# GLOUCESTER COUNTY INSURANCE COMMISSION AGENDA AND REPORTS THURSDAY, JANUARY 26, 2017

# 2 S. BROAD STREET CONFERENCE ROOM B WOODBURY, NJ 9:30 AM

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

## **OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE**

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

I. Sending sufficient notice to South Jersey Times and Courier Post, NJ

II. Filing advance written notice of this meeting with the Commissioners of the Gloucester County Insurance Commission,

**III.** Posting notice on the Public Bulletin Board of at the office of the County Clerk.

#### GLOUCESTER COUNTY INSURANCE COMMISSION AGENDA OPEN PUBLIC MEETING: January 26, 2017 WOODBURY, NJ 9:30 AM

#### □ MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

#### **ROLL CALL OF COMMISSIONERS**

APPROVAL OF MINUTES: December 15, 2016 Open Minutes.....Appendix I December 15, 2016 Closed Minutes.....Handout

□ CORRESPONDENCE

#### **2017 REORGANIZATION**

#### □ ATTORNEY TO ADMINISTER OATH OF OFFICES

#### **COMMITTEE REPORTS**

□ Safety Committee:	Verbal
<b>Claims Committee:</b>	Verbal

#### **EXECUTIVE DIRECTOR/ADMINISTRATOR - PERMA**

Executive Director's Report Pages 3-34
Resolution 1-17 Certifying the Election of Chairperson and Vice ChairmanPage (
Resolution 2-17 Appoint Agent for Service of Process and Custodian of RecordsPage 7 For the year 2017
Resolution 3-17 Designating Official Newspapers for the CommissionPage 8
Resolution 4-17 Designating Authorized Depositories for Fund Assets and Pages 9-13 Establishing Cash Management Plan
Resolution 5-17 Designating Commission Treasurer Page 14
Resolution 6-17 Designating Authorized Signatures for Commission Page 15 Bank Accounts
Resolution 7-17 Indemnifying Gloucester County Insurance Fund Commission Pages 16-17 Official/Employees
Resolution 8-17 Appointing A Commissioner to the New Jersey Counties Excess Joint <b> Page-18</b> Insurance Fund for the Fund Year 2017
Resolution 9-17 Authorizing Commission Treasurer to Process Contracted Payments and <b> Page 19</b> Expenses
Resolution 10-17 Fixing Public Meeting Dates for Year 2017Pages 20-21
Resolution 11-17 Appointing Defense Attorneys for the Fund Year 2017Pages 22-2
Resolution 12-17 Appointing Benefits Consulting Services toPages 24-25 Conner Strong & Buckelew for Fund Years 2017, 2018 and 2019
Resolution 13-17 Plan of Risk Management for 2017Appendix I
EMPLOYEE BENEFITS – Conner Strong & Buckelew
Monthly Report Pages 35-38
TREASURER – Tracey Giordano
Resolution 15-17 January Bill List – Motion Required Pages 39-40
Resolution 16-17 January Benefit Bill List – Motion Required Page 41

October Monthly Treasurer Reports ...... Pages 42-43

CLAIMS SERVICE – Inservco Insurance Services, Inc. Resolution 17-17 Authorizing Disclosure of Liability Claims Check Register
MANAGED CARE– Consolidated Services Group, Inc., Jennifer Pard Goldstein CSG Monthly Summary Report Page 48
CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control Monthly Report Pages 49-52
RISK MANAGERS REPORT, UNDERWRITING SERVICES DIRECTOR Hardenbergh Insurance Group Monthly Report
ATTORNEY – Long Marmero & Associates, LLP Monthly ReportVerbal
OLD BUSINESS
NEW BUSINESS
PUBLIC COMMENT
<b>CLOSED SESSION</b> – Payment Authorization Requests (PARS)Pages 61-63 Resolution <u>18-17</u> 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 including the discussion/settlement of Cram vs Hayes, # GLO-L-

Motion for Executive Session

312-15

MEETING ADJOURNMENT

NEXT SCHEDULED MEETING: February 23, 2017, 9:30 AM, 2 South Broad Street, Woodbury, NJ

#### **GLOUCESTER COUNTY INSURANCE COMMISSION**

9 Campus Drive, Suite 216, Parsippany, NJ 07054 *Telephone (201) 881-7632 Fax (201) 881-7633* 

Date:	January 26, 2017	
Memo to:	Commissioners of the Gloucester County Insurance Commission	
From:	PERMA Risk Management Services	
Subject:	Executive Director's Report	
<b>Reorganization</b>	Resolutions (Pages 6-25) – The GCIC is required to reorganize at the	
	e Committee meeting as per the Commission By Laws. Listed below are the	
necessary Reorga	inization Resolutions which are included in the agenda on pages 6-25.	
	n 1-17 Certifying the Election of Chairperson and Vice Chairman	
• Resolution	n 2-17 Appointing Agent for Service of Process and Custodian of	
D 1.4	Records for the Year 2017	
	n 3-17 Designating Official Newspapers for the Commission	
• Resolution	n 4-17 Designating Authorized Depositories for Fund Assets and Establishing Cash Management Plan	
	n 5-17 Designating Commission Treasurer	
• Resolution	n 6-17 Designating Authorized Signatures for Commission Bank Accounts	
	n 7-17 Indemnifying Gloucester County Insurance Fund	
• Resolution	Commission Officials/Employees	
	n 8-17 Appointing A Commissioner to the New Jersey Counties	
• Resolution	Excess Joint Insurance Fund for Fund Year 2017	
Resolution		
• Resolution	n 9-17 Authorizing Commission Treasurer to Process Contracted Payments and Expenses	
	n 10-17 Fixing Public Meeting Dates for Year 2017	
	n 11-17 Appointing Defense Attorneys for the Fund Year 2017	
• Resolution	n 12-17 Appointing Defense Consulting Services to Conner Strong	
D 1.4	& Buckelew for Fund Years 2017, 2018, and 2019	
• Resolution	n 13-17 Plan of Risk Management for 2017	
	otion to approve Reorganization Resolutions Number 1-17 through 13-17	

□ 2017 Risk Management Plan (Appendix II) – The changes are highlighted in yellow. The pertinent changes in the plan are under the Property Deductible noted on page 8 of the plan, vacant properties deductible is \$250,000 and the deductible for EMS is \$20,000 per claim under the Med/Mal/GL on page 11.

- □ Meeting Dates for 2017 As we have done in the past there are no meetings scheduled for March, May, July, August and November. However, the Commissioners can decide with enough advanced notice to schedule additional meetings or cancel any meeting. This was approved with the Reorganization Resolutions.
- Defense Panel Appointments This was approved with the Reorganization Resolutions and is a one year appointment.
- □ Benefits Consulting Services Appointment Conner Strong & Buckelew is appointed for a three year term. This was approved with the Reorganization Resolutions.
- 2017 Property and Casualty Budget (Pages 26-27) At the December 15, 2016 meeting the 2017 Property and Casualty Budget was introduced. In accordance with the regulations, the budget was advertised in the Commission's official newspapers. The Public Hearing for the budget will be held at this meeting. A copy of the 2017 Property and Casualty Budget in the amount of \$5,847,988 appears on page 26. Also included in the agenda on page 27 is a copy of the assessments by member entity. The assessments are due on 3/15/17 (40%), 5/15/17 (30%), and 10/15/17 (30%). The CEL 2010 & 2011 Dividend and the GCIC 2010 & 2013 Dividend will appear as a credit on the first assessment bill.
  - □ Motion to open the Public Hearing on the 2017 Property & Casualty Budget
  - **Discussion of Budget and Assessments**
  - □ Motion to close the Public Hearing
  - Motion to adopt the Property & Casualty Budget for the Gloucester County Insurance Commission as presented for the Commission Year 2017 & Certify the 2017 Assessments
- □ 2017 Health Benefits Budget (Page 28) At the December 15, 2016 meeting the 2017 Health Benefits Budget was also introduced. In accordance with the regulations, the budget was advertised in the Commission's official newspapers. The budget amount has not changed since it was introduced. The Public Hearing for the budget will be held at this meeting. A copy of the 2017 Health Benefits Budget appears on page 28. The budget amount for 2017 is \$603,983. The budget reflects the self-insured dental program only.
  - **•** Motion to open the Public Hearing on the 2017 Health Benefit Budget
  - **Discussion of Budget and Assessments**
  - □ Motion to close the Public Hearing
  - □ Motion to adopt the Health Budget for the Gloucester County Insurance Commission as presented for the Commission Year 2017
- **Dental Delta Renewal Amendment (Page 29)** Attached on page 29 is a copy of the renewal amendment from Delta Dental for the period of 1/1/17 12/31/17.
  - □ Motion to approve the renewal amendment from Delta Dental for the period of 1/1/17 to 12/31/17.

□ Amendment to Safety Consultant Services Shared Services Agreement (Page 30) - Attached on page 30 is Resolution 14-17 prepared by the Commission Attorney to amend the Shared Services Agreement between the County of Gloucester and the Gloucester County Insurance Fund Commission. The agreement is amended to name Leigh Bary to provide safety consultant services due to the vacancy of Dean Sizemore.

# □ Motion to adopt Resolution 14-17 Amending the Shared Services Agreement

□ CAIR Motor Vehicle Reports – We have received the renewal invoice from the New Jersey Motor Vehicle Commission for the annual administrative fee of \$150. As we did in the past the Commission will pay for this expense and will be allocated to the miscellaneous and contingency account. The payment is included on the January Bill List.

#### Motion to approve payment to the New Jersey Motor Vehicle Commission in the amount of \$150 for the annual administrative fee for online motor vehicle reports

- □ NJ Excess Counties Insurance Fund (CEL JIF) The CEL will hold it Reorganization Meeting on February 23, 2017 at 1:00 PM at the Camden County College Regional Emergency Training Center.
- □ Certificate of Insurance Report (Page 31) Attached on page 31 is the certificate of issuance report from the CEL listing those certificates issued for the period of 12/1/16 to 12/31/16. There was 1 certificate of insurance during this period. The 2017 renewal certificates have been issued and the report will be included in the February agenda.
- □ GCIC Property and Casualty Financial Fast Track (Page 32) Included in the agenda on page 32 is a copy of the Property & Casualty Financial Fast Track Reports as of October 31, 2016. As of October 31, 2016 there is a statutory surplus of \$4,405,329. Line 10 of the report, "Investment in Joint Venture" is the Gloucester County Insurance Commission's share of the equity in the CEL, \$1,457,719. The total cash amount is \$6,155,040.
- □ NJ CEL Property and Casualty Financial Fast Track (Page 33) Included in the agenda on page 33 is a copy of the NJ CEL Financial Fast Track Reports as of October 31, 2016. As of October 31, 2016 there is a statutory surplus of \$7,627,617. The total cash amount is \$20,304,402.
- □ GCIC Health Benefits Financial Fast Track (Page 34) Included in the agenda on page 34 is a copy of Health Benefits Financial Fast Track for the month of October. As of October 31, 2016 there is a statutory surplus of \$150,632.

#### **RESOLUTION NO. 1-17**

#### **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 2017 commission year; and

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

Gerald A. White	Chairman
Michael Burke	Vice Chairman
Tamarisk Jones	Commissioner
Karen Christina	Alternate

**BE IT FURTHER RESOLVED** that the Chairman and Vice Chairman shall serve for a oneyear term through 2018 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 January 26, 2017.

#### **ADOPTED:**

BY:\_\_\_

GERALD A. WHITE, CHAIRMAN

ATTEST:

## **RESOLUTION NO. 2-17**

#### GLOUCESTER COUNTY INSURANCE COMMISSION APPOINTING AGENT FOR SERVICE OF PROCESS AND CUSTODIAN OF RECORDS FOR THE COMMISSION FOR THE YEAR 2017

**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 2017 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, Suite 216, Parsippany, NJ 07054 for the year 2017 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 January 26, 2017.

#### **ADOPTED:**

BY:\_

GERALD A. WHITE, CHAIRMAN

**ATTEST:** 

#### **RESOLUTION NO. 3-17**

#### 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 2017 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 2018 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 January 26, 2017.

**ADOPTED:** 

BY:\_

GERALD A. WHITE, CHAIRMAN

**ATTEST:** 

#### **RESOLUTION NO. 4-17**

#### **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 2017 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 2018 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 January 26, 2017.

#### **ADOPTED:**

BY:\_\_\_

GERALD A. WHITE, CHAIRMAN

ATTEST:

#### GLOUCESTER COUNTY INSURANCE COMMISSION

#### 2017 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.) <u>Authorized Depositories</u>

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.) <u>Authority for Investment Management</u>

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.) <u>Safekeeping</u>

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.) <u>Selection of Asset Managers, Custodial Banks and Operating Banks</u>

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.) <u>Audit</u>

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.) <u>Cash Management</u>

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. 5-17**

#### 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 2017 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 **Tracey N. Giordano** as GCIC Treasurer for the term commencing upon adoption of the within resolution through 2018 GCIC Reorganization; and

**BE IT FURTHER RESOLVED** that Tracey N. Giordano 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 January 26, 2017.

#### **ADOPTED:**

BY:\_

GERALD A. WHITE, CHAIRMAN

ATTEST:

#### **RESOLUTION NO. 6-17**

#### GLOUCESTER COUNTY INSURANCE 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 2017 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
MICHAEL BURKE	- Vice Chairman
TAMARISK JONES	- Commissioner
TRACEY N. GIORDANO	- Treasurer

**ADOPTED** by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on January 26, 2017.

#### ADOPTED:

BY:\_

GERALD A. WHITE, CHAIRMAN

ATTEST:

#### **RESOLUTION NO. 7-17**

## INDEMNIFYING GLOUCESTER COUNTY INSURANCE 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 2016 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 <u>N.J.S.A.</u> 59:10-1, <u>et seq</u>. and 59:10A-1 <u>et seq</u>.; 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 2017 through 2018 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 January 26, 2017.

**ADOPTED:** 

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

ATTEST:

#### **RESOLUTION NO. 8-17**

#### GLOUCESTER COUNTY INSURANCE COMMISSION APPOINTING A COMMISSIONER TO THE NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND FOR FUND YEAR 2017

**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 New Jersey Counties Excess Joint Insurance Fund (hereinafter the Fund) is duly constituted as a joint insurance fund; and

**WHEREAS**, the Fund by-laws require each member insurance commission to appoint one (1) commissioner to the Fund; and

**WHEREAS, Gerald A. White** is an employee of the County and the Commission having deemed it appropriate to designate Gerald A. White as commissioner to the Fund; and

**NOW THEREFORE BE IT RESOLVED** by the Commissioners of said Commission Gerald A. White is designated commissioner to the New Jersey Counties Excess Joint Insurance Fund for the Fund year 2017.

**ADOPTED** by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on January 26, 2017.

#### **ADOPTED:**

BY:\_

GERALD A. WHITE, CHAIRMAN

ATTEST:

#### **RESOLUTION NO. 9-17**

## 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 2017.

**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 January 26, 2017.

#### ADOPTED:

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

ATTEST:

# GLOUCESTER COUNTY INSURANCE COMMISSION 9 CAMPUS DRIVE, SUITE 216 PARSIPPANY, NJ 07054

#### TO: Members of the Commission

#### **2017 ANNUAL MEETING NOTICE**

Pursuant to Chapter 231, Laws of 1975, known as the Open Public Meeting Acts, the following have been designated as meeting dates of the Gloucester County Insurance Commission at which the business of said Commission may be formally discussed, decided or acted upon.

TIME	DATE	LOCATION	PURPOSE
9:30 AM	January 26, 2017	2 South Broad Street Conference Room B Woodbury, NJ	Re-Organizational Meeting
9:30 AM	February 23, 2017	"	Regular Meeting
9:30 AM	April 27, 2017	<u></u>	Regular Meeting
9:30 AM	June 22, 2017	<u></u>	Regular Meeting
9:30 AM	September 28, 2017	<u></u>	Regular Meeting
9:30 AM	October 26, 2017	"	Regular Meeting
9:30 AM	December 14, 2017	"	Regular Meeting

In addition such other meetings as may be required shall be scheduled and held, but pursuant to and with such additional notice as may be required by statute.

# By: PERMA Risk Management Services Administrator GLOUCESTER COUNTY INSURANCE COMMISSION

## **RESOLUTION NO. 10-17**

## GLOUCESTER COUNTY INSURANCE COMMISSION 2017 REGULAR MEETING SCHEDULE

**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 Open Public Meetings Act of the State of New Jersey, N.J.S.A.10:4-6 et seq. requires public bodies to adopt an annual schedule of regular meetings and to furnish the public with notice of said schedule in a manner more specifically said forth in said Act; and

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

1. The schedule of regular meetings of the GCIC for the year 2017 annexed hereto and made a part hereof be and is hereby adopted;

2. Copies of said annual schedule of regular meetings shall be posted and shall continue to be posted throughout the year on the bulletin board in the vestibule of the Court House, Woodbury, New Jersey;

3. Copies of said annual schedule of regular meetings shall be provided to the South Jersey Times and the Courier Post newspapers for publication;

4. A copy of said annual schedule of regular meetings shall be filed with the Gloucester County Clerk.

**ADOPTED** by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on January 26, 2017.

#### ADOPTED:

#### GERALD A. WHITE, CHAIRMAN

ATTEST:

#### GLOUCESTER COUNTY INSURANCE COMMISSION APPOINTING DEFENSE ATTORNEYS FOR FUND YEAR 2017

**WHEREAS**, the Gloucester County Insurance Commission (hereinafter the "Commission") is duly constituted as a joint insurance fund and is subject to certain requirements of the Local Public Contracts Law; and

**WHEREAS**, the Commissioners of said GCIC find it necessary and appropriate to designate approved defense attorneys so that claims filed against member entities for which the GCIC is obligated to provide a defense may be properly defended; and

**WHEREAS,** the Commissioners of said Commission resolve to award professional service agreements in accordance with a fair an open process pursuant to <u>N.J.S.A.</u> 19:44A-20.4 et. seq.; and

**WHEREAS**, the Commission conducted a publicly advertised Request for Proposals (hereinafter "RFP") process, 17-001, for the position of Defense Attorneys pursuant to New Jersey law and the County of Gloucester Request for Proposals Policy, as adopted by the Commission; and

**NOW THEREFORE BE IT RESOLVED**, by the Commission that the following appointments be made for the period January 1, 2017 through December 31, 2017.

Madden & Madden, P.A. Parker McCay, P.A. Chance & McCann, LLC Capehart Scatchard Brown & Connery, LLP John A. Alice

**BE IT FURTHER RESOLVED** that assignment of specific claims for defense shall be made by the attorney (solicitor) for the GCIC who shall supervise and coordinate the defense of matters in cooperation with the third party claims adjuster and in accordance with any Litigation Management Policy and other policies instituted by the GCIC; and

**BE IT FURTHER RESOLVED**, that compensation for the services shall be in accordance with the amounts budgeted for the specific services and that the GCIC will compensate defense attorneys at an hourly rate not to exceed \$150.00, paralegals at an hourly rate not to exceed \$75.00, and reasonable out of pocket expenses as approved by the GCIC attorney and claim administrator. The GCIC will compensate a Defense Attorney an hourly rate of \$200.00 for partners and \$175.00 for associates for employment related litigation.

Such amounts on these classes of claims shall conform with the Litigation Management Policy and other policies instituted by the GCIC; and

**BE IT FURTHER RESOLVED**, that copies of this Resolution shall be provided to the GCIC solicitor, third party claims administrator and those herein appointed for their information and attention.

**BE IT FURTHER RESOLVED**, the Commission is hereby authorized to execute contracts between the Commission and the service provider set forth in this resolution with terms and conditions as required by the Commission.

**ADOPTED** by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on January 26, 2017.

GERALD A. WHITE, CHAIRMAN

ATTEST:

## **RESOLUTION NO. 12-17**

## GLOUCESTER COUNTY INSURANCE COMMISSION APPOINTING BENEFITS CONSULTING SERVICES TO CONNER STRONG & BUCKELEW FOR FUND YEAR 2017, 2018 and 2019

**WHEREAS**, the Gloucester County Insurance Commission (hereinafter the "Commission") is duly constituted as a joint insurance fund and is subject to certain requirements of the Local Public Contracts Law; and

**WHEREAS**, there exists a need for the Commission to obtain certain professionals and other extraordinary and unspecifiable services;

WHEREAS, the Commissioners of said Commission resolve to award professional service agreements in accordance with a fair an open process pursuant to <u>N.J.S.A.</u> 19:44A-20.4 et. seq.; and

**WHEREAS**, the Commission conducted a publicly advertised Request for Proposals (hereinafter "RFP") process, HB # 17-002 for the position of Benefits Consulting Services pursuant to New Jersey law and the County of Gloucester Request for Proposals Policy, as adopted by the Commission; and

**NOW THEREFORE BE IT RESOLVED**, by the Commission that the following appointment be made for the period January 1, 2017 through December 31, 2019.

Conner Strong & Buckelew has been appointed as the Benefits Consulting Servicer, located at 40 Lake Center Executive Park, 401 Route 73 North, Suite 300, Marlton, NJ 08053. Conner Strong & Buckelew will provide the following services:

- Provide toll fee call center access to all active employees and retiree for all benefit related inquiries, advocacy and general assistance (some 1,500 active and retirees);
- Continue to manage billing administration for the dental, vision and life plans;
- Continue to handle day to day benefit administration of the dental, vision and life plans;
- Provide an on site primary client service associate to face off to the County one day a month;
- Assist with annual budget development and cost projections for all lines of coverage;
- Support the open enrollment process, including meetings;

- Support the County's collective bargaining process across all benefit areas;
- Monitor and evaluate the performance of the State Plan and evaluate other Market options;
- Support the County's collective bargaining process across all benefit areas;
- Support and manage on going and miscellaneous benefits projects as determined by the County;

Annual Consulting Fee of \$40,206 per year applicable for three years.

**BE IT FURTHER RESOLVED**, the Commission is hereby authorized to execute contracts between the Commission and the service provider set forth in this resolution with terms and conditions as required by the Commission.

**BE IT FURTHER RESOLVED,** by the Commissioners of said GCIC that Conner Strong & Buckelew acting as a "servicing organization" as defined in the GCIC's Rules and Regulations, shall execute said contract prepared by the GCIC and supply any surety bond along with errors and omissions coverage if required by law or deemed necessary in the sole discretion of the Commission.

Commissions related to the placement of any Voluntary Insurance Plans (employee paid coverages) for which the employee pays for the cost of said coverages.

**ADOPTED** by THE GLOUCESTER COUNTY INSURANCE COMMISSION at a properly noticed meeting held on January 26, 2017.

GERALD A. WHITE, CHAIRMAN

ATTEST:

MICHAEL BURKE

	GLOUCESTER COUNTY	INSURANCE C	COMMISSION
	2017 CERTIFIED BUDGET		
		CERTIFIED BUDGET	
	APPROPRIATIONS	CERTIFIED DODGET	
	I. Claims and Excess Insurance		
	Claims		
1	Property	178,000	
2	Liability	609,000	
3	Auto	104,000	
4	Workers' Comp.	1,217,000	
5			
6	Subtotal - Claims	2,108,000	
7			
8	Premiums		
9	XS JIF	1,806,739	
10			
11	SubTotal Premiums	1,806,739	
12	Total Loss Fund	3,914,739	
13			
14	II. Expenses, Fees & Contingency		
15			
16	Claims Adjustment	79,800	
17	Safety Director	0	
18	Safety Service	359,863	
19	General Expense		
20	Exec. Director	142,141	
21	Actuary	8,118	
22	Auditor	15,810	
23	Attomey	50,000	
24	Treasurer	20,022	
25	Underw riting Manager	56,160	
26			
27	Misc. Expense & Contingency	29,800	
28			
29	Total Fund Exp & Contingency	761,714	
	Risk Managers	255,840	
31	-		
32			
33	XS JIF Ancilliary Coverage		
34	POL/EPL	222,828	
35	XS POL/EPL	51,485	
36	Excess Liability	188,359	
37	Crime Policy	5,694	
38	Medical Malpractice	317,964	
39	Pollution Liabilty	43,057	
40	Employed Lawyers Liab	22,038	
41	Cyber Liability/ Special Coverages	60,496	
42	Aviation	3,773	
43		-,	
	Total FUND Disbursements	5,847,988	

	GLOUCESTER COUNTY INSURANCE COMMISSION								
	2017 CERTIFIED ASSESSMENTS								
		Assessments b	y Line						
Member ID	Member Name	Property	Liability	Auto	Workers' Comp.	NJC	E&C	RMC	Total
NJC006	Gloucester County	69,227	460,754	80,528	700,932	1,567,184	473,882	110,700	3,463,207
NJC007	Rowan College at Gloucester County	11,751	4,632	3,095	26,855	291,986	16,742	12,300	367,361
NJC008	Gloucester County Improvement Authorit	70,891	38,641	12,157	400,255	443,302	188,602	75,600	1,229,447
NJC009	Gloucester County Utility Authority	21,746	102,166	8,036	84,200	383,519	78,104	55,600	733,371
NJC010	Gloucester County Library	4,385	2,807	184	4,758	36,443	4,385	1,640	54,602
	Grand Totals:	178,000.00	609,000.00	104,000.00	1,217,000.00	2,722,433.22	761,714.45	255,840.00	5,847,987.67

# GLOUCESTER COUNTY INSURANCE COMMISSION HEALTH INSURANCE FUND

2016/2017 Budget Comparison based on claims through October 2016

Enrollment: As of October 2016

Delta Dental Premier - 820 covered Employees

County, Library, Division of Social Services

	LINE ITEMS	Proposed Budget FY 2016	Proposed Budget FY 2017	Change \$	Change %
1	Self Insured Claims				
2	Dental Claims	\$485,140	\$488,378	\$3,238	0.67%
3	Subtotal	\$485,140	\$488,378	\$3,238	0.67%
4					
5	Projected Trend	\$33,535	\$17,151	(\$16,384)	-48.86%
6					
7					
8	Subtotal Premiums	\$518,675	\$505,529	(\$13,146)	-2.53%
9					
10	Reinsurance				
11	Dental	\$0	\$0	\$0	0.00%
12	Subtotal Reinsurance	\$0	\$0	\$0	0.00%
13					
14	Claims Margin	\$17,764	\$15,166	(\$2,598)	-14.63%
15	Benefit Adjustment	N/A	\$10,414	\$10,414	N/A
16					
17	Total Loss Fund	\$536,439	\$531,109	(\$5,330)	-0.99%
18					
19	General Expenses				
20	Legal	\$0	\$0	\$0	0.00%
21	Treasurer	\$0	\$0	\$0	0.00%
22	Benefits Consultant	\$40,206	\$40,206	\$0	0.00%
23	Dental TPA admin fees	\$32,419	\$32,669	\$250	0.77%
24	Mise/Cont	\$0	\$0	\$0	0.00%
25	Plan Documents	\$0	\$0	\$0	0.00%
26	Total Expenses	\$72,625	\$72,875	\$250	0.34%
27					
28	Total Employee Contributions	\$0	\$0	\$0	0.00%
29	Total Budget	\$609,064	\$603,983	(\$5,080)	-0.83%

#### AMENDMENT TO THE AGREEMENT

#### COUNTY OF GLOUCESTER

#### GROUP NO. 03842

IT IS AGREED that in accordance with ARTICLE VI, Section 3 of the Contract between Delta Dental of New Jersey, Inc. and the above group, said Contract is hereby amended effective January 1, 2017 with the changes indicated below:

#### **ARTICLE III, Section 7** is amended to read:

Subscription charges under this Contract shall be as follows:

Sublocation(s)	COVERAGE	MONTHLY CHARGES
01-06		
	Super-Composite Admin Fee	\$3.32

The above rates are guaranteed from January 1, 2017 to December 31, 2017.

Except as herein amended, all terms and provisions of the Contract shall remain in full force.

#### DELTA DENTAL OF NEW JERSEY, INC.

Dennis G. Wilson President

Thomas C. Kahler

Thomas C. Kahler Vice President Underwriting & Actuarial Services

## **RESOLUTION NO. 14-17**

## RESOLUTION OF AUTHORITY FOR THE GLOUCESTER COUNTY INSURANCE COMMISSION TO ENTER INTO A SHARED SERVICES AGREEMENT WITH THE COUNTY OF GLOUCESTER

**WHEREAS**, the Gloucester County Insurance Commission and the County of Gloucester desire to enter into a Shared Services Agreement with respect to safety services;

**WHEREAS**, the Gloucester County Insurance Commission and the County of Gloucester have agreed to the terms of the Shared Services Agreement attached hereto as Schedule "A";

**WHEREAS**, Gloucester County Insurance Commission desires to execute the Shared Services Agreement attached hereto as Schedule "A", and;

**NOW THEREFORE BE IT RESOLVED**, by the Gloucester County Insurance Commission that the Chairman of the Gloucester County Insurance Commission is hereby authorized to execute the Shared Serviced Agreement attached hereto as Schedule "A";

**BE IT FURTHER RESOLVED**, that the proper Commission officials and/or their agents, be and are hereby authorized to execute such documents as necessary to effect the Shared Serviced Agreement attached hereto as Schedule "A".

**ADOPTED** by Gloucester County Insurance Commission at a properly noticed meeting held on January 26, 2017.

ADOPTED:

GERALD A. WHITE, CHAIRMAN

ATTEST:

MICHAEL BURKE

# Gloucester County Insurance Commission Certificate of Insurance Monthly Report

From 12/01/16 to 12/31/16 Holder (H) / Insured Name (I)	Holder / Insured Address	Code	Operations	Date Coverage
GCIC				
<ul><li>H- Gloucester County Institute of Technology</li><li>I- Rowan College at Gloucester County</li></ul>	1360 Taynard Road Sewell, NJ 08080 McAleer-Director of Athletics 1400 Tanyard Road Sewell, NJ 08080	1055	Certificate holder is additional insured where written contract or written mutual aid agreem agreement with the Named Assured, but only operations by or on behalf of the Named Ass limitations on coverage contained in any suc written mutual aid agreement or other written respects (see page 2) to the use of facilities by the Rowan College Basketball Team practices at GCIT's gymna:	y in respect to acts or sured, and subject to the h written contract or agreement with at Gloucester County Women's and Men's
<i>Total # of Holders =</i> 1			Company E: XS Worker Compensation XS Employers Liability Policy Term 1/1/16 to 1/1/17 Policy #	Statutory x \$1,000,000 \$5,000,000 x \$1,000,000 SP4054261

	FINANCIAL FAST TRACK REPORT						
	AS OF October 31, 2016						
			ARS COMBINED	ļ.			
		1					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE		
•		485,061	4,851,937	32,282,017	37,133,9		
	CLAIM EXPENSES						
	Paid Claims	155,025	1,522,740	8,735,059	10,257,7		
	Case Reserves	47,154	149,902	1,672,133	1,822,0		
	IBNR	(90,584)	(199,864)	1,469,582	1,269,7		
	Discounted Claim Value	(2,111)	(3,207)	(83,279)	(86,4		
	TOTAL CLAIMS	109.483	1,469,572	11,793,494	13,263,0		
	EXPENSES						
	Excess Premiums	221,829	2,219,614	14,255,491	16,475,1		
	Administrative	80,031	800,977	3,803,194	4,604,1		
					21,079,2		
	TOTAL EXPENSES	301,859	3,020,590	18,058,685			
	UNDERWRITING PROFIT (1-2-3)	73,718	361,775	2,429,838	2,791,6		
	INVESTMENT INCOME	0	0	7,237	7,2		
	PROFIT (4 + 5)	73,718	361,775	2,437,075	2,798,8		
	CEL APPROPRIATION CANCELLATION	0	0	148,760	148,7		
	DIVIDEND INCOME	0	0	48,953	48,9		
	DIVIDEND EXPENSE	0	0	(48,953)	(48,9		
	INVESTMENT IN JOINT VENTURE	1,968	238,702	1,219,017	1,457,7		
	SURPLUS (6 + 7 + 8)	75,686	600,477	3,804,852	4,405,3		
		75,000	000,477	5,004,052	4,403,3		
f	RPLUS (DEFICITS) BY FUND YEAR						
	2010	3,154	25,821	557,950	583,7		
	2011	(2,932)	(75,857)	81,969	6,1		
	2012	5,064	73,312	530,118	603,4		
	2013	4,411	168,342	1,222,076	1,390,4		
	2014	(8,784)	246,419	1,127,507	1,373,9		
	2015	1,126	(128,893)	285,232	156,3		
	2016	73,648	291,334		291,3		
n	TAL SURPLUS (DEFICITS)	75,686	600,477	3,804,852	4,405,3		
ŋ	TAL CASH				6,155,0		
/	AIM ANALYSIS BY FUND YEAR		11	l l			
^							
	FUND YEAR 2010						
	Paid Claims	0	(9,793)	1,828,933	1,819,1		
	Case Reserves	0	0	(0)			
	IBNR	0	0	0			
	Discounted Claim Value	0	0	0			
	TOTAL FY 2010 CLAIMS	0	(9,793)	1,828,932	1,819,1		
	FUND YEAR 2011						
	Paid Claims	24.950	122 170	2 5 7 9 6 1 0	2 200 2		
		24,859	122,178	2,578,619	2,700,7		
	Case Reserves	21,954	(39,119)	209,813	170,6		
	IBNR	(46,813)	(57,309)	35,405	(21,9		
	Discounted Claim Value	0	1,476	(7,839)	(6,3		
	TOTAL FY 2011 CLAIMS	0	27,227	2,815,998	2,843,2		
	FUND YEAR 2012						
	Paid Claims	47,385	209,970	1,672,599	1,882,5		
	Case Reserves	53,883	(123,171)	476,748	353,5		
	IBNR	(101,268)	(107,089)	37,013	(70,0		
	Discounted Claim Value	0	5,649	(12,590)	(6,9		
	TOTAL FY 2012 CLAIMS	(0)	(14,642)	2,173,769	2,159,1		
	FUND YEAR 2013						
	Paid Claims	20,821	99,263	1,208,028	1,307,2		
	Case Reserves	(3,959)	(77,458)	215,001	137,5		
	IBNR	(16,862)	(207,563)	215,309	7,7		
	Discounted Claim Value			(11,611)			
		0	5,648		(5,9		
	TOTAL FY 2013 CLAIMS	0	(180,111)	1,626,727	1,446,6		
	FUND YEAR 2014						
	Paid Claims	31,142	198,799	574,611	773,4		
	Case Reserves	(48,728)	(41,846)	265,330	223,4		
	IBNR	17,586	(335,212)	495,024	159,8		
	Discounted Claim Value	0	9,090	(20,323)	(11,2		
	TOTAL FY 2014 CLAIMS	0	(169,168)	1,314,642	1,145,4		
	FUND YEAR 2015						
	Paid Claims	3,291	359,795	872,269	1,232,0		
	Case Reserves	24,907	105,382	505,242	610,6		
	IBNR	(29,864)	(359,063)	686,830	327,7		
	Discounted Claim Value						
		0	5,527	(30,916)	(25,3		
	TOTAL FY 2015 CLAIMS	(1,666)	111,641	2,033,425	2,145,0		
	FUND YEAR 2016						
	Paid Claims	27,527	542,526		542,5		
	Case Reserves	(903)	326,114		326,1		
	IBNR	86,637	866,373		866,3		
	Discounted Claim Value	(2,111)	(30,597)		(30,5		
	TOTAL FY 2016 CLAIMS	111,150	1,704,416	0	1,704,4		
	TOTALTT LOTO CLAINS						
1	MBINED TOTAL CLAIMS	109,483	1,469,572	11,793,494	13,263,0		

			T TRACK REPORT		
AS OF October 31, 2016 ALL YEARS COMBINED					
				-	
		THIS	YTD	PRIOR	FUND
		MONTH	CHANGE	YEAR END	BALANCE
	UNDERWRITING INCOME	1,774,018	17,732,414	76,187,004	93,919,41
	CLAIM EXPENSES				
	Paid Claims	13,004	1,454,936	1,089,974	2,544,91
	Case Reserves	89,760	144,337	2,413,317	2,557,65
	IBNR	317,061	624,207	9,188,910	9,813,11
	Discounted Claim Value	(25,568)	(79,186)	(651,074)	(730,26
	TOTAL CLAIMS	394,256	2,144,295	12,041,128	14,185,42
	EXPENSES				
	Excess Premiums	1,256,275	12,559,766	52,056,606	64,616,37
	Administrative	131,636	1,301,033	5,652,271	6,953,30
	TOTAL EXPENSES	1,387,912	13,860,799	57,708,877	71,569,67
	UNDERWRITING PROFIT (1-2-3)	(8,150)	1,727,320	6,436,999	8,164,31
		4,225	36,125	184,725	220,84
	PROFIT (4+5)	(3,925)	1,763,445	6,621,724	8,385,16
	Dividend				
		0	0	150,000	150,00
	Cancelled Appropriations	0	0	607,551	607,55
	SURPLUS (6-7-8)	(3,925)	1,763,445	5,864,173	7,627,61
U	RPLUS (DEFICITS) BY FUND YEAR				
	2010	8,650	43,965	642,182	686,14
	2011	(11,395)	(188,976)	1,149,228	960,2
	2012	24,951	289,069	477,778	766,84
	2012	22,634	(60,396)	1,259,797	
		/			1,199,40
	2014	(57,536)	506,172	1,417,746	1,923,9
	2015	(3,803)	(121,545)	917,441	795,89
	2016	12,573	1,295,156		1,295,1
-	TAL SURPLUS (DEFICITS)	(3,925)	1,763,445	5,864,172	7,627,61
О.	TAL CASH				20,304,40
L	AIM ANALYSIS BY FUND YEAR				
	FUND YEAR 2010				
		0	001	102 454	104.20
_	Paid Claims	0	901	163,454	164,35
	Case Reserves	0	(0)	1	
	IBNR	(8,719)	(44,620)	326,545	281,92
	Discounted Claim Value	284	1,841	(11,008)	(9,16
	TOTAL FY 2010 CLAIMS	(8,436)	(41,879)	478,992	437,11
	FUND YEAR 2011				
	Paid Claims	0	91,234	144,097	235,3
	Case Reserves	24,999	302,701	262,007	564,70
	IBNR	(13,349)	(192,285)	623,896	431,6
	Discounted Claim Value	133	(8,954)	(41,637)	(50,59
	TOTAL FY 2011 CLAIMS	11,783	192,696	988,363	1,181,0
	FUND YEAR 2012				
	Paid Claims	3,388	610,058	515,889	1,125,9
	Case Reserves	(3,388)	(645,184)	856,270	211,0
	IBNR Discounted Claim Value	(26,125)	(275,343)	1,120,043	844,7
	Discounted Claim Value	1,576	25,403	(82,267)	(56,8
	TOTAL FY 2012 CLAIMS	(24,549)	(285,065)	2,409,934	2,124,8
	FUND YEAR 2013				
	Paid Claims	5,689	500,452	15,975	516,42
	Case Reserves	(6,689)	112,427	511,304	623,73
	IBNR	(22,277)	(566,155)	1,657,721	1,091,5
	Discounted Claim Value	1,231	19,898	(110,993)	(91,0
	TOTAL FY 2013 CLAIMS	(22,046)	66,621	2,074,007	2,140,62
	FUND YEAR 2014				
		2.020	140 171	120.000	200.2
	Paid Claims	3,926	140,171	120,096	260,2
	Case Reserves	74,817	(176,097)	313,106	137,00
	IBNR	(19,165)	(514,496)	2,411,798	1,897,30
	Discounted Claim Value	(1,260)	51,879	(164,745)	(112,8
	TOTAL FY 2014 CLAIMS	58,318	(498,543)	2,680,255	2,181,7
	FUND YEAR 2015				
	Paid Claims	0	112,120	130,464	242,58
	Case Reserves	0	550,427	470,629	1,021,0
	IBNR	4,993	(547,554)	3,048,907	2,501,3
	Discounted Claim Value	(308)	18,105	(240,424)	(222,3
	TOTAL FY 2015 CLAIMS	4,684	133,098	3,409,576	3,542,6
	FUND YEAR 2016	·			
		0	0		
	Paid Claims	0	0		
	Case Reserves	21	63		2 764 6
	IBNR	401,703	2,764,661		2,764,6
	Discounted Claim Value	(27,223)	(187,357)		(187,3
	TOTAL FY 2016 CLAIMS	374,500	2,577,366	0	2,577,3

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.

#### GLOUCESTER COUNTY INSURANCE COMMISSION HEALTH INSURANCE DIVISION FINANCIAL FAST TRACK REPORT AS OF OCTOBER 31, 2016

ALL YEARS COMBINED

		THE TENNO O	011211122		
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
<b>1</b> .	UNDERWRITING INCOME	47,650	479,345	82,546,153	83,025,497
2.	CLAIM EXPENSES				
	Paid Claims	37,526	390,483	73,311,193	73,701,676
	IBNR	507	(2,054)	40,487	38,433
	Total Claims	38,033	388,429	73,351,680	73,740,109
3.	EXPENSES				
	Excess Premiums	-	-	3,585,466	3,585,466
	Administrative	6,013	79,086	5,477,341	5,556,427
	Total Expenses	6,013	79,086	9,062,807	9,141,893
4.	UNDERWRITING PROFIT (1-2-3)	3,604	11,829	131,666	143,496
5.	INVESTMENT INCOME	-	-	7,136	7,136
6.	STATUTORY PROFIT (4+5)	3,604	11,829	138,802	150,632
9.	STATUTORY SURPLUS (6+7-8)	3,604	11,829	138,802	150,632

#### SURPLUS (DEFICITS), CASH, BY FUND YEAR

2010 SURPLUS	-	-	1,882,101	1,882,10
CASH	-	-	1,882,099	1,882,09
2011 SURPLUS	-	-	(1,616,746)	(1,616,74
CASH	-	-	(1,616,745)	(1,616,74
2012 SURPLUS	-	-	(163,367)	(163,30
CASH	-	-	(163,367)	(163,3
2013 SURPLUS	-	1,661	2,931	4,5
CASH	-	-	4,592	4,5
2014 SURPLUS	-	1,487	31,844	33,3
CASH	-	-	33,331	33,3
2015 SURPLUS	-	34,198	2,039	36,2
CASH	(0)	(48,734)	88,112	39,3
2016 SURPLUS	3,604	(25,517)	-	(25,5
CASH	54,379	85,091	-	85,0
2016 SURPLUS	3,604	11,829	138,802	150,6
TOTAL CASH	54,379	36,357	228,021	264,3

#### CLAIM ANALYSIS BY FUND YEAR

FUND YEAR 2010			00.554.044	00.554
Paid Claims	-	-	22,551,041	22,551
IBNR		-	-	
Total Claims	-	-	22,551,041	22,551
FUND YEAR 2011				
Paid Claims	-	-	34,451,946	34,451
IBNR			-	
Total Claims	-	-	34,451,946	34,451
FUND YEAR 2012				
Paid Claims	-	-	14,793,695	14,793
IBNR	-	-	-	
Total Claims	-	-	14,793,695	14,793
FUND YEAR 2013				
Paid Claims	-	-	540,221	540
IBNR	-	(1,661)	1,661	
Total Claims	-	(1,661)	541,883	540
FUND YEAR 2014				
Paid Claims	-	-	497,232	497
IBNR	-	(1,487)	1,487	
Total Claims		(1,487)	498,719	497
FUND YEAR 2015				
Paid Claims	-	-	477,058	477
IBNR	-	(34,198)	37,339	3
Total Claims		(34,198)	514,397	480
FUND YEAR 2016				
Paid Claims	37,526	390,483	-	390
IBNR	507	35,292	-	35
Total Claims	38,033	425,776	-	425
COMBINED TOTAL CLAIMS	38,033	388,429	73,351,680	73,740

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.

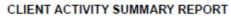


# CLIENT ACTIVITY REPORT

DECEMBER 2016

# 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.



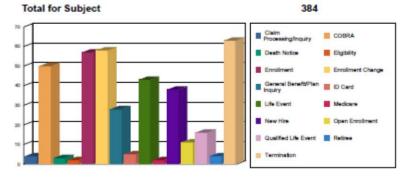


From: 12/1/2016 To: 12/31/2016

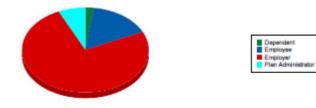
GCHIC - Gloucester County Health Insurance Commission

SUBJECT (DECEMBER)	# of Issues
Enrollment Change	7
General Benefit/Plan Inquiry	5
Life Event	10
New Hire	5
Open Enrollment	2
Retiree	1
Termination	14
Total for Subject	44
*	
	Errolment Change Gereal Bacetifiten Ingiry Elle Event New Hine Open Errolment Refine Termination

SUBJECT (YTD)	# of Issues
Claim Processing/Inquiry	4
COBRA	50
Death Notice	3
Eligibility	2
Enrollment	57
Enrollment Change	58
General Benefit/Plan Inquiry	28
ID Card	5
Life Event	43
Medicare	2
New Hire	38
Open Enrollment	11
Qualified Life Event	16
Retiree	4
Termination	63



CALL SOURCE (DECEMBER)	# of Issues
Dependent	1
Employee	7
Employer	33
Plan Administrator	3
Total for Call Source	44



CALL SOURCE (YTD)	# of Issues
Broker/Consultant	2
Carrier	1
Dependent	4
Employee	44
Employer	299
Other	20
Plan Administrator	7
Unidentified	7
Total for Call Source	384



CLOSED TIME (DECEMBER)	# of Days	%
Same Day	43	100%
Total for Time Range	43	100%

CLOSED TIME (YTD)	# of Days	%
Same Day	375	98%
1-5 Days	5	196
Over 10 Days	2	196
Total for Time Range	382	100%
	- 1-8	ne Dey Deys r 10 Deys

#### GLOUCESTER COUNTY INSURANCE COMMISSION BILLS LIST

#### **Resolution No. 15-17**

#### January 2017

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 20 CheckNumber		<u>Comment</u>	<u>InvoiceAmount</u>
<b>000638</b> 000638	MADDEN & MADDEN	LEGAL SERV FOR ANCILLARY COV - 12/2016	2,661.00 <b>2,661.00</b>
<b>000639</b> 000639	LAW OFFICE OF STEVEN J. BLUMENTHAL	LEGAL SERV FOR ANCILLARY COV - 11/2016	1,290.00 <b>1,290.00</b>
000640			
000640	COURIER-POST	ACCT: CHL-091699 - 12/21/16 - ADV17 BEN	9.45
000640	COURIER-POST	ACCT: CHL-091699 - 12/22/16 - ADV15 SYNO	120.15 <b>129.60</b>
<b>000641</b> 000641	BROWN & CONNERY, LLP	LEGAL SERV FOR ANCILLARY COV - 11/30/16	4,119.12 <b>4,119.12</b>
000642			
000642	ROBERT SCOLPINO	REIMBURSE MEDICAL, PRESCRIPTION 12/2016	629.68
			629.68
<b>000643</b> 000643	VIOLA YEAGER	REIMBURSE MEDICAL, PRESCRIPTION 12/2016	629.68 <b>629.68</b>
000644			027.00
000644	JUNE ATKINSON	REIMBURSE MEDICAL, PRESCRIPTION 12/2016	629.68 <b>629.68</b>
000645			
000645	NJ ADVANCE MEDIA	ACCT: 1159386 - 12/22/16 - HEALTH BENEFI	22.99
000645	NJ ADVANCE MEDIA	ACCT: 1159386 - 12/22/16 - BYLAWS	40.87 <b>63.86</b>
<b>000654</b> 000654	COURIER-POST	ACCT: CHL-091699 - 12/21/16 - ADV17 BDGT	27.00 <b>27.00</b>
	TOTAL PAYME	NTS FY 2016 10,179.62	27.00
FUND YEAR 2		10,17,02	
<b>CheckNumber</b>	<u>VendorName</u>	Comment	<b>InvoiceAmount</b>
000646			
000646	DIVISION OF PENSIONS & BENEFIT	MEDICAL BENEFITS - SUSAN TYMPEL - 01/2017	1,340.22 <b>1,340.22</b>
000647 000647 000648	INSERVCO INSURANCE SERVICES	CLAIMS ADMIN - 01/2017	6,650.00 <b>6,650.00</b>
000040			

000648	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 01/2017	11,845.10 <b>11,845.10</b>
<b>000649</b> 000649	HARDENBERGH INSURANCE GROUP	UNDERWRITING SERVICES FEE 01/2017	7 4,680.00 <b>4,680.00</b>
<b>000650</b> 000650	THE ACTUARIAL ADVANTAGE	ACTUARIAL SERVICES FEE 01/2017	676.50 <b>676.50</b>
<b>000651</b> 000651	LONG MARMERO & ASSOCIATES, LLP	ATTORNEY FEE 1/16/2017	3,495.00
000651	LONG MARMERO & ASSOCIATES, LLP	ATTORNEY FEE 1/17/2017	2,430.00 <b>5,925.00</b>
<b>000652</b> 000652	NJ MOTOR VEHICLE COMMISSION	ACCT: OL009120 - 2017 ANNUAL ADMIN	
<b>000653</b> 000653	HARDENBERGH INSURANCE GROUP	RMC FEE 01/2017	21,320.00 <b>21,320.00</b>
	TOTAL PAYMEN	NTS FY 2017	52,586.82

# TOTAL PAYMENTS ALL FUND YEARS \$ 62,766.44

Chairperson

Attest:

Dated:\_\_\_\_

Treasurer

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

#### Resolution No. 16-17

#### JANUARY 2017

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 2	<u>017</u>			
CheckNumber	VendorName	Comment		InvoiceAmount
W0117				
W0117	CONNER STRONG & BUCKELEW	CSB CONSULTING F	FEE 01/2017	530.50
W0117	<b>CONNER STRONG &amp; BUCKELEW</b>	PERMA CONSULTIN	NG FEE 01/2017	2,820.00
				3,350.50
	TOTAL PAY	MENTS FY 2017	3,350.50	

#### TOTAL PAYMENTS ALL FUND YEARS \$ 3,350.50

Chairperson

Attest:

Dated:\_\_\_

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

Treasurer

CUMMADY OF CASH AND DIVESTM		rc .		
SUMMARY OF CASH AND INVESTM		15		
GLOUCESTER COUNTY INSURANCI	E COMMISSION			
ALL FUND YEARS COMBINED	-			
CURRENT MONTH	October			
CURRENT FUND YEAR	2016			
	Description:	GCIC Deposit Acct	GCIC WC Claims	GCIC Liability Claim
	ID Number:			
	Maturity (Yrs)			
	Purchase Yield:			
	TO TAL for All			
A	cts & instruments			
Opening Cash & Investment Balance		5,591,323.27	-57816.26	20507.8
Opening Interest Accrual Balance	\$0.00	5,591,525.27	-37810.20	20507.8
Opening interest Acciual balance	\$0.00	-		U
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 Realized 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	\$1,091,738.16	\$1,002,027.92	\$71,775.95	\$17,934.29
10 (Withdrawals - Sales)	-\$490,713.44	-\$334,022.22	-\$138,756.93	-\$17,934.29
		-\$244,311.98		
Ending Cash & Investment Balance	\$6,155,039.53	\$6,259,328.97	-\$124,797.24	\$20,507.80
Ending Interest Accrual Balance	\$0.00	\$0.00	\$0.00	\$0.00
Plus Outstanding Checks	\$173,641.03	\$36,154.13	\$136,906.90	\$580.00
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00
Balance per Bank	\$6,328,680.56	\$6,295,483.10	\$12,109.66	\$21,087.80

	GLOUCESTER COUNTY INSURANCE COMMISSION						
	SUMMA	ARY OF CASH T	RANSACTIONS	S - ALL FUND YEA	ARS COMBINED		
Current Fund Year: 2	016						
Month Ending: C	October						
	Property	Liability	Auto	Worker's Comp	NJ CEL	Admin	TO TAL
OPEN BALANCE	463,095.04	4,044,624.92	21,231.22	1,282,810.48	(382,981.49)	125,234.64	5,554,014.81
RECEIPTS							
Assessments	23,386.50	139,639.89	22,996.85	203,345.32	447,135.87	163,857.49	1,000,361.92
Refunds	0.00	0.00	1,666.00	0.00	0.00	0.00	1,666.00
Invest Pymnts	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
Subtotal Invest	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
TOTAL	23,386.50	139,639.89	24,662.85	203,345.32	447,135.87	163,857.49	1,002,027.92
EXPENSES							
Claims Transfers	0.00	22,007.80	657.44	134,025.52	0.00	0.00	156,690.76
Expenses	0.00	0.00	0.00	0.00	0.00	244,312.01	244,312.01
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	22,007.80	657.44	134,025.52	0.00	244,312.01	401,002.77
END BALANCE	486,481.54	4,162,257.01	45,236.63	1,352,130.28	64,154.38	44,780.12	6,155,039.96

#### **RESOLUTION 17-17**

# 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 January 26, 2017 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 12/1/16 to 12/31/16, 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 January 26, 2017.

**ADOPTED:** 

GERALD A. WHITE, CHAIRMAN

ATTEST:

MICHAEL BURKE, VICE CHAIRMAN

				nancial T	cester Co Ins Commissio ransaction Log - Liability Cla y Coverage / By Payment Typ	im Payments	Number			
					12/01/2016 Thru 12/31/201	6				
Type Check#	Cain #	Claiment Name	From Diele	To Date	Payee Name	Trens. Dele	Payment Description		Ant. Requested	Ant. Pold
						1	nservco	Report	Terminol	ogy
Reporting Name		<b>Business Name</b>			Business Description					
Amount/Amt Peld		Amount Peld			Amount actually paid or received					
Amount Ant Requested		Amount Requested			Amount requested to be paid					

As Of Date/To Date	Report End Date	Ending date of transactions on report, usually month and	
Peyment Type	Type	Types of trensactions-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	

Dete: \$152017 FinancialTransaction



Page 1

					Fi		ster Co Ins Commission - 3 Insaction Log - Liability Claim P				
					Monthly /		overage / By Payment Type / B 2/01/2016 Thru 12/31/2016	ly Check Nu	mber		
Туре	Check#	Ciaim#		Cairrant Name	From Date	To Dete	Payee Name	Trens. Date	Payment Description	Ant. Requested	Ant. Pa
Cove	rage: Auto Liab	dity									
C	5010	3530001444	001	TULL, DANA	11/1/2016	11/29/2016	PARKER MCCAY	129/2016	INV 3017263	2,225.45	2,225.4
C	5011	3530000629	002	CRAM, MICHAEL	11/4/2016	11/30/2016	PARKER MOCAY	129/2016	INV 3017282	1,988.98	1,968.
C	5019	3530000629	002	CRAM, MICHAEL	6/30/2016	7/26/2016	PARKER MCCAY	12/22/2016	LEGAL FEE - INV #3005955	1,815.40	1,816.4
C	5021	3530001612	001	WILDRICK, JONATHAN	8/10/2016	8/10/2016	JONATHAN WILDRICK	1222/2016	FULLIFINAL SETTLEMENT OF ALL CLAIMS	575.44	575.4
Total	for Coverage: A	Auto Liabilit	у					Number of e	ntries: 4	6,606.27	6,606.2
Cove	rage: General L	iability									
C	5007	3530001591	001	RADUNGER, STEPHANE	8/9/2016	8/30/2016	BROWN & CONNERY LLP	129/2016	BILL #193026	3,378.56	3,378
0	5008	3530001591	001	RADUNGER, STEPHANE	811/2016	9/29/2016	BROWN & CONNERY LLP	129/2016	BILL #194415	3,467.98	3,467.
0	5009	3530001591	001	RADUNGER, STEPHANE	10/3/2016	10/27/2016	BROWN & CONNERY LLP	129/2016	BILL #195043	3,591.67	3,591.
C	5013	3530001088	001	ERRICO, SYDNEY	9/25/2016	9/25/2016	MADDEN & MADDEN PA	129/2016	STATEMENT #2 CLIENT #70200-036M	75.00	75
C	5014	3530001117	001	ANDERSON, ALBERT	9/13/2016	10/17/2016	MADDEN & MADDEN PA	129/2016	LEGAL FEE - STMT #10	645.00	645.
C	5015	3530001140	001	MEDINA, EDWIN	8/2/2016	10/25/2016	MADDEN & MADDEN PA	129/2010	LEGAL FEE - STMT #1	1,143.00	1,143.
C	5016	3530001270	001	MCCLOSKEY, MATTHEW	8/15/2016	10/11/2016	MADDEN & MADDEN PA	129/2016	LEGAL FEE - STMT #7	2,115.00	2,115.
c	5017	3530001270	001	MCCLOSKEY, MATTHEW	10/5/2016	10/27/2016	ARCHER & GREINER PC	129/2016	LEGAL FEE - INV #4058139	6,090.58	6,090.0
C	5018	3530001591	001	RADUNGER, STEPHANE	11/3/2016	11/21/2016	BROWN & CONNERY LLP	12/22/2016	LEGAL FEE - BILL #190357	415.50	415.
C	5020	3530001068	001	SORENSON, KELLY	10/21/2016	11/29/2016	CHANCE & MCCANNILLC	12/22/2016	INV 12852	195.00	195.0
Total	for Coverage: (	General Liab	ility					Number of e	ntries: 10	21,117.39	21,117.3
	rage: Police Pro										
c	5012	3530000547	001	DEAN, TAHARDA	11/3/2016	12/5/2016	MADDEN & MADDEN PA	129/2016	IC# 32052-000M	9,085.80	9,080.8
Total	for Coverage: F	Police Profe	ssional					Number of e	ntries: 1	9,086.80	9,086.8
Cove	rage: Property										
C	5022	3530001369	001	ROWAN COLLEGE @	0/23/2015	6/23/2015	ROWAN COLLEGE @ GLOUCESTER CTY	12/28/2016	Settlement of Property Claim	236,716.00	236,716.
C	5023	3530001359	001	GLOUCESTER COUNTY LIBRARY	6/23/2015	6/23/2015	GLOUCESTER COUNTY LIBRARY	12262016	Settlement of Property Claim	3.00	3.
c	5024	3530001361	001	GCIA EXCAVATOR	6/23/2015	6/23/2015	GLOUCESTER COUNTY IMPROVEMENT	1226/2016	Settlement of Property Claim	117,913.00	117,913.
Total	for Coverage: F	Property						Number of e	ntries: 3	354,632.00	354,632.0
Tana	for Gloucester	Co Inc Com	mineia	- 363				Number of e		391,442,45	391,442,4

Dete: V10017 Francie/Transction



Page 2



Gloucester County Insurance Commission Bill Review / PPO Savings 2016



Carrier	Month	Total Bills	In-network Bills Penetration Rate	Total Provider Charge	In-network Charges Penetration Rate	Total Allowed'	CSG Negotiated Reductions <sup>2</sup>	PPO Reductions <sup>3</sup>	Bill Review Reductions*	Total Reductions	Total Access Fees	Net Reductions
Inservco	January	46	84.78%	\$29,838.88	76.93%	\$18,414.56	\$458.04	\$5,631.04	\$5,335.24	\$11,424.32	\$1,187.70	\$10,236.62
	February	51	78.43%	\$143,884.46	71.39%	\$50,101.74	\$0.00	\$18,736.87	\$75,045.85	\$93,782.72	\$8,627.58	\$85,155.14
	March	44	95.45%	\$19,525.51	95.15%	\$12,207.21	\$177.00	\$3,596.61	\$3,544.69	\$7,318.30	\$1,016.20	\$6,302.10
	April	56	85.71%	\$43,805.27	85.87%	\$22,684.97	\$72.00	\$7,453.60	\$13,594.70	\$21,120.30	\$2,956.84	\$18,163.46
	Мау	57	78.57%	\$60,312.56	79.32%	\$36,413.40	\$0.00	\$12,843.27	\$11,055.89	\$23,899.16	\$3,324.32	\$20,574.84
	June	33	96.97%	\$30,864.68	91.90%	\$16,474.56	\$0.00	\$5,545.85	\$8,844.27	\$14,390.12	\$2,014.62	\$12,375.50
	July	50	84.00%	\$28,910.19	89.76%	\$21,601.46	\$0.00	\$5,921.49	\$1,387.24	\$7,308.73	\$1,023.23	\$6,285.50
	August	65	80.00%	\$124,142.07	90.08%	\$63,073.07	\$0.00	\$52,832.47	\$8,236.53	\$61,069.00	\$8,549.69	\$52,519.31
	September	75	86.67%	\$98,890.25	88.93%	\$27,201.29	\$0.00	\$15,082.24	\$56,606.72	\$71,688.96	\$6,176.39	\$65,512.57
	October	54	81.48%	\$24,149.25	69.51%	\$14,797.64	\$93.60	\$4,911.63	\$4,346.38	\$9,351.61	\$1,183.23	\$8,168.38
	November	45	82.22%	\$90,602.03	91.58%	\$57,174.33	\$0.00	\$21,882.63	\$11,545.07	\$33,427.70	\$4,084.72	\$29,342.98
	December	38	84.21%	\$18,989.31	90.17%	\$11,913.08	\$36.88	\$3,293.98	\$3,745.37	\$7,076.23	\$990.67	\$6,085.56
YTD Total		614	84.54%	\$713,914.46	84.74%	\$352,057.31	\$837.52	\$157,731.68	\$203,287.95	\$361,857.15	\$41,135.18	\$320,721.97

Monthly Summary	December
Total Savings (before fees):	\$7,076.23
Percent Savings:	37%
NET SAVINGS:	\$6,085.56
Percent NET SAVINGS:	32%

YTD Summary	
Total Savings (before fees):	\$713,914.46
Percent Savings:	51%
NET SAVINGS:	\$320,721.97
Percent NET SAVINGS:	45%

#### Report Footnotes:

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



# GLOUCESTER COUNTY INSURANCE COMMISSION

# SAFETY DIRECTOR'S REPORT

- TO: Fund Commissioners
- **FROM:** J.A. Montgomery Risk Control, Safety Director

**DATE:** January 19, 2017

# GCIC SERVICE TEAM

# December – February 2017

David McHale, Public Sector Director dmchale@jamontgomery.com Office: 732-736-5213 Cell: 732-673-4802	Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Executive Assistant <u>ndougherty@jamontgomery.com</u> Office: 856-552-4738
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# **RISK CONTROL ACTIVITIES**

# MEETINGS ATTENDED / TRAINING / LOSS CONTROL VISITS CONDUCTED

- **December 6:** Attended the GCIC Safety Committee Meeting in Woodbury.
- **December 15:** Attended the GCIC Meeting in Woodbury.
- January 12: Attended the GCIC Safety Kickoff Meeting in Sewell.

# UPCOMING MEETINGS / TRAINING / LOSS CONTROL VISITS PLANNED

- January 26: Plan to attend the GCIC Meeting in Woodbury.
- January 27: One session of Back Safety/Material Handling and one session of Asbestos, Lead, and Silica Health Overview are scheduled for GCIC-RCGC.

- February 7: Plan to attend the GCIC Safety Committee Meeting at the GCIA.
- **February 8:** One session of Office Safety is scheduled for GCIC.
- **February 14:** Plan to attend the GCIC Claims Committee Meeting via conference call.

# CEL MEDIA LIBRARY USAGE

No Videos have been utilized in 2017.

# SAFETY DIRECTOR BULLETINS

• Best Practices for Snow Emergencies – January 11.

Safety Director Bulletin

One in a series of safety bulletins from your Joint Insurance Fund

January 2017

# Best Practices for Snow Emergencies

The following guidelines are offered as suggestions when planning for emergency operations presented by winter storms. Every storm event is different and needs and resources will vary. This document offers best practices that have been identified by our members regarding hours of operation, rest breaks, and rotating schedules for before, during and after snow events.

Emergency planners are also encouraged to refer to federal and state CDL driving limitations, and other standards or regulations that may apply.

# Pre-planning issues

J.A.Montgomery

Risk Control

- Chain of command
  - Identify who will hold command staff positions. Plan for at least two persons for each command staff
    position to man the command center around the clock for the first day or two for major snow events.
  - Develop a written snow plan with defined roles and hierarchy.
  - Verify emergency contact information.
- Staffing
  - Supplement crews with back ups, including contractors, utilities, fire department and per diem drivers
  - Consider developing a list of retired CDL drivers you might call upon.
  - Consider areas that may require the use of contractors with specialized equipment i.e. cul-de-sacs.
  - Consider having departments clear their own lots if possible; i.e. fire departments and utilities.

#### Shift work planning

- Remind workers of need to prepare their homes and families for their absence during the emergency.
- Plan for rest breaks / sleeping accommodations
  - Entities may need to encourage drivers to stay at local facilities. Provide sleeping arrangements at fire and EMS stations, or senior centers.
  - Ensure quiet time at these locations.
  - · Plan for possible power interruptions at these locations.

#### Plan for Health and Welfare

- Consider needs for food and hydration.
- Educate workers on appropriate winter and protective apparel.
- Remind workers to pack personal items such as medications, special dietary needs, etc.
- Remind supervisors and employees that employees on transitional duty may not work beyond their medical restrictions.

# Operations during storm

- Establish priority routes and areas
  - · Clear parking lots and access routes of emergency response agencies (i.e. police, fire, and EMS) first
  - Consider providing sand / salt to use until clearing occurs at facilities

This bulletin is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization's policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, contact your Safety Director at 877.398.3046.

Page 1

- Communication plans / telephone or radio contact
  - Establish who will operate as Base (part of incident command structure)
  - Determine who takes calls from residents, both emergency and non-emergency (complaints)
  - Establish liaison with towns or agencies, news agencies, etc.
  - Ensure operators remain in constant contact with base
  - · Establish procedures for reporting and responding to accidents / incidents
- Deteriorating Storm Conditions "When to temporarily halt operations"
  - Who will make the final call
  - Include the criteria for "temporary halting of operations" in plan, i.e., discontinuing operations until conditions improve, with consultation of major stakeholders,
  - · Encourage all who are in the field to report status of conditions for the safety of the entire crew
- Rest breaks / Fatigue
  - Inform drivers that they have the personal responsibility to pull themselves from driving if they feel
    overly fatigued or diminished. Have a procedure on how the driver will report to a supervisor and how
    to address the situation within employment agreements.
- Rotations
  - Incorporate travel distance to work into shift planning. Those who live farthest, home after 12 hours to sleep and return for next shift.

# Post-Storm Operations

#### Return to normal operations

- As conditions normalize, transition back to normal 8-hour shifts
- Consider the impact of fatigue from the extended shifts when transitioning back to normal operations.
- Inspect, repair and perform routine maintenance on equipment
- Conduct after-incident debriefing
  - Review with all stakeholders what worked and what challenges were encountered
  - Update Snow Emergency Plan with lessons learned from the event

#### Liability issues - Recommendations to limit liability

- Maintain a record of weather conditions
- Document actions taken, date, time, crews, equipment employed, and materials (salt etc.) used
- Record all complaints with date and time received
- Document specific actions taken and time of action in response to complaints
- Take photographs to record weather conditions and incidents
- Preserve newspaper articles on storm severity and clean up activities
- Work with police to have their accident reports supplemented with photographs showing conditions

Snow events are difficult. Proper planning and training can ease the strain on employees, managers, and the community.



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TO:Commissioners of the Gloucester County Insurance Commission (GCIC)CC:Joseph Hrubash, GCIC Executive DirectorFROM:Christopher Powell and Bonnie Ridolfino, Risk Management ConsultantDATE:1/23/17RE:Risk Management / Underwriting Services Director's Report

#### I. Risk Management Services

#### A. 2017 Safety Kick-Off Meeting

Attached is a summary of the evaluations. The actual attendance was 117. As presented, the GCIC Safety Team will be meeting with 8 departments within the next few months to review their claims experience and develop a 2017 safety action place. The Departments/Members are (in order): County EMS, County Public Works, IA – Nursing Home, RC@GC – Building and Grounds, County – Parks, IA – Solid Waste Division, UA, County Sherriff's Department.

#### B. 2017 Risk Management Plan – INFORMATIONAL PURPOSES ONLY

Per the Executive Director's Report, the only 2 changes to the 2017 Risk Management Plan are:

1) Deductible for Vacant Buildings will be \$250,000 in lieu of the member's deductible.

Our file indicates that no member has any vacant building; and

2) The deductible for medical malpractice claims for the County EMS department is being increased from \$10,000 per claim to \$20,000 per claim. Our file indicates that there have been no payments for any claims under this coverage for the EMS department.

#### C. 2017 Claims Charter

Attached is the 2017 Claims Charter. The only amendment is replacing Matt Lyons with Tom Campo as the County representative.

Action Requested: Motion to adopt the revised Claims Charter.

#### **D.** Claims Review

The Claims Review is scheduled for March 2, 2017 at the County Administration Building. Representatives from the County Safety Department, Conner Strong, Hardenbergh Insurance Group will meet with the Inservco Claims Adjusters to review claim files (wc/general liability/auto liability/property/law enforcement legal). A report of the findings will be presented to the Commissioners.

#### E. GCIC - Hardenbergh Insurance Group Service Team

Christina Violetti will be the account manager servicing the Commission and its members. She has been the account manager for Cumberland County Insurance Commission for two years. Joe Henry will be assisting Christina with the safety effort of the Commission. He has

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been the Public Entity Department's safety representative for 7 years. We anticipate a smooth transition.

#### II. Underwriting Services Director

#### A. Ancillary Coverages

The following coverages for members could not be placed through the GCIC/NJCELJIF for its master programs at this time and it has been determined the following bond/policies need to be renewed.

All terms and conditions are per expiring.

Member	Coverage	Carrier	Exp. Date	Expiring Premium	Renewal Premium
County	Bond – Dalton	CNA	03/09/17	\$70.00	\$70.00
County	Bond – Scirrotto	CNA	04/02/17	\$70.00	\$70.00
County	Volunteer Accident	National Union	03/01/17	\$2,894	\$2,894

Action Requested:

*Motion* to authorize the Underwriting Services Director to renew the policies listed above.

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# GLOUCESTER COUNTY INSURANCE COMMISSION

The Gloucester County Insurance Commission is committed to meeting the safety and regulatory needs of its employees. Please take a moment to complete this form so that we may continue to enhance future training.

Date: <u>1/12/17</u>					Course: GCIC 2017 Safety Kick Of				
	-	ine O'Hearn/ t			Locat	tion: <u>Rowan College</u>	<u>e at GC</u>		
Prese	ntation Eval	uation:							
1.	The purpose	e and goal of the	ne meeting	was clearly stated	d.				
	Yes	<u>92</u> No	0						
2.	Each presen	tation was eas	ily underst	ood.					
	Yes <u>9</u> 2	2 No	0	Somewhat	Not at	all			
3.	The materia	al presented m	et your skil	ll level and experi	ience.				
	Yes _92	2No	0	Somewha	at	Not at all			
Prese	nter Evaluat								
	The present	ation was well 2No		Somewha	at	Not at all			
		<u>2 No 0</u>	•	nd other concerns Somewhat		NO Comment			
	The meeting			e adequate and co	omfortable?				
	Comments:	Chairs we	re tight						
	Commenter		0	e comfortable					
		Too hot		e connortable					
		Seats to sn	nall						
		Chairs ver		ortable					
		Room was	•						
Misce	llaneous		very cicui	•					
	vill you assign			employees in 201 o Comment <u>33</u>	7?				
If not,	why:								
	1. Intra of	fice requirem	ent to regu	larly review HR	policies (E	<b>Emergency Response</b>	e)		

2. None applied

- 3. Will explore the opportunity and feasibility
- 4. NA-I don't assign training
- 5. Looking to have available stand alone computer for online training (Tom Sullivan GCIA)
- 6. Digital Security/Privacy
- 7. Looking to install computer at Solid Waste Complex for employee training on solid waste topics, equipment, safety, RTK, driving etc.
- 8. Decrease on duty injuries (Edward J. Johnson)
- 9. If available (Tom Campo)
- 2. Training you would like to see in 2017:
  - 1. Active Shooter (Dream Park)
  - 2. How to fill out forms
  - 3. Active Shooter (Senior Services)
  - 4. Sensitivity Training
  - 5. Active Shooter
  - 6. Office Safety (Pete Mercanti-Purchasing)
  - 7. Driving EVOC
  - 8. Back Safety (RCGC)
  - 9. Cultural Competencies
  - 10. Equipment training, safety, RTK, Driving (Solid Waste Complex)

I would like more information on:
 <u>Site Survey</u> 4\_\_\_\_
 Michelle Shirey

RCGC

Accident Investigation 4

Michelle Baylor

Job Site Observation 4

Wayne Wurtz

RCGC

Toolbox Talks 2

Dream Park Pete Scirrotto

#### Any other comments:

- 1. Well spoken presenter. Real examples we can relate to.
- 2. Very good presenter. Thank you.
- 3. All Supervisors should receive harassment training. Also all blue collar workers. (
- 4. Would like this training available to all employees yearly.
- 5. Very good training.
- 6. Christine did a great job. Bonnie did a great job as well.
- 7. Would like forms on PDF so when incidents occur can write on them.

- 8. Well thought out event. Very comprehensive for time allowed.
- 9. Well prepared course. Thanks.
- 10. Overall excellent encapsulation of managerial and supervisory responsibilities regarding EEO. (Milton H)
- 11. Please share presentation with attendees.
- 12. Well spoken. Very clear. Made it very applicable without adding personal views as previous training by County.
- 13. The annual workshop is worthwhile and appreciated. (Emergency Response)

# CLAIMS COMMITTEE MEETING SCHEDULE CLAIM COMMITTEE MEMBERS CLAIMS COMMITTEE CHARTER

#### 2017 Meeting Schedule

#### The Claims Committee will conduct meetings on the following dates:

Claims Committee Meetings will be held on the second Tuesday of each month at 9:00am telephonically.

# 2017 CLAIMS COMMITTEE

#### Name

Gerald White (Designee) Tom Campo John Vinci, Sr. Elizabeth Hall Carmen Trifiletti Anne Wodnick Affiliation / Member Gloucester County Insurance Commission

Gloucester County Gloucester County Utilities Authority Rowan College at Gloucester County Gloucester County Improvement Authority Gloucester County Library Commission

#### **Fund Professionals**

Joseph Hrubash, Executive Director Doug Long, GCIC Attorney Inservco Claims Services Consolidated Services Group, Inc. Hardenbergh Insurance Group J.A. Montgomery Conner Strong & Buckelew

> Adopted - 10/28/10 Revision #1 - 7/25/13 Revision #2 - 4/20/15 Revision #3 - February 2016 Revision #4 - January 2017

# GLOUCESTER COUNTY INSURANCE COMMISSION CLAIMS COMMITTEE CHARTER

The Gloucester County Insurance Commission hereby constitutes and establishes a Claims Committee, an advisory committee authorized by the Commission's rules and regulations:

# **Composition**

The Claims Committee shall be comprised of at least one representative from each member of the Gloucester County Insurance Commission and a representative designated by the Gloucester County Insurance Commissioners.-Each representative shall have one vote.

Also serving on the Committee, with no voting privileges, shall be a representative from the Executive Director's office, the Fund Attorney, a representative from the Risk Management Consultant's office, a representative from the Third Party Administrator's office, a representative from the CEL's Safety Director's office.

# Authority and Responsibility

- The Claims Committee shall review and recommend for approval or denial all payment authority requests which are subject to any combination of payments that exceeds fifteen thousand dollars (\$15,000) for Property including Boiler & Machinery, Auto Liability, General Liability including Law Enforcement Legal Liability, and Workers' Compensation Claims, inclusive of legal fees, expenses, and such other items to be charged to the Gloucester County Insurance Commission. This notification also includes any prior claim where a request for additional payment authority is needed beyond an amount previously approved, any requests for lien compromises, and any subrogation abandonment requests.
- 2. The Claims Committee shall develop and recommend claims cost containment programs.

# Claims Committee Bylaws

The Claims Committee of the Gloucester County Insurance Commission was established in October, 2010 where the Gloucester County Insurance Commission adopted a resolution appointing certain employees of member entities to the Claims Committee, an advisory committee authorized by the Commission's rules and regulations. The Commission will annually adopt a resolution stating the committee members and meeting schedule. The Committee's operational guidelines are set down herein and may be amended by the Commissioners of the Gloucester County Insurance Commission.

> Adopted - 10/28/10 Revision #1 - 7/25/13 Revision #2 - 4/20/15 Revision #3 - February 2016 Revision #4 - January 2017

# <u>Meetings</u>

The Claims Committee shall meet at least monthly and as many times as the Committee Chairman deems necessary; provided, however, if there are five or less payment authority requests to review in one month, the Claims Committee may conduct the review of the payment authority requests via telephonically in lieu of meeting in person.

# <u>Attendance</u>

A majority of members of the Claims Committee shall be present at all meetings. In addition, a representative from the Executive Director's office, the Fund Attorney, a representative from the Risk Management Consultant's office, a representative from the Third Party Administrator's Office, and a representative from the CEL's Safety Director's office shall attend such meetings. As necessary or desirable, the Chairman may request other professionals and/or member representatives to also attend in order to exchange views on any issue that may be at hand.

# **Specific Duties**

In undertaking its responsibilities as outlined above, the Claims Committee is to:

- 1. Apprise the Commissioners of the Gloucester County Insurance Commission, through special presentations as necessary, of significant developments in the course of performing its responsibility.
- 2. Review and recommend for approval or denial all payment authority requests which are subject to any combination of payments that exceeds fifteen thousand (\$15,000) for Property including Boiler & Machinery, Auto Liability, General Liability including Law Enforcement Liability and Workers' Compensation Claims inclusive of legal fees, expenses, and such other items to be charged to the Gloucester County Insurance Commission. This notification also includes any prior claim where a request for additional payment authority is needed beyond an amount previously approved, any requests for lien compromises, and any subrogation abandonment requests.
- 3. Recommend to Commissioners of the Gloucester County Insurance Commission any appropriated changes or extensions in the duties of the Committee.
- 4. Report annually to the Commissioners of the Gloucester County Insurance Commission on the discharge of these responsibilities.

Adopted - 10/28/10 Revision #1 - 7/25/13 Revision #2 - 4/20/15 Revision #3 - February 2016 Revision #4 - January 2017

# 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 January 26, 2017.

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 January 26, 2017 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 January 26, 2017.

ADOPTED:

GERALD A. WHITE, CHAIRMAN

ATTEST:

MICHAEL BURKE, VICE CHAIRMAN

### GCIC PARS - Worker Compensation & Liability CLOSED SESSION 1/26/17

Claim #	<u>Claimant</u>	Type of Claim	PAR/SAR	<u>C.P or DO #</u>
3530000629	Cram vs Hayes	Liability	Discussion	GLO-L-312-15
3530001270	Estate of Matthew McCloskey	Liability	PAR	
3530000915	Kevin Rothmiller	Worker Compensation	PAR	
3530001638	George Kinsky	Worker Compensation	PAR	
3530001024	Tiffany Graves	Worker Compensation	SAR	2015-23825
3530000454	Michael Harper	Worker Compensation	SAR	2012-28534
3530000712	Michael Harper	Worker Compensation	SAR	2012-28498
3530001369	Rowan College at Gloucester County	Property	PAR	
3530001361	Gloucester County Improvement Authority	Property	PAR	
3530001359	Gloucester County Library Commission	Property	PAR	
	Trentontian V. Gloucester County		SAR	

# **APPENDIX I**

#### GLOUCESTER COUNTY INSURANCE COMMISSION OPEN MINUTES MEETING – December 15, 2016 2 South Broad Street 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 Michael Burke, Vice Chairman Present Tamarisk Jones Present FUND PROFESSIONALS PRESENT: Executive Director PERMA Risk Management Services **Joseph Hrubash Claims Service** Inservco Insurance Services, Inc. Veronica George **Keith Platt Amy Zeiders** Consolidated Services Group, Inc. Jennifer Goldstein Conner Strong & Buckelew **Michelle Leighton** (via teleconference) Conner Strong & Buckelew CEL Underwriting Manager Underwriting Services Director/RMC Hardenbergh Insurance Group **Bonnie Ridolfino** Long Marmero & Associates Attorney Brian Schotts, Esq. Treasurer **Tracey Giordano** J.A. Montgomery Risk Control Safety Director **Glenn Prince**

#### ALSO PRESENT:

Leigh Bary, Gloucester County Karen Christina, Gloucester County Matt Lyons, Esq., Glouceser County rudence Higbee, Esq., Capehart & Scatchard Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open Minutes and Closed Minutes of October 27, 2016

# MOTION TO APPROVE THE OPEN MINUTES & CLOSED MINUTES OF OCTOBER 27, 2016

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

#### **CORRESPONDENCE:** None

#### **COMMITTEE REPORTS:**

**SAFETY COMMITTEE:** Ms. Bary referred to a copy of the Safety and Accident Committee 2017 Meeting Schedule which was included in the agenda. Ms. Bary advised the meetings would start at 9:30 AM and not 9:00 AM. Ms. Bary reported the Committee would like to present the binder lift for use by the EMT's to assist patients who are oversized or have fallen between objects, or in the shower. The binder lift product attaches 19-25 handles to the patient's torso to enable the team to lift and use proper ergonomics. Mr. Prince referred to a copy of the binder lift information that was included in the agenda. Mr. Prince advised the cost for each lift was \$549 and the Department would need 30 for a total cost of \$16,470. Executive Director advised there was an action item in his report to approve the purchase of the binder lifts. Chairman White asked if anyone had any questions regarding the lifts and noted that Mr. Lovell recommended the purchase of the binder lifts.

**CLAIMS COMMITTEE:** Ms. Leighton advised there were several PARS to present during closed session.

**EXECUTIVE DIRECTOR REPORT:** Executive Director advised he had eight action items for his report.

**2015 AUDIT REPORT:** Executive Director reported Mr. Miles of Bowman and Company, LLP reviewed a draft copy of the 2015 Audit at the October meeting. Executive Director advised there were no changes to the audit. Executive Director referred to a copy of Resolution 58-16 which was included in the agenda along with the Group Affidavit. Executive Director asked if anyone had any questions regarding the audit and requested a motion to approve Resolution 58-16.

### MOTION TO APPROVE RESOLUTION 58-16 CERTIFICATE OF ANNUAL REPORT FOR PERIOD ENDING DECEMBER 31, 2015

Motion:	Commissioner Burke
Second:	<b>Commissioner Jones</b>
Roll Call Vote:	Unanimous

**2017 PROPERTY AND CASUALTY BUDGET INTRODUCTION:** Executive Director referred to a copy of the 2017 Property and Casualty Budget. Executive Director reviewed the Loss Fund figures of the budget and noted there was a decrease of 2.83%. Executive Director advised the premium paid to the CEL was \$1,806,739 which was an increase of 3.38% and was reflected on line 9 of the budget. Executive Director referred to the Expenses, Fees and Contingency lines of the budget and advised the major change in this section were increases in fees for the Safety Service, Attorney and Treasurer. Executive Director noted the fees were increased by 2% for the Executive Director, Actuary and Auditor. Executive Director advised the changes were discussed previously with Chairman. Executive Director reported there was no increase for the Ancillary Coverages. Executive Director advised the 2017 Budget was in the amount of \$5,847,988 which was a small increase of .44% over the 2016 Budget. Executive Director asked if anyone had any questions and requested to motion to introduce the budget and schedule a public hearing.

MOTION TO INTRODUCE THE 2017 PROPERTY AND CASUALTY BUDGET IN THE AMOUNT OF \$5,847,988 AND SCHEDULE A PUBLIC HEARING ON JANUARY 26, 2017 AT 9:30 AM AT 2 SOUTH BROAD STREET, WOODBURY, NJ

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

Executive Director pointed out a copy of the 2017 assessments were also included in the agenda, however no action was necessary at this time and they would be certified at the January meeting.

**CEL DIVIDEND:** Executive Director reported the CEL declared a dividend for the 2010 & 2011 Fund Years. Executive Director advised Gloucester County Insurance Commission's share was \$41,751 and the agenda included a summary of the member entity's share. Executive Director indicated it was suggested that the Commission members take their portion of the CEL dividend on their first assessment payment like last year.

### MOTION TO ACCEPT THE CEL DIVIDEND FOR THE 2010 & 2011 FUND YEARS

December 15, 2016 Gloucester County Insurance Commission OPEN Minutes

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

**GCIC DIVIDEND:** Executive Director advised there was a dividend option available to the Commission for the 2010 and 2013 Fund years in the amount of \$750,000. Executive Director referred to a copy of per member entity share of the dividend which was included in the agenda. Executive Director again suggested the Commission members take their portion of the GCIC dividend on their first installment. Executive Director asked if anyone had any questions and requested a motion to approve Resolution 59-16 Authorizing Refund From the 2010 Year Fund Account and 2013 Year Fund Account.

#### MOTION TO APPROVE RESOLUTION 59-16 AUTHORIZING REFUND FROM THE 2010 YEAR FUND ACCOUNT AND 2013 YEAR FUND ACCOUNT

Motion:	Commissioner Burke
Second:	<b>Commissioner Jones</b>
Roll Call Vote:	Unanimous

**2017 HEALTH BENEFITS BUDGET INTRODUCTION:** Ms. Brown advised she wanted to introduce the budget for the self-insured dental program and referred to a copy of the Renewal Summary which was included in the agenda. Ms. Brown reported 2016 was an excellent year for the dental program. Ms. Brown advised she was able to provide a relatively flat budget with a slight reduction. Ms. Brown indicated she wanted to offer two enhancements on the dental program. Ms. Brown explained the Oral Health Enhancement targets members with a history of periodontal disease on file and allows them to receive up to four dental cleanings or periodontal maintenance procedures each year. The feature only applies to members with a history of periodontal disease. The Carry Over Maximum feature rewards members who have at least one cleaning or oral exam during each plan year by allowing them to carry over a portion of the unused standard annual maximum benefit provided they have used less than half of the annual maximum along with having a routine cleaning. The amount carried over would vary by each individual. Ms. Brown advised copies of the brochures were included in the agenda.

Ms. Brown reviewed the line items of the budget and noted that the projected trend for 2017 was lower as the dentists have agreed to accept a lower reimbursement with no change to the network. Ms. Brown noted there were 820 employees on the plan. Ms. Brown advised the 2017 budget amount was \$603,983 compared to the 2016 budget of \$609,064. Ms. Brown reported the backup documentation to create the budget was included in the agenda. Ms. Brown asked if anyone had any questions. In response to Chairman White's inquiry regarding the best way to promote the enhancements, Ms. Brown advised there could be a posting on website or a mailing. Chairman White advised an e-mail could be sent, however, the retirees should be notified by mail.

MOTION TO INTRODUCE THE 2017 HEALTH BENEFITS BUDGET IN THE AMOUNT OF \$603,983 AND SCHEDULE A PUBLIC HEARING ON JANUARY 26, 2017 AT 9:30 AM AT 2 SOUTH BROAD STREET, WOODBURY, NJ

Motion:	Commissioner Burke
Second:	<b>Commissioner Jones</b>
Roll Call Vote:	Unanimous

**HEALTH BENEFITS CONSULTANT AGREEMENT:** Executive Director reported the Health Benefits Consultant Agreement expires on December 31, 2016. Executive Director advised the Fund Office issued an RFP and the responses were due on October 28, 2016 at 2:00 PM. Executive Director reported there was only one response received from Conner Strong & Buckelew. The response was sent to Chairman White for his review. Executive Director requested a motion to appoint Conner Strong & Buckelew unless there were any questions.

MOTION TO APPROVE THE APPOINTMENT OF CONNER STRONG & BUCKELEW FOR THE PERIOD OF JANUARY 1, 2017 TO DECEMBER 31, 2019

Motion:	<b>Commissioner Burke</b>
Second:	<b>Commissioner Jones</b>
Roll Call Vote:	Unanimous

Ms. Brown advised she would start the process of obtaining the claims from the State to determine if there would be any savings for the benefits plan.

**DEFENSE PANEL AGREEMENTS:** Executive Director advised the Defense Panel Agreements expired on December 31, 2016. Executive Director advised the Fund Office issued an RFP and responses were due on October 28, 2016 at 2:00 PM. Chairman White advised he and the Commissioners reviewed the responses. Chairman White reported after the review and evaluations he would like to retain all of the incumbents. Chairman White advised the blanket rate would be \$150 per hour with the exception of Brown & Connery for the employee discrimination matters.

# MOTION TO APPROVE THE APPOINTMENTS OF ALL OF THE INCUMBENT FIRMS FOR THE PERIOD OF JANUARY 1, 2017 THROUGH DECEMBER 31, 2017

Motion: Second: Commissioner Burke Commissioner Jones

5

Roll Call Vote:

Unanimous

Chairman White gave Ms. Dodd the completed evaluation sheets. Executive Director advised the Fund Office would prepare a resolution to present at the January meeting appointing the Defense Attorneys.

**PURCHASE OF BINDER LIFTS:** Executive Director reported the next action item was the approval of the binder lifts that were discussed previously. Ms. Ridolfino advised her report included the claim data supporting the purchase of the binder lifts. Ms. Dodd indicated she would need the bill and applicable voucher in order for the Commission to process the payment. After a discussion it was agreed that an additional amount would be purchased for the medical examiner's office if needed.

#### MOTION TO APPROVE THE PURCHASE OF UP TO 37 BINDER LIFTS FOR THE TOTAL COST OF \$20,313

Motion:	Commissioner Burke
Second:	<b>Commissioner Jones</b>
Roll Call Vote:	Unanimous

**CERTIFICATE OF INSURANCE REPORT:** Executive Director reported on the Certificate of Insurance Report for the period of 10/22/16 to 11/30/16. There were a total of 13 certificates issued for this period.

**NJ EXCESS COUNTIES INSURANCE FUND (CELJIF):** Executive Director advised the CELJIF held a public hearing on November 17<sup>th</sup> and the Board of Fund Commissioners adopted the 2017 Budget in the amount of \$20,977,357 and certified the assessments. The Underwriting Manager was giving authorization to bind the 2017 excess and ancillary policies. Executive Director reported the Fund Commissioners also authorized a Professional Service Agreement to the incumbent, The Actuarial Advantage, Inc. for actuary services. Executive Director noted a summary report of the meeting was included in the agenda and the CELJIF would hold its 2017 Reorganization Meeting on February 23, 2017.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the September Property & Casualty Financial Fast Track was included in the agenda. The Commission had a surplus of \$4,329,643 as of September 30, 2016. Executive Director advised that \$1,455,750 on line 10 of the report "Investment in Joint Venture was the GCIC's share of the CEL JIF equity. Executive Director noted the cash amount was \$5,554,015.

**NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK:** Executive Director reported the agenda included the September Financial Fast Track for the NJ CEL. As of September 30, 2016 the CEL had a surplus of \$7,631,542. Executive Director noted the cash amount was \$19,720,440.

**HEALTH BENEFITS FINANCIAL FAST TRACK**: Executive Director reported the agenda included the September Health Benefits Financial Fast Track. As of September 30, 2016 there was a surplus of \$147,028. Executive Director noted the cash amount was \$220,078. Executive Director asked if anyone had any questions on the Financial Fast Tracks.

**2017 MEETING SCHEDULE:** Executive Director advised the proposed 2017 Meeting Schedule was included in the agenda. Executive Director noted as was done in the past there were no meetings scheduled for March, May, July, August and November. Executive Director explained other meetings could be scheduled if necessary with additional notice required by statute. Executive Director reported if the dates were acceptable a resolution would be prepared for approval with the Reorganization Resolutions in January.

#### Executive Director's Report Made Part of Minutes.

**TREASURER REPORT:** Chairman White advised the November and December Bill Lists were included in the agenda and requested a motion to approve all.

# MOTION TO APPROVE RESOLUTION 60-16 NOVEMBER BILL LIST

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

# MOTION TO APPROVE RESOLUTION 61-16 NOVEMBER HEALTH INSURANCE FUND BILL LIST

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

#### MOTION TO APPROVE RESOLUTION 62-16 NOVEMBER BILL LIST

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

# MOTION TO APPROVE RESOLUTION 63-16 DECEMBER BENEFIT INSURANCE FUND BILL LIST

Motion:Commissioner BurkeSecond:Commissioner Jones

7

Roll Call Vote Unanimous

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

#### CLAIMS REPORT:

Chairman White presented Resolution 64-16 Inservco Liability Check Register for the period of 10/1/16 through 10/31/16 and 11/01/16 through 11/30/16.

#### MOTION TO APPROVE RESOLUTION 64-16 LIABILITY CHECK REGISTER FOR THE PERIOD OF 10/1/16 THROUGH 10/31/16 AND 11/1/16 TO 11/30/16

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

**MANAGED CARE PROVIDER:** Ms. Goldstein reviewed the Client Bill Review Summary Report for the months of October and November which were included in the agenda. Ms. Goldstein reported for October there were 54 bills for a total of \$24,149.25, recommended allowance was \$14,797.64 and the overall savings was \$8,168.30 or 34%. For the month of November there were 45 bills for a total of \$90,602. 03, recommended allowance was \$57,174.33 and the overall savings was \$ 29,342.98 or 32%. Ms. Goldstein advised the total year to date savings was \$314,636.41 or 45%. Ms. Goldstein asked if anyone had any questions and concluded her report.

#### **CEL SAFETY DIRECTOR:**

**REPORT:** Mr. Prince reviewed the October through December 2016 Risk Control Activity Report which was included in the agenda. Mr. Prince advised the reimbursement information was submitted to BRIT for the Safety Grant and was waiting for the arrival of the check. Mr. Prince indicated once the funds were received by the CEL the monies would be distributed. In response to Executive Director's inquiry, Mr. Prince advised the amount was \$10,000 for the cameras.

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

**REPORT:** Ms. Ridolfino reviewed her report which was included in the agenda. Ms. Ridolfino advised with the help of Chairman White all of the members were contacted regarding the Claim Sweep letter reminding them to advise her office if they had any knowledge of an incident which may give rise to a claim under any of the claims made policies.

Ms. Ridolfino advised the 2017 Safety Kick-Off Meeting was scheduled for Thursday, January 12, 2017 at the Rowan College at Gloucester County. Ms. Ridolfino advised the

#### December 15, 2016 Gloucester County Insurance Commission OPEN Minutes

focus topic was Harassment, Discrimination and Bullying in the Workplace and Ms. O'Hearn would be the presenter.

Ms. Ridolfino advised the 2017 Safety Training Calendar was being developed. Ms. Ridolfino reported she and Ms. LaPorta would be meeting with various Departments based on their claim experience to determine what customized training could be done to reduce injuries. Ms. Ridolfino advised they would focus on EMS, Public Works, Sheriff, Corrections, the Nursing Home at the Improvement Authority and Solid Waste Departments.

Ms. Ridolfino mentioned the MEL Storm Water video was outdated and advised Mr. Prince was going to see if the video could be updated.

Ms. Ridolfino reported since the Commission is entering its 7<sup>th</sup> year it was appropriate to conduct a claims review. Ms. Ridolfino and Ms. Leighton would meet with the Inservco adjusters during the 1<sup>st</sup> quarter of 2017 and report the findings to the Commission.

Ms. Ridolfino reviewed the below policies which were renewing and requested a motion to authorize the renewals.

Member	Coverage	Carrier	Exp. Date	Expiring Premium	Renewal Premium
College	Volunteer Accident	Starr Indemnity	12/31/16	\$1,960.00	\$2,073.00
County	Bond – McKenna	CNA	01/01/17	\$70.00	\$70.00
Improvement Authority	Dream Park Volunteer Accident	QBE	01/28/17	\$400.00	\$400.00

#### MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE POLICIES LISTED ABOVE

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

ATTORNEY: Mr. Schotts advised he did not have anything to discuss.

**OLD BUSINESS:** None

**NEW BUSINESS**: None

#### **PUBLIC COMMENT:**

#### MOTION TO OPEN MEETING TO PUBLIC

Moved:Commissioner BurkeSecond:Commissioner Jones

9

December 15, 2016 Gloucester County Insurance Commission OPEN Minutes

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 THE MEETING TO THE PUBLIC

Moved:	Commissioner Burke
Second:	<b>Commissioner Jones</b>
Roll Call Vote :	Unanimous

**CLOSED SESSION**: Chairman White read and requested a motion to approve Resolution 65-16 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed.

Motion:Commissioner JonesSecond:Commissioner BurkeRoll Call Vote:Unanimous

#### MOTION TO GO INTO CLOSED SESSION

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

#### MOTION TO RETURN TO OPEN SESSION

Motion:	Commissioner Burke
Second:	<b>Commissioner Jones</b>
Roll Call Vote:	Unanimous

Chairman White advised the first matter be Mr. Schotts frame the motion to approve the other matter was to obtain a resolution authorizing the settlement between Thompson v Gloucester County Prosecutor's Office and County of Gloucester.

# MOTION TO APPROVE THE SETTLEMENT IN THE THOMPSON MATTER

Motion:	Commissioner Burke
Second:	<b>Commissioner Jones</b>
Roll Call Vote:	Unanimous

Mr. Schotts advised he would read the applicable motions to approve the PARS discussed during closed session.

#### MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530001650 FROM \$15,000 TO \$131,500 AN INCREASE OF \$116,500

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

#### MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530000700 FROM \$22,370.95 TO \$43,000 AN INCREASE OF \$20,629.05

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

#### MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM # 3530000955 FROM \$15,372.94 TO \$27,872.94 AN INCREASE OF \$12,500

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

#### **MOTION TO ADJOURN:**

Motion:Commissioner JonesSecond:Commissioner BurkeRoll Call Vote:Unanimous

#### MEETING ADJOURNED: 10:20 AM

Minutes prepared by: Cathy Dodd, Assisting Secretary

### **APPENDIX II**

#### **RESOLUTION NO. 13-17**

#### **Gloucester County Insurance Commission**

(hereinafter the "Insurance Commission")

#### BE IT RESOLVED BY THE INSURANCE COMMISSION'S GOVERNING BODY THAT

the 2017 Plan of Risk Management shall be:

- 1.) <u>The perils or liability to be insured against.</u>
  - 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
- Non-Owned Aircraft Liability
- 2.) <u>The limits of coverage.</u>
  - a.) Workers' Compensation limits.
    - The Insurance Commission covers \$300,000 per occurrence including:
      - Employer's Liability \$300,000 per occurrence.
      - <u>USL&H \$300,000 per occurrence.</u>
      - Harbor Marine/Jones Act \$300,000 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.
      - <u>USL&H \$250,000 less NJ State benefits excess of the</u> <u>Insurance Commission's \$300,000.</u>
      - <u>Harbor Marine/Jones Act</u> \$250,000 less NJ State benefits excess of the Insurance Commission's \$300,000.

NJC retains limits of \$250,000 excess \$300,000 for Workers Compensation and Employers Liability. NJC purchases from Wesco Insurance Company \$450,000 excess \$550,000 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, \$15,000,000 excess \$11,000,000 from National Casualty.

- 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.
- <u>Subsidence \$250,000 per occurrence</u>
- <u>Sexual Abuse or Molestation Coverage \$250,000 per occurrence except for schools.</u>
- <u>Owned Watercraft 35' in length or less \$250,000.</u>
- Garagekeepers Legal Liability \$250,000
- The NJC covers excess liability claims as follows:
  - General Liability \$20,500,000 excess the Insurance Commission's \$250,000. The \$5,000,000 excess \$500,000 commercial excess layer is subject to a \$10,000,000 per member insurance commission 12 month aggregate limit (1/1/17-1/1/18). The \$15,000,000 excess \$5,500,000 commercial excess layer is subject to a \$15,000,000 annual aggregate limit (1/1/17-1/1/18).
  - Law Enforcement included in the NJC's excess General Liability limits.
  - Employee Benefits Liability included in the NJC's excess General Liability limits.
  - <u>Subsidence</u> \$250,000 per occurrence excess of the <u>Insurance Commission's \$250,000</u>. NJC retains 100% of the limit excess of the Member Commission's retention.
  - <u>Sexual Abuse or Molestation Coverage \$250,000 excess</u> 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 35' in length or less \$250,000 excess of the Insurance Commission's \$250,000. NJC retains 100% of the limit excess of the Member Commission's retention.

• <u>Garagekeepers Legal Liability</u> - \$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 \$10,000,000 12 month aggregate (1/1/17-1/1/18) excess over and above \$500,000. NJC also purchases from National Casualty limits of \$15,000,000 per occurrence and a \$15,000,000 annual aggregate (1/1/17-1/1/18) excess over and above the \$5,000,000/\$10,000,000 with Underwriters at Lloyds

- 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.
    - <u>The Insurance Commission covers \$250,000 for Personal</u> <u>Injury Protection (PIP) per Addendum I of this Plan.</u>
    - <u>The Insurance Commission covers</u> <u>\$15,000/\$30,000/\$5,000 for Underinsured/Uninsured</u> 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 \$10,000,000 12 month aggregate (1/1/17-1/1/18) excess over and above \$500,000. NJC also purchases from National Casualty limits of \$15,000,000 per occurrence and a \$15,000,000 annual aggregate (1/1/17-1/1/18) excess over and above the \$5,000,000/\$10,000,000 with Underwriters at Lloyd.

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 per member Commission and are shared limits amongst <u>GCIC member entities.</u>

- 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 retentions as outlined below:
      - Gloucester County \$100,000 each POL & EPL
      - Rowan College at Gloucester County -\$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 Mitsui Sumitomo Insurance Company of America (33.33%); Velocity (33.33%); Starr Companies (33.33%) on a 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 *Mitsui Sumitomo Insurance Company of America (33.33%)/Velocity (33.33%)/Starr Companies(33.33%)*
- C. \$260,000,000 per Occurrence Total Program Limit

**Property Sub-Limits:** 

- Earthquake \$200,000,000 (Annual Aggregate)
- Flood \$100,000 (Annual Aggregate) Except;
  - Flood Inside Special Flood Hazard Area (SFHA) -\$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)
- New Construction and Additions \$25,000,000 per location (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)
- 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 30 Day Period for property with a 5 mile radius but not to exceed a \$5,000,000 limit.
- 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). There is no coverage for the perils of Earthquake, Flood or Named Storm.
- 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 Mitsui Sumitomo Insurance Company of America (33.33%); Velocity (33.33%); Starr Companies (33.33%) 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

- There is an Excess Flood/Earthquake policy placed with Aspen Specialty (20%)/AXIS Surplus (30%)/United Specialty (20%)/Endurance American Specialty(10%)/Interstate Fire & Casualty (10%)/RSUI Indemnity (10%) which provides:
  - \$50,000,000 aggregate policy limit for Flood coverage excess of the aggregate policy limits provided by Zurich (\$25,000,000 for locations inside the 100-Year Flood Zone, \$50,000,000 for all other locations, as noted above); and
  - \$100,000,000 aggregate policy limit for Earthquake coverage excess of the \$100,000,000 aggregate policy limit provided by Zurich (noted above).

**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
  - Rowan College at Gloucester County \$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 Vacant Properties deductible is \$250,000
- 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. HOWEVER, IF THERE IS A LOSS FROM A SINGLE OCCURRENCE INVOLVING MULTIPLE ENTITIES, THE MAXIMUM OCCURRENCE DEDUCTIBLE WILL BE \$100,000.
- The Flood Member Insurance Commission retention is \$100,000 per occurrence (combined property damage and time element) less member entity per occurrence deductibles. HOWEVER, IF THERE IS A LOSS FROM A SINGLE OCCURRENCE INVOLVING MULTIPLE ENTITIES, THE MAXIMUM OCCURRENCE DEDUCTIBLE WILL BE \$100,000.
- Flood loss for property within the Special Flood Hazard Area (SFHA) 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; and \$100,000 for each building for loss of income 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. HOWEVER, IF THERE IS A LOSS FROM A SINGLE OCCURRENCE

## INVOLVING MULTIPLE ENTITIES, THE MAXIMUM OCCURRENCE DEDUCTIBLE WILL BE \$100,000.

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: <u>The Gloucester County Insurance Commission provides</u> 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 <u>Gloucester County Insurance Commission will not provide</u> 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 Special Flood Hazard Area (SFHA) the Special Flood Hazard Area (SFHA) deductible above applies.

Special Flood Hazard Area (SFHA) - Is an area defined by FEMA or any foreign equivalent that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to by FEMA as the base flood or 100-year EDGE-100-B (12/10) flood. SFHA's per FEMA include but are not limited to Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. If not defined by FEMA or any foreign equivalent, it is an area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year.

- Underground Piping \$100,000 per occurrence less the member entity deductibles as stated above. There is no coverage for the perils of Earthquake, Flood or Named Storm.
- 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 \$1,000,000
- Gloucester County Utilities Authority \$1,000,000
- Rowan College at Gloucester College \$1,000,000
- Gloucester County Improvement Authority \$1,000,000

Deductible per occurrence:

- Gloucester County \$15,000
- Gloucester County Library Commission \$10,000
- Gloucester County Utilities Authority \$10,000
- Rowan College at Gloucester County \$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

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, Salem, Camden, Union and Burlington and their respective member entities. It is also shared with Cumberland County and Atlantic County Utilities Authorities.

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 and SCIC.
- Member Entity Retentions 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
  - Rowan College at Gloucester County: Allied health Programs-\$5,000
  - GC Emergency Response Center \$20,000
  - GCIC Scheduled Physicians \$5,000
    - G.Feigin -GC
    - J.Palmer GC
    - J. Briskin GC

• C. Siebert - GC

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

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

J.) Cyber Liability – Network Privacy & Security Liability

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:
  - o 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:
  - o 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:
  - o Gloucester County

- o Gloucester County Improvement Authority
- o Gloucester County Utilities Authority
- o Gloucester County Library Commission
- Rowan College at Gloucester County

k.) Non-Owned Aircraft. The NJCE covers \$9,000,000 CSL for Bodily Injury and Property Damage Liability, and \$5,000 medical expense for each passenger.

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.) <u>The amount of risk to be retained by the Insurance Commission (except as noted in section 2. Limits of coverage).</u>
  - a.) Workers' Compensation (all coverages) \$300,000 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

- k.) Non Owned Aircraft 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.) <u>The method of assessing contributions to be paid by each member of the</u> <u>Insurance Commission.</u>
  - 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 it's 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.) <u>Procedures governing loss adjustment and legal expenses.</u>
  - 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.) <u>Coverage to be purchased from a commercial insurer, if any.</u>

The Insurance Commission does not purchase commercial insurance.

8.) <u>Reinsurance to be purchased.</u>

The Insurance Commission does not purchase reinsurance.

- 9.) <u>Procedures for the closure of Insurance Commission years, including the maintenance of all relevant accounting records.</u>
  - a.) Not applicable at this time.
- 10.) <u>Assumptions and Methodology used for the calculation of appropriate</u> 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.
    - <u>Paid Loss Development Method</u> 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.

- <u>Case Incurred Loss Development Method</u> 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.) <u>The maximum amount a certifying and approving officer may approve</u> 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 \_\_\_\_ day of \_\_\_\_\_, 2017.

Gloucester County Insurance Commission

By: \_\_\_\_

Chairperson

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

Secretary

ADDENDUM I

#### 2017 Risk Management Plan Addendum #1 NEW JERSEY PERSONAL INJURY PROTECTION

With respects to coverage provided by this Addendum, the provisions of Policy PK1019016 – 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 1/1/2017.

#### 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, of 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:
  - 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.
- I. 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

- 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.:

- 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:
  - 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 #PK1019016 – Coverage forms CA 00 01 12 93, IL 00 17 11 98, IL 00 21 07 02, IL 02080702 apply, however:

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

#### a. Reimbursement And Trust

Subject to any applicable limitations set forth in the New Jersey Automobile Reparation Reform Act, if **we** make any payment to any **eligible injured person** or insured **person** under this coverage and that person recovers from another party, he or she shall hold the proceeds in trust for **us** and pay **us** back the amount **we** have paid. **We** will have a lien against such payment, and may give notice of the lien to the person or organization causing **bodily injury**, his or her agent or insurer or a court having jurisdiction in the matter.

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

(1) Medical expense benefits and essential services benefits may be paid at our option to the **eligible injured person**, **insured person** or the person or organization furnishing the products or services for which such benefits are due. These benefits shall not be assignable except to providers of service benefits. Any such assignment is not enforceable unless the provider of service benefits agrees to be subject to the requirements of our Decision Point Review Plan. In the event of the death of an **eligible injured person** or **insured person** any amounts payable, but unpaid prior to death, for medical expense benefits are payable to the **eligible injured person's** or **insured person's** estate.

- (2) Benefits payable under Paragraph A.2.d.(1) of the description of death benefits are payable to the **eligible injured person's** surviving spouse, or if there is no surviving spouse, to his or her surviving children, or if there is not a surviving spouse or any surviving children, to the **eligible injured person's** estate.
- (3) Benefits payable under Paragraph A.1.d.(2) of the description of death benefits are payable to the person who has incurred the expense of providing essential services.
- (4) Funeral expense benefits are payable to the **eligible** injured person's or insured person's estate.

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

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

#### d. Employee Benefits Reimbursement

If the **eligible injured person** or **insured person** fails to apply for workers' compensation benefits or employees' temporary disability benefits for which that person is eligible, **we** may immediately apply to the provider of these benefits for reimbursement of any personal injury protection benefits that **we** have paid.

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

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

#### f. Special Requirements For Medical Expenses

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

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

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

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

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

#### (2) **Coverage For Diagnostic Tests**

- (a) In addition to the care path requirements for an identified injury, the administration of any of the following diagnostic tests is also subject to the requirements of our Decision Point Review Plan:
  - (i) Brain audio evoked potential (BAEP);
  - (ii) Brain evoked potential (BEP);
  - (iii) Computer assisted tomographic studies (CT, CAT Scan);
  - (iv) Dynatron/cyber station/cybex;
  - (v) Electroencephalogram (EEG);
  - (vi) H-reflex Study;
  - (vii) Magnetic resonance imaging (MRI);
  - (viii) Needle electromyography (needle EMG);
  - (ix) Nerve conduction velocity (NCV);
  - (x) Somasensory evoked potential (SSEP);
  - (xi) Sonogram/ultrasound;

- (xii) Videofluorosocpy;
- (xiii) Visual evoked potential (VEP); or
- (xiv) Any other diagnostic test that is subject to the requirements of our Decision Point Review Plan by New Jersey law or regulation.
- (b) The diagnostic tests listed under Paragraph (2)(a) must be administered in accordance with New Jersey Department of Banking and Insurance regulations which set forth the requirements for the use of diagnostic tests in evaluating injuries sustained in **auto accidents**.

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

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

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

### (3) **Decision Point Review Plan**

- (a) Coverage for certain medical expenses under this Addendum is subject to our Decision Point Review Plan, which provides appropriate notice and procedural requirements that must be adhered to in accordance with New Jersey law or regulation. We will provide a copy of this plan upon request, or in the event of any claim for medical expenses under this coverage.
- (b) Our Decision Point Review Plan includes the following minimum requirements as prescribed by New Jersey law or regulation:
  - 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, on 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 in 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:
    - 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:
  - 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;
- 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, orthotics and prosthetics, 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. **Identifiable 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 #PK1019016, 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 copartnership 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.
- I. **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

### 2017 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 January 1, 2017.

Limit of Insurance:

Bodily Injury:	\$15,000 per person
	\$30,000 per accident
Property Damage:	\$ 5,000 per accident

- A. Coverage
  - 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 #PK1019016 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
  - 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.
- 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 #PK1019016.

**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 entirely 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 provided 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 #PK1019016 and the following:
  - 1. Promptly notify the policy if a hit-and-run driver is involved; and
  - 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.