

**GLOUCESTER COUNTY INSURANCE COMMISSION  
AGENDA AND REPORTS  
THURSDAY, FEBRUARY 27, 2014**

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

**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 27, 2014**  
**WOODBURY, NJ**  
**9:30 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ROLL CALL OF COMMISSIONERS**
- APPROVAL OF MINUTES: January 23, 2014 Open Minutes.....Appendix I**  
**January 23, 2014 Closed Minutes.....Handout**

**CORRESPONDENCE**

**2014 REORGANIZATION**

- ADJORN SINE DIE MEETING**
- ELECTION OF CHAIRMAN & VICE CHAIRMAN**
- ATTORNEY TO ADMINISTER OATH OF OFFICES**

**COMMITTEE REPORTS**

- Safety Committee: .....Verbal**
- Claims Committee: .....Verbal**

**EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA**

- Executive Director's Report.....**Pages 4-23**
- Resolution 5-14 Certifying the Election of Chairperson and Vice Chairman ..... **Page 7**
- Resolution 6-14 Appoint Agent for Service of Process and Custodian of Records ..... **Page 8**  
For the year 2013
- Resolution 7-14 Designating Official Newspapers for the Commission ..... **Page 9**
- Resolution 8-14 Designating Authorized Depositories for Fund Assets and.....**Pages 10-14**  
Establishing Cash Management Plan
- Resolution 9-14 Designating Commission Treasurer .....**Page 15**
- Resolution 10-14 Designating Authorized Signatures for Commission.....**Page 16**  
Bank Accounts
- Resolution 11-14 Indemnifying Gloucester County Insurance Fund Commission .....**Pages 17-18**  
Official/Employees
- Resolution 12-14 Authorizing Commission Treasurer to Process Contracted Payments and . **Page 19**  
Expenses
- Resolution 13-14 Plan of Risk Management for 2014.....**Appendix II**

**EMPLOYEE BENEFITS – Conner Strong & Buckelew**

- Monthly Report.....**Pages 24-27**

**TREASURER – Gary Schwarz**

- Resolution **14-14** February Bill List – Motion Required .....**Pages 28-29**
- Resolution **15-14** February Benefit Bill List – Motion Required .....**Page 30**
- December Monthly Treasurer Reports .....**Pages 31-32**

- CLAIMS SERVICE – Inservco Insurance Services, Inc.**  
 Resolution **16-14** Authorizing Disclosure of Liability Claims Check Register .....Pages **33-34**  
 Liability Claim Payments – 1/01/14 to 1/31/14.....Pages **35-36**  
 Stewardship Report as of 12/31/13.....Handout
  
- MANAGED CARE – Consolidated Services Group, Inc., Stephen McNamara**  
 CSG Monthly Summary Report for January.....Page **37**
  
- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**  
 Monthly Report .....Pages **38-39**  
 S:ERVE Emergency Responder Training .....Pages **40-42**
  
- RISK MANAGERS REPORT, UNDERWRITING SERVICES DIRECTOR**  
**Hardenbergh Insurance Group**  
 Monthly Report ..... Verbal
  
- ATTORNEY – Long Marmero & Associates, LLP**  
 Monthly Report ..... Verbal
  
- OLD BUSINESS**
- NEW BUSINESS**
- PUBLIC COMMENT**
  
- CLOSED SESSION – Payment Authorization Requests (PARS) .....Pages 43-45**  
**Resolution 17-14 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 Patricia Petsch # 2013-33692, Antonio Frontado, # 2012-20315, Marlene Paterson, # 2011-31035, # 2011-31038 and discussion on Wilborne v Gloucester County**
  
- Motion for Executive Session

**MEETING ADJOURNMENT**

**NEXT SCHEDULED MEETING: April 24, 2014, 9:30 AM, 115 Budd Blvd., Woodbury, NJ**

**GLOUCESTER COUNTY INSURANCE COMMISSION**

9 Campus Drive, Suite 16, Parsippany, NJ 07054

Telephone (201) 881-7632

Fax (201) 881-7633

Date: February 27, 2014

Memo to: Commissioners of the Gloucester County Insurance Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

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❑ **2014 Risk Management Plan (Appendix II)** – Attached in Appendix II of the agenda is the 2014 Plan of Risk Management. The changes are highlighted in yellow. The pertinent changes are (1) the addition of cyber liability as an optional ancillary coverage, (2) the change in the “upper” excess liability limit structure to a two layer and two insurer structure with limits now applying on a per Insurance Commission basis; (3) the addition of auto medical payments coverage of \$15,000 per person for the Gloucester County corrections transport provided within the GCIC retention; (4) changes in the property program coverage and to reflect a new policy form with Zurich and (5) change in the “upper” excess property layer to a quota share basis. We are requesting that the Commissioners approve the 2014 Plan of Risk Management Resolution 13-14 with the Reorganization resolutions.

❑ **Reorganization Resolutions (Pages 7-19)** – As we do annually the GCIC is required to reorganize at the February Executive Committee meeting to be effective March 1<sup>st</sup> as per the Commission By Laws. Listed below are the necessary Reorganization Resolutions which are included in the agenda on pages 7-19.

- Resolution 5-14 Certifying the Election of Chairperson and Vice Chairman
- Resolution 6-14 Appointing Agent for Service of Process and Custodian of Records for the Year 2014
- Resolution 7-14 Designating Official Newspapers for the Commission
- Resolution 8-14 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan
- Resolution 9-14 Designating Commission Treasurer
- Resolution 10-14 Designating Authorized Signatures for Commission Bank Accounts
- Resolution 11-14 Indemnifying Gloucester County Insurance Fund Commission Officials/Employees
- Resolution 12-14 Authorizing Commission Treasurer to Process Contracted Payments And Expenses
- Resolution 13-14 Plan of Risk Management for 2014

❑ **Motion to approve Reorganization Resolutions Number 5-14 through 13-14**

- ❑ **1099 Requirements** – Per the Internal Revenue Code when issuing payments to vendors, a JIF or HIF or Insurance Commission must have the Employer Identification Number (EIN) before issuing a check. We are asking that the Insurance Commission to establish a procedure where an invoice from a vendor shall not be processed for payment unless the vendor has its W-9 on file with the Fund Office.
  - ❑ **Motion to establish a procedure where an invoice from any vendor shall not be processed for payment unless the vendor has its W-9 on file with the Fund office.**
- ❑ **RFP For Commission Attorney** – The Commission Attorney’s contract will terminate effective April 25, 2014. The Executive Director’s office will issue and advertise a Request for Proposals for the Commission Attorney position in March. The responses will be evaluated and a recommendation will be made at the April Commission meeting.
- ❑ **Certificate of Insurance Report (Pages 20-21)** - Attached on pages 20-21 is the certificate of issuance reports from the CEL listing those certificates issued for the period of 1/19/14 to 2/25/14. There were 13 certificates of insurance during this period.
- ❑ **GCIC Property and Casualty Financial Fast Track (Page 22)** Included in the agenda on page 22 is a copy of the Property & Casualty Financial Fast Track Reports as of **December 31, 2013**. As of **December 31, 2013** there is a statutory surplus of **\$2,700,422**. Line 7 of the report, “Investment in Joint Venture” is the Gloucester County Insurance Commission’s share of the equity in the CEL, **\$976,350**.
- ❑ **NJ CEL Property and Casualty Financial Fast Track (Page 23)** - Included in the agenda on page 23 is a copy of the NJ CEL Financial Fast Track Reports as of **December 31, 2013**. As of **December 31, 2013** there is a statutory surplus of **\$3,780,908**.
- ❑ **GCIC Health Benefits Financial Fast Track** – The January 31, 2014 Health Benefits Financial Fast Track was not available for this meeting. The report will appear in the next agenda.
- ❑ **NJ Excess Counties Insurance Fund (CEL JIF)** – The CEL cancelled its meeting in January. The CEL’s Reorganization meeting is scheduled for today. The CEL will be amending its budget to include new members Mercer and Hudson. The CEL Underwriting Manager will be providing a report on the 2014 renewal. A summary of that meeting will appear in the next agenda.
- ❑ **2014 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 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 April 1, 2014.

- ❑ **2014 Property & Casualty Assessments** - In accordance with the Commission's By Law's the property and casualty assessment bills were mailed to the member entities via certified mail and e-mail. The first installment will be due on March 15, 2014. Future assessment bills will be due on May 15, 2014 and October 15, 2014.
- ❑ **Optional Network Privacy & Security** – The CEL Underwriting Manager has advised the Gloucester County and Gloucester County Improvement Authority have purchased the Cyber coverage. The CEL is expected to finance the premium for this additional coverage out of the 2014 overage for the ancillary lines.
- ❑ **Cyber Security Services** – The CEL Underwriting Manager has advised if a member entity has elected to purchase the Network Privacy & Security Liability Policy provided through AIG, you have access to two cyber security services which are included and paid for by AIG. They are:
  1. CyberEdge RiskTool - A cloud-based, cyber security training and compliance platform; and
  2. AutoShun - A proactive malware shunning system that uses exclusive global intelligence to prevent security breaches.

These tools have been determined by AIG to decrease cyber risk and build a stronger legal defense should a network breach occur. The CEL Underwriting Manager has sent additional information regarding these services and how to register with your policy number and policy period to the applicable entities. If you have not yet received an e-mail about these services please reach out to the CEL Underwriting Manager.

- ❑ **2014 Meeting Schedule** – As a reminder the Commission will not meet in March. The next meeting is scheduled for April 24, 2014 at 9:30 AM

**RESOLUTION NO. 5-14**

**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 2014 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 2015 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 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, VICE CHAIRMAN**

**RESOLUTION NO. 6-14**

**GLOUCESTER COUNTY INSURANCE COMMISSION  
APPOINTING AGENT FOR SERVICE OF PROCESS AND CUSTODIAN OF RECORDS  
FOR THE COMMISSION  
FOR THE YEAR 2014**

**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 2014 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 2014 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 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, VICE CHAIRMAN**



**RESOLUTION NO. 7-14**

**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 2014 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 2015 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 South Jersey Times and Courier Post.

**ADOPTED** by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, VICE CHAIRMAN**

**RESOLUTION NO. 8-14**

**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 2014 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 2015 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 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, VICE CHAIRMAN**

**GLOUCESTER COUNTY INSURANCE COMMISSION**

**2014 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. 9-14**

**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 2014 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 2015 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 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, VICE CHAIRMAN**

**RESOLUTION NO. 10-14**

**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 2014 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 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, VICE CHAIRMAN**



**RESOLUTION NO. 11-14**

**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 2014 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 2014 through 2015 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 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, SECRETARY**

**RESOLUTION NO. 12-14**

**GLOUCESTER COUNTY INSURANCE COMMISSION  
AUTHORIZING COMMISSION TREASURER TO PROCESS  
CONTRACTED PAYMENTS AND EXPENSES**

**WHEREAS**, the GLOUCESTER County Insurance Commission (hereinafter “the Commission”) is duly constituted as an insurance commission and is subject to all applicable laws and regulations of the State of New Jersey; and

**WHEREAS**, the Board of Commissioners has deemed it necessary and appropriate to provide authorization to the Commission Treasurer to pay certain Commission contracted payments and expenses during the month(s) when the Commission does not meet; and

**WHEREAS**, payment by the Commission Treasurer of contracted payments and expenses for the month(s) in which the Commission does not meet shall be ratified by the Commission at its next regularly scheduled meeting; now, therefore,

**BE IT RESOLVED** by the Board of Commissioners of the GLOUCESTER COUNTY INSURANCE COMMISSION that the Commission Treasurer is hereby authorized to process the contracted payments and Commission expenses for all months in which the Commission does not meet during the year 2014.

**BE IT FURTHER RESOLVED** that the Board of Commissioners of the GLOUCESTER COUNTY INSURANCE COMMISSION shall ratify the contracted payments and Commission expenses so paid by the Commission Treasurer pursuant to the Resolution at its next regularly scheduled monthly meeting.

**ADOPTED** by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on February 27, 2014.

**ADOPTED:**

**BY:** \_\_\_\_\_  
**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**DEAN R. SIZEMORE, COMMISSIONER**

**Gloucester County Insurance Commission  
Certificate of Insurance Monthly Report**

Tuesday, February 25, 2014

From 1/19/14 to 2/25/14

Holder (H) / Insured Name (I)	Holder / Insured Address	Code	Operations	Date	Coverage
<b>GCIC</b>					
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	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester County Parks and Recreation's summer theater rehearsals to be held at Gloucester County Vocational-Technical School . (SEE PAGE 2)	1/22/2014	GL EX AU WC
H- Gloucester Co. Improvement Authority I- County of Gloucester	Clean Communitis Grants 503 Monroeville Rd. Swedesboro, NJ 08085 2 South Broad Street Woodbury, NJ 08096	475	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Top of the Crop 4-H Club of Gloucester County participating in a Clean Communities activity in May, 2014, from 9 am to 12 noon. Exact date and location will be determined after insurance certificate is received by the GCIA. (SEE PAGE 2)	2/12/2014	GL EX AU WC
H- County of Gloucester I- Gloucester County College	Board of Chosen Freeholders It's Department & Agencies et al PO Box 337 Woodbury, NJ 08096 1400 Tanyard Road Sewell, NJ 08080	726	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Senior Corps/Community Service Corps Friendly Visitor focusing on Reading & Writing Program grant from the Gloucester County Division of Health and Senior Services. (SEE PAGE 2)	2/18/2014	GL EX AU WC
H- Hale Trailer Brake & Wheel, Inc. I- Gloucester County Improvement Authority	PO Box 1400 Voorhees, NJ 08043 109 Budd Boulevard Woodbury, NJ 08096	752	Evidence of Insurance as respects to respects to rental of a 1995 Trailer # 19402; serial # MAEU7272292 valued at \$2,650.	1/27/2014	PR
H- Hale Trailer Brake & Wheel, Inc. I- County of Gloucester	PO Box 1400 Voorhees, NJ 08043 2 South Broad Street Woodbury, NJ 08096	752	Certificate holder is additional insured and loss payee where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement (See page 2)	1/27/2014	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	754	Evidence of insurance. All operations usual to County Governmental Entity as respects to the Gloucester County Parks and Recreation's summer theater productions to be held at Gloucester County Colleges Fine Arts Center. (SEE PAGE 2)	1/22/2014	GL EX AU WC
H- County of Gloucester I- Gloucester County College	Board of Chosen Freeholders It's Department & Agencies et al PO Box 337 Woodbury, NJ 08096 1400 Tanyard Road Sewell, NJ 08080	914	Certificate holder is additional insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement regarding (SEE PAGE 2)	2/18/2014	GL EX AU WC

H- Evidence of Insurance I- County of Gloucester	2 South Broad Street Woodbury, NJ 08096	1060	Evidence of Insurance with respects to various grants for the Health Department. (SEE PAGE 2)	1/24/2014	GL EX AU WC
H- Logan Township Board of Education I- County of Gloucester	110 South School Lane Logan Township NJ 08085 2 South Broad Street Woodbury, NJ 08096	1061	Evidence of insurance. All operations usual to County Governmental Entity as respects to the the Gloucester County Parks and Recreation's summer theater rehearsals and productions to be held at Logan Elementary School . (SEE PAGE 2)	1/22/2014	GL EX AU WC
H- NJ Transit I- County of Gloucester	One Penn Plaza East Newark, NJ 07105-2246 2 South Broad Street Woodbury, NJ 08096	1062	Certificate holder is additional insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement (SEE PAGE 2)	1/24/2014	GL EX AU WC
H- South Jersey Gas Company I- Gloucester County College	1 South Jersey Plaza Folsom, NJ 08037 1400 Tanyard Road Sewell, NJ 08080	1067	Evidence of insurance. All operations usual to County Governmental Entity as respects to onsite student training. (SEE PAGE 2)	2/5/2014	GL EX AU WC
H- The Whitall House at Red Bank Park I- County of Gloucester	100 Hessian Avenue National Park, NJ 08063 2 South Broad Street Woodbury, NJ 08096	1075	Certificate holder is additional insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement with respects to (SEE PAGE 2)	2/12/2014	GL EX AU WC
H- Vineland Police Training Center I- County of Gloucester	3369 Mays Landing Road Vineland, NJ 08362 2 South Broad Street Woodbury, NJ 08096	1076	Certificate holder is additional insured where obligated by virtue of a written contract or written mutual aid agreement or other written agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or written mutual aid agreement or other written agreement (SEE PAGE 2)	2/18/2014	GL EX AU WC

**Total # of Holders = 13**

**GLOUCESTER COUNTY INSURANCE COMMISSION**

**Property and Casualty Division**

**FINANCIAL FAST TRACK REPORT**

**AS OF DECEMBER 31, 2013**

ALL YEARS COMBINED

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
<b>1 UNDERWRITING INCOME</b>	<b>478,880</b>	<b>5,746,565</b>	<b>15,285,457</b>	<b>21,032,022</b>
<b>2 CLAIM EXPENSES</b>				
Paid Claims	453,595	1,829,256	3,275,702	5,104,958
Case Reserves	(213,033)	175,239	2,047,907	2,223,146
IBNR	(266,471)	3,752	1,300,793	1,304,545
Discounted Claim Value	34,157	(8,834)	(230,743)	(239,577)
<b>Total Claims</b>	<b>8,248</b>	<b>1,999,413</b>	<b>6,393,659</b>	<b>8,393,072</b>
<b>3 EXPENSES</b>				
Excess Premiums	212,985	2,559,344	6,317,573	8,876,917
Administrative	48,984	580,748	1,613,210	2,193,958
<b>Total Expenses</b>	<b>261,970</b>	<b>3,140,092</b>	<b>7,930,783</b>	<b>11,070,875</b>
<b>4 UNDERWRITING PROFIT (1-2-3)</b>	<b>208,663</b>	<b>607,060</b>	<b>961,015</b>	<b>1,568,075</b>
<b>5 INVESTMENT INCOME</b>	-	-	7,237	7,237
<b>6 PROFIT (4+5)</b>	<b>208,663</b>	<b>607,060</b>	<b>968,252</b>	<b>1,575,312</b>
<b>7 CEL APPROPRIATION CANCELLATION</b>	148,760	148,760	-	148,760
<b>8 INVESTMENT IN JOINT VENTURE</b>	249,363	355,434	620,916	976,350
<b>9 SURPLUS (6+7+8)</b>	<b>606,786</b>	<b>1,111,254</b>	<b>1,589,168</b>	<b>2,700,422</b>

**SURPLUS (DEFICITS) BY FUND YEAR**

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
<b>2010</b>	119,675	(30,594)	449,887	419,293
<b>2011</b>	99,064	25,566	399,123	424,689
<b>2012</b>	228,380	566,039	740,158	1,306,197
<b>2013</b>	159,667	550,244	-	550,244
<b>TOTAL</b>	<b>606,786</b>	<b>1,111,254</b>	<b>1,589,168</b>	<b>2,700,423</b>

**CLAIM ANALYSIS BY FUND YEAR**

	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
<b>FUND YEAR 2010</b>				
Paid Claims	6,759	243,238	1,457,205	1,700,443
Case Reserves	(5,274)	(68,046)	392,928	324,882
IBNR	(5,485)	(48,614)	81,564	32,950
Discounted Claim Value	419	7,818	(29,703)	(21,885)
<b>Total Claims</b>	<b>(3,581)</b>	<b>134,396</b>	<b>1,901,994</b>	<b>2,036,390</b>
<b>FUND YEAR 2011</b>				
Paid Claims	233,841	516,062	1,330,572	1,846,634
Case Reserves	(216,416)	(312,226)	917,567	605,341
IBNR	(19,335)	(130,076)	254,566	124,490
Discounted Claim Value	13,921	31,590	(76,275)	(44,685)
<b>Total Claims</b>	<b>12,011</b>	<b>105,350</b>	<b>2,426,430</b>	<b>2,531,780</b>
<b>FUND YEAR 2012</b>				
Paid Claims	4,742	281,607	487,925	769,532
Case Reserves	31,387	(190,899)	737,411	546,512
IBNR	(236,129)	(727,800)	964,663	236,863
Discounted Claim Value	14,716	73,899	(124,764)	(50,865)
<b>Total Claims</b>	<b>(185,284)</b>	<b>(563,193)</b>	<b>2,065,235</b>	<b>1,502,042</b>
<b>FUND YEAR 2013</b>				
Paid Claims	208,253	788,348	-	788,348
Case Reserves	(22,730)	746,411	-	746,411
IBNR	(5,522)	910,242	-	910,242
Discounted Claim Value	5,101	(122,142)	-	(122,142)
<b>Total Claims</b>	<b>185,102</b>	<b>2,322,859</b>	<b>-</b>	<b>2,322,859</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>8,248</b>	<b>1,999,413</b>	<b>6,393,659</b>	<b>8,393,072</b>

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, 2013**

**ALL YEARS COMBINED**

	<b>THIS MONTH</b>	<b>YTD CHANGE</b>	<b>PRIOR YEAR END</b>	<b>FUND BALANCE</b>
1. UNDERWRITING INCOME	1,087,381	13,006,029	23,215,876	36,221,905
2. CLAIM EXPENSES				
Paid Claims	143,771	197,938	38,135	236,073
Case Reserves	(39,070)	(826,114)	1,586,109	759,995
IBNR	(259,698)	2,002,176	3,911,756	5,913,932
Discounted Claim Value	(23,278)	(225,867)	(889,400)	(1,115,267)
<b>Total Claims</b>	<b>(178,275)</b>	<b>1,148,133</b>	<b>4,646,600</b>	<b>5,794,733</b>
3. EXPENSES				
Excess Premiums	177,256	8,790,538	14,657,878	23,448,416
Administrative	78,479	923,422	1,791,676	2,715,098
<b>Total Expenses</b>	<b>255,735</b>	<b>9,713,960</b>	<b>16,449,554</b>	<b>26,163,514</b>
4. UNDERWRITING PROFIT (1-2-3)	1,009,922	2,143,936	2,119,722	4,263,658
5. INVESTMENT INCOME	2,393	34,767	90,035	124,802
6. STATUTORY PROFIT (4+5)	1,012,315	2,178,702	2,209,757	4,388,459
7. Cancelled Appropriations	-	(607,551)	-	(607,551)
8. STATUTORY SURPLUS (6-7)	1,012,315	1,571,151	2,209,757	3,780,908

**SURPLUS (DEFICITS) BY FUND YEAR**

	<b>THIS MONTH</b>	<b>YTD CHANGE</b>	<b>PRIOR YEAR END</b>	<b>FUND BALANCE</b>
2010	227,849	194,041	547,604	741,645
2011	129,499	197,984	770,829	968,813
2012	5,115	(175,639)	891,324	715,685
2013	649,853	1,354,764	-	1,354,764
<b>TOTAL</b>	<b>1,012,315</b>	<b>1,571,151</b>	<b>2,209,757</b>	<b>3,780,908</b>

**CLAIM ANALYSIS BY FUND YEAR**

	<b>THIS MONTH</b>	<b>YTD CHANGE</b>	<b>PRIOR YEAR END</b>	<b>FUND BALANCE</b>
<b>FUND YEAR 2010</b>				
Paid Claims	-	-	-	-
Case Reserves	-	(178,176)	178,182	6
IBNR	(260,000)	(152,824)	752,818	599,994
Discounted Claim Value	32,360	52,586	(128,786)	(76,200)
<b>Total Claims</b>	<b>(227,640)</b>	<b>(278,414)</b>	<b>802,214</b>	<b>523,800</b>
<b>FUND YEAR 2011</b>				
Paid Claims	139,753	139,753	-	139,753
Case Reserves	(139,752)	(589,762)	700,025	110,263
IBNR	(160,001)	(74,991)	1,174,975	1,099,984
Discounted Claim Value	30,874	108,249	(299,125)	(190,876)
<b>Total Claims</b>	<b>(129,126)</b>	<b>(416,751)</b>	<b>1,575,875</b>	<b>1,159,124</b>
<b>FUND YEAR 2012</b>				
Paid Claims	4,018	58,185	38,135	96,320
Case Reserves	100,680	(58,198)	707,902	649,704
IBNR	(114,697)	(179,987)	1,983,963	1,803,976
Discounted Claim Value	5,393	70,718	(461,489)	(390,771)
<b>Total Claims</b>	<b>(4,606)</b>	<b>(109,282)</b>	<b>2,268,511</b>	<b>2,159,229</b>
<b>FUND YEAR 2013</b>				
Paid Claims	-	-	-	-
Case Reserves	2	22	-	22
IBNR	275,000	2,409,978	-	2,409,978
Discounted Claim Value	(91,905)	(457,420)	-	(457,420)
<b>Total Claims</b>	<b>183,097</b>	<b>1,952,580</b>	<b>-</b>	<b>1,952,580</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>(178,275)</b>	<b>1,148,133</b>	<b>4,646,600</b>	<b>5,794,733</b>

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.



## CLIENT ACTIVITY REPORT

JANUARY 2014

### 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.*



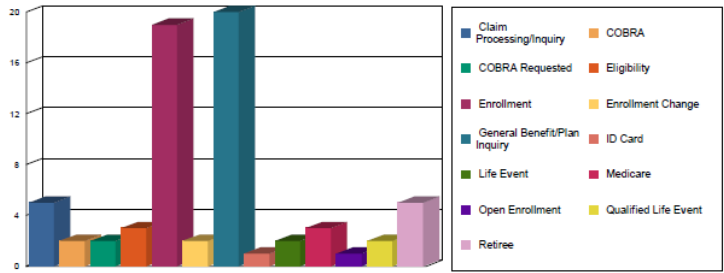


## CLIENT ACTIVITY SUMMARY REPORT

From: 1/1/2014 To: 1/31/2014

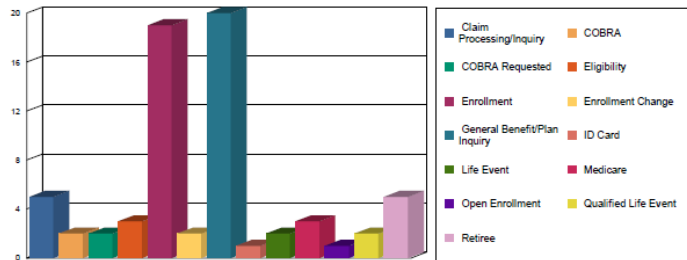
### GCHIC - Gloucester County Health Insurance Commission

SUBJECT (JANUARY)	<u># of Issues</u>
Claim Processing/Inquiry	5
COBRA	2
COBRA Requested	2
Eligibility	3
Enrollment	19
Enrollment Change	2
General Benefit/Plan Inquiry	20
ID Card	1
Life Event	2
Medicare	3
Open Enrollment	1
Qualified Life Event	2
Retiree	5
<b>Total for Subject</b>	<b>67</b>



<b>SUBJECT (YTD)</b>	<b># of Issues</b>
Claim Processing/Inquiry	5
COBRA	2
COBRA Requested	2
Eligibility	3
Enrollment	19
Enrollment Change	2
General Benefit/Plan Inquiry	20
ID Card	1
Life Event	2
Medicare	3
Open Enrollment	1
Qualified Life Event	2
Retiree	5

**Total for Subject 67**



<b>CALL SOURCE (JANUARY)</b>	<b># of Issues</b>
Dependent	2
Employee	41
Employer	21
Other	3

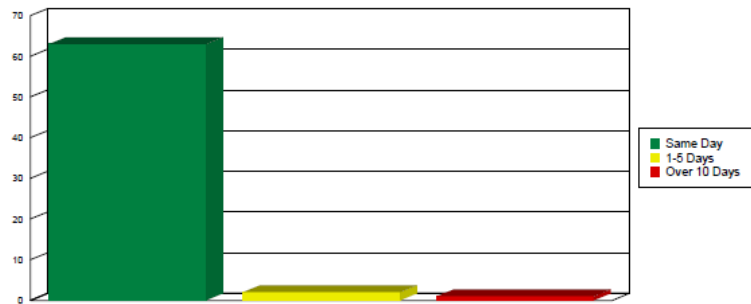
**Total for Call Source 67**



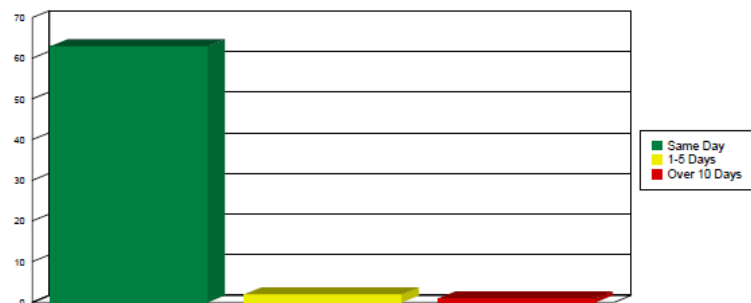
<b>CALL SOURCE (YTD)</b>	<b># of Issues</b>
Dependent	2
Employee	41
Employer	21
Other	3
<b>Total for Call Source</b>	<b>67</b>



<b>CLOSED TIME (JANUARY)</b>	<b># of Days</b>	<b>%</b>
Same Day	63	95%
1-5 Days	2	3%
Over 10 Days	1	2%
<b>Total for Time Range</b>	<b>66</b>	<b>100%</b>



<b>CLOSED TIME (YTD)</b>	<b># of Days</b>	<b>%</b>
Same Day	63	95%
1-5 Days	2	3%
Over 10 Days	1	2%
<b>Total for Time Range</b>	<b>66</b>	<b>100%</b>



**GLOUCESTER COUNTY INSURANCE COMMISSION  
BILLS LIST**

**Resolution No. 14-14**

**February 2014**

**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>
<b>000019</b>			
000019	JOAN WALDRON	VOIDED	
<b>000047</b>			
000047	NEW JERSEY COUNTIES EXCESS JIF	VOIDED	
<b>000177</b>			
000177	NEW JERSEY COUNTIES EXCESS JIF	GCIC BALANCE DUE FROM 2012 PROPERTY ADJ	2,621.29
			<b>2,621.29</b>
		TOTAL PAYMENTS FY 2012	2,621.29

**FUND YEAR 2013**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>000178</b>			
000178	NEW JERSEY COUNTIES EXCESS JIF	BALANCE ON 2013	5,473.33
			<b>5,473.33</b>
<b>000179</b>			
000179	CONNELL FOLEY LLP	LEGAL SERV FOR ANCILLARY COV - 12/2013	6,386.65
			<b>6,386.65</b>
<b>000180</b>			
000180	PERMA RISK MANAGEMENT SERVICES	1099 FORMS E-FILING 2013	14.95
			<b>14.95</b>
<b>000181</b>			
000181	BRANDY FARE	COBRA PAYMENTS - 12/2013	1,273.95
			<b>1,273.95</b>
		TOTAL PAYMENTS FY 2013	13,148.88

**FUND YEAR 2014**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
<b>000182</b>			
000182	NEW JERSEY COUNTIES EXCESS JIF	CEL 1ST 2014 INSTALLMENT	1,472,158.38
			<b>1,472,158.38</b>
<b>000183</b>			
000183	INSERVCO INSURANCE SERVICES	CLAIMS ADMIN - 02/2014	6,458.33
			<b>6,458.33</b>
<b>000184</b>			
000184	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR - 02/2014	11,162.00
			<b>11,162.00</b>

<b>000185</b>			
000185	HARDENBERGH INSURANCE GROUP	UNDERWRITING SERVICES - 02/2014	4,680.00
			<b>4,680.00</b>
<b>000186</b>			
000186	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES FEE 02/2014	638.00
			<b>638.00</b>
<b>000187</b>			
000187	COURIER-POST	ACCT 91699CP - 1/3/14 2014 MTG SCHED	51.20
			<b>51.20</b>
<b>000188</b>			
000188	LONG MARMERO & ASSOCIATES, LLP	ATTORNEY FEE 02/12/14	2,640.00
			<b>2,640.00</b>
<b>000189</b>			
000189	ROBERT SCOLPINO	REIMBURSE MEDICAL,PREScription 01/14	1,071.34
			<b>1,071.34</b>
<b>000190</b>			
000190	VIOLA YEAGER	REIMBURSE MEDICAL,PREScription 01/14	535.67
			<b>535.67</b>
<b>000191</b>			
000191	JUNE ATKINSON	REIMBURSE MEDICAL,PREScription 01/14	535.67
			<b>535.67</b>
<b>000192</b>			
000192	HARDENBERGH INSURANCE GROUP	RMC FEE 02/2014	21,320.00
			<b>21,320.00</b>
		TOTAL PAYMENTS FY 2014	1,521,250.59

**TOTAL PAYMENTS ALL FUND YEARS \$ 1,537,028.68**

\_\_\_\_\_  
Chairperson

Attest:

Dated: \_\_\_\_\_

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

\_\_\_\_\_  
Treasurer

**GLOUCESTER COUNTY INSURANCE COMMISSION HEALTH INSURANCE FUND  
BILLS LIST**

**Resolution No. 15-14**

**FEBRUARY 2014**

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

**BE IT RESOLVED** that the Gloucester County Insurance Commission Health Insurance Fund'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 2013**

<b><u>CheckNumber</u></b>	<b><u>VendorName</u></b>	<b><u>Comment</u></b>	<b><u>InvoiceAmount</u></b>
<b>W0214</b>			
W0214	CONNER STRONG & BUCKELEW	PERMA CONSULTING FEE 02/2014	2,820.00
W0214	CONNER STRONG & BUCKELEW	PERMA CONSULTING FEE 01/2014	2,820.00
W0214	CONNER STRONG & BUCKELEW	CSB CONSULTING FEE - 01/2014	450.50
W0214	CONNER STRONG & BUCKELEW	CSB CONSULTING FEE 02/2014	450.50
			<b>6,541.00</b>
		TOTAL PAYMENTS FY 2013	6,541.00

**TOTAL PAYMENTS ALL FUND YEARS \$ 6,541.00**

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS					
GLOUCESTER COUNTY INSURANCE COMMISSION					
ALL FUND YEARS COMBINED					
CURRENT MONTH	December				
CURRENT FUND YEAR	2013				
	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				
<b>Opening Cash &amp; Investment Balance</b>	<b>\$5,012,023.33</b>	<b>5006372.18</b>	<b>2668.23</b>	<b>2982.92</b>	
<b>Opening Interest Accrual Balance</b>	<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	
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	\$454,258.55	\$319.83	\$167,808.73	\$286,129.99
10	(Withdrawals - Sales)	(\$980,633.70)	(\$527,038.88)	(\$167,464.83)	(\$286,129.99)
	Ending Cash & Investment Balance	\$4,485,648.18	\$4,479,653.13	\$3,012.13	\$2,982.92
	Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00	\$0.00
	Plus Outstanding Checks	\$238,244.26	\$10,464.29	\$86,049.19	\$141,730.78
	(Less Deposits in Transit)	(\$295,811.00)	(\$295,811.00)	\$0.00	\$0.00
	Balance per Bank	<b>\$4,428,081.44</b>	\$4,194,306.42	<b>\$89,061.32</b>	<b>\$144,713.70</b>

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

Current Fund Year: 2013 Month Ending: December											
	Prop	Liab	Auto	WC				NJ CEL	Admin	TOTAL	
OPEN BALANCE	505,499.28	3,305,377.87	194,004.62	1,129,928.94	0.00		0.00	0.00	2,557,881.24	(2,680,668.07)	5,012,023.88
<b>RECEIPTS</b>											
Assessments	55.14	34.72	1.16	51.91	0.00		0.00	0.00	143.28	33.62	319.83
Refunds	0.00	0.00	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	0.00	0.00
Invest Adj	0.00	0.00	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	0.00	0.00
Other *	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>55.14</b>	<b>34.72</b>	<b>1.16</b>	<b>51.91</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>143.28</b>	<b>33.62</b>	<b>319.83</b>
<b>EXPENSES</b>											
Claims Transfers	97,525.00	185,964.99	2,640.00	167,464.73	0.00		0.00	0.00	0.00	0.00	453,594.72
Expenses	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	73,100.16	73,100.16
Other *	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>97,525.00</b>	<b>185,964.99</b>	<b>2,640.00</b>	<b>167,464.73</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>73,100.16</b>	<b>526,694.88</b>
<b>END BALANCE</b>	<b>408,029.42</b>	<b>3,119,447.60</b>	<b>191,365.78</b>	<b>962,516.12</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>2,558,024.52</b>	<b>(2,753,734.61)</b>	<b>4,485,648.83</b>



**RESOLUTION 16-14**

**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 27, 2014 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 1/1/14 to 1/31/14, 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 27, 2014.

**ADOPTED:**

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**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

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**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**  
**01/01/2014 Thru 01/31/2014**

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**  
**01/01/2014 Thru 01/31/2014**

Type	Check #	Claim #	Claimant Name	From Date	To Date	Payee Name	Trans. Date	Payment Description	Amt. Requested	Amt. Paid
<b>Coverage: Auto Liability</b>										
C	4405	3530000256	001 WILBORNE, JOSHUA	11/27/2013	12/26/2013	RICHARDSON GALELLA AUSTERMUHL	01/24/2014	3247	471.89	471.89
C	4411	3530000287	001 BROTHERS, ANTHONY	11/18/2013	11/18/2013	MADDEN & MADDEN PA	01/24/2014	Stmt #11	54.50	54.50
C	4413	3530000287	001 BROTHERS, ANTHONY	11/18/2013	11/18/2013	GARY NEIL GOLDSTEIN MD PC	01/24/2014	Account #7457	2,000.00	2,000.00
<b>Total for Coverage: Auto Liability</b>							<b>Number of entries: 3</b>		<b>2,526.39</b>	<b>2,526.39</b>
<b>Coverage: General Liability</b>										
C	4408	3530000369	001 LUCAS, KAREN	12/03/2013	12/19/2013	RICHARDSON GALELLA AUSTERMUHL	01/24/2014	3252	775.71	775.71
C	4409	3530000426	001 DAWOUD, ALY	12/03/2013	01/02/2014	RICHARDSON GALELLA AUSTERMUHL	01/24/2014	3249	1,960.02	1,960.02
C	4410	3530000425	001 WALSH, JOAN	12/03/2013	01/02/2014	RICHARDSON GALELLA AUSTERMUHL	01/24/2014	3259	1,064.68	1,064.68
C	4412	3530000371	001 MAZZI, KRISTIN	10/29/2013	11/19/2013	CHANCE & MCCANN LLC	01/24/2014	File#8010 Invoice#10916	265.04	265.04
<b>Total for Coverage: General Liability</b>							<b>Number of entries: 4</b>		<b>4,065.45</b>	<b>4,065.45</b>
<b>Coverage: Police Professional</b>										
C	4406	3530000187	001 BELL, JEFFREY	12/03/2013	12/26/2013	RICHARDSON GALELLA AUSTERMUHL	01/24/2014	3248	510.00	510.00
C	4407	3530000391	001 STRAZZULLO, ANTHONY	12/03/2013	12/30/2013	RICHARDSON GALELLA AUSTERMUHL	01/24/2014	3258	825.00	825.00
<b>Total for Coverage: Police Professional</b>							<b>Number of entries: 2</b>		<b>1,335.00</b>	<b>1,335.00</b>
<b>Total for Gloucester Co Ins Commission - 353</b>							<b>Number of entries: 9</b>		<b>7,926.84</b>	<b>7,926.84</b>



Gloucester County Insurance Commission  
 Bill Review / PPO Savings  
 2014



Carrier	Month	Total Bills	In-network Bills Penetration Rate	Total Provider Charge	In-network Charges Penetration Rate	Total Allowed <sup>1</sup>	CSG Negotiated Reductions <sup>2</sup>	PPO Reductions <sup>3</sup>	Bill Review Reductions <sup>4</sup>	Total Reductions	Total Access Fees	Net Reductions
Inservco	January	55	91%	\$41,580.77	92%	\$22,244.50	\$1438.29	\$11,984.63	\$5,913.35	\$19,336.27	\$2,707.08	\$16,629.19
YTD Total		55	91%	\$41,580.77	92%	\$22,244.50	\$1438.29	\$11,984.63	\$5,913.35	\$19,336.27	\$2,707.08	\$16,629.19

**Monthly Summary**

Total Savings (before fees):	\$19,336.27
Percent Savings:	47%
<b>NET SAVINGS:</b>	<b>\$16,629.19</b>
Percent NET SAVINGS:	40%

**Report Footnotes:**

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

**YTD Summary**

Total Savings (before fees):	\$19,336.27
Percent Savings:	47%
<b>NET SAVINGS:</b>	<b>\$16,629.19</b>
Percent NET SAVINGS:	40%

**GLOUCESTER COUNTY INSURANCE COMMISSION**  
**SAFETY DIRECTOR'S REPORT**

**TO:** Fund Commissioners  
**FROM:** J.A. Montgomery Risk Control, Safety Director  
**DATE:** February 21, 2014

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**January - March 2014**  
**RISK CONTROL ACTIVITIES**

**JIF MEETINGS / TRAINING ATTENDED**

- **January 17:** Two sessions of CEVO Police was conducted for the GCIC Corrections Department.
- **January 21:** One session of CEVO Police was conducted for the GCIC Corrections Department.
- **January 23:** Attended the GCIC meeting in Woodbury.
- **January 27:** Two sessions of CEVO Police was conducted for the GCIC Corrections Department.
- **January 29:** One session of CEVO Police was conducted for the GCIC Corrections Department.
- **February 4:** Attended the GCIC Safety Committee meeting in Woodbury.
- **February 10:** Attended the GCIC EMS meeting in Woodbury.
- **February 20:** One session of Ergonomics for Everyone was conducted for GCIC.

### **UPCOMING JIF MEETINGS / TRAINING**

- **February 27:** Plan to attend the GCIC meeting in Woodbury.
- **March 4:** Plan to conduct a loss control visit for GCIC EMS.
- **March 5:** One session of Hazard ID Making your Observations Count and one session of LOTO are scheduled for GCIC.
- **March 11:** Plan to attend the GCIC Claims Committee meeting.

### **CEL MEDIA LIBRARY**

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

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

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

<b>MONTH</b>	<b>AGENCY</b>	<b># of Videos</b>
January	GCIC – Department of Health	3
February		0
March	GCIC – Gloucester County College	3
April	GCIC – Gloucester County Health Dept.	3
May		0
June		0
July		0
August		0
September		0
October		3
November		1
December		0

The following GCIC Agencies utilized the CEL Media Library in 2014:

<b>MONTH</b>	<b>AGENCY</b>	<b># of Videos</b>
January	GCUA/GCIA	6
February (as of 2/21)		0

From: Glenn Prince, Risk Control Consultant  
To: Mr. Dean Sizemore  
Date: January 2, 2014  
Subject: S:ERVE Emergency Responder Driver Training  
Gloucester County Insurance Commission

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Mr. Sizemore,

Safety: Emergency Responder Vehicle Education (S:ERVE) is an online driver simulation and curriculum created to educate law enforcement, EMS and other emergency responders to drive at their safest in emergency response scenarios in an effort to reduce collision rates. This program is being made available to us by our excess workers' compensation carrier, Safety National.

This highly interactive online simulator guides users through a series of situations in which decision making is key. Users prioritize their vehicle handling and emergency task activities while experiencing situations related to typical emergency response or pursuit operations.

Two separate driver training modules are available; one for Police and the other for EMS. We have recently been advised that Safety National is currently in negotiations with their vendor to add an additional module on "Distracted Driving " for Police and EMS. We will forward additional information, as soon as it becomes available.

Please share the following information with your County Safety Committee to determine the best way to make use of the allocations which are listed below together with your Class Identification.

Included with this letter is the S:ERVE program brochure.



## GLOUCESTER COUNTY INSURANCE COMMISSION

### POLICE

Allocations	90
Class ID#	NJCE:Gloucester04P

### EMS

Allocations	90
Class ID#	NJCE:Gloucester02E

Instructions for accessing website are listed below.

1. Click on this link to access the Safety National Intersection Analysis course:

<http://serve.evoc101web.com>

2. Enter Your Specific Class ID

3. Enter Your Student Number (Please do not use Social Security Numbers or personal information.) Consider a Station Number, radio designation number, etc. Recommended is use of a badge number with the individual's three (3) LOWER CASE initials following. For example, nomenclature of the student identification would be 1234abc.

Individual trainees must use the same exact login information (class ID, student number, first name and last name) each time they login in order for the bookmarking feature to work and produce an individual training record.

4. Enter First Name

5. Enter Last Name

6. If you forget or misplace your Class ID or Student Number, contact your individual town's representative for this project.

7. Complete Lessons 1 through 5 starting with Lesson 1. You must complete a final quiz after finishing Lesson 5.

- Use a sign-in sheet to track attendance if completing the course as a group
- Complete the test either individually or as a group
- When all five lessons have been successfully completed, a link will appear that says "View Certificate". When clicked, a Window will open with the certificate for printing. If the link cannot be accessed, you can also contact J. A. Montgomery Risk Control for blank certificates at 877-398-3046.
- If training is completed in a classroom setting as a group, certificates of completion will have to be issued manually. Contact J. A. Montgomery Risk Control for blank certificates at 877-398-3046..

8. Completion of a brief course evaluation at the end would be appreciated.

Very truly yours,

Glenn Prince  
Risk Control Consultant  
JA Montgomery Risk Control  
856- 552-4744 office

c: Insurance Commission Executive Director  
David McHale, J.A. Montgomery Risk Control

I.



# S:ERVE

Safety: Emergency Responder Vehicle Education

S:ERVE is an online driver simulation and curriculum created to educate law enforcement, firefighters, EMS and other emergency responders to drive at their safest in an effort to reduce collision rates in emergency response scenarios. The program guides users through a series of situations in which decision making is key. Users prioritize their vehicle handling and emergency task activities while experiencing situations related to typical emergency response or pursuit operations.

S:ERVE meets the standards established by the International Association of Directors of Law Enforcement Standards and Training (IADLEST) and the Federal Law Enforcement Training Accreditation (FLETA).

### S:ERVE includes five core lesson plans:

**Intersection Approach** – Select appropriate methods for maximizing vehicle control when approaching intersections and recognizing the risks associated with improper intersection negotiation.

**Intersection Assessment** – Learn to recognize, categorize and prioritize all potential hazards.

**Clearing the Intersection Basics** – Decipher appropriate techniques and recognize the dangers associated with improper intersection clearing.

**Clearing the Intersection Advanced** –Review and reinforce awareness of risk factors when clearing intersections and how to avoid common mistakes when doing so.

**Intersection Departure & Course Summary** – Learn the steps for safely departing an intersection, then complete a comprehensive course recap of all key concepts.

### Improved Comprehension

S:ERVE offers an interactive functionality to support a higher learning retention rate than traditional classroom environments. Users are tested throughout each lesson to ensure complete understanding of the material and receive immediate feedback on performance.

### To reserve access to S:ERVE for your organization, contact:

Ariel Jenkins, CSP, MBA, ARM  
314-692-1385  
RiskControl@safetynational.com

### Learn more about MAP Client Services

S:ERVE will be offered through Safety National’s MAP Client Services – a program that offers various resources to help policyholders improve their workers’ compensation management, analysis and prevention efforts. Visit [www.safetynational.com](http://www.safetynational.com) to view the full suite of products and resources offered to policyholders through MAP Client Services.



[www.safetynational.com](http://www.safetynational.com)

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**RESOLUTION NO 17-14**

**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 27, 2014.

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 27, 2014 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 27, 2014.

**ADOPTED:**

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**GERALD A. WHITE, CHAIRMAN**

**ATTEST:**

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**DEAN R. SIZEMORE, VICE CHAIRMAN**

**GCIC PARS - Worker Compensation & Liability**  
**CLOSED SESSION**  
**2/27/14**

<b><u>Claim #</u></b>	<b><u>Claimant</u></b>	<b><u>Type of Claim</u></b>	<b><u>PAR/SAR</u></b>	<b><u>C.P or DO #</u></b>
3530000675	Patricia Petsch	Worker Comp	SAR	2013-33692
3530000301	Antonio Frontado	Worker Comp	SAR	2012-20315
3530000334	Marlene Pattison	Worker Comp	PAR/SAR	2011-31035
3530000469	Marlene Pattison	Worker Comp	Dismissed	2011-31038
3530000256	Wilborne v Gloucester County	Liability	PAR	

## **APPENDIX I**

**GLOUCESTER COUNTY INSURANCE COMMISSION  
OPEN MINUTES  
MEETING – January 23, 2014  
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 <b>Joe Hrubash</b>
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Claims Service	Inservco Insurance Services, Inc. <b>Veronica George</b> <b>Steve Daveggia</b>
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Consolidated Services Group, Inc. <b>Jennifer Pard Goldstein</b> <b>Stephen McNamara</b>
--

Conner Strong & Buckelew <b>Michelle Leighton</b>
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Underwriting Services Director/RMC	Hardenbergh Insurance Group <b>Bonnie Rick</b>
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Attorney	Long Marmero & Associates <b>Doug Long, Esq.</b>
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Treasurer

Safety Director	J.A. Montgomery Risk Control <b>Glenn Prince</b>
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Auditor	Bowman & Company LLP
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Benefits	Conner Strong & Buckelew
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**ALSO PRESENT:**

Linda A. Galella, Esq., Richardson, Galella & Austermuhl  
Matt Lyons, Esq. Gloucester County Counsel  
Cathy Dodd, PERMA Risk Management Services

**APPROVAL OF MINUTES:** Open Minutes and Closed Minutes of December 19, 2013

**MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF  
DECEMBER 19, 2013**

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

**CORRESPONDENCE:** None

**COMMITTEE REPORTS:**

**SAFETY COMMITTEE:** No report.

**CLAIMS COMMITTEE:** Commissioner Sizemore reported the Claims Committee met via teleconference on January 13<sup>th</sup> and discussed the PARS that would be presented during closed session. Commissioner Sizemore advised he had two County employees prepare a computation of the 2013 results and the County is improving, however there was one division that needed improvement. Commissioner Sizemore indicated that division generated 26.3% of all worker compensation claims.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised he only had one (1) action item for his report today and several informational items.

**2014 PROPERTY AND CASUALTY BUDGET:** Executive Director advised he wanted to make a clarification with respect to the budget adopted for 2014. Executive Director explained the Commission adopted a budget in the amount of \$5,363,446 which included the credit of \$148,760 from the CEL for certain premium and expense overages. Executive Director indicated that credit would be applied to the member assessment and the correct amount of the budget was \$5,512,207.

**HEALTH BENEFITS CONSULTANT RESOLUTION:** Executive Director referred to Resolution 1-14, appointing Conner Strong & Buckelew as the Health Benefits Consultant for years 2014, 2015 and 2016. Executive Director reported the Commission approved the appointment at the last meeting. Executive Director advised the resolution was reviewed by the Commission Attorney and requested a motion to approve Resolution 1-14.



**MOTION TO APPROVE RESOLUTION NUMBER 1-14 APPOINTING BENEFITS CONSULTING SERVICES TO CONNER STRONG & BUCKELEW FOR FUND YEAR 2014, 2015 AND 2016**

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

**CERTIFICATE OF INSURANCE REPORT:** Executive Director reported on the Certificate of Insurance Report for the period of 11/18/13 to 1/18/14. There were a total of 138 certificates issued for this period.

**GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director advised the November Property & Casualty Financial Fast Track was included in the agenda. The Commission had a surplus of \$2,093,636 as of November 30, 2013. Executive Director pointed out the figure of \$726,987 on line 7 of the report “Investment in Joint Venture was GCIC’s share of the CEL JIF equity which is part of the GCIC surplus. Executive Director pointed out that the Fast Track shows that the Commission had a deficit in the month of November for the years 2010, 2011 and 2012 because their “Investment in Joint Venture” asset was reduced due to the CEL’s cancellation of certain administration and ancillary coverage appropriations.

**NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director advised the October and November NJ CEL Financial Fast Track Reports were included in the agenda. The CEL had a surplus of \$2,768,593 as of November 30, 2013. Executive Director also explained the Fund’s surplus was decreased by \$607,551 in the month of November due to the cancelled Appropriations due from the Commissions for 2013.

**HEALTH BENEFITS FINANCIAL FAST TRACK:** Executive Director advised the December Health Benefit Financial Fast Track was included in the agenda. The Health Benefits has a surplus of \$135,039 as of December 31, 2013.

**NJ EXCESS COUNTIES INSURANCE FUND (CELJIF):** Executive Director reported the CEL cancelled its January meeting and will hold their reorganization meeting on February 27, 2014.

**OPTIONAL NETWORK PRIVACY & SECURITY QUOTES:** Executive Director reported the CEL Underwriting Manager sent optional cyber liability quotes to Ms. Rick for the County, Gloucester County Library Commission and Gloucester County Improvement. Ms. Rick advised there was a question for the Utility Authority as they utilize the IT services of County. Ms. Rick indicated she heard from the CEL Underwriting Manager’s office and was told the Utility Authority would most likely be covered under the County’s policy and wanted to confirm with the Underwriter. Chairman White mentioned the County also provided some IT services for the Improvement Authority. Ms. Rick thought the nursing home was not included and thought they would need their own coverage. Ms. Rick indicated the Library wanted to purchase the coverage but was concerned about the premium. Executive Director noted he would talk to Mr. Kickham to see if the CEL was going to pay for the cyber premiums.

**2014 PROPERTY & CASUALTY ASSESSMENTS:** Executive Director advised in accordance with the Commission's By Laws, the property and casualty assessment bills would be mailed to the member entities via certified mail and by e-mail the week of January 27, 2014.

**APPOINTMENT OF COMMISSIONERS TO THE GLOUCESTER COUNTY INSURANCE COMMISSION:** Executive Director advised Chairman White's office was providing copies of all of the signed insurance related County Resolutions to the Executive Director's office regarding the appointment of Commissioners.

**GENDER EQUITY NOTICE:** Executive Director referred to a copy of the "Right to be Free of Gender Inequity or Bias in Pay, Compensation, Benefits or Other Terms and Conditions of Employment" published by the NJ Department of Labor which was included in the agenda.

**REORGANIZATION FOR 2014-2015:** Executive Director advised the Reorganization of the Gloucester County Insurance Commission would be held at the February 27, 2014 Commission Meeting.

**2014 MEETING SCHEDULE:** Executive Director advised a copy of the final 2014 Meeting schedule was included in the agenda. Executive Director noted as previously agreed too there will be no meetings in March, May, August & November.

Executive Director's Report Made Part of Minutes.

**EMPLOYEE BENEFITS:** Executive Director reported he would review the employee benefits report with the Commission which was included in the agenda. Executive Director advised the Client Activity Summary Report for the period of 12/1/13 to 12/31/13 indicated there were 69 inquiries during December and the year to date total was 1,334.

**TREASURER REPORT:** Chairman White presented Resolution 2-14 the January Property & Casualty Bill List in the amount of \$72,656.03 and requested a motion to approve.

**MOTION TO APPROVE RESOLUTION 2-14  
JANUARY PROPERTY & CASUALTY BILL LIST IN  
THE AMOUNT OF \$72,656.03**

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

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

## **CLAIMS REPORT**

**REPORT:** Chairman White presented Resolution 3-14 Inservco Liability Check Register for the period of 12/1/13 to 12/31/13.

### **MOTION TO APPROVE RESOLUTION 3-14 LIABILITY CHECK REGISTER FOR THE PERIOD OF 12/1/13 THROUGH 12/31/13**

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

**MANAGED CARE PROVIDER:** Ms. Goldstein referred to the Bill Review/PPO Savings Report which was included in the agenda. Ms. Goldstein advised there were 40 bills received in December for a total of \$88,610.89. The total allowed amount was \$44,087.10. The total reduction was \$44,523.79 and after fees the net reduction was \$38,560.59. Ms. Goldstein also referred to the Year to Date Summary and advised the total percent of net savings was 48%.

### **CEL SAFETY DIRECTOR:**

**REPORT:** Mr. Prince reviewed the December through January 2014 Risk Control Activity Report which was included in the agenda along with the training calendar for December. Mr. Prince added in response to Commissioner Sizemore comments regarding the EMS, Mr. Prince noted a training class titled "Safe Lifting for Everyone Presentation" was scheduled for February 20<sup>th</sup> in Clayton. Mr. Prince also noted he was planning a class for the EMS. Chairman White was concerned about attendance of the classes due to the nature of the work. In response, Commissioner Sizemore felt two or three classes should be scheduled. Mr. Prince also noted he was going to include the EMS in his loss control visits for 2014 to assess their operations and claims.

### **RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:**

**REPORT:** Ms. Rick advised the Safety Kick Off meeting held on January 9, 2014 was very successful with over 60 attendees. Ms. Rick referred to a copy of the course evaluation which was included in the agenda. Ms. Rick noted she was working on a "fast track training day" where 5 or 6 topics are presented in one day. Ms. Rick reported she had one action item and advised the Dream Park's Volunteer Accident policy was expiring on January 28, 2014. Ms. Rick indicated AIG's renewal premium was higher due to a new minimum premium and she was able to obtain a quote from Star Indemnity for \$400 with the same terms and conditions.

### **MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO NON-RENEW THE VOLUNTEER ACCIDENT POLICY FOR THE DREAM PARK WITH AIG AND BIND COVERAGE WITH STAR INDEMNITY AT AN ANNUAL PREMIUM OF \$400 EFFECTIVE 1/28/14**

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

**ATTORNEY:** Mr. Long advised he did not have anything to report for the meeting.

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:**

**MOTION TO OPEN MEETING TO PUBLIC**

Moved: Commissioner Jones  
Second: Commissioner Sizemore  
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 4-14 authorizing a Closed Session.

**RESOLUTION 4-14, 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. ALSO THE POSSIBLE SETTLEMENT LARRY WEIL V. GLOUCESTER COUNTY #2011-16819, DONNA GENTILE V. GLOUCESTER COUNTY, # 2011-34217 AND JAMES FARE V. GLOUCESTER COUNTY #2013-1685**

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: Chairman White  
Second: Commissioner Sizemore  
Roll Call Vote: Unanimous

Mr. Long made the following motions:

**MOTION TO APPROVE AN INCREASE ON # 3530000588 FROM \$106,797.79 TO \$115,364.24**

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

**MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000046 FROM 78,251.54 TO \$110,870.06**

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

**MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000951 FROM \$15,000 TO \$132,387.24**

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

**MOTION TO APPROVE AN INCREASE ON CLAIM # 3530000494 FROM \$75,000 TO \$89,299.95**

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

**MOTION TO AUTHORIZE DEFENSE COUNSEL TO SETTLE CLAIM # 3530000430 FOR AN AMOUNT NOT TO EXCEED \$15,090**

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

**MOTION TO AUTHORIZE DEFENSE COUNSEL TO SETTLE CLAIM # 3530000588 FOR AN AMOUNT NOT TO EXCEED \$62,951.38**

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

**MOTION TO AUTHORIZE DEFENSE COUNSEL TO SETTLE CLAIM # 3530000360 FOR AN AMOUNT NOT TO EXCEED \$2590**

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

Commission Attorney noted there was no action taken for Settlement Request on claim #3530000046.

**MOTION TO WAIVE THE THIRD PARTY SMALL CLAIM PROCEDURE FOR CLAIM # 3530000989**

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

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED: 10:57AM**

Minutes prepared by: Cathy Dodd, Assisting Secretary

## **APPENDIX II**

## **Plan of Risk Management**

### **Overview**

- Narrative overview of limit schematics.
- By Laws require that an RMP be prepared, adopted and approved.

### **Contents**

1. Perils Insured Against  
List all coverage lines
  - a) Insured by the Insurance Commission
  - b) Insured by the CEL
2. Limits of Coverage
  - By line of Insurance (WC, EL, Prp, POL/EPL, Crime, Pollution, Med mal, Emp. Lawyers and Cyber)
  - By Layer of Coverage (Insurance Commission, CEL, Excess Insurance and Ancillary)
3. Amount of Limits Retained by the Insurance Commission, by line of coverage.
4. Philosophy in Establishing Reserves
5. Assessment Methodology
6. Loss Adjustment and Legal Expenses Procedure
7. Commercial Insurance Purchased
8. Reinsurance Purchased
9. Actuarial Loss Funding
10. TPA Claims Authority Maximum Limit



**RESOLUTION NO. 13-14**

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

BE IT RESOLVED by the Insurance Commission's governing body that effective 1/1/14 the 2014 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 including employers liability
    - Excess General Liability including law enforcement liability
    - Excess Auto Liability
    - Excess Property including Boiler and Machinery
    - Public Officials Liability/School Board Legal/EPL
    - Crime
    - Pollution Liability
    - Medical Professional and General Liability
    - Excess Medical Professional and General Liability
    - Employed Lawyers Liability

- **Cyber 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 **\$25,750,000** 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 for Workers Compensation and Employers Liability. NJC purchases from Wesco Insurance Company \$500,000 excess \$500,000 each occurrence/employee and purchases from Safety National Casualty Company 'Statutory' Workers Compensation limits excess of \$1,000,000 and \$5,000,000 excess of \$1,000,000 for Employers Liability. Additional Employers Liability limits of \$5,000,000 excess of \$6,000,000 are purchased from Underwriters at Lloyds, **\$10,000,000 excess \$11,000,000 from National Casualty and \$5,000,000 excess \$21,000,000 from Markel.**

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 \$15,000,000 per member insurance commission 18 month aggregate limit (7/1/13-1/1/15). The \$10,000,000 excess \$5,500,000 commercial excess layer is subject to a \$10,000,000 annual aggregate limit (1/1/14-1/1/15). The \$5,000,000 excess \$15,500,000 commercial excess layer is subject to a \$55,000,000 annual aggregate limit (1/1/14-1/1/15).
      - 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 Underwriters at Lloyds limits of \$5,000,000 per occurrence and a \$15,000,000 18 month aggregate (7/1/13-1/1/15) excess over and above \$500,000. NJC also purchases from **National Casualty** limits of **\$10,000,000** per occurrence and a **\$10,000,000** annual aggregate (1/1/14-1/1/15) excess over and above the \$5,000,000/\$15,000,000 with Underwriters at Lloyds. NJC also purchases from **Markel** limits of **\$5,000,000** per occurrence and a **\$5,000,000** annual aggregate (1/1/14-1/1/15) excess over and above the **\$15,000,000/\$25,000,000** with Underwriters at Lloyds and **National Casualty**.

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 Insurance Commission covers automobile medical payments of \$15,000 per person but only as respects to Gloucester County corrections transport. Effective 1/1/14.**
- 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 Underwriters at Lloyds limits of \$5,000,000 per occurrence and a \$15,000,000 18 month aggregate (7/1/13-1/1/15) excess over and above \$500,000. NJC also purchases from **National Casualty** limits of **\$10,000,000** per occurrence and a **\$10,000,000** annual aggregate (1/1/14-1/1/15) excess over and above the \$5,000,000/\$15,000,000 with Underwriters at Lloyds. NJC also purchases from **Markel** limits of **\$5,000,000** per occurrence and a **\$5,000,000** annual aggregate

(1/1/14-1/1/15) excess over and above the \$15,000,000/\$25,000,000 with Underwriters at Lloyds and National Casualty.

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

The excess general liability, auto liability, law enforcement liability and employers liability limits with Underwriters at Lloyds, National Casualty and Markel are per member Commission and are shared limits amongst GCIC member entities.

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-\$25,000 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.) Property/Equipment Breakdown

Property Limits/Sub-limits

- The Insurance Commission covers \$100,000 per occurrence less applicable member entity per occurrence deductibles.
- The NJC provides excess property coverage and Equipment Breakdown coverage via the commercial market with Zurich and

excess property coverage with RSUI (60%) and Scottsdale (40%) quota share basis with the following limits (*SHARED BY ALL NJC MEMBER COMMISSIONS AND THEIR MEMBER ENTITIES*) excess of the member retention and member entity per occurrence deductibles:

Property Per Occurrence Limits:

- A. \$110,000,000 Per Occurrence with Zurich
- B. \$150,000,000 Per Occurrence with RSUI (60%) and Scottsdale (40%)
- C. \$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 per occurrence
- Valuable Paper And Records - \$10,000,000
- Accounts Receivable - \$10,000,000
- Demolition & Increased Cost of Construction - \$25,000,000
- Business Interruption - **Included in \$110,000,000 blanket limit** (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 - \$2,500,000 (Owned And Non Owned)
- Pollution And Contamination Cleanup (Limited) - \$250,000 (Annual Aggregate)
- Miscellaneous Unnamed Locations - \$10,000,000
- Builders' Risk - \$25,000,000 (the lesser of \$1,000,000 sublimit or 60 days for soft costs, subject to applicable deductible per cause of loss and 24 hour qualifying period)
- Newly Acquired Locations – \$25,000,000 per location (90 day reporting period)
- Service Interruption - \$10,000,000 Combined Time Element and Property Damage Including Overhead Transmission Lines within 1 mile of insured premises, 24 hour qualifying period)
- Ingress/Egress – Lesser of \$5,000,000 or 30 day period, within 1 mile radius
- Debris Removal - \$25,000,000

- Civil Government Authority – Lesser of \$5,000,000 or 30 day period, within 5 mile radius
- Leasehold Interest - \$15,000,000
- Loss Of Rents - \$15,000,000
- Professional Fees - \$1,250,000
- Extended Period of Liability – 365 Days
- Auto Physical Damage - \$15,000,000
- Underground Piping - \$5,000,000 (only if within 5 MILES 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 – Subject to a 24 hour qualifying period. No sub-limit for equipment. \$1,000,000 sublimit for data and software
- Outdoor Property - \$10,000,000
- Equipment Breakdown - \$100,000,000
  - Ammonia Contamination - \$5,000,000
  - Spoilage - \$5,000,000
  - Extended Period Of Indemnity - 365 Days

Note: There is an Excess Property Policy with RSUI Indemnity Company and Scottsdale Insurance Company on a quota share basis which extends the Per Occurrence Policy Limits by \$150,000,000 to a total of \$260,000,000. Coverage sub-limits on the Primary policy are excluded by the Excess Property policy, including Equipment Breakdown. The primary limit is \$110,000,000

#### Property Deductibles

- The standard member insurance commission retention is \$100,000 per occurrence less member entity per occurrence 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 **Equipment Breakdown** 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 **(combined property damage and time element)** 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 **building** contents member entity deductible per occurrence; or the National Flood Insurance Plan's (NFIP) maximum available limits for **public entities**, 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 as respects to covered property in Atlantic, Ocean, Monmouth and Burlington Counties located east of the Garden State Parkway and any covered property in Cape May County”**  
For Property Damage: subject to a deductible of 1% of the value, per the Valuation clause of the General Conditions section, of the property insured as of the date of loss, for the Location where the direct physical loss or damage occurred, per occurrence; For Time Element: 1% of the full 12 months Gross Earnings or Gross Profit values that would have been earned following the occurrence by use of the facilities at the Location where the direct physical loss or damage occurred and all other Locations where Time Element loss ensues, per occurrence. Combined PD and TE deductible subject to a minimum deductible of \$250,000 per Location and a maximum deductible of \$1,000,000 per occurrence. The “Named Storm” deductible is a per member entity deductible. Note: **The Gloucester County Insurance Commission provides 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. The Gloucester County Insurance Commission will not provide coverage for the difference in deductible for time element loss.**



Named Storm is defined as any storm or weather disturbance that is named by the U.S. National Oceanic and Atmospheric Administration (NOAA) or the U.S. National Weather Service or the National Hurricane Center or any comparable worldwide equivalent.. Location is defined as a building(s) bounded on all sides by public streets, clear land space or open waterways, each not less than 50 feet wide, a site or tract of land occupied or available for occupancy with tangible property. 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.

f.) 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 - \$10,000
- Gloucester County Improvement Authority - \$10,000

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

g.) 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 the NJC member Commissions of Gloucester, Camden, Union and Burlington and their respective member entities. **It is also shared with Cumberland County Utilities Authority effective 1/1/14.**

h.) 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, SCIC **and MCIFC.**
- Member Entity Deductibles GL and PL:
  - **Gloucester County – \$25,000 Includes Department of Corrections, Division of Education & Disability, Division of Senior Services and Department of Health Services.**
  - 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
  - GCIC Scheduled Physicians - \$5,000
    - G.Feigin -GC
    - J.Palmer - GC
    - J. Briskin - GC
    - C. Siebert - GC
    - E. Salminen – GCC
    - **Shannon White - GCC**

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

i.) 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 (7 Attorneys)
  - All Other Entities: Not applicable

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

J.) Cyber Liability – Network Privacy & Security Liability effective 1/1/14

The NJC via the commercial market provides on an optional basis network privacy & security liability coverage at the following limits and deductibles (the insurance commission retains no risk for network privacy & security liability coverage):

- Limits per claim and annual aggregate:
  - Security & Privacy Liability: \$1,000,000
    - regulatory sub-limit: \$750,000\*
  - Network Interruption (12 hour period): \$250,000
  - Event Management: \$250,000
  - Cyber Extortion: \$ 1,000,000
  - Minimum affected individuals: 100
  - Maximum affected individuals: \$500,000
- Retention per member entity:
  - Security & Privacy Liability: \$25,000
    - Regulatory: \$25,000
  - Network Interruption (12 hour period): \$25,000
  - Event Management: \$25,000
  - Cyber Extortion: \$ 25,000
  - Minimum affected individuals: 100
  - Maximum affected individuals: \$500,000
- Participating member entities are:
  - Gloucester County
  - Gloucester County Improvement Authority

**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
- j.) Cyber 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 **five** major excess insurers (i.e. Underwriters at Lloyds, **National Casualty, Markel** for excess liability; Wesco Insurance Company and Safety National Casualty Company for workers' compensation). 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 (CSG) component *through a contract* 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 27th day of February 2014.  
Gloucester County Insurance Commission

By: \_\_\_\_\_  
Chairperson

Attest:  
\_\_\_\_\_  
Secretary

## **ADDENDUM I**



**2014 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 1/1/2014.

**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

- (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**

**2014** 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 \_\_\_\_\_, **2014**.

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.