	Deposits - Purchases	\$100,109.39	\$0.00	\$79,297.70	\$20,811.69
10	(Withdrawals - Sales)	(\$247,352.72)	(\$182,060.58)	(\$49,602.10)	(\$15,690.04)
Ending Cash & Investment Balance	\$3,921,802.40	\$3,912,495.25	\$3,849.23	\$5,457.92	
Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00	\$0.00	
Plus Outstanding Checks	\$48,423.81	\$16,600.09	\$27,058.71	\$4,765.01	
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00	
Balance per Bank	\$3,970,226.21	\$3,929,095.34	\$30,907.94	\$10,222.93	

GLOUCESTER COUNTY INSURANCE COMMISSION
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED

Current Fund Year: 2012								
Month Ending: December								
	Prop	Liab	Auto	WC		NJ CEL	Admin	TOTAL
OPEN BALANCE	354,657.37	2,504,874.31	136,340.51	1,000,216.90	0.00	(3,594.63)	76,550.88	4,069,045.34
RECEIPTS								
Assessments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EXPENSES								
Claims Transfers	2,402.01	11,518.03	1,770.00	49,602.10	0.00	0.00	0.00	65,292.14
Expenses	0.00	0.00	0.00	0.00	0.00	0.00	81,951.19	81,951.19
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	2,402.01	11,518.03	1,770.00	49,602.10	0.00	0.00	81,951.19	147,243.33
END BALANCE	352,255.36	2,493,356.28	134,570.51	950,614.80	0.00	(3,594.63)	(5,400.31)	3,921,802.01

RESOLUTION 19-13

**GLOUCESTER COUNTY INSURANCE COMMISSION
AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter "GCIC") is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC is subject to the requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq.; and

WHEREAS, the Open Public Meetings Act requires all meetings of public bodies be open to the public; and

WHEREAS, the Open Public Meetings Act further provides a public body may permissibly exclude the public from a portion of a meeting at which the public body discusses items per the Open Public Meetings Act at N.J.S.A. 10:4-12.b.(1) thru (9) recognized as requiring confidentiality, and

WHEREAS, it is necessary and appropriate for the GCIC to discuss certain matters in a meeting not open to the public consistent with N.J.S.A. 10:4-12.b.(7); and

WHEREAS, the GCIC is a public agency which must comply with the Open Public Records Act (OPRA) N.J.S.A. 47: 1A-1 to -13; and

WHEREAS, the GCIC must comply with OPRA and reported New Jersey Case Law interpreting same; and

WHEREAS, the GCIC did hold a closed session from which the public was excluded on February 28, 2013 at which time certain items were discussed as were referenced in a separate resolution authorizing said closed session and it being determined certain liability & property claim payment information can be made public at this time; and

NOW THEREFORE BE IT RESOLVED by the Commissioners of said Gloucester County Insurance Commission pursuant to both the Open Public Meetings Act and the Open Public Records Act as follows:

The attached financial transaction logs generated by third party administrator Inservco Insurances Inc. for the periods 1/1/13 to 1/31/13, and related to all non-workers compensation payments are hereby approved for distribution to the listed claimants and for disclosure to the general public

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

Gloucester Co Ins Commission - 353
Financial Transaction Log - Liability Claim Payments
Monthly / Detail / By Coverage / By Payment Type / By Check Number
01/01/2013 Thru 01/31/2013

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
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Inservco Report Terminology

Reporting Name	Business Name	Business Description
Amount/Amt Paid	Amount Paid	Amount actually paid or received
Amount/Amt Requested	Amount Requested	Amount requested to be paid
As Of Date/To Date	Report End Date	Ending date of transactions on report, usually month end
Payment Type	Type	Types of transactions—Computer, Manual, Refund, Recovery, Stop Pay, Void
Report Begin Date	Report Begin Date	Beginning date of transactions on report, usually beginning of month or inception
Trans Date	Transaction Date	Issue date for computer issued payments and add date for all other type entries

Gloucester Co Ins Commission - 353
Financial Transaction Log - Liability Claim Payments
Monthly / Detail / By Coverage / By Payment Type / By Check Number
01/01/2013 Thru 01/31/2013

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Am't. Requested	Am't. Paid	
Coverage: Auto Physical Damage											
C	4215	353000736	001	GLOUCESTER COUNTY	1/2/2013	1/2/2013	SOUTH JERSEY TRUCK REPAIR	1/25/2013	Invoice#2362/GV Ambulance less 1K	12,547.46	12,547.46
Total for Coverage: Auto Physical Damage							Number of entries: 1		12,547.46	12,547.46	
Coverage: General Liability											
C	4209	353000234	001	GOSS, JOHN	11/20/2012	12/7/2012	CHANCE & MCCANN LLC	1/11/2013	Invoice#10401 File 7848	2,117.82	2,117.82
C	4211	353000714	001	ABDULLAHU, HEKURAN	10/23/2012	10/23/2012	HEKURAN ABDULLAHU	1/25/2013	FULL/FINAL SETTLEMENT	272.85	272.85
C	4218	353000877	001	ABBOTT, STEPHEN	9/12/2012	9/12/2012	STEPHEN ABBOTT	1/25/2013	Full/Final Settlement all claims	332.38	332.38
C	4219	353000699	001	BONANNO, CAROL	10/20/2012	10/20/2012	CAROL BONANNO	1/25/2013	FULL/FINAL SETTLEMENT ALL CLAIMS	75.00	75.00
Total for Coverage: General Liability							Number of entries: 4		2,797.85	2,797.85	
Coverage: Police Professional											
C	4207	353000167	001	BELL, JEFFREY	11/11/2012	12/27/2012	ALLAN E RICHARDSON LLC	1/11/2013	Invoice#2891	4,911.90	4,911.90
C	4208	353000391	001	STRAZZULLO, ANTHONY	11/30/2012	12/31/2012	ALLAN E RICHARDSON LLC	1/11/2013	2892	1,353.00	1,353.00
C	4210	353000391	001	STRAZZULLO, ANTHONY	1/7/2013	1/7/2013	Arnold Beskies MD	1/25/2013	Review of medical: Strazzullo-GC	4,025.00	4,025.00
C	4212	353000295	001	GARLAND, CRYSTAL	12/4/2012	12/31/2012	LAW OFFICES OF MADDEN & MADDEN	1/25/2013	70200-00m/ statement 18	340.00	340.00
C	4213	353000391	001	STRAZZULLO, ANTHONY	12/13/2012	12/28/2012	LAW OFFICES OF MADDEN & MADDEN	1/25/2013	70200-010M	1,036.41	1,036.41
C	4214	353000658	001	DEJULIUS, RONALD	12/19/2012	12/21/2012	LAW OFFICES OF MADDEN & MADDEN	1/25/2013	70200-011M / Stmt 4 legal fees	465.00	465.00
Total for Coverage: Police Professional							Number of entries: 6		12,031.31	12,031.31	
Coverage: Property											
C	4216	353000735	001	GCIA	12/20/2012	12/20/2012	GCIA	1/25/2013	DMG TO RECORDER BWC LESS 500 DED	1,785.00	1,785.00
C	4217	353000737	001	GCIA	12/28/2012	12/28/2012	GCIA	1/25/2013	pd to D6Nbulldozer less \$500 ded	10,775.53	10,775.53
Total for Coverage: Property							Number of entries: 2		12,560.53	12,560.53	
Total for Gloucester Co Ins Commission - 353							Number of entries: 13		39,937.15	39,937.15	



Report: Client Bill Review Summary
Date Range: 1/1/2013 through 1/31/2013
Coverage Type: Workers Comp
Carrier: Inservco
Branch: Gloucester County Insurance Commission



Carrier	Month	Total Bills	In-network Bills Penetration Rate	Total Provider Charge	In-network Charges Penetration Rate	Total Allowed ¹	CSG Negotiated Reductions ²	PPO Reductions ³	Bill Review Reductions ⁴	Total Reductions	Total Access Fees	Net Reductions
Inservco	January	2	100%	\$854.58	100%	\$564.74	\$0.00	\$289.84	\$0.00	\$289.84	\$40.58	\$249.26
YTD Total		2		\$854.58		\$564.74	\$0.00	\$289.84	\$0.00	\$289.84	\$40.58	\$249.26

Monthly Summary

Total Savings (before fees): \$289.84
Percent Savings: 34%
NET SAVINGS: \$249.26
Percent NET SAVINGS: 29%

Report Footnotes:

¹Recommended amount for payment
²Discounts negotiated by CSG on out of network bills
³Discounts applied in accordance with CHN PPO
⁴U&C and CSG Code Review reductions applied

GLOUCESTER COUNTY INSURANCE COMMISSION
SAFETY DIRECTOR'S REPORT

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: February 20, 2013

January - February 2013
RISK CONTROL ACTIVITIES

JIF MEETINGS / TRAINING ATTENDED

- **January 24:** Attended the GCIC meeting in Woodbury.
- **January 24:** Attended a meeting with Risk Management to discuss training.
- **January 30:** Attended a meeting with Safety, EMS and Risk Management in Clayton.

UPCOMING JIF MEETINGS / TRAINING

- **February 28:** Plan to attend the GCIC meeting in Woodbury.
- **February 26:** One session of Hazard ID Making Observations count is scheduled for GCIC.
- **February 26:** One session of Animal Bite Prevention is scheduled for GCIC.

TRAINING CALENDAR FOR February – March 2013

2/25/13	GCIC	Forklift Certification	8:00 – 12:30 pm
2/26/13	GCIC	Hazard ID: Making Your Observations Count	8:00- 10:00 am
2/26/13	GCIC	Animal Bite Prevention	10:30 – 11:30 am
3/14/13	GCIC	Heavy Equipment w/Modules 1,3,5 & 6	8:00 – 12:00 pm
3/28/13	GCIC	CMVO	8:00 – 12:00 pm

CEL MEDIA LIBRARY

The following GCIC Agencies utilized the CEL Media Library in 2012:

MONTH	AGENCY	# of Videos
March	GCIC - Gloucester County College	3
April	GCIC - Improvement Authority	1
July	GCIC - Sheriff's Office	4
	GCIC - Utility Authority	1
December	GCIC - Utility Authority	1

The following GCIC Agencies utilized the CEL Media Library in 2013:

MONTH	AGENCY	# of Videos
January	GCIC – Department of Health	3
February		0

I.



Long Marmero & Associates, LLP

Douglas M. Long Δ
Albert K. Marmero Δ
Kathleen M. Bonczyk Δ
Anthony Mazzarelli Δ†
Jesse M. DeBrosse Δ†

A New Jersey Limited Liability Partnership
ATTORNEYS AT LAW

Δ Member NJ Bar
† Member PA Bar
• Member FL Bar

44 Euclid Street
Woodbury, NJ 08096

Tel: (856) 848-6440
Fax: (856) 848-5002
www.longmarmero.com

February 21, 2013

Via Electronic Mail (jhrubash@permainc.com)

Joseph P. Hrubash, Vice President
PERMA Risk Management Services
9 Campus Drive
Parsippany, NJ 07054

RE: CL/LEL Claim – Autumn Pasquale
Date of Incident – 10/20/12

Dear Mr. Hrubash:

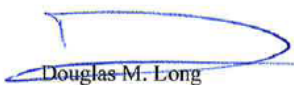
As you know, I serve as the attorney for the Gloucester County Insurance Commission (“GCIC”).

Per the request of Chairman White, I write this correspondence to notify you of a conflict I have with regard to the above-referenced matter. I act as the official spokesperson for Anthony Pasquale, the father of Autumn Pasquale, regarding the criminal proceedings of this matter through the Gloucester County Courts. However, I do not represent Mr. Pasquale or his children in any civil litigation regarding potential public entity defendants.

Although I would not be the defense attorney for the GCIC for this potential case, I would have interaction regarding the process. Given these circumstances, it is my opinion and request that the GCIC appoint one of its defense panel attorneys to act as conflict solicitor for any minimal interaction needed.

Thank you for your consideration and cooperation in this regard. Should you have any questions or comments, please feel free to contact me at (856) 848-6440.

Very truly yours,
LONG MARMERO & ASSOCIATES, LLP


Douglas M. Long
Attorney for GCIC

cc: Gerry White

Additional Offices

Bridgeton – Camden – Egg Harbor City – Medford



RESOLUTION NO 20-13

**GLOUCESTER COUNTY INSURANCE COMMISSION
AUTHORIZING A CLOSED SESSION TO DISCUSS
PAYMENT AUTHORIZATION REQUESTS (PARS) & SETTLEMENT (SARS)
RELATED TO PENDING OR ANTICIPATED LITIGATION**

WHEREAS, the GLOUCESTER COUNTY INSURANCE COMMISSION (hereinafter “GCIC”) is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

WHEREAS, the GCIC is subject to the requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq.; and

WHEREAS, the Open Public Meetings Act requires all meetings of public bodies be open to the public; and

WHEREAS, the Open Public Meetings Act further provides a public body may permissibly exclude the public from a portion of a meeting at which the public body discusses items per the Open Public Meetings Act at N.J.S.A. 10:4-12.b.(1) thru (9) recognized as requiring confidentiality; and

WHEREAS, it is necessary and appropriate for the GCIC to discuss certain matters in a meeting not open to the public consistent with N.J.S.A. 10:4-12.b.(7); and

NOW THEREFORE BE IT RESOLVED by the Commissioners of said Gloucester County Insurance Commission pursuant to the Open Public Meetings Act as follows:

The GCIC shall hold a closed session from which the public shall be excluded on February 28, 2013.

The general nature of the items to be discussed at said closed session shall include the following: the appropriateness of payment of statutorily required workers’ compensation benefits, settlement authority if any or continuing defense of pending or anticipated litigation, discussion of litigation strategy, position the GCIC will take in said litigation, strengths and weaknesses of GCIC’s position in said litigation.

The specific litigation is identified by the claim number assigned by Inservco in its capacity as the third-party claims administrator, name of the claimant, date of loss, workers’ compensation petition number and/or court assigned docket number which is set forth in the attached list which list is also appended to the GCIC monthly meeting agenda for February 28, 2013 which agenda has been timely posted per the Open Public Meetings Act.

The minutes of said closed session shall be made available for disclosure to the public consistent with N.J.S.A. 10:4-13 when the items which are the subject of the closed session discussions are resolved and the reasons for confidentiality as to both the GCIC and the claimant no longer exist.

ADOPTED by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 28, 2013.

ADOPTED:

GERALD A. WHITE, CHAIRMAN

ATTEST:

DEAN R. SIZEMORE, VICE CHAIRMAN

GCIC PARS - Worker Compensation & Liability
CLOSED SESSION
2/28/13

<u>Claim #</u>	<u>Claimant</u>	<u>Type of Claim</u>	<u>PAR/SAR</u>	<u>C.P or DO #</u>
3530000760	Breia Brenner	Worker Comp	PAR	
3530000355	Dale Dawson	Worker Comp	PAR	
3530000079	Kristina Gajderwicz	Worker Comp	SAR	2010-26433
3530000174	Antonia Rios-Lester	Worker Comp	SAR	2010-29882
3530000336	Sarah Holden	Liability	Discussion	

APPENDIX I

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – January 24, 2013
115 BUDD BLVD.
WOODBURY, NJ 9:30 AM**

Meeting called to order by Gerald White, Chairman. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

Gerald White, Chairman	Present
Dean Sizemore, Vice Chairman	Present
Tamarisk Jones	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joe Hrubash
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Claims Service	Inservco Insurance Services, Inc. Debra Stout Veronica George Megan Callahan
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	Consolidated Services Group, Inc. Jennifer Pard Stephen McNamara
--	--

	Conner Strong & Buckelew Michelle Leighton
--	--

Underwriting Services Director/RMC	Hardenbergh Insurance Group Bonnie Rick
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Attorney	Long Marmero & Associates Doug Long, Esq.
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Treasurer

Safety Director	J.A. Montgomery Risk Control Glenn Prince
-----------------	---

Benefits	Conner Strong & Buckelew Tammy Brown
----------	--

ALSO PRESENT:

Marjorie Workman, GCIT/GCSSSD
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes of December 13, 2012 and Closed Minutes of December 13, 2012

MOTION TO APPROVE OPEN & CLOSED MINUTES OF DECEMBER 13, 2012

Motion:	Commissioner Jones
Second:	Commissioner Sizemore
Roll Call Vote:	Unanimous

CORRESPONDENCE: Executive Director referred to a copy of a letter from First MCO which was included in the agenda. Executive Director advised Mr. Mooney wanted to thank the Commission for their longstanding support and confidence in his company and hoped for another opportunity in the future.

COMMITTEE REPORTS:

SAFETY COMMITTEE: Commissioner Sizemore advised the first formal meeting of the Safety and Accident Committee would take place on March 5, 2013 at the GCUA Facility. The Committee would continue to meet on a quarterly basis at 2 South Broad Street, Woodbury. Commissioner Sizemore indicated there would be a brief meeting after the Commission meeting with the County Training Coordinator, Ms. Rick, Mr. Prince and himself to finalize the 2013 training schedule. In response to Chairman White’s inquiry, Ms. Rick advised she was attending a meeting next week with the EMS Department, Training Coordinator and Mr. Prince to review their training needs.

CLAIMS COMMITTEE: Commissioner Sizemore indicated he thought the Commission had an excellent 2012 year with respect to claims requiring medical attention. However, for the month of January the County already had 12 claims, however, they were minor and employees were back to work.

EXECUTIVE DIRECTOR REPORT:

WELCOME CONSOLIDATED SERVICE GROUP (CSG) – Executive Director introduced Debra Stout of Inservco who was attending the meeting. Executive Director also welcomed Stephen McNamara and Jennifer Pard of CSG, the newly appointed vendor handling the Managed Care Services for the Commission. Executive Director advised Jennifer would be the Account Manager and her contact information along with Steve’s was included in the agenda.

Executive Director advised there were two action items in his report.

2013 PROPERTY AND CASUALTY BUDGET AMENDMENT: Executive Director reported the first action item was an amendment to the 2013 Property and Casualty budget. Executive Director explained at the last meeting the Commission agreed to amend the Gloucester County equipment physical damage deductible to \$5,000. Executive Director referred to a copy of the revised budget which was included in the agenda and reported the revised budget amount was \$5,727,702 with an additional assessment of \$3,708. Executive Director indicated the amendment did not require a public hearing as the change was less than 5%. Executive Director requested a motion to approve the revised budget.

MOTION TO APPROVE THE REVISED BUDGET IN THE AMOUNT OF \$5,727,702

Motion:	Commissioner Jones
Second:	Commissioner Sizemore
Roll Call Vote	Unanimous

2013 PROFESSIONAL SERVICES RESOLUTIONS: Executive Director advised at the last meeting the Commission reviewed the RFP responses and appointed several professional for a three year term. Executive Director reported the Commission Attorney prepared the necessary Resolutions which were included in the agenda. Executive Director read and reviewed Resolutions 1-13 through 5-13 appointing the professionals. Executive Director advised the Commission Attorney was preparing the contracts for each Professional. Executive Director requested a motion to approve Resolutions 1-13 through 5-13.

- Resolution 1-13 Appointing Third Party Administrator to Inservco Insurance Services
- Resolution 2-13 Appointing Managed Care Provider to Consolidated Services Group
- Resolution 3-13 Appointing Executive Director to PERMA Risk Management
- Resolution 4-13 Appointing Risk Manager Consultant to Hardenbergh Insurance Group
- Resolution 5-13 Appointing Underwriter Services Director Consultant to Hardenbergh Insurance Group.

MOTION TO APPROVE RESOLUTIONS NUMBER 1-13 THROUGH 5-13 APPOINTING CERTAIN PROFESSIONALS FOR A THREE YEAR TERM FOR THE FUND YEARS, 2013, 2014 AND 2015

Motion:	Commissioner Sizemore
Second:	Commissioner Jones
Roll Call Vote	Unanimous

EMPLOYEE DISHONESTY COVERAGE: Executive Director referred to a copy of the Selective Insurance Company endorsement which was included in the agenda. Executive Director explained the endorsement increased the amount of insurance to \$1,000,000 with a

deductible of \$10,000 on the Employee Dishonesty Coverage. At the last meeting the Commission agreed to increase this coverage. Executive Director advised the additional premium of \$240.00 would be paid out of the Miscellaneous Expense and Contingency Account. The total premium is \$1,107.00.

CERTIFICATE OF INSURANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period of 12/20/12 to 1/18/13. There were a total of 103 certificates issued for this period.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised that the November Property & Casualty Financial Fast Track was included in the agenda. The Commission had a surplus of \$1,321,483 as of November 30, 2012. Executive Director advised that \$ 545,843 on line 7 of the report "Investment in Joint Venture was the GCIC's share of the CEL JIF equity.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the November Financial Fast Track for the NJ CEL. As of November 30, 2012 the CEL had a surplus of **\$1,915,929**.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the December Health Benefit Financial Fast Track was included in the agenda. The Insurance Commission now has a Health Benefits surplus of \$126,820 as of December 31, 2012. Ms. Brown advised a recent rebate check for the month of April 2012 in the amount of \$116,000 was posted and they were continuing to monitor for the run-off claims from the old policy.

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director advised the CEL was meeting later in the day and a summary of that meeting would appear in the next agenda.

2013 PROPERTY & CASUALTY ASSESSMENTS: Executive Director advised the 2013 Assessment bills were mailed and e-mailed to the member entities. Executive Director explained the first payment of 40% was due on January 15th and the second and third payments of 30% each would be due on May 15th and October 15th. Executive Director reported the Treasurer's office advised payment was received from the College. Executive Director requested the assessment payments be sent to the Treasurer as soon as possible as the commercial insurance policies purchased through the CEL are due in full by January 30th.

2013 RENEWAL INFORMATION AND 2013 REMARKETING INFORMATION: Executive Director reported the CEL Underwriting Manager still needed some additional information to complete the 2013 renewal and with regard to the re-marketing of the Meadowbrook program. Executive Director stressed the importance of returning the information to the CEL Underwriting Manager as a complete underwriting submission has a direct bearing on the program coverage and pricing. Executive Director advised the CEL Underwriting Manager recently sent an e-mail to the members of the outstanding items. Ms. Rick advised her office just received the request and was working on obtaining the additional information.

INDEMNITY & TRUST AGREEMENT: Executive Director reported the Indemnity and Trust Agreements for the Member Entities to continue their membership in the Commission were sent to Ms. Rick in December. Ms. Rick advised the Improvement Authority documents were sent and the Library and County would be forthcoming. Ms. Rick also indicated the Utility Authority listed this item on their February agenda and she would follow up with the College.

2013 AUTOMOBILE LIABILITY – UNINSURED AND UNDERINSURED MOTORIST: Executive Director advised Star Insurance Company does not give the option to purchase nor did the policy provide Uninsured/Underinsured Motorist coverage. Executive Director indicated an acknowledgement form would be provided to the Chairman for his signature.

REORGANIZATION FOR 2013-14: Executive Director advised the reorganization of the Gloucester County Insurance Commission would be held at the February 28, 2013 Commission meeting.

RFP FOR DEFENSE PANEL: Chairman White indicated he had a discussion with the Executive Director last week and advised he would like to have an RFP issued to supplement the Defense Panel. Chairman White requested a motion to authorize the Executive Director's office to prepare and advertise a RFP for the Defense Panel.

**MOTION TO AUTHORIZE THE EXECUTIVE
DIRECTOR'S OFFICE TO PREPARE AND
ADVERTISE A RFP TO SUPPLEMENT THE
DEFENSE PANEL**

Motion:	Commissioner Sizemore
Second:	Commissioner Jones
Roll Call Vote	Unanimous

Executive Director's Report Made Part of Minutes.

EMPLOYEE BENEFITS: Ms. Brown advised the Client Activity Summary Report for December was included in the agenda. Ms. Brown indicated there was an increase in activity since November. Ms. Brown referred to the report and noted the increase in activity was for enrollment changes and enrollment inquiries. Ms. Brown advised that this was as a result of the Open Enrollment for the State Health Benefit Plan. Horizon experienced some challenges as their systems were down due to the Sandy Storm.

TREASURER REPORT: Chairman White presented the January bill list in the amount of \$1,591,687.78 and requested a motion to approve.

**MOTION TO APPROVE THE JANUARY BILL LIST,
RESOLUTION 6-13 IN THE AMOUNT OF
\$1,591,687.78**

Motion: Commissioner Jones
Second: Commissioner Sizemore
Roll Call Vote Unanimous

Chairman White also pointed out the monthly Treasurer's reports showing the cash transactions and investments were included in the agenda.

CLAIMS REPORT

REPORT: Ms. George reported the Inservco Stewardship Report as of December 31, 2012 was included in the agenda and a copy was also distributed. Ms. George advised Ms. Stout was in attendance if anyone had any questions. Executive Director suggested the Commissioners review the report and provide any feedback or questions at the next meeting.

Ms. Pard of CSG advised a sample copy of their monthly report was included in the agenda. Ms. Pard indicated if there was any other type of information the Commissioners needed to let her know.

Chairman White presented Resolution 7-13 Inservco Liability Check Register for the period of 12/1/12 through 12/31/12.

MOTION TO APPROVE RESOLUTION 7-13 LIABILITY CHECK REGISTER FOR THE PERIOD OF 12/1/12 THROUGH 12/31/12

Motion: Commissioner Sizemore
Second: Commissioner Jones
Roll Call Vote: Unanimous

CEL SAFETY DIRECTOR:

REPORT: Mr. Prince reviewed the December through February 2013 Risk Control Activity Report which was included in the agenda along with the training calendar. Mr. Prince also pointed out that the report now included the utilization of the MEL Media Library for 2012 and 2013. In response to Chairman White's earlier inquiry regarding the EMS, Mr. Prince advised he would be discussing a customized power point presentation for the EMS at the Safety Committee meeting after the Commission meeting.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Rick advised their report was included in the agenda. Ms. Rick reported her office did review the Inservco Stewardship Report and there were a few areas that needed amendments. Ms. Rick indicated she would work with the member entities on the reporting process. Ms. Rick advised she forwarded a revised Z form to the Commission Attorney and County Counsel for their review. The Commission Attorney is preparing a Resolution for the Commission to adopt the revised form. Ms. Rick reported she is working with Dr. Dwyer to schedule an educational workshop on workers compensation for the Commission's primary

medical providers. Ms. Rick indicated the County's Safety Department submitted requests for training along with the members and the 2013 training schedule would be finalized at the meeting following the Commission meeting.

Ms. Rick advised she had two action items. The first was a bond for Prosecutor Dalton which was renewing on 3/9/13 with C N A. The bond premium was \$70.00 and the terms and conditions were per the expiring policy. Ms. Rick also advised the Volunteer Accident policy with AIG was renewing on 3/1/13. Ms. Rick pointed out the expiring premium was \$3,678, and due to a rate increase for interns, the renewal premium would be \$3,862. Ms. Rick requested a motion to renew both policies.

**MOTION TO AUTHORIZE THE UNDERWRITING SERVICES
DIRECTOR TO BIND COVERAGE FOR THE COUNTY'S BONDS FOR
PROSECUTOR DALTON WITH C.N.A EFFECTIVE 3/9/13 AT AN
ANNUAL PREMIUM OF \$70.00 AND THE COUNTY'S VOLUNTEER
ACCIDENT POLICY WITH AIG EFFECTIVE 3/1/13 AT AN ANNUAL
PREMIUM OF \$3,862.00.**

Motion:	Commissioner Sizemore
Second:	Commissioner Jones
Roll Call Vote:	Unanimous

ATTORNEY: Commission Attorney advised he did not have anything to report at this time.

OLD BUSINESS: None

NEW BUSINESS: A brief discussion ensued on the protocol for Bloodborne Pathogen Shots particularly at the jail. Chairman White suggested that since a protocol was in place Commissioner Sizemore should discuss the issue with the Warden and advise Chairman White if anything else needed to be done.

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

Moved:	Commissioner Jones
Second:	Commissioner Jones
Roll Call Vote:	Unanimous

Seeing no members of the public wishing to speak Chairman White asked for a motion to close the public comment portion of the meeting.

MOTION TO CLOSE MEETING TO PUBLIC

Moved: Commissioner Jones
Second: Commissioner Sizemore
Roll Call Vote: Unanimous

CLOSED SESSION: Chairman White read and requested a motion to approve Resolution 8-13 authorizing a Closed Session to discuss PARS.

RESOLUTION 8-13, EXECUTIVE SESSION FOR THE PURPOSE AS PERMITTED BY THE OPEN PUBLIC MEETINGS ACT, MORE SPECIFICALLY TO DISCUSS PARS RELATED TO PENDING OR ANTICIPATED LITIGATION AS IDENTIFIED IN THE LIST OF CLAIMS PREPARED BY THIRD PARTY CLAIM ADMINISTRATOR INSERVCO INSURANCE SERVICES, INC. AND ATTACHED TO THIS AGENDA.

Motion: Commissioner Jones
Second: Commissioner Sizemore
Roll Call Vote: Unanimous

MOTION TO GO INTO CLOSED SESSION

Motion: Commissioner Jones
Second: Commissioner Sizemore
Roll Call Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Sizemore
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO AUTHORIZE AN INCREASE OF \$36,458.41 FOR CLAIM # 353000473

Motion: Commissioner Sizemore
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO AUTHORIZE AN INCREASE OF \$43,025.00 CLAIM # 353000695

Motion: Commissioner Sizemore
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO AUTHORIZE AN INCREASE OF \$71,894.62 FOR CLAIM # 353000685

Motion: Commissioner Sizemore
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO AUTHORIZE AN INCREASE OF \$66,500 TO DEFEND CLAIM # 353000187

Motion: Commissioner Sizemore
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO AUTHORIZE AN INCREASE OF \$31,500 FOR DEFENSE IN CLAIM # 353000658

Motion: Commissioner Sizemore
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO ADJOURN:

Motion: Commissioner Jones
Second: Commissioner Sizemore
Roll Call Vote: Unanimous

MEETING ADJOURNED: 10:20 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary

APPENDIX II

RESOLUTION NO. 16-13

Gloucester County Insurance Commission
(hereinafter the "Insurance Commission")

BE IT RESOLVED by the Insurance Commission's governing body that the 2013 Plan of Risk Management shall be:

- 1.) The perils or liability to be insured against.
 - a.) The Insurance Commission insures the following perils or liability:
 - Workers' Compensation including Employer's Liability, USL&H and Harbor Marine/Jones Act.
 - General Liability including Law Enforcement Liability and Employee Benefits Liability.
 - Automobile Liability including PIP and Uninsured/Underinsured Motorists Coverage.
 - Property, Auto Physical Damage and Boiler & Machinery.
 - b.) The following coverage are provided to the Insurance Commission's member entities by their membership in the New Jersey Counties Excess Joint Insurance Fund (NJC).
 - Excess Workers' Compensation
 - Excess General Liability
 - Excess Auto Liability
 - Excess Property including Boiler and Machinery
 - Public Officials Liability/School Board Legal/Employment Practices Liability
 - Crime
 - Pollution Liability
 - Medical Professional and General Liability
 - Employed Lawyers Liability

2.) The limits of coverage.

a.) Workers' Compensation limits.

- The Insurance Commission covers \$250,000 per occurrence including:
 - Employer's Liability - \$250,000 per occurrence.
 - USL&H – \$250,000 per occurrence.
 - Harbor Marine/Jones Act - \$250,000 per occurrence.
- The NJC covers excess workers compensation claims to the following limits.
 - Workers' Compensation – statutory excess of the Insurance Commission's \$250,000.
 - Employer's Liability - at a sub-limit of \$20,250,000 excess of the Insurance Commission's \$250,000.
 - USL&H – \$250,000 less NJ State benefits excess of the Insurance Commission's \$250,000.
 - Harbor Marine/Jones Act - \$250,000 less NJ State benefits excess of the Insurance Commission's \$250,000.

NJC retains limits of \$250,000 excess \$250,000 and purchases from Star Insurance Company Statutory limits for Workers compensation and \$5,000,000/\$10,000,000 for Employers Liability excess over and above \$500,000 with Star Insurance

b.) General Liability limits.

- The Insurance Commission covers \$250,000 per occurrence.
 - Law Enforcement - included in the General Liability limits.
 - Employee Benefits Liability - included in the General Liability limits.
 - Subsidence - \$250,000 per occurrence

- Sexual Abuse or Molestation Coverage - \$250,000 per occurrence except for schools.
 - Owned Watercraft 32' in length or less - \$250,000.
 - Garagekeepers Legal Liability - \$250,000
- The NJC covers excess liability claims as follows:
 - General Liability - \$20,250,000 excess the Insurance Commission's \$250,000. The \$5,000,000 excess \$500,000 commercial excess layer is subject to a \$10,000,000 per member insurance commission annual aggregate limit. The \$15,000,000 excess \$15,500,000 commercial excess layer is subject to a \$15,000,000 annual aggregate limit shared with the Camden County, Cumberland County and Salem County Insurance Commissions.
 - Law Enforcement - included in the NJC's excess General Liability limits.
 - Employee Benefits Liability - included in the NJC's excess General Liability limits.
 - Subsidence - \$750,000 per occurrence excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member Commission's retention.
 - Sexual Abuse or Molestation Coverage - \$750,000 excess of the Insurance Commission's \$250,000 except for schools. NJC retains 100% of the limit excess of the Member Commission's retention.
 - Owned Watercraft 32' in length or less - \$750,000 excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member Commission's retention.
 - Garagekeepers Legal Liability - \$250,000 excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member Commission's retention.

NJC retains limits of \$250,000 excess \$250,000 and purchases from Star Insurance Company limits of \$5,000,000/\$10,000,000 excess

over and above \$500,000 with Star Insurance Company. NJC also purchases from Star Indemnity & Liability Insurance Company limits of \$15,000,000/\$15,000,000 excess over and above the \$5,000,000/\$10,000,000 with Star Insurance.

c.) Automobile Liability limits.

- The Insurance Commission covers automobile liability claims as follows:
 - Automobile Bodily Injury and Property Damage Liability claims at a combined single limit of \$250,000.
 - The Insurance Commission covers \$250,000 for Personal Injury Protection (PIP) per Addendum I of this Plan.
 - The Insurance Commission covers \$15,000/\$30,000/5,000 for Underinsured/Uninsured Motorists Liability per Addendum II of this Plan.
- The NJC covers excess automobile liability claims as follows:
 - Automobile Bodily Injury and Property Damage Liability claims excess of the Insurance Commission's \$250,000 CSL limit. Included in the NJC's excess General Liability limits as shown above.

NJC retains limits of \$250,000 excess \$250,000 and purchases from Star Insurance Company limits of \$5,000,000/\$10,000,000 excess over and above \$500,000 with Star Insurance Company. NJC also purchases from Star Indemnity & Liability Insurance Company limits of \$15,000,000/\$15,000,000 excess over and above the \$5,000,000/\$10,000,000 with Star Insurance.

The NJC does not provide excess PIP or Uninsured/Underinsured Motorist Coverage.

The excess general liability, auto liability, employers' liability and law enforcement liability limit of \$5,000,000/\$10,000,000 are shared limits amongst CCIC member entities. The limits of \$15,000,000/\$15,000,000 excess of the \$5,000,000/\$10,000,000 with Star Insurance Company, NJC retention and the Insurance Commission retention are shared with the Camden County,

Cumberland County and Salem County Insurance Commission
another member commission of the NJC.

d.) Public Officials Liability/School Board Legal/Employment Practices Liability

- The NJC via the commercial market covers public officials liability'/school board legal liability/employment practices liability as follows:
 - \$15,000,000 each claim and in the annual aggregate on a claims made basis per member Insurance Commission (except for Healthcare entities which have a \$1,000,000 each claim and in the annual aggregate sub-limit) subject to the deductibles as outlined below:
 - Gloucester County - \$100,000 each POL & EPL
Gloucester County College-\$50,000 SBL/\$50,000 EPL
 - Gloucester County UA - \$5,000 each POL & EPL
 - Gloucester County LC - \$5,000 each POL & EPL
 - Gloucester County IA - -\$25,000 SBL/\$100,000 EPL

There is a sub-limit of \$1,000,000 each claim and in the annual aggregate excess of a member entity retention of \$100,000 for sexual abuse/molestation for schools only.

School Board Legal Liability applies to the member entity schools and Public Officials Liability applies to all other member entities.

NJC does not retain any risk as it is fully insured in the commercial market.

e.) Excess Public Officials Liability/Employment Practices Liability/School Board Legal Liability:

The NJC does not purchase an additional excess public officials liability'/school board legal liability/employment practices liability program.

f.) Property/Boiler & Machinery

Property Limits/Sub-limits

- The Insurance Commission covers \$100,000 per occurrence excess of applicable member entity deductibles.
- The NJC provides excess property coverage via the commercial market with Zurich and RSUI with the following limits (*SHARED BY ALL NJC MEMBER COMMISSIONS AND THEIR MEMBER ENTITIES*) excess of the member retention and member entity deductibles:

PROPERTY PER OCCURRENCE LIMITS:

\$100,000,000 PER OCCURRENCE WITH ZURICH

\$150,000,000 PER OCCURRENCE WITH RSUI

\$260,000,000 PER OCCURRENCE TOTAL PROGRAM LIMIT

PROPERTY SUB-LIMITS:

- Earthquake - \$100,000,000 (Annual Aggregate)
- Flood - \$50,000,000 (Annual Aggregate) Except;
- Flood Inside 100-Year Flood Zone - \$25,000,000
- Asbestos Cleanup - \$50,000 (Annual Aggregate)
- Valuable Paper And Records - \$10,000,000
- Accounts Receivable - \$10,000,000
- Demolition & Increased Cost of Construction- \$25,000,000
- Business Interruption -\$30,000,000 (Business Income On Revenue Producing Property Only)
- Extra Expense – \$10,000,000
- Transit- \$1,000,000 Per Conveyance/\$1,000,000 Per Occurrence
- Fine Arts - \$1,000,000 (Owned And Non Owned)
- Pollution And Contamination Cleanup (Limited) - \$250,000 (Annual Aggregate)
- Miscellaneous Unnamed Locations - \$5,000,000
- Builders' Risk - \$25,000,000 (no sub-limit for soft costs)
- Newly Acquired Locations - \$25,000,000 (90 day reporting)
- Service Interruption - \$10,000,000 Combined Time Element and Property Damage (including Overhead Transmission Lines within one mile of insured premises, 24 hour waiting period)

- Ingress/Egress - \$5,000,000 Or 30 Days Whichever Is Less
- Debris Removal -\$25,000,000 or 25% of the covered loss, whichever is less
- Civil Government Authority – \$5,000,000 or 30 days, whichever is less
- Leasehold Interest - \$15,000,000
- Loss of Rents - \$15,000,000
- Contingent Time Element - \$5,000,000
- Loss Adjustment Expense - \$500,000 Per Claim/
\$1,000,000 Aggregate
- Extended Reporting Period – 365 Days
- Auto Physical Damage - \$500,000 Per Scheduled Vehicle
- Fungus, Wet Rot, Dry Rot Or Bacteria - \$500,000 Per Occurrence
- Underground Piping - \$10,000,000 (only if within 1,000' of a pump station, process plant, metering pit, wells or similar operational locations which are owned, leased, used occupied or intended for use by the member entity).
- EDP Equipment – No sub-limit
- Outdoor Property - \$5,000 per item, no sub-limit
- Boiler And Machinery - \$100,000,000
 - Business Interruption - \$10,000,000 (Business Income On Revenue Producing Property Only)
 - Contingent Business Income - \$5,000,000
 - Loss Of Rents - \$15,000,000
 - Newly Acquired - \$5,000,000
 - Demolition & Increased Cost Of Construction - \$25,000,000
 - Hazardous Substance - \$5,000,000
 - Expediting Expenses- \$5,000,000
 - Perishable Goods - \$5,000,000
 - Service Interruption - \$5,000,000 Combined Time Element and Property Damage (including Overhead Transmission Lines within 1 mile of insured premises, 24 hour waiting period)
 - Data Restoration - \$1,000,000
 - Miscellaneous Unnamed Location (Property Damage Only) - \$5,000,000
 - Extended Period Of Indemnity - 180 Days

Note: There is an excess property policy with RSUI Insurance Company which extends the per occurrence policy limits by \$150,000,000 to a total of \$260,000,000, but not the policy sub-limits. The primary limit is \$110,000,000.

Property Deductibles

- The standard member insurance commission retention is \$100,000 per occurrence less member entity deductibles below. Also applies to time element, auto physical damage and flood (except as noted below).
 - Gloucester County - \$10,000 Property, \$5,000 Equipment and \$1,000 Auto Physical Damage
 - Gloucester County College - \$2,500 Property and \$500 Auto Physical Damage
 - Gloucester County Utilities Authority - \$1,000 Property and \$1,000 Auto Physical Damage
 - Gloucester County Library Commission - \$1,000 Property and \$500 Auto Physical Damage
 - Gloucester County Improvement Authority - \$1,000 Property and \$500 Auto Physical Damage
- The Boiler and Machinery deductible is \$25,000 member entity deductible per occurrence.
- The Earthquake Member Insurance Commission retention is \$100,000 per occurrence less the per occurrence member entity deductibles.
- The Flood Member Insurance Commission retention is \$100,000 per occurrence less member entity per occurrence deductibles.
- Flood loss for property within the 100-year flood zone is subject to a deductible of \$500,000 each building for municipality buildings, and \$500,000 each building for municipality contents member entity deductible per occurrence; to a deductible of \$250,000 each building for housing authority buildings, and \$100,000 each building for housing authority contents member entity deductible per occurrence; or the National Flood Insurance Plan's (NFIP) maximum available limits for municipalities and housing authorities, whichever is greater, regardless of whether National Flood Insurance program coverage is purchased or not. Losses shall also be adjusted subject to a \$100,000 per occurrence Insurance Commission deductible for pumping stations, pistol ranges, vehicles and mobile equipment less the applicable member entity deductible.

“Named Storm Flood” subject to a deductible of 1% of the total insurable value (excluding vehicle values) at each location involved

in loss or damage, subject to a minimum deductible of **\$250,000** and a maximum deductible of \$1,000,000 per occurrence state-wide for all locations for Named Storms. The “Named Storm” deductible is a per member entity deductible.

Note: coverage for the difference in deductible for “insured property” resulting from “insured perils” (per the terms and conditions of the Zurich policy through the NJC JIF), but only for what is not reimbursed by FEMA less the member entity deductible.

“Named Storm Wind” subject to a deductible of 1% of the total insurable value (excluding vehicle values) at each location involved in loss or damage, subject to a minimum deductible of **\$250,000** and a maximum deductible of \$1,000,000 per occurrence state-wide for all locations for Named Storms. The “Named Storm” deductible is a per member entity deductible. **Note: coverage for the difference in deductible for “insured property” resulting from “insured perils” (per the terms and conditions of the Zurich policy through the NJC JIF), but only for what is not reimbursed by FEMA less the member entity deductible.**

Named Storm is defined as a storm that has been declared by the National Weather Service to be a hurricane, typhoon, tropical cyclone or tropical storm by the National Hurricane Center of the Center of the National Oceanic and Atmospheric Administration’s National Weather Service. Location is defined as any building, yard, dock, wharf, pier or bulkhead (or any group of the foregoing) bounded on all sides by public streets, clear land space or open waterways, each not less than fifty feet wide. Any bridge or tunnel crossing street, space or waterway shall render such separation inoperative for the purpose of this definition. If the Named Storm involves covered property within the 100-year flood zone, the 100-year flood zone deductible above applies.

- Underground Piping \$100,000 per occurrence less the member entity deductibles as stated above.
- Golf Carts - \$25,000

NJC does not retain any risk as it is fully insured in the commercial market.

g.) Crime

The NJC via the commercial market provides crime coverage at the following limits and deductibles (the Insurance Commission retains no risk for Crime):

Limit per occurrence:

- Gloucester County – \$1,000,000
- Gloucester County Library Commission - \$500,000
- Gloucester County Utilities Authority - \$500,000
- Gloucester County College - \$500,000
- Gloucester County Improvement Authority - \$500,000

Deductible per occurrence:

- Gloucester County – \$15,000
- Gloucester County Library Commission - \$10,000
- Gloucester County Utilities Authority - \$10,000
- Gloucester County College - \$15,000
- Gloucester County Improvement Authority - \$10,000

NJC does not retain any risk as it is fully insured in the commercial market.

h.) Pollution Liability

The NJC via the commercial market provides pollution liability coverage at the following limits and deductibles (the Insurance Commission retains no risk for Pollution Liability):

- Limit of Liability: \$10,000,000 per claim and \$25,000,000 annual aggregate
- Member Entity Deductible: \$25,000
- New Member Entity Effective Dates: N/A

NJC does not retain any risk as it is fully insured in the commercial market.

All policy aggregates limits are shared by all NJC member Commissions and their respective member entities.

i.) Medical Professional General Liability/Excess Medical Professional

The NJC via the commercial market provides medical professional general liability/excess medical professional coverage at the following limits and deductibles (the Insurance Commission retains no risk for medical professional general liability):

- Limit per claim/annual aggregate: \$1,000,000/\$3,000,000
 - This primary aggregate limit is shared by each member entity of each NJC member Commission.
- Excess Limit annual aggregate: \$20,000,000/\$20,000,000
 - Excess Limit is a Shared limit with CCIC, BCIC, **CUIC and SCIC.**
- Member Entity Deductibles GL and PL:
 - Gloucester County – \$25,000
 - Gloucester County (**G. Feigin**)-\$5,000
 - Gloucester County (J.Palmer)-\$5,000
 - Gloucester County IA (Shady Lane) - \$10,000
 - Gloucester County Prosecutors Office (SANE) - \$5,000
 - Gloucester County College (Nursing Program) – \$5,000
 - GC Emergency Response Center - \$10,000

NJC does not retain any risk as it is fully insured in the commercial market.

j.) Employed Lawyers Professional Liability

The NJC via the commercial market provides employed lawyers professional liability coverage at the following limits and deductibles (the Insurance Commission retains no risk for employed lawyers' professional liability):

- Limit per claim and annual aggregate:
\$5,000,000/\$10,000,000
- Member Entity Self Insured Retentions:
 - Gloucester County \$25,000
 - All Other Entities: Not applicable

NJC does not retain any risk as it is fully insured in the commercial market.

All policy aggregates limits are shared by all NJC member Commissions and their respective member entities.

NOTICE: The above description is a general overview of the coverage and limits provided by the Insurance Commission. The actual terms and conditions are defined in the individual policy documents and this Risk Management Plan. All issues and/or conflicts shall be decided upon by the individual policy documents.

3.) The amount of risk to be retained by the Insurance Commission (except as noted in section 2. Limits of coverage).

- a.) Workers' Compensation (all coverages) - \$250,000 CSL
- b.) General Liability (all coverages) - \$250,000 CSL
- c.) Law Enforcement Liability – Included in General Liability
- d.) Automobile Liability
 - Property Damage & Bodily Injury - \$250,000 CSL
 - Underinsured/Uninsured - \$15,000/\$30,000/\$5,000 CSL
 - Personal Injury Protection - \$250,000 CSL
- d.) Public Officials Liability/School Board Legal/Employment Practices Liability - None
- e.) Property/APD - \$100,000 per occurrence less member entity deductibles.
- f.) Crime – None
- g.) Pollution Liability – None
- h.) Medical Professional General Liability – None
- i.) Employed Lawyers Liability - None

4.) The amount of unpaid claims to be established.

a.)The general reserving philosophy is to set reserves based upon the probable total cost of the claim at the time of conclusion. Historically, on claims aged eighteen (18) months, the Insurance Commission expects the claims servicing company to set reserves at 85% accuracy. The Insurance Commission also establishes reserves recommended by the Insurance Commission's Actuary for claims that have been incurred but not yet

reported so that the Insurance Commission has adequate reserves to pay all claims and allocated loss adjusted expense liability.

b.) Claims reserves are subject to regular review by the Insurance Commission's Executive Director/Administrator, Attorney, Board of Commissioners and claims servicing company. Reserves on large or unusual claims are also subject to review by the claims departments of the commercial insurance companies or reinsurance companies providing primary or excess coverages to the Insurance Commission either directly or through the NJC JIF.

5.) The method of assessing contributions to be paid by each member of the Insurance Commission.

a.) By November 15th of each year, the actuary computes the probable net cost for the upcoming Insurance Commission year by line of coverage and for each prior Insurance Commission year. The Actuary includes all budget items in these computations. The annual assessment of each participating member entity is its pro rata share of the probable net cost of the upcoming Insurance Commission year for each line of coverage as computed by the Actuary.

b.) The calculation of pro rata shares is based on each member's experience modified manual premium for that line of coverage. The Insurance Commission's Governing Body also adopts a capping formula which limits the increase of any member's assessment from the preceding year to the Insurance Commission wide average increase plus a percentage selected by the Governing Body. The total amount of each member's annual assessment is certified by majority vote of the Insurance Commission's Governing Body at least one (1) month prior to the beginning of the next fiscal year.

c.) The Treasurer deposits each member's assessment into the appropriate accounts, including the administrative account, and the claim or loss retention trust Insurance Commission account by Insurance Commission year for each type of coverage in which the member participates.

d.) If a member entity becomes a member of the Insurance Commission or elects to participate in a line of coverage after the start of the Insurance Commission year, such participant's assessments and supplement assessments are reduced in proportion to that part of the year which had elapsed.

e.) The Insurance Commission's Governing Body may by majority vote levy upon the participating member entities additional assessments wherever needed or so ordered by the Commissioner of Insurance to supplement the

Insurance Commission's claim, loss retention or administrative accounts to assure the payment of the Insurance Commission's obligations. All supplemental assessments are charged to the participating member entities by applicable Insurance Commission year, and shall be apportioned by the year's assessments for that line of coverage.

f.) Should any member fail or refuse to pay its assessments or supplemental assessments, or should the Insurance Commission fail to assess funds required to meet its obligations, the Chairman, or in the event by his or her failure to do so, the custodian of the Insurance Commission's assets, shall notify the Commissioner of Banking and Insurance and the Director of Community Affairs. Past due assessments shall bear interest at the rate established annually by the Insurance Commission's Governing Body.

6.) Procedures governing loss adjustment and legal expenses.

a.) The Insurance Commission engages a claims service company to handle all claims. The performance of the claims adjusters is monitored and periodically audited by the Executive Director's office, the Insurance Commission Attorney, the NJC's attorney's office, as well as the claims department of the NJC's three major excess insurers (i.e. Star Insurance for excess liability and workers' compensation; Everest National and Star & Indemnity for excess liability). Every three years, the NJC's internal auditors also conduct an audit.

b.) Each member entity is provided with a claim reporting procedure and appropriate forms.

c.) In order to control workers' compensation medical costs, the Insurance Commission has engaged a managed care organization (MCO) component *through its contract with the claims service company* whose procedures are integrated into the Insurance Commission's claims process.

d.) To provide for quality defense and control costs, the Insurance Commission has established an approved defense attorney panel with firms which specialize in Title 59 matters. The performance of the defense attorneys is overseen by the Insurance Commission Attorney, as well as, the various firms which audit the claims adjusters.

7.) Coverage to be purchased from a commercial insurer, if any.

The Insurance Commission does not purchase commercial insurance.

8.) Reinsurance to be purchased.

The Insurance Commission does not purchase reinsurance.

9.) Procedures for the closure of Insurance Commission years, including the maintenance of all relevant accounting records.

a.) Not applicable at this time.

10.) Assumptions and Methodology used for the calculation of appropriate reserves requirements to be established and administered in accordance with sound actuarial principles.

a.) The general approach in estimating the loss reserves of the Insurance Commission is to project ultimate losses for each Insurance Commission year using paid and incurred loss data. Two traditional actuarial methodologies are used: the paid loss development method and the incurred loss development method. From the two different indications resulting from these methods the Insurance Commission Actuary chooses a "select" estimate of ultimate losses. Subtraction of the paid losses from the select ultimate losses yields the loss reserve liability or Insurance Commission funding requirement.

b.) The following is an overview of the two actuarial methods used to project the ultimate losses.

- Paid Loss Development Method - This method uses historical accident year paid loss patterns to project ultimate losses for each accident year. Because this method does not use case reserve data, estimates from it are not affected by changes in case reserving practices. However, the results of this method are sensitive to changes in the rate of which claims are settled and losses are paid, and may underestimate ultimate losses if provisions are not included for very large open claims.
- Case Incurred Loss Development Method - This method is similar to the paid loss development method except it uses historical case incurred loss patterns (paid plus case outstanding reserves) to estimate ultimate losses. Because the data used includes case reserve estimates, the results from this method may be affected by changes in case reserve adequacy.

11.) The maximum amount a certifying and approving officer may approve pursuant to N.J.A.C. 11:15-2.22.

- \$15,000 for workers compensation claims
- \$15,000 for liability claims

- With the advance approval of the Insurance Commission Attorney or Executive Director, the certifying and approving officer may also pay hospital bills if waiting until after the next regularly scheduled Insurance Commission meeting would result in the loss of a discount on such bills. When the certifying and approving officer utilizes this authority, a report shall be made to the Commissioners at their next meeting.

Adopted by the Governing Body this 28th day of February 2013.

Gloucester County Insurance Commission

By: _____
Chairperson

Attest:

Secretary

ADDENDUM I

2012 Risk Management Plan
Addendum #1
NEW JERSEY PERSONAL INJURY PROTECTION

With respects to coverage provided by this Addendum, the provisions of Policy CP0513640 – Coverage forms CA 00 01 12 93, IL 00 17 11 98, IL 00 21 07 02, IL 02080702 apply unless modified by this Addendum for a covered **auto** licensed or principally garaged in, or **garage operations** conducted in, New Jersey

This Addendum is effective ____2012.

MEDICAL EXPENSE BENEFITS DEDUCTIBLE

The medical expense benefits are subject to a deductible of \$250 per **occurrence**.

Medical expense benefits applicable to:

A. The **named insured** and, if the **named insured** is an individual, any **family members** will be subject to a deductible of \$250 per **occurrence**.

B. insured **persons** other than the **named insured** and, if the **named insured** is an individual, any **family members** shall be subject to a separate deductible of \$250 per **occurrence**.

MEDICAL EXPENSE BENEFITS CO-PAYMENT

Medical expense benefits are subject to a co-payment of 20% per **occurrence** for amounts payable between the applicable deductible and \$5,000.

DELETION OF BENEFITS OTHER THAN MEDICAL EXPENSES OPTION

All Personal Injury Protection benefits other than medical expense benefits are deleted with respect to the **named insured** and, if the **named insured** is an individual, any **family members**, when indicated to the left. Refer to the Deletion Of Benefits Other Than Medical Expenses Provision.

MEDICAL EXPENSE BENEFITS-AS-SECONDARY OPTION

If the **named insured** is an individual, medical expense benefits with respect to the **named insured** and **family members**, are secondary to the health benefits plans under which the **named insured** and **family members** are insured, when indicated to the left.

A. Coverage

1. **Personal Injury Protection**

We will pay personal injury protection benefits for **bodily injury** sustained by an **eligible injured person** or an **insured person** caused by an **occurrence** occurring during the Policy period within the United States of America, its territories or possessions or Canada and arising out of the ownership, maintenance or use, including loading or unloading, or a **private passenger auto** as an auto.

These Personal Injury Protection Benefits consist of:

a. **Medical Expense Benefits**

An amount not exceeding **\$250,000** per person per **occurrence** for reasonable and necessary expenses incurred for medical, surgical, rehabilitation and diagnostic treatments and services, hospital expenses, ambulance or transportation services, medication and non-medical expenses that are prescribed by a treating **health care provider** for a permanent or significant brain, spinal cord or disfiguring injury.

Non-medical expense means charges for products and devices, not exclusively used for medical purposes or as durable medical equipment, such as vehicles, durable goods, equipment, appurtenances, improvements to real or personal property, fixtures and services and activities such as recreational activities, trips and leisure activities.

All medical expenses must be rendered by a **health care provider**, be **clinically supported** and consistent with the symptoms, diagnosis or indications of the **insured**. They must also be consistent with the most appropriate level of service that is in accordance with the standards of good practice and standard professional treatment protocols, including care paths for an **identified injury**. They must not be rendered primarily for the convenience of the **insured** or **health care provider** nor may they involve unnecessary testing or treatment.

However, medical expenses include any nonmedical remedial treatment rendered in accordance with recognized religious methods of healing.

b. **Income Continuation Benefits**

An amount not exceeding a limit of \$100 per week and a total limit of \$5,200 payable for the loss of income of an **income producer** during his or her lifetime, as a result of **bodily injury** disability, not to exceed net **income** normally earned during the period in which benefits are payable.

c. **Essential Services Benefits**

An amount not exceeding a limit of \$12 per day and a total limit of \$4,380 payable to an **eligible injured person** as reimbursement for payments made to others, for substitute essential services of the type actually rendered during his or her lifetime and which he or she would ordinarily have performed not for **income** but for the care and maintenance of himself or herself and persons related to the **eligible injured person** by blood, marriage

or adoption (including a ward or foster child) who are residents of the same household as the **eligible injured person**.

d. **Death Benefits**

The amount or amounts payable in the event of the death of an **eligible injured person** as determined below:

- (1) If the **eligible injured person** was an **income producer** at the time of the **occurrence**, an amount equal to the difference between \$5,200 and all basic income continuation benefits paid for any loss of **income** resulting from his or her injury prior to his or her death;
- (2) If the **eligible injured person** ordinarily performed essential services for the care and maintenance of himself or herself, his or her family or family household, an amount equal to the difference between \$4,380 and all basic essential services benefits paid with respect to his or her injury prior to death.

e. **Funeral Expense Benefits**

An amount not exceeding \$1,000 of reasonable funeral, burial and cremation expenses incurred.

2. **Pedestrian Personal Injury Protection**

This coverage applies to **pedestrians** and only to **occurrences** which occur during the Policy period in New Jersey. With respect to an **insured motor vehicle** as described for this Coverage, Pedestrian Personal Injury Protection Coverage is the only Personal Injury Protection Coverage for that vehicle.

We will pay pedestrian personal injury protection benefits to an **eligible injured person**. These Pedestrian Personal Injury Protection benefits consist of:

a. **Medical Expense Benefits**

An amount not exceeding **\$250,000** per person per **occurrence** for reasonable and necessary expenses incurred for medical, surgical, rehabilitative and diagnostic treatments and services, hospital expenses, ambulance or transportation services, medical and non-medical expenses that are prescribed by a treating **health care provider** for a permanent or significant brain, spinal cord or disfiguring injury.

Non-medical expense means charges for products and devices, not exclusively used for medical purposes or as durable medical equipment, such as vehicles, durable goods, equipment, appurtenances, improvement to real or personal property, fixtures and services and activities such as recreational activities, trips and leisure activities.

All medical expenses must be rendered by a **health care provider**, be **clinically supported** and consistent with the symptoms, diagnosis or indications of the **insured**. They must also be consistent with the most appropriate level of service that is in accordance with the standards of good practice and standard professional treatment protocols, including care paths for an **identified injury**. They must not be rendered primarily for the convenience of the **insured** or **health care provider** nor may they involve unnecessary testing or treatment.

However, medical expenses include any nonmedical remedial treatment rendered in accordance with recognized religious methods of healing.

b. **Income Continuation Benefits**

An amount not exceeding a limit of \$100 per week and a total limit of \$5,200 payable for the loss of income of an **income producer** during his or her lifetime, as a result of **bodily injury** disability; not to exceed net **income** normally earned during the period in which benefits are payable.

c. **Essential Services Benefits**

An amount not exceeding a limit of \$12 per day and a total limit of \$4,380 payable to an **eligible injured person** as reimbursement for payment made to others, for substitute essential services of the type actually rendered during his or her lifetime and which he or she would ordinarily have performed not for **income** but for the care and maintenance of himself or herself and persons related to the **eligible injured person** by blood, marriage or adoption (including a ward or foster child) who are residents of the same household as the **eligible injured person**.

d. **Death Benefits**

The amount or amounts payable in the event of the death of an **eligible injured person** as determined below:

- (1) If the **eligible injured person** was an **income producer** at the of time the **occurrence**, an amount equal to the difference between \$5,200 and all basic income continuation benefits paid for any loss of **income** resulting from his or her injury prior to his or her death;
- (2) If the **eligible injured person** ordinarily performed essential services for the care and maintenance of himself or herself, his or her family or family household, an amount equal to the difference between \$4,380 and all basic essential services benefits paid with respect to his or her injury prior to death.

e. **Funeral Expense Benefits**

An amount not exceeding \$1,000 for reasonable funeral, burial cremation expenses incurred.

B. Exclusions

1. **Personal Injury Protection**

We will not pay Personal Injury Protection benefits for **bodily injury:**

- a. To a person whose conduct contributed to the **bodily injury** in any of the following ways:
 - (1) While committing a high misdemeanor or felony or seeking to avoid lawful apprehension or arrest by a police officer; or
 - (2) While acting with specific intent to cause injury or damage to himself or herself or others;
- b. To any person who, at the time of the **occurrence**, was the owner or registrant of a **private passenger auto** registered or principally garaged in New Jersey that was being operated without Personal Injury Protection Coverage;
- c. To any person who is not occupying a covered **auto**, other than the **named insured** or any **family member** or a resident of New Jersey, if the **occurrence** occurs outside of New Jersey;
- d. Arising out of the ownership, maintenance or use, including loading or unloading, of any vehicle while located for use as a residence or premises other than for transitory recreational purposes;
- e. Due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or **CONDITION** incident to any of the foregoing;
- f. Resulting from the radioactive, toxic, explosive or other hazardous properties of nuclear material;
- g. To any person, other than the **named insured** or any **family member**, if such person is entitled to New Jersey Personal Injury Protection Coverage as a **named insured** or **family member** under the terms of any other Policy with respect to such coverage;
- h. To any **family member**, if such person is entitled to New Jersey Personal Injury Protection Coverage as a **named insured** under the terms of another Policy; or
- i. To any person operating or occupying a **private passenger auto** without the permission of the owner or the **named insured** under

the Policy insuring that **auto**.

- j. To any person who is convicted of, or pleads guilty to:
 - (1) Operating a motor vehicle; or
 - (2) Allowing another person to operate a motor vehicle owned by that **insured** or in that **insureds** care, custody or control;

while the **insured** or that other person:

- (1) Is under the influence of intoxicating liquor or a narcotic, hallucinogenic or habit-producing drug; or
 - (2) Is later found to have a blood alcohol concentration by weight of alcohol in excess of the legal limit of the jurisdiction where the violation occurred.
- k. To any person who refused to submit to a chemical test after being arrested for operating a motor vehicle while under the influence of intoxicating liquor or a narcotic hallucinogenic or habit-producing drug.
- l. For the following diagnostic tests:
 - (1) Brain mapping;
 - (2) Iridology;
 - (3) Mandibular tracking and simulation;
 - (4) Reflexology;
 - (5) Spinal diagnostic ultrasound;
 - (6) Surface electromyography (surface EMG);
 - (7) Surrogate arm mentoring; or
 - (8) Any other diagnostic test that is determined to be ineligible for coverage under Personal Injury Protection Coverage by New Jersey law or regulation.

2. **Pedestrian Personal Injury Protection**

The EXCLUSIONS that apply to Personal Injury Protection also apply to Pedestrian Personal Injury Protection, except EXCLUSIONS b. and c., which do not apply to Pedestrian Personal Injury Protection Coverage.

C. Limit Of Insurance

- 1. Any amount payable by **us** as Personal Injury Protection benefits for **bodily injury** shall be reduced by:
 - a. All amounts paid, payable or required to be provided under any workers' compensation or employees' temporary disability law.
 - b. Medicare provided under federal law.
 - c. Benefits actually collected that are provided under federal law to

active and/or retired military personnel.

2. Any amount payable by **us** as medical expense benefits will be limited by medical fee schedules, as promulgated by the New Jersey Department of Banking and Insurance for specific injuries or services.
3. Any amount payable for medical expense benefits as the result of any one **occurrence** shall be:
 - a. Reduced by the applicable deductible of \$500; and
 - b. Subject to the co-payment of 20% for the amount between the applicable deductible and \$5,000.
4. The applicable limit of income continuation benefits applies separately to each full, regular and customary work week of an **eligible injured person**. If this disability from work or employment consists of or includes only a part of such a week, **we** shall be liable for only that proportion of such weekly limit that the number of days lost from work or employment during the partial week bears to the number of days in his or her full work week.
5. If the Addendum indicates that the **named insured** has elected the Medical Expense Benefits As Secondary option, the following provisions apply to medical expense benefits:
 - a. **Priority Of Benefits**
 - (1) The health benefits plans under which the **named insured** and any **family member** are insured shall provide primary coverage for **allowable expenses** incurred by the **named insured** and any **family member** before any medical expense benefits are paid by **us**.
 - (2) This insurance shall provide secondary coverage for the medical expense benefits for **allowable expenses**, which remained uncovered.
 - (3) The total benefits paid by the health benefits plans and this insurance shall not exceed the total amount of **allowable expenses**.
 - b. **Determination Of Medical Expense Benefits Payable**
 - (1) To calculate the amount of **actual benefits** to be paid by **us**, **we** will first determine the amount of **eligible expenses** which would have been paid by **us**, after

application of the deductible and co-payment indicated in this Addendum had the **named insured** not elected the Medical Expense Benefits As Secondary Coverage option.

- (2) If the remaining **allowable expenses** are:
 - (a) Less than the benefits calculated in Paragraph (1) above, **we** will pay **actual benefits** equal to the remaining **allowable expenses**, without reducing the remaining **allowable expenses** by the deductible or co-payment.
 - (b) Greater than the benefits calculated in Paragraph (1) above, **we** will pay **actual benefits** equal to the benefits calculated in Paragraph 1 above, without reducing the remaining **allowable expenses** by the deductible or co-payment.
- (3) **We** will not reduce the **actual benefits** determined in Paragraph 2.:
 - (a) By any deductibles or co-payments of the health benefits plans which have provided primary coverage for medical expense benefits; or
 - (b) For any **allowable expense** remaining uncovered which otherwise would not be an **eligible expense** under Personal Injury Protection Coverage, except as set forth in Paragraph (4) below.
- (4) In determining remaining uncovered **allowable expenses**, **we** shall not consider any amount for items of expense which exceed the dollar or percent amounts recognized by the medical fee schedules promulgated by the New Jersey Department of Banking and Insurance.
- (5) The total amount of medical expense benefits for the **named insured** or any **family member** per **occurrence** shall not exceed the maximum amount payable for medical expense benefits under this Policy.

c. **Health Benefits Plan Ineligibility**

- (1) If, after the **named insured** has elected the Medical Expense Benefits As Secondary Coverage option, it is determined that the **named insured** or any **family member** did not have a health benefits plan in effect at the time an **occurrence** occurred which resulted in **bodily injury** to the **named insured** or any **family member**,

medical expense benefits shall be provided to the **named insured** or any **family member**, subject to the following:

- (a) Only Paragraph 1. of the Limit Of Insurance Provision will apply with respect to medical expense benefits.
- (b) Any amount payable for medical expense benefits for the **named insured** and any **family member** as a result of any one **occurrence** shall;
 - (1) Be reduced by a deductible equal to the sum of \$750 plus the \$500 deductible indicated in this Addendum; and
 - (2) Be subject to a co-payment of 20% for amounts less than \$5,000 after the deductible has been applied.
 - (3) Be determined:
 - (i) By the medical fee schedules promulgated by the New Jersey Department of Insurance; or
 - (ii) By us, on a reasonable basis, considering the medical fee schedules for similar services or equipment in the region where the service or equipment was provided, if an item or expense is not included on the medical fee schedules.
 - (4) Not exceed the maximum amount payable for medical expense benefits under this Policy.
- (2) All items of medical expense incurred by the **named insured** or any **family member** for the treatment of **bodily injury** shall be **eligible expenses** to the extent the treatment or procedure from which the expenses arose:
 - (a) Is recognized on the medical fee schedules promulgated by the New Jersey Department of Banking and Insurance; or
 - (b) Are reasonable expenses in accordance with Section 4 of the New Jersey Reparation Reform Act.
- (3) **We** shall be entitled to recover the difference between:
 - (a) The reduced premium paid under this Policy for the Medical Expense Benefits As Secondary option; and

- (b) The premium which would have been paid under this Policy had the **named insured** not elected such option.

We will not provide any premium reduction for the Medical Expense Benefits As Secondary option for the remainder of the Policy period.

- 6. The limit of insurance shown in this Addendum for weekly income continuation benefits shall be prorated for any period of **bodily injury** disability less than one week.

D. Changes in Conditions

All conditions stated in Policy #CP0513640 – Coverage forms CA 00 01 12 93, IL 00 17 11 98, IL 00 21 07 02, IL 02080702 applies, however:

- 1. The **Duties In The Event Of Occurrence**, Condition is amended by the addition of the following:
 - a. If an **eligible injured person, insured person** or the legal representative or survivors of either institutes legal action to recover damages for injury against a person or organization who is or may be liable in tort there for, he or she must promptly give **us** a copy of the summons and complaint or other process served in connection with the legal action.
 - b. The **eligible injured person, insured person** or someone on their behalf must promptly give us written proof of claim including:
 - (1) Full particulars of the nature and extent of the **bodily injury**; and
 - (2) Such other information that will help us determine the amount due and payable.
 - c. The **eligible injured person** or **insured person** must submit to physical examination by physicians when and as often as **we** reasonably require and a copy of the medical report will be forwarded to such **eligible injured person** or **insured person** if requested.
- 2. The following Conditions are added:
 - a. **Reimbursement And Trust**

Subject to any applicable limitations set forth in the New Jersey Automobile Reparation Reform Act, if **we** make any payment to any **eligible injured person** or **insured person**

under this coverage and that person recovers from another party, he or she shall hold the proceeds in trust for **us** and pay **us** back the amount **we** have paid. **We** will have a lien against such payment, and may give notice of the lien to the person or organization causing **bodily injury**, his or her agent or insurer or a court having jurisdiction in the matter.

b. **Payment Of Personal Injury Protection Benefits**

- (1) Medical expense benefits and essential services benefits may be paid at our option to the **eligible injured person**, **insured person** or the person or organization furnishing the products or services for which such benefits are due. These benefits shall not be assignable except to providers of service benefits. Any such assignment is not enforceable unless the provider of service benefits agrees to be subject to the requirements of our Decision Point Review Plan. In the event of the death of an **eligible injured person** or **insured person** any amounts payable, but unpaid prior to death, for medical expense benefits are payable to the **eligible injured person's** or **insured person's** estate.
- (2) Benefits payable under Paragraph A.2.d.(1) of the description of death benefits are payable to the **eligible injured person's** surviving spouse, or if there is no surviving spouse, to his or her surviving children, or if there is not a surviving spouse or any surviving children, to the **eligible injured person's** estate.
- (3) Benefits payable under Paragraph A.1.d.(2) of the description of death benefits are payable to the person who has incurred the expense of providing essential services.
- (4) Funeral expense benefits are payable to the **eligible injured person's** or **insured person's** estate.

c. **Deletion Of Benefits Other Than Medical Expenses Option**

When the Addendum indicates that the Deletion Of Benefits Other Than Medical Expenses Option applies, **we** will pay personal injury protection benefits consisting only of medical expense benefits for the **named insured** and **family members**.

d. **Employee Benefits Reimbursement**

If the **eligible injured person** or **insured person** fails to apply for workers' compensation benefits or employees' temporary disability benefits for which that person

is eligible, **we** may immediately apply to the provider of these benefits for reimbursement of any personal injury protection benefits that **we** have paid.

e. **Proof of Health Benefits Plan Coverage**

If the **named insured** has elected the Medical Expense Benefits As Secondary option, the **named insured** shall provide proof that the **named insured** and **family members** are insured by health insurance coverage or benefits in a manner and to an extent approved by the New Jersey Department of Banking and Insurance.

f. **Special Requirements For Medical Expenses**

(1) **Care Paths For Identified Injuries (Medical Protocols)**

- (a) The New Jersey Department of Banking and Insurance has established by regulation the standard courses of medically necessary diagnosis and treatment for **identified injuries**. These courses of diagnosis and treatments are known as care paths.

The care paths do not apply to treatment administered during **emergency care**.

- (b) Upon notification to use of a **bodily injury** covered under this Policy, **we** will advise the **insured** of the care path requirements established by the New Jersey Department of Banking and Insurance.
- (c) Where the care paths indicate a decision point, further treatment or the administration of a diagnostic test is subject to our Decision Point Review Plan.

A decision point means the juncture in treatment where a determination must be made about the continuation or choice of further treatment of an **identified injury**.

(2) **Coverage For Diagnostic Tests**

- (a) In addition to the care path requirements for an **identified injury**, the administration of any of the following diagnostic tests is also subject to the requirements of our Decision Point Review Plan:
- (i) Brain audio evoked potential (BAEP);
 - (ii) Brain evoked potential (BEP);
 - (iii) Computer assisted tomographic studies

- (CT, CAT Scan);
- (iv) Dynatron/cyber station/cybex;
- (v) Electroencephalogram (EEG);
- (vi) H-reflex Study;
- (vii) Magnetic resonance imaging (MRI);
- (viii) Needle electromyography (needle EMG);
- (ix) Nerve conduction velocity (NCV);
- (x) Somasensory evoked potential (SSEP);
- (xi) Sonogram/ultrasound;
- (xii) Videofluorosocpy;
- (xiii) Visual evoked potential (VEP); or
- (xiv) Any other diagnostic test that is subject to the requirements of our Decision Point Review Plan by New Jersey law or regulation.

- (b) The diagnostic tests listed under Paragraph (2)(a) must be administered in accordance with New Jersey Department of Banking and Insurance regulations which set forth the requirements for the use of diagnostic tests in evaluating injuries sustained in **auto accidents**.

However, those requirements do not apply to diagnostic tests administered during **emergency care**.

- (c) **We** will pay for other diagnostic tests that are:
 - (i) Not subject to our Decision Point Review Plan; and
 - (ii) Not specifically excluded under EXCLUSION 1.I.;

only if administered in accordance with the criteria for medical expenses as provided in this ENDORSEMENT.

(3) Decision Point Review Plan

- (a) Coverage for certain medical expenses under this Addendum is subject to our Decision Point Review Plan, which provides appropriate notice and procedural requirements that must be adhered to in accordance with New Jersey law or regulation. **We** will provide a copy of this plan upon request, or in the event of any claim for medical expenses under this coverage.
- (b) Our Decision Point Review Plan includes the

following minimum requirements as prescribed by New Jersey law or regulation:

- (i) The requirements of the Decision Point Review Plan only apply after the tenth day following the **occurrence**.
- (ii) **We** must be provided prior notice as indicated in our plan, with appropriate **clinically supported** findings, that additional treatment for an **identified injury** or the administration of a diagnostic test listed under Paragraph (2)(a) is required.

The notice and **clinically supported** findings may include a comprehensive treatment plan for additional treatment.

- (c) Once **we** receive such notice with the appropriate **clinically supported** findings, **we** will, in accordance with our plan:
 - (i) Promptly review the notice and supporting materials; and
 - (ii) If required as part of our review, request any additional medical records or schedule a physical examination.
- (d) **We** will then determine and notify the **eligible injured person** or the **insured person** whether **we** will provide coverage for the additional treatment or diagnostic test as indicated in our plan. Any determination **we** make will be based on the determination of a **health care provider**.
- (e) Any physical examination of an **eligible injured person** or **insured person** scheduled by **us** will be conducted in accordance with our plan.
- (f) A penalty will be imposed in accordance with **our** plan if:
 - (i) **We** do not receive proper notice and **clinically supported** findings;
 - (ii) **We** are not provided medical records if requested by **us**; or
 - (iii) Any **eligible injured person** or **insured person** fails to appear for the physical examination if required by **us**.

g. **Dispute Resolution**

If **we** and any person seeking Personal Injury Protection Coverage do not agree as to the recovery of Personal Injury Protection Coverage under this Addendum, then the matter may be submitted to dispute resolution, or the initiative of any party to the dispute, in accordance with New Jersey law or regulation.

Any request for dispute resolution may include a request for review by a medical review organization.

3. The following Condition is added for **Personal Injury Protection** and **Pedestrian Personal Injury Protection**:

COORDINATION AND NON-DUPLICATION

- a. Regardless of the number of **autos** insured for basic personal injury protection coverage pursuant to Section 4 of the New Jersey Automobile Reparation Reform Act or the number of insurers or policies providing such coverage, there shall be no duplication of payment of basis personal injury protection benefits and the aggregate maximum amount payable under this and all applicable policies with respect to **bodily injury** to any one person as the result of any one **occurrence** shall not exceed the applicable amounts or limits specified in Section 4 of said Act.
- b. If an **eligible injured person** under this coverage is also an **eligible injured person** under other complying policies, the insurer paying benefits to such person shall be entitled to recover from each of the other insurers an equitable pro rata is the proportion that the insurer's liability bears to the total of all applicable limits. Complying Policy means a Policy of automobile liability insurance maintained pursuant to the requirements of Section 3 of the New Jersey Automobile Reparation Reform Act and providing basic personal injury protection coverage as approved by the Commissioner of Insurance.

4. The following Condition is added for **Personal Injury Protection**:

MEDICAL PAYMENTS DELETION

In consideration of the Coverage provided for Personal Injury Protection and in Paragraphs A.1. and A.2. of this Addendum, and the adjustment of applicable rates because of **bodily injury** to an **eligible injured person**, any auto medical payments coverage provided under the coverage part is deleted with respect to an **auto** which is a covered **auto**.

E. Definitions

The **Definitions** Section is amended as follows:

1. The definition of **bodily injury** is replaced by the following:

Bodily injury means bodily harm, sickness or disease, including an **identified injury** or death that results.

2. The following definitions are added for **Personal Injury Protection**, and **Pedestrian Personal Injury Protection**:

- a. **Actual benefits** means those benefits determined to be payable for **allowable expenses**.

- b. **Allowable expense** means a medical necessary, reasonable and customary item of expense covered as benefits by the **named insured's** or **family member's** health benefits plan or personal injury protection benefits as an **eligible expense**, at least in part. When benefits provided are in the form of services, the reasonable monetary value of each such service shall be considered as both an **allowable expense** and a paid benefit.

- c. **Clinically supported** means that a **health care provider**, prior to selecting, performing or ordering the administration of a treatment or diagnostics test, has:

- (1) Physically examined the **eligible injured person** or **insured person** to ensure that the proper medical indications exist to justify ordering the treatment or test;
- (2) Made an assessment of any current and/or historical subjective complaints, observations, objective findings, neurologic indications, and physical tests;
- (3) Considered any and all previously performed tests that relate to the injury and the results and which are relevant to the proposed treatment or test; and
- (4) Recorded and documented these observations, positive and negative findings and conclusions on the **insureds** medical records.

- d. **Eligible expense** means:

- (1) In the care of health benefits plans, that portion of the medical expenses incurred for the treatment of **bodily**

injury which is covered under the terms and CONDITIONS of the plan, without application of the deductible(s) and co-payment(s), if any.

- (2) In the case of personal injury protection benefits, that portion of the medical expenses incurred for the treatment of **bodily injury** which, without considering any deductible and co-payment, shall not exceed:
 - (a) The percent or dollar amounts specified on the medical fee schedules, or the actual billed expense, whichever is less; or
 - (b) The reasonable amount, as determined by us, considering the medical fee schedules for similar services or equipment in the region where the service or equipment was provided, when an incurred medical expense is not included on the medical fee schedules.

- e. **Emergency care** means all treatment of a **bodily injury** which manifests itself by acute symptoms of sufficient severity such that absence of immediately attention could reasonably be expected to result in death, serious impairment to bodily functions or serious dysfunction to a bodily organ or part. Such emergency care shall include all medical necessary care immediately following an **occurrence**, including but not limited to, immediate pre-hospitalization care, transportation to a hospital or trauma center, emergency room care, surgery, critical and acute care. Emergency care extends during the period of initial hospitalization until the patient is discharged from acute care by the attending physician. Emergency care shall be presumed when medical care is initiated at a hospital within 120 hours of the **occurrence**.

- f. **Family member** means a person related to the **named insured** by blood, marriage or adoption (including a ward or foster child) who is a resident of the same household as the **named insured**.

- g. **Health care provider** means those persons licensed or certified to perform health care treatment or services compensable as medical expenses and shall include, but not be limited to:
 - (1) Hospital or healthcare facilities that are maintained by a State or any of its political subdivisions or licensed by the

Department of Health and Senior Services.

- (2) Other hospitals or health care facilities designated by the Department of Health and Senior Services to provide health care services, or other facilities, including facilities for radiology and diagnostic testing, free-standing emergency clinics or offices, and private treatment centers;
 - (3) A non-profit voluntary visiting nurse organization providing health care services other than in a hospital;
 - (4) Hospitals or other health care facilities or treatment centers located in other states or nations;
 - (5) Physicians licensed to practice medicine and surgery;
 - (6) Licensed chiropractors, dentists, optometrists, pharmacists, chiropodists (Podiatrists), psychologists, physical therapists, health maintenance organizations, orthotists and prosthetists, professional nurses occupational therapists, speech language pathologists, audiologists, physician assistants, physical therapists assistants and occupational therapy assistants;
 - (7) Registered bio-analytical laboratories;
 - (8) Certified nurse-midwives and nurse practitioners/clinical nurse-specialists; or
 - (9) Providers of other health care services or supplies including durable medical goods.
- h. **Identify injury** means the following **bodily injuries** for which the New Jersey Department of Banking and Insurance has established standard courses of medically necessary diagnosis and treatment;
- (1) Cervical Spine: Soft Tissue Injury;
 - (2) Cervical Spine: Herniated Disc/Radiculopathy;
 - (3) Thoracic Spine: Soft Tissue Injury;
 - (4) Thoracic Spine: Herniated Disc/Radiculopathy;
 - (5) Lumbar-Sacral Spine: Soft Tissue Injury;
 - (6) Lumbar-Sacral Spine: Herniated disc/Radiculopathy; and
 - (7) Any other **bodily injury** for which the New Jersey Department of Banking and Insurance has established standard courses of appropriate diagnosis and treatment.
- i. **Income** means salary, wages, tips commissions, fees and other earnings derived from work or employment.

- j. **Income producer** means a person who, at the time of the **occurrence**, was in an occupational status, earning or producing income.

- k. **Named insured** means the person or organization named in General Endorsements (SNS Gen **01-01** (04/10) and SNS GEN **01-06** (04-10) of Policy #CP0513640, if an individual, includes his or her spouse if the spouse is a resident of the household of the **named insured**, except that if the spouse ceases to be a resident of the same household, the spouse shall be a **named insured** for the full term of the Policy in effect at the time of cessation of residency. If the covered **auto** is owned by a farm family co-partnership or corporation, the term **named insured** also includes the head of the household of each family designated in the Policy as having a working interest in the farm.

- l. **Pedestrian** means any person who is not occupying, using, entering into, or alighting from a vehicle propelled by other than muscular power and designed primarily for use on highways, rails and tracks.

- m. **Private passenger auto** means a self-propelled vehicle designed for use principally on public roads and which is one of the following types:
 - (1) A private passenger or station wagon type auto;
 - (2) A van, a pickup or panel truck or delivery sedan; or
 - (3) A utility auto designed for personal use as a camper or motor home or for family recreational purposes

A **private passenger auto** does not include:

- (a) A motorcycle;
- (b) An auto used as a public or livery conveyance for passengers;
- (c) A pickup or panel truck, delivery sedan or utility auto customarily used in the occupation, profession or business of an **insured** other than farming or ranching; or
- (d) A utility auto customarily used for the transportation of passengers other than members of the user's family or their guests.

3. The following definition is added to the **Definitions** Section for **Personal Injury Protection**:

Eligible injured person means:

- a. The **named insured** and, if the **named insured** is an individual, any **family member**, if the **named insured** or the **family member** sustains **bodily injury**:
 - (1) As a result of any **occurrence** while occupying, using, entering into or alighting from a **private passenger auto**, or
 - (2) While a **pedestrian**, caused by a **private passenger auto** or by an object propelled by or from a **private passenger auto**.
 - b. Any other person who sustains **bodily injury**:
 - (1) While, with **your** permission, that person is occupying, using, entering into or alighting from the covered **auto**; or
 - (2) While a **pedestrian**, caused by the covered **auto** or as a result of being struck by an object propelled by or from the covered **auto**.
4. The following are added to the **Definitions** Section for **Pedestrian Personal Injury Protection**:

- a. **Eligible injured person** means:

A person who sustains **bodily injury** while a **pedestrian**, caused by an **Insured motor vehicle** or as a result of being struck by an object propelled by or from the **insured motor vehicle**.

- b. **Insured motor vehicle** means a self-propelled motor vehicle designed for use principally on public roads, which is not a **private passenger auto** and to which the liability coverage of this Coverage Form applies.

ADDENDUM II

2012 Risk Management Plan
Addendum #2
New Jersey Uninsured Motorists Coverage

With respects to coverage provided by this Addendum, the provisions of Policy #CP0513640 – Coverage forms CA 00 01 12 93, IL 00 17 11 98, IL 00 21 07 02, IL 02080702 apply unless modified by this Addendum.

This Addendum is effective _____, 2012.

Limit of Insurance:

Bodily Injury: \$15,000 per person

\$30,000 per accident

Property Damage: \$ 5,000 per accident

A. Coverage

1. **We** will pay all sums the insured is legally entitled to recover as compensatory damages from the owner or driver of an **uninsured motor vehicle**. The damages must result from bodily injury sustained by the insured, or **property damage** caused by an accident. The owner's or driver's liability for these damages must result from the ownership, maintenance or use of an **uninsured motor vehicle**.
2. Any judgment for damages arising out of a suit brought without **our** written consent is not binding on **us**.

B. Who is An Insured

If the Named Insured is designated in the General Endorsements (SNS Gen **01-01** (04/10) and SNS GEN **01-06** (04-10) of Policy #CP0513640 as:

1. An individual, then the following are insured:
 - i. The Named Insured and any family members.
 - ii. Anyone else **occupying** a covered auto or a temporary substitute for a covered auto. The covered auto must be out of service because of its breakdown, repair, servicing, loss or destruction.
 - iii. Anyone for damages he or she is entitled to recovery because of bodily injury sustained by another insured.
2. A partnership, limited liability company, corporation or any other form of organization, then the following are insureds:
 - i. Anyone **occupying** a covered auto or a temporary substitute for a covered auto. The covered auto must be out of service because of its breakdown, repair, servicing, loss or destruction.
 - ii. Anyone for damages he or she is entitled to recover because of bodily injury sustained by another insured.

C. Exclusions

This insurance does not apply to any of the following:

1. With respect to an **uninsured motor vehicle**, any claim settled without our consent.

2. Damages for pain, suffering and inconvenience resulting from bodily injury caused by an accident involving an **uninsured motor vehicle** unless the injured person has a legal right to recover damages for such pain, suffering and inconvenience under the New Jersey Automobile Reparation Reform Act. The injured person's legal right to recover damages for pain, suffering and inconvenience under the New Jersey Automobile Reparation Reform Act will be determined by the liability tort limitation, if any, applicable to that person.
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
4. The direct or indirect benefit of any insurer of property.
5. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
6. **Property damage** for which the Insured had been or is entitled to be compensated by other property or physical damage insurance.
7. The first \$500 of the amount of **property damage** to the property of each insured as the result of any one accident.
8. **Property damage** caused by a hit-and-run vehicle.
9. Punitive or exemplary damages.
10. Bodily injury or **property damage** sustained by an Insured who is an owner of a motor vehicle:
 - i. Insured under a basic automobile insurance policy issued in accordance with New Jersey law or regulation; or
 - ii. Required to be insured in accordance with New Jersey law or regulation, but not insured for this coverage or any similar coverage.

However, this exclusion does not apply to an individual Named Insured, and such Named Insured's spouse, unless the individual Named Insured or such Named Insured's spouse are **occupying**, at the time of an accident, a motor vehicle described in Subparagraph a. or b. under Item B Who is An Insured.

D. Limit of Insurance

1. Regardless of the number of covered autos, insureds, premiums paid, claims made or vehicles involved in the accident, the Limit of Insurance shown in this Addendum for Uninsured Motorists Coverage is the most we will pay for all damages resulting from any one accident with an **uninsured motor vehicle**.
 - i. However, subject to our maximum limit of Insurance for this coverage, if:
 1. An insured is not the individual named insured under this Coverage;
 2. That Insured is an individual named insured under one or more other policies providing similar coverage; and
 3. All such other policies have a limit of insurance for similar coverage which is less than the Limit of Insurance for this coverage; then the most **we** will pay for all damages resulting from any one accident with an **uninsured motor vehicle** shall not exceed the highest applicable limit of insurance under any coverage from or policy providing coverage to that insured as an individual named insured.

- ii. However, subject to our maximum Limit of Insurance for this coverage, if;
 - 1. An insured is not the individual named insured under this Addendum or any other policy;
 - 2. That insured is insured as a **family member** under one or more other policies providing similar coverage; and
 - 3. All such other policies have a limit of insurance for similar coverage which is less than the Limit of Insurance for this coverage;

Then the most **we** will pay for all damages resulting from any one accident with an **uninsured motor vehicle** shall not exceed the highest applicable limit of insurance under any coverage form or policy provide coverage to that Insured as a **family member**.

- 2. With respect to damages resulting from an accident involving an **uninsured motor vehicle**, **we** will not make a duplicate payment under this Coverage for any element of loss for which payment has been made by or for anyone who is legally responsible.
- 3. No one will be entitled to receive duplicate payments for the same elements of loss under this Addendum and any Liability Coverage Form or Endorsement within Policy #CP0513640.

We will not pay for element of loss if a person is entitled to receive payment for the same elements of loss under any personal injury protect benefits.

E. Conditions

All "Other Insurance" Conditions stated in Policy #CP0513640 are deleted in their entirety and replaced with the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- 1. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy provided coverage on either a primary or excess basis.
However, if an Insured is:
 - i. An individual named insured under one or more policies providing similar coverage; and
 - ii. Not **occupying** a vehicle owned by that individual named insured;

then any recovery for damages for bodily injury or **property damage** for that insured may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy provided coverage to that insured as an individual named insured.

However, if an insured is:

- i. Insured as a family member under one or more policies providing similar coverage;

- and
- ii. Not an individual named insured under this or any other Policy;

then any recovery for damages for bodily injury or **property damage** for that insured may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or Policy provided coverage to that insured as a **family member**.

- 2. Any insurance provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorist's insurance providing coverage on a primary basis.
- 3. If the coverage under this Addendum is provided:
 - i. On a primary basis, **we** will pay only **our** share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that **our** limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - ii. On an excess basis, **we** will pay **only** our share of the loss that must be paid under insurance providing coverage on an excess basis. **Our** share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

F. Duties In The Event of Accident

All provisions as stated in Policy #CP0513640 and the following:

- 1. Promptly notify the policy if a hit-and-run driver is involved; and
- 2. Promptly send **us** copies of the legal papers if a suit is brought.

G. Transfer of Rights of Recovery Against Others To Us

If **we** make any payment and the insured recovers from another party, the insured shall hold the proceeds in trust for us and pay us back the amount we have paid.

H. Arbitration

- 1. If **we** and an insured disagree whether the insured is legally entitled to recover damages from the owner or driver of an uninsured motor vehicle or do not agree as to the amount of damages that are recoverable by that insured, then the matter may be arbitrated. However, disputes concerning coverage under this Addendum may not be arbitrated. Either party may make a written demand for arbitration. In this event each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expense it incurs and bear the expenses of the third arbitrator equally.
- 2. Unless both parties agree otherwise, arbitration will take place in the county in which the insured lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

G. Additional Definitions

- 1. **Family member** means a person related to an individual Named Insured by blood, marriage, or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. **Insured/we/us/our** means Gloucester County Insurance Commission
Occupying means in, upon, getting in, on, or out off.
3. **Property damage** means damage to a covered auto, or to any property of an insured while contained in a covered auto.
4. **Uninsured motor vehicle** means a land motor vehicles or trailer:
 - i. For which no liability bond or policy applies as the time of an accident;
 - ii. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - iii. That, with respect to damages for bodily injury only, is as hit-and-run vehicle whose operator or owner cannot be indentified and that hits, or causes an accident resulting in bodily injury without hitting:
 1. An individual Named Insured or any family member;
 2. A vehicle that the Named Insured or any family member, if the Named Insured is an individual, and occupying; or
 3. a covered auto.

However, uninsured motor vehicle does not include any vehicle:

- i. Owned by or furnished or available for the regular use of the Named Insured or any family member, if the Named Insured is an individual;
- ii. Owned or operated by a self –insured under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- iii. Owned by any government unit or agency;
- iv. Insured under a basic automobile insurance policy issued in accordance with New Jersey law or regulation;
- v. Operated on rails or crawler treads;
- vi. Designed for use mainly off public roads while not on public roads;
- vii. Whiled located for use as a residence or premises.