

CUMBERLAND COUNTY INSURANCE COMMISSION AGENDA AND REPORTS

DECEMBER 3, 2020

MEETING BEING HELD TELEPHONICALLY

Call In Number: 929-205-6099

Meeting ID: 974 3480 0439#

11:00 AM

The Cumberland County Insurance Commission will conduct its December 3, 2020 meeting telephonically, in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. and in consideration of Executive Order No. 103, issued by Governor Murphy on March 9, 2020, declaring a State of Emergency and a Public Health Emergency in the State of New Jersey.

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

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

- I. Advertising the notice in the South Jersey Times**
- II. Filing advance written notice of this meeting with the Commissioners of the Cumberland County Insurance Commission; and**
- III. Posting notice on the Public Bulletin Board of the Office of the County Clerk**
- IV. The meeting is called to order and it is noted that adequate notice was provided in accordance with Chapter 231, Public Law 1975 (Senator Byron M. Bear Open Public Meetings Act)**

**CUMBERLAND COUNTY INSURANCE COMMISSION
AGENDA -OPEN PUBLIC MEETING
December 3, 2020 – 11:00 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
 - ROLL CALL OF COMMISSIONERS**
 - APPROVAL OF MINUTES: October 1, 2020 Open Minutes.....Appendix I
October 1, 2020 Closed Minutes.....Distributed via Email**

 - CORRESPONDENCE - None**

 - EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMA.....Page 1**

 - COMMITTEE REPORTS**
 - Safety Committee Report.....Verbal
 - Claims Committee Report.....Page 16

 - TREASURER – Anthony Bontempo**
 - Resolutions 21-20 and 22-20 December Bill Lists.....Page 17

 - CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly ReportPage 19

 - RISK MANAGER REPORT – Hardenbergh Insurance Group**
 - Monthly ReportPage 24

 - MANAGED CARE – Qual Lynx**
 - Monthly ReportPage 33

 - CLAIMS SERVICE – Inservco Insurance Service**

 - EXECUTIVE SESSION**
 - Motion for Executive Session for Certain Specified Purposes for Personnel, Safety, Public Property or Litigation in accordance with the Open Public Meeting Act - PAYMENT AUTHORIZATION REQUEST**

 - Motion to Return to Open Session**
 - Motion to Approve PARS**
 - OLD BUSINESS**
 - NEW BUSINESS**
 - PUBLIC COMMENT**
-
- MEETING ADJOURNMENT**
 - NEXT SCHEDULED MEETING: February 4, 2021 11 AM**

CUMBERLAND COUNTY INSURANCE COMMISSION

9 Campus Drive, Suite 216

Parsippany, NJ 07054

Date: December 3, 2020

Memo to: Commissioners of the Cumberland County Insurance Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

2021 Property & Casualty Budget Introduction – Attached on **Page 3** for your review and discussion is the 2021 proposed Property and Casualty Budget in the amount of \$3,361,748. The introductory budget represents a 3.66% increase compared to the 2020 budget. Proposed Assessments at the meeting.

Motion to introduce the 2021 Property and Casualty Budget in the amount of \$3,361,748 and schedule a public hearing on February 4, 2021 at 11:00 AM.

NJCE Dividend –The NJCE Board of Commissioners reviewed dividend options and is recommending the Fund release a **\$2 million** dividend. The Commissioners delayed the distribution aspect of the dividend until the NJCE December Board Meeting. Depending on the result of the excess renewal marketing the Commissioners may consider a portion of the dividend to be applied as a credit to the 2021 budget.

Members will have an option of taking their dividend as a check or as an offset to their 2021 assessment. The Fund Office will send a letter to each member entity to find out their preference.

Professional Services - The County issued Request for Proposals for Executive Director and Auditor that are due back today. An RFP was also issued for Risk Management Consultant that is due tomorrow and one for the Actuary that is now due back on December 15th. We will need to schedule a special meeting after the 15th to make those appointments.

Certificate of Insurance Issuance Report: Certificate of Insurance Issuance Report: Attached on **Page 4** is the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of September 1, 2020 to September 31, 2020. There were 5 certificates of insurance issued during this period.

Motion to approve the certificate of insurance report.

NJ Excess Counties Insurance Fund (CELJIF) – NJ Counties Excess Joint Insurance Fund (CELJIF) - The NJCE met on October 22, 2020 and November 19, 2020 via zoom

conference. A summary report of both meetings are included in the agenda on **Pages 5-11**. The next NJCE meeting is scheduled for December 18, 2020 at 9:30 AM.

- ❑ **Financial Fast Track** – Included on **Pages 12-13** of the agenda is the Financial Fast Track report for the Cumberland County Insurance Commission for August. As of **August 31, 2020**, the Commission has a statutory surplus of **\$233,963**.
- ❑ **NJ CEL Property and Casualty Financial Fast Track (Pages 14-15)** – Included in the agenda is the NJ CEL Financial Fast Track Report for August. As of **August 31, 2020**, the CEL has a surplus of **\$18,073,415**.
- ❑ **Next Meeting** – A reminder that our next meeting is on February 4, 2021.

CUMBERLAND COUNTY INSURANCE COMMISSION					
2021 PROPOSED BUDGET :					
				Total	
APPROPRIATIONS		ANNUALIZED	PROPOSED	Increase/Decrease	
		BUDGET FY2020	BUDGET FY2021	\$	%
I. Claims and Excess Insurance					
Claims					
1	Property	242,297	206,000	(36,297)	-14.98%
2	Liability	538,100	503,000	(35,100)	-6.52%
3	Auto	42,000	32,000	(10,000)	-23.81%
4	Workers' Comp.	760,000	784,000	24,000	3.16%
5					
6	Subtotal - Claims	1,582,397	1,525,000	(57,397)	-3.63%
7					
8 Premiums					
9	CEL JIF	928,438	903,430	(25,008)	-2.69%
10					
11	SubTotal Premiums	928,438	903,430	(25,008)	-2.69%
12	Total Loss Fund	2,510,835	2,428,430	(82,405)	-3.28%
13					
14 II. Expenses, Fees & Contingency					
15					
16	Claims Adjustment	52,118	53,682	1,564	3.00%
17	Managed Care	0	0	0	0.00%
18	General Expense				
19	Exec. Director	100,505	102,515	2,010	2.00%
20	Actuary	5,170	5,273	103	2.00%
21	Auditor	6,747	6,882	135	2.00%
22	Attorney	6,613	6,746	132	2.00%
23	Treasurer	2,979	3,038	60	2.00%
24	Secretary	2,297	2,343	46	2.00%
25					
26	Misc. Expense & Contingency	14,585	14,585	0	0.00%
27	Training	15,000	15,000	0	0.00%
28					
29	Total Fund Exp & Contingency	206,015	210,065	4,050	1.97%
30	Risk Managers	165,000	176,381	11,381	6.90%
31					
32					
33	XS JIF Ancillary Coverage				
34	Excess Liability	94,128	261,612	167,484	177.93%
35	Property 150 x 110	32,993	30,398	(2,595)	-7.87%
36	POL/EPL	126,807	134,999	8,192	6.46%
37	Crime Program	13,860	14,830	970	7.00%
38	Medical Malpractice	40,415	44,741	4,326	10.70%
39	Pollution Liability	6,491	6,491	0	0.00%
40	Employed Lawyers Liab	3,147	3,304	157	4.99%
41	Cyber Liability/Special Coverages	39,995	47,994	7,999	20.00%
42	Aviation	3,500	2,503	(997)	-28.49%
43	Marina Operators Liability	0	0	0	0.00%
44					
45	Total Ancillary Coverages	361,336	546,872	185,536	51.35%
46					
47	Total FUND Disbursements	3,243,186	3,361,748	118,562	3.66%

Cumberland County Ins. Comm.
Certificate of Insurance Monthly Report

From 9/1/2020 To 10/1/2020

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - Hale Trailer Brake & Wheel, Inc. I - Cumberland County Improvement Authority	P.O Box 1400 Voorhees, NJ 08043	Company D: XS Worker Compensation Policy Limit: XS WC Statutory \$1,000,000, XS Employers Liability: \$5,000,000 x \$1,000,000 Policy Term: 1/1/2020 - 1/1/2021 Policy#: SP4059717 Company E: Auto Physical Damage; Policy Term: 01/01/2020 - 01/01/2021; Policy #:ERP980616208; Policy Limits: \$15,000,000 Company E: Property; Policy Term: 01/01/2020 - 01/01/2021; Policy #:ERP980616208; Policy Limits: \$110,000,000 RE: Leased Equipment HALE TRAILER BRAKE & WHEEL INC is an Additional Insured ATIMA on the above-referenced Commercial General Liability and Excess Liability Policies and Loss Payee on the Property Policy if required by written contract.	9/10/2020 #2582924	GL AU EX WC OTH
H - Withum I - Cumberland County	One Tower Center Boulevard 14th Floor East Brunswick, NJ 08816	Company D: XS Worker Compensation Policy Limit: XS WC Statutory \$1,000,000, XS Employers Liability: \$5,000,000 x \$1,000,000 Policy Term: 1/1/2020 - 1/1/2021 Policy#: SP4059717 Evidence of insurance regarding the LIHEAP Admin Grant	9/15/2020 #2590575	GL AU EX WC OTH
H - Atlantic County I - Cumberland County	5033 English Creek Ave Egg Harbor Township, NJ 08234	Company D: XS Worker Compensation Policy Limit: XS WC Statutory \$1,000,000, XS Employers Liability: \$5,000,000 x \$1,000,000 Policy Term: 1/1/2020 - 1/1/2021 Policy#: SP4059717 RE: Cumberland County Law Enforcement Officers training The Certificate Holder is an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to sending Cumberland County Law Enforcement Officers to the center for training	9/15/2020 #2590573	GL AU EX WC OTH
H - NJ Transit I - Cumberland County	One Penn Plaza E, 4th Fl Newark, NJ 07105	RE: Grant Program: SFY2021 NJ JARC7 NJ Transit and State of New Jersey are an Additional Insured on the above-referenced Commercial General Liability and Excess Liability Policies if required by written contract as respect to SFY2021 NJ JARC7 Grant Program	9/15/2020 #2590574	GL AU EX OTH
H - Cumberland Mall Associates I - Cumberland County	3849 S. Delsea Drive 100 Cumberland Mall Vineland, NJ 08360	Company D: XS Worker Compensation Policy Limit: XS WC Statutory \$1,000,000, XS Employers Liability: \$5,000,000 x \$1,000,000 Policy Term: 1/1/2020 - 1/1/2021 Policy#: SP4059717 RE: County store at the Cumberland Mall Cumberland Mall Associates, PREIT Services, LLC and PREIT Associates, L.P. are additional insured where obligated by virtue of a written contract or written mutual aid agreement with the Named Assured, but only in respect to acts or operations by or on behalf of the Named Assured, and subject to the limitations on coverage contained in any such written contract or mutual aid agreement or written agreement as respects to the County Store at the Cumberland Mall.	9/25/2020 #2604324	GL AU EX WC OTH
Total # of Holders: 5				



NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 216
Parsippany, NJ 07054-4412
Telephone (201) 881-7632 Fax (201) 881-7633

Date: October 22, 2020
To: Cumberland County Insurance Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

NJCE Claims Review Committee: Committee Chairman Sheehan reported the Claims Review Committee met prior to the Fund’s meeting to review claims in detail. The Board of Fund Commissioners accepted the recommendations of the Claims Review Committee to approve payment or settlement authority requests. Closed Session was not required for this action.

Executive Director reported on the following:

Finance Committee: Executive Director reported the Finance Committee comprised of Commissioners Sheehan, Kelly, Wood and Shea met via teleconference on October 16 to review the preliminary 2021 Budget, 2020 Dividend and a Learning Management System contract status update.

2021 Budget: Executive Director reviewed the major components of the preliminary 2021 budget with the Finance Committee and reported that the 2021 Loss Funds and Professional Fees (subject to contractual obligations) would be relatively flat. Executive Director also reported two major drivers were pushing the current budget increase:

- 1) Projected significant increases in excess premiums from 10% to 25% based on current market conditions, adverse loss experience and exposure increases. Market conditions are a “hard” market, the worst since the mid-1980s.
- 2) Projected increase in the upper excess liability layer (\$5 or \$10 million excess \$10 million) due to the sudden change in market conditions in December 2019 that resulted in this line item going over budget by \$1 million after the 2020 budget adoption. In December 2019, the Board of Commissioners agreed not to amend the 2020 budget and chose to absorb the difference of \$1 million for 2020.

Finance Committee supported and recommended a delay to the 2021 budget process by one month to move budget introduction to November and budget adoption in December. Underwriting Manager will conduct widespread marketing of all excess and ancillary insurance to improve on not-to-exceed premium projections, as well as, allow more time to explore options to increase NJCE retentions for excess liability and/or excess workers compensation to achieve additional savings off insurance premiums. Finance Committee

will meet again prior to November 19 Fund meeting to review marketing efforts and budget impact.

The Board of Fund Commissioners accepted the recommendation to delay 2021-budget introduction to November 19, 2020 and schedule a special meeting on December 18, 2020 at 9:30AM for 2021 budget adoption.

2020 Dividend: Finance Committee reviewed dividend options based on allowable dividends per State Regulations at the last audit of 12/31/19. A recommendation on issuance of a dividend will be presented at the November 19 Fund meeting. As in the past members will have an option to receive a dividend check or apply the dividend to their 2021 assessment.

Learning Management System: Last month J.A. Montgomery was authorized to pursue a 3rd party arrangement directly with a vendor to provide a Learning Management System dedicated to NJCE JIF members. Finance Committee reviewed and recommended the proposal for these services offered by FirstNet. Proposal noted pricing of \$67,500 for Year 1 and \$56,500 for Year 2 with an anticipated minimum of 90-days to implement this new program. The Board of Fund Commissioners accepted the recommendation and authorized an agreement between J.A. Montgomery and FirstNet to provide a Learning Management System for NCJE members. Fund Attorney to draft applicable amendment to J.A. Montgomery contract.

Financial Fast Track: Financial Fast Track as of August 31, 2020 was submitted and reflected a statutory surplus of \$18 million and \$3.6 million in dividends issued to members to date.

Deputy Executive Director reported on the following information items:

Membership Renewal: The Atlantic, Burlington and Cumberland County Insurance Commissions are scheduled to renew their 3-year membership with the Fund as of January 1, 2021; all three entities have adopted resolutions to renew membership.

9th Annual Best Practices Workshop – October 29, 2020 Virtual Edition: The 9th annual Joint Insurance Claims Committees Risk Management Workshop is scheduled for Thursday, October 29, 2020 via Webinar from 10:00AM to 12:30PM. This year's topics will include COVID-19 and its impact on County Workers' Compensation and Liability Claims. In addition, the workshop will review benefits, successes, and future initiatives of the NJCE as it marks the 10th year of operation, as well as, the BRIT Safety Grant successes and future goals.

Due Diligence: Submitted, as part of the agenda was a Regulatory Compliance Checklist as of 10/19/2020 to track contracts, compliance and other Fund business.

Underwriting Manager: A verbal report submitted on the 2021 renewal noted that negotiations are underway to secure premium increases below current preliminary figures. Underwriting Manager reported alternative options, such as increased retentions, would be reviewed given the maturity of the NJCE program and its financial strength.

Risk Control: Safety Director submitted a report reflecting the risk control activities from September to November 2020. Training webinars on a variety of risk-control topics were noted in the report and are available on www.njce.org. Safety Director reported the BRIT Safety Committee would be meeting in coming weeks to review submissions made of applicable safety/loss control purchases applicable for 50% reimbursement.

WC Claims Administration: AmeriHealth submitted a report-showing provider billed amounts, paid amount and net savings as of September 2020.

Next Meetings Schedule:

- November 19, 2020 at 9:30AM via Zoom audio/video - *2021 Budget Introduction*
- December 18, 2020 at 9:30AM via Zoom audio/video - *2021 Budget Adoption*
- February 25, 2021 at 9:30AM via Zoom audio/video - *2021 Reorganization Meeting*



NEW JERSEY COUNTIES EXCESS JOINT INSURANCE FUND

9 Campus Drive – Suite 216
Parsippany, NJ 07054-4412
Telephone (201) 881-7632 Fax (201) 881-7633

Date: November 19, 2020
To: Cumberland County Insurance Commission
From: PERMA Risk Management Services
Subject: New Jersey Counties Excess Meeting Report

Burlington County Fund Commissioner: Executive Director introduced Commissioner Dina Rocco, Esq. as the new Burlington County representative to serve on the NJCE Board of Fund Commissioners.

NJCE Claims Review Committee: Committee Chairman Sheehan reported the Claims Review Committee met prior to the Fund’s meeting to review claims in detail. The Board of Fund Commissioners accepted the recommendations of the Claims Review Committee to approve payment or settlement authority requests. Closed Session was not required for this action.

Executive Director reported on the following:

Financial Fast Track (FFT): The FFT monitors underwriting income, claim expense, other expense, underwriting profit and statutory surplus. The report includes changes for the month, year to date, the prior year-end and the current fund balance for each item.

Executive Director stated that the fund’s overall financial position as of September 30, 2020 shows a surplus of \$18,316,439 with \$3.6 million to its membership since inception. Executive Director noted the Fund is in a very strong financial position.

Finance Committee: At the October meeting, the Board of Fund Commissioners agreed with the recommendation of the Finance Committee to delay the budget introduction to the November meeting to allow more time to improve on the projected increases for the 2021 budget. Following the October meeting, the Underwriting Manager conducted widespread marketing of all excess and ancillary insurance to improve on not-to-exceed premium projections and continues to hold active discussions with all insurers. In addition, Executive Director held discussions with the NJCE Actuary on reevaluation of projected loss funds for 2021.

Executive Director reported the Finance Committee comprised of Commissioners Sheehan, Shea, Wood, and Kelly met on Monday 11/16 to review the proposed 2021 budget and the 2020 dividend options.

A copy of the proposed 2021 budget of \$27,088,279 representing an increase of \$2,097,291 or 8.4% increase was submitted for review and is also attached to this report.

Executive Director reported the 8.4% increase is being fully driven by the commercial market and provided a summary review of the budget loss funds, premiums and expenses and highlighted some key items:

- Line 6 (Claims/Loss Funds) - The projected loss funds shown on line 6 are \$4,445,531 which represents a decrease of \$467,103 or -9.5%.
- Line 9 (Property) – The Underwriting Manager continues holding negotiations with the excess markets and combined with the flexibility of a retention increase the projected increase was reduced from 27% to 17%.
- Line 10 (Excess Flood) – There are no changes expected to limits or coverage; however, market indications project an increase of 19%.
- Line 11 (Excess Liability-BRIT) - The Underwriting Manager continues holding negotiations with the excess markets and combined with the flexibility of a retention increase – a 0% is projected.
- Line 12 (WC Buffer) – This layer was purchased during the Fund’s inception when its financials and surplus were not mature enough to self-insure up to the Insurers excess workers compensation attachment point. The recommendation is for the NJCE to self-insure this layer of coverage, which we project to be a savings of -7.8%.
- Line 13 (WC Statutory) – Despite the effects of the pandemic on the excess marketplace, we project an increase of 5.7%.
- Lines 20 – 40 (Expenses) – These reflect a 2% increase, as well, contracted fees for certain professionals for the 2021 Fund Year.
- Lines 42 – 51 (Ancillary Coverages) – Two major items to note are:
 - Line 42 – The projected increase of 177.9% for the upper excess liability layer (\$5 or \$10 million excess \$10 million) is mainly due to the sudden change in market conditions in December 2019 that resulted in this line item going over budget by \$1 million after the 2020 budget adoption. The Board agreed not to amend the 2020 budget and chose to absorb the difference of \$1 million for 2020.
 - Line 43 (Excess Property – \$150 million excess \$110 million) There are currently have 2 buildings valued in this layer of coverage: (1) Camden County Courthouse at \$174 million and (2) Camden County Jail/Courts at \$150 million. Coverage is primarily for fire and wind and will be reevaluated and will determine the feasibility of reducing the size of the layer to cover the highest valued location. With this strategy we project a premium decrease of -9.8%.

Underwriting Manager reported the current market is a hard market not seen since the mid-1980s and reported continued efforts of widespread marketing of all coverages is being done. Underwriting Manager reported the property program will be reviewed to see if increased

deductibles, retentions or a quota-share program may improve pricing. Underwriting Manager reported excess liability has been volatile for the past few years; however, it is being marketed to reputable carriers and options are being reviewed for increases in retention or a corridor deductible. Lastly, the workers' compensation program is being marketed to ensure appropriate coverages are in place.

Executive Director reported the Finance Committee also reviewed dividend options and is recommending the Fund release a \$2 million dividend, as well as, consider a portion of the dividend be applied as a credit to the 2021 budget. For the balance of the dividend distribution, members will have an option of taking their dividend as a check or as an offset to their 2021 assessment. A final decision on a dividend would be subject to committee's review of budget based on the outcome of the renewal marketing prior to budget adoption. Finance Committee will meet in early December to review and provide a recommendation for a final budget. The requested action was to authorize a \$2 million dividend to make timely filing with the State.

Executive Director concluded his review of the budget by stating the NJCE JIF is in a strong financial position to handle the marketing results without affecting our budget for 2021. The main reason JIFs retain surplus is to navigate challenging times such as potential claims resulting from sexual molestation, firefighter cancer and COVID essential worker legislation combined with the pandemic and property CAT losses nationwide.

The Board of Fund Commissioners took action to introduce the 2021 Budget and schedule a public hearing on December 18, 2020 at 9:30AM. In addition, the Board of Fund Commissioners adopted a resolution authorizing the release of the \$2 million subject to State approval and will make a recommendation on final distribution at the November meeting.

Training Webinars: J.A. Montgomery reported that the MEL Safety Institute in-classroom training was made available to our member counties this past year. In March, instructor-led training was suspended due to the pandemic and J.A. Montgomery successfully transitioned a majority of these training sessions to interactive webinars. This resulted in a significant increase in attendance by our NJCE County membership.

In September, the Fund authorized the per trainee and administrative costs for these webinars for 169 attendees during June and July. J.A. Montgomery submitted a report reflecting 294 attendees for August, September and October; estimated attendance for November and December were also reflected. Based upon recommendation, the Board of Fund Commissioners authorized payment of webinar training costs to J.A. Montgomery and applicable contract amendment as this resulted from an unforeseen situation.

Safety Director reported the number of training attendees are 7.5% higher as compared to last year due to the convenience of webinars combined with an increase of members' training needs.

Moody's Investor Service Report: Moody's recently asked to do an article on MEL and NJCE JIF's with primary focus on their respective cyber risk control program. However, after several

discussions the article was broadened to touch on other benefits derived from membership in MEL and NJCE. A copy of the article was included in the agenda.

Deputy Executive Director reported on the following information items:

9th Annual Best Practices Workshop: The 9th annual Joint Insurance Claims Committees Risk Management Workshop was held on October 29th as a virtual webinar. Topics covered were COVID-19 and its impact on County Workers' Compensation and Liability Claims, as well as, NJCE highlights and future initiatives. The webinar was attended by 98 participants and has been posted the NJCE website www.njce.org for reference.

Due Diligence: Submitted as part of the agenda was a Regulatory Compliance Checklist as of 11/17/2020 to track contracts, compliance and other Fund business.

Underwriting Manager: The NJCE Cyber Task Force was established a year ago to determine County exposure as it relates to cyber security. The Task Force will be meeting in 2021 to review a draft Cyber Security Risk Management Program.

Risk Control: Safety Director submitted a report reflecting the risk control activities from October to December 2020. Training webinars on a variety of risk-control topics were noted in the report and are also available on www.njce.org. Safety Director submitted a supplemental memo on the BRIT Safety Committee, which met to review submissions made by members of applicable safety/loss control purchases seeking up to 50% reimbursement. Memo noted five Counties submitted applicable reimbursements, which will be processed by BRIT.

WC Claims Administration: AmeriHealth submitted a report-showing provider billed amounts, paid amount and net savings as of October 2020.

Next Meetings Schedule:

- December 18, 2020 at 9:30AM via Zoom audio/video - *2021 Budget Adoption*
- February 25, 2021 at 9:30AM via Zoom audio/video - *2021 Reorganization Meeting*

CUMBERLAND COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF August 31, 2020					
ALL YEARS COMBINED					
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME	256,246	2,162,124	20,533,048	22,695,172
2.	CLAIM EXPENSES				
	Paid Claims	137,602	1,001,403	6,303,589	7,304,993
	Case Reserves	49,096	339,017	2,532,113	2,871,130
	IBNR	47,372	531,780	1,681,595	2,213,375
	Discounted Claim Value	(11,248)	(58,455)	(124,026)	(182,481)
	TOTAL CLAIMS	222,822	1,813,746	10,393,271	12,207,017
3.	EXPENSES				
	Excess Premiums	93,461	859,849	7,879,184	8,739,033
	Administrative	29,294	229,624	2,322,120	2,551,744
	TOTAL EXPENSES	122,756	1,089,473	10,201,304	11,290,777
4.	UNDERWRITING PROFIT (1-2-3)	(89,332)	(741,095)	(61,527)	(802,622)
5.	INVESTMENT INCOME	1,555	28,910	140,488	169,398
6.	PROFIT (4 + 5)	(87,777)	(712,185)	78,962	(633,224)
7.	CEL APPROPRIATION CANCELLATION	0	0	2,109	2,109
8.	DIVIDEND INCOME	0	0	84,697	84,697
9.	DIVIDEND EXPENSE	0	0	(84,697)	(84,697)
10.	INVESTMENT IN JOINT VENTURE	85,070	111,261	753,818	865,078
11.	SURPLUS (6 + 7 + 8 - 9)	(2,707)	(600,925)	834,888	233,963
SURPLUS (DEFICITS) BY FUND YEAR					
	2012	684	2,465	293,056	295,520
	2013	1,731	41,463	150,626	192,089
	2014	4,617	(13,623)	203,361	189,738
	2015	(7,517)	(160,724)	(437,506)	(598,230)
	2016	(3,174)	(151,234)	531,897	380,663
	2017	(6,366)	(144,662)	(242,070)	(386,732)
	2018	6,643	(234,666)	188,401	(46,264)
	2019	22,503	87,301	147,121	234,422
	2020	(21,827)	(27,244)		(27,244)
	TOTAL SURPLUS (DEFICITS)	(2,707)	(600,925)	834,887	233,963
	TOTAL CASH				4,177,771

CLAIM ANALYSIS BY FUND YEAR				
FUND YEAR 2010				
Paid Claims	0	0	0	0
Case Reserves	0	0	0	0
IBNR	0	0	0	0
Discounted Claim Value	0	0	0	0
TOTAL FY 2010 CLAIMS	0	0	0	0
FUND YEAR 2011				
Paid Claims	0	0	0	0
Case Reserves	0	0	0	0
IBNR	0	0	0	0
Discounted Claim Value	0	0	0	0
TOTAL FY 2011 CLAIMS	0	0	0	0
FUND YEAR 2012				
Paid Claims	0	0	40,744	40,744
Case Reserves	0	0	0	0
IBNR	0	0	0	0
Discounted Claim Value	0	0	0	0
TOTAL FY 2012 CLAIMS	0	0	40,744	40,744
FUND YEAR 2013				
Paid Claims	69,567	73,747	1,122,972	1,196,719
Case Reserves	(83,723)	(138,292)	157,406	19,114
IBNR	14,156	8,739	29,268	38,007
Discounted Claim Value	0	6,298	(6,298)	0
TOTAL FY 2013 CLAIMS	(0)	(49,508)	1,303,348	1,253,840
FUND YEAR 2014				
Paid Claims	(2,364)	28,951	1,195,904	1,224,855
Case Reserves	2,364	(20,494)	175,561	155,066
IBNR	0	(4,780)	9,764	4,984
Discounted Claim Value	0	9,915	(9,915)	(0)
TOTAL FY 2014 CLAIMS	0	13,592	1,371,313	1,384,905
FUND YEAR 2015				
Paid Claims	9,714	139,696	1,435,031	1,574,727
Case Reserves	(9,714)	73,809	463,721	537,530
IBNR	0	(76,038)	76,038	0
Discounted Claim Value	0	25,324	(27,857)	(2,533)
TOTAL FY 2015 CLAIMS	0	162,791	1,946,933	2,109,725
FUND YEAR 2016				
Paid Claims	4,040	34,605	782,684	817,289
Case Reserves	(4,040)	72,076	319,701	391,777
IBNR	0	14,315	23,609	37,924
Discounted Claim Value	0	10,864	(15,856)	(4,992)
TOTAL FY 2016 CLAIMS	0	131,859	1,110,138	1,241,998
FUND YEAR 2017				
Paid Claims	21,837	142,643	942,512	1,085,156
Case Reserves	(13,767)	118,594	793,167	911,761
IBNR	0	(119,576)	119,576	0
Discounted Claim Value	0	2,271	(23,665)	(21,394)
TOTAL FY 2017 CLAIMS	8,070	143,932	1,831,590	1,975,522
FUND YEAR 2018				
Paid Claims	8,103	281,359	687,631	968,989
Case Reserves	(6,809)	(12,754)	454,600	441,845
IBNR	(1,294)	(7,134)	293,384	286,250
Discounted Claim Value	0	(8,325)	(18,029)	(26,354)
TOTAL FY 2018 CLAIMS	0	253,145	1,417,585	1,670,731
FUND YEAR 2019				
Paid Claims	2,220	83,533	96,111	179,644
Case Reserves	(7,220)	(8,801)	167,957	159,156
IBNR	5,000	(74,229)	1,129,956	1,055,727
Discounted Claim Value	0	(37,341)	(22,405)	(59,746)
TOTAL FY 2019 CLAIMS	0	(36,838)	1,371,619	1,334,781
FUND YEAR 2020				
Paid Claims	24,485	216,870		216,870
Case Reserves	172,006	254,880		254,880
IBNR	29,510	790,484		790,484
Discounted Claim Value	(11,248)	(67,462)		(67,462)
TOTAL FY 2020 CLAIMS	214,752	1,194,772	0	1,194,772
COMBINED TOTAL CLAIMS	222,822	1,813,746	10,393,271	12,207,017

NEW JERSEY COUNTIES EXCESS JIF					
FINANCIAL FAST TRACK REPORT					
		AS OF	August 31, 2020		
ALL YEARS COMBINED					
		THIS	YTD	PRIOR	FUND
		MONTH	CHANGE	YEAR END	BALANCE
1.	UNDERWRITING INCOME	2,068,562	16,660,658	163,505,481	180,166,138
2.	CLAIM EXPENSES				
	Paid Claims	(8,423)	967,470	4,975,775	5,943,245
	Case Reserves	465,292	2,616,740	5,846,623	8,463,363
	IBNR	(84,179)	(160,275)	9,810,443	9,650,168
	Discounted Claim Value	(47,154)	(164,292)	(1,471,830)	(1,636,122)
	TOTAL CLAIMS	325,536	3,259,643	19,161,011	22,420,654
3.	EXPENSES				
	Excess Premiums	1,255,354	10,154,831	113,746,590	123,901,421
	Administrative	168,652	1,290,704	12,402,903	13,693,607
	TOTAL EXPENSES	1,424,006	11,445,535	126,149,494	137,595,029
4.	UNDERWRITING PROFIT (1-2-3)	319,020	1,955,480	18,194,976	20,150,456
5.	INVESTMENT INCOME	4,202	410,027	1,120,484	1,530,511
6.	PROFIT (4+5)	323,222	2,365,507	19,315,460	21,680,967
7.	Dividend	0	0	3,607,551	3,607,551
8.	SURPLUS (6-7-8)	323,222	2,365,507	15,707,909	18,073,416
SURPLUS (DEFICITS) BY FUND YEAR					
	2010	80	19,217	543,904	563,121
	2011	112	136,981	836,289	973,271
	2012	170	58,768	1,013,486	1,072,255
	2013	238	(133,363)	1,438,925	1,305,561
	2014	409	(51,216)	2,887,430	2,836,214
	2015	433	(11,465)	1,229,755	1,218,289
	2016	519	(461,467)	3,388,065	2,926,598
	2017	558	(71,016)	1,257,423	1,186,406
	2018	529	266,789	2,119,126	2,385,915
	2019	571	797,774	993,507	1,791,281
	2020	319,604	1,814,505		1,814,505
	TOTAL SURPLUS (DEFICITS)	323,222	2,365,507	15,707,909	18,073,415
	TOTAL CASH				33,638,761

CLAIM ANALYSIS BY FUND YEAR				
FUND YEAR 2010				
Paid Claims	0	0	171,840	171,840
Case Reserves	0	0	(0)	(0)
IBNR	0	(10,262)	10,466	204
Discounted Claim Value	0	967	(983)	(16)
TOTAL FY 2010 CLAIMS	0	(9,295)	181,322	172,027
FUND YEAR 2011				
Paid Claims	1,900	16,690	519,228	535,918
Case Reserves	(844)	(118,227)	214,527	96,300
IBNR	(1,045)	(46,091)	46,091	0
Discounted Claim Value	0	24,109	(24,930)	(820)
TOTAL FY 2011 CLAIMS	11	(123,518)	754,916	631,398
FUND YEAR 2012				
Paid Claims	1,015	3,905	1,551,733	1,555,637
Case Reserves	(1,015)	6,093	75,090	81,183
IBNR	0	(53,561)	64,097	10,536
Discounted Claim Value	0	4,270	(12,804)	(8,534)
TOTAL FY 2012 CLAIMS	0	(39,293)	1,678,116	1,638,823
FUND YEAR 2013				
Paid Claims	29,058	236,032	646,873	882,905
Case Reserves	(29,058)	(70,480)	644,280	573,800
IBNR	0	(11,578)	105,073	93,495
Discounted Claim Value	0	9,008	(76,642)	(67,634)
TOTAL FY 2013 CLAIMS	0	162,982	1,319,585	1,482,567
FUND YEAR 2014				
Paid Claims	728	8,203	442,532	450,734
Case Reserves	(728)	170,648	332,716	503,365
IBNR	0	(72,831)	178,256	105,425
Discounted Claim Value	0	(10,108)	(42,871)	(52,979)
TOTAL FY 2014 CLAIMS	0	95,911	910,633	1,006,545
FUND YEAR 2015				
Paid Claims	3,906	81,644	763,735	845,379
Case Reserves	(1,761)	165,062	1,897,750	2,062,812
IBNR	(2,145)	(196,298)	511,194	314,896
Discounted Claim Value	0	9,363	(172,551)	(163,187)
TOTAL FY 2015 CLAIMS	0	59,771	3,000,129	3,059,900
FUND YEAR 2016				
Paid Claims	(48,170)	(37,517)	320,211	282,695
Case Reserves	47,873	596,641	647,770	1,244,411
IBNR	297	(20,281)	305,258	284,977
Discounted Claim Value	0	(27,008)	(69,661)	(96,669)
TOTAL FY 2016 CLAIMS	0	511,836	1,203,578	1,715,413
FUND YEAR 2017				
Paid Claims	488	(44)	68,152	68,108
Case Reserves	(488)	554,206	1,525,070	2,079,277
IBNR	0	(446,844)	2,088,218	1,641,373
Discounted Claim Value	0	22,618	(292,128)	(269,510)
TOTAL FY 2017 CLAIMS	0	129,936	3,389,312	3,519,248
FUND YEAR 2018				
Paid Claims	2,497	77,302	243,786	321,088
Case Reserves	(2,407)	207,288	161,698	368,986
IBNR	(90)	(542,576)	2,419,495	1,876,919
Discounted Claim Value	0	47,799	(290,608)	(242,809)
TOTAL FY 2018 CLAIMS	0	(210,186)	2,534,370	2,324,184
FUND YEAR 2019				
Paid Claims	156	296,220	247,685	543,905
Case Reserves	212,913	37,793	347,722	385,516
IBNR	(213,069)	(1,187,844)	4,082,295	2,894,451
Discounted Claim Value	0	118,764	(488,652)	(369,888)
TOTAL FY 2019 CLAIMS	0	(735,066)	4,189,050	3,453,984
FUND YEAR 2020				
Paid Claims	0	285,035		285,035
Case Reserves	240,806	1,067,714		1,067,714
IBNR	131,873	2,427,891		2,427,891
Discounted Claim Value	(47,154)	(364,075)		(364,075)
TOTAL FY 2020 CLAIMS	325,525	3,416,566	0	3,416,566
COMBINED TOTAL CLAIMS	325,536	3,259,643	19,161,011	22,420,654

CUMBERLAND COUNTY INSURANCE COMMISSION

9 Campus Drive, Suite 216

Parsippany, NJ 07054

Date: December 3, 2020

Memo to: Commissioners of the Cumberland County Insurance Commission

From: PERMA Risk Management Services / PERMA Claims

Subject: **MANDATORY YEAR-END CLAIMS REPORTING**

As you are aware, certain policies issued to the Cumberland County Insurance Commission and/or its members apply on a claims made or discovered AND reported basis (e.g., Public Officials / Employment Practices, Employed Lawyers, Cyber, Medical Malpractice, Crime, Pollution.) With these types of policies, any claim made against you or loss discovered during the policy period **MUST** be reported before the end of the policy year. Therefore, it is imperative that any claim, potential claim, or facts and circumstances that may give rise to a claim be reported to the insurance company **prior to policy expiration on 12/31/20.**

Please conduct a review “sweep” of any **Public Officials & Employment Practices Liability, Employed Lawyers Professional Liability, Cyber, Healthcare Professional & General Liability, Crime or Pollution claims, suits and/or incidents of which you (or anyone else in your organization) may be aware that have not yet been reported.**

Such claims must be reported to the insurance carrier prior to 12/31/20. Please keep in mind that these types of policies are “claims made and reported” or “discovery” policies, and failure to timely report a discovered loss or claim (or potential claim of which you are aware) may result in a denial of coverage from the insurance carrier.

Please report these claims in the same manner as you have throughout the year, to Risk Manager Hardenbergh Insurance group, who will work with PERMA claims to ensure that the claims are reported to the carrier prior to policy expiration. Given the upcoming holidays, we respectfully request that you complete this process as soon as possible so that there are no delays in getting claims reported to the carrier(s).

Please let us know if you have any questions or concerns.

RESOLUTION NO. 21 – 20

**CUMBERLAND COUNTY INSURANCE COMMISSION
BILLS LIST – DECEMBER 2020**

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

BE IT RESOLVED that the Cumberland County Insurance Fund Commission, 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.

<u>FUND YEAR 2020</u>			
<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000243			
000243	INSERVCO INSURANCE SERVICES	CLAIMS ADMIN FEE 11/20	4,343.16
000243	INSERVCO INSURANCE SERVICES	CLAIMS ADMIN FEE 10/20	4,343.16
			8,686.32
000244			
000244	PERMA RISK MANAGEMENT SERVICES	POSTAGE 9/20	2.00
			2.00
000245			
000245	SPARK CREATIVE GROUP	WEB HOST /DOM. MAIN. THRU 10/20	375.00
			375.00
000246			
000246	CUMBERLAND COUNTY TREASURER'S OFFICE	CUIC WELLNESS INCENTIVE GP 12/20	464.65
			464.65
000247			
000247	CUMBERLAND COUNTY SHERRIFF'S DEPARTMENT	CUIC WELLNESS INCENTIVE GP 11/20	944.00
			944.00
		Total Payments FY 2020	10,471.97
		TOTAL PAYMENTS ALL FUND YEARS	10,471.97

Chairperson

Attest:

Dated: _____

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

Treasurer

RESOLUTION NO. 22 – 20

**CUMBERLAND COUNTY INSURANCE COMMISSION
SUPPLEMENTAL BILLS LIST – DECEMBER 2020**

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

BE IT RESOLVED that the Cumberland County Insurance Fund Commission, 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.

<u>FUND YEAR 2020</u>			
<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000248			
000248	BOWMAN & COMPANY LLP	2019 AUDIT	6,613.00
			6,613.00
		Total Payments FY 2019	6,613.00
		TOTAL PAYMENTS ALL FUND YEARS	6,613.00

Chairperson

Attest:

Dated: _____

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

Treasurer

CUMBERLAND COUNTY INSURANCE COMMISSION

TO: Fund Commissioners
FROM: J.A. Montgomery Consulting, Safety Director
DATE: November 23, 2020
DATE OF MEETING: December 3, 2020

CUIC SERVICE TEAM

Paul Shives, Vice President, Safety Services pshives@jamontgomery.com Office: 732-736-5213	Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Senior Administrative Coordinator ndougherty@jamontgomery.com Office: 856-552-4738
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October - December 2020

RISK CONTROL ACTIVITIES

MEETINGS ATTENDED / TRAINING / LOSS CONTROL VISITS CONDUCTED

- **October 1:** Attended the CUIC meeting via teleconference.
- **October 14:** Attended the CUIC Safety Committee meeting via teleconference.
- **October 20:** Attended the CUIC Claims Committee meeting via teleconference.
- **November 17:** Attended the CUIC Claims Committee meeting via teleconference.
- **November 18:** Conducted a loss control survey of the Cumberland County Utility Authority.

UPCOMING MEETINGS / TRAINING / LOSS CONTROL VISITS PLANNED

- **December 3:** Plan to attend the CUIC meeting via teleconference.
- **December 9:** Plan to attend the CUIC Safety Committee meeting via teleconference.
- **December 15:** Plan to attend the CUIC Claims Committee meeting via teleconference.

SAFETY DIRECTOR BULLETINS

Safety Director Bulletins and Messages are distributed by e-mail to Executive Directors, Fund Commissioners, Risk Managers and Training Administrators. They can be viewed at <https://njce.org/covid-19-updates/> or <https://njce.org/safety/safety-bulletins/>.

- NJCE JIF - Law Enforcement Bulletin – Remote Learning Challenges for Police Leaders – October 6.

- NJCE JIF - SD Bulletin - Halloween Celebrations During the COVID Outbreak – October 8.
- NJCE JIF - Live Safety Training Webinars – November Registration Now Open – October 13.
- NJCE JIF - Law Enforcement Bulletin – NEW Law Enforcement Bulletin – Ambush Attacks on Law Enforcement Officers – October 22.
- NJCE JIF - SD Bulletin - Mandatory COVID-19 Workplace Safety for NJ Employers – November 4.
- NJCE JIF - Live Safety Training Webinars – November - December Registration Now Open! – November 4.
- NJCE JIF - New Bulletin – Executive Order 192 Guidance – November 13.
- NJCE JIF - SD Bulletin - Executive Orders #194 and #196 Reinstate Restrictions on Gatherings – November 18.

NJCE TRAINING OVERVIEW – LIVE SAFETY TRAINING WEBINARS

Due to the ongoing COVID-19 crisis in New Jersey, the indefinite suspension of in-person New Jersey Counties Excess Joint Insurance Fund (NJCE) classroom training and with the utmost concern for our public employers and employees NJCE is offering online live safety training webinars.

Instruction is conducted with a live instructor using the Zoom webinar platform. We are excited to offer you the same training content, with the same experienced crew of instructors and with the same continuing education credits as with out in-person classes, but with the flexibility and safety of online delivery.

- The December Live Training Webinar schedule and registration links is attached.

NJCE MEDIA LIBRARY

The NJCE DVD Media Library (856-552-4900) is available for borrowing 560+ safety videos in 45 different categories. To view the full video catalog please visit <https://njce.org/wp-content/uploads/2018/10/2018-NJCE-JIF-Media-Catalog.pdf> or email the video library at melvideolibrary@jamontgomery.com.

CUIC Usage:

- 10 Videos were utilized in 2020.

NJCE ONLINE STREAMING VIDEO SERVICE

The NJCE JIF now has a New Video Streaming Service. This is an “on demand” service and has about 180 titles available for streaming right to your workplace! We encourage leaders to view the videos with members of their team and then discuss how the information in the video can best be used specifically in your operations.

To access the streaming “on demand videos”, go to the NJCE website <https://njce.org/safety-training-videos-registration/>. Complete the Registration Form, click submit. The following screen will provide the URL and password to access the streaming videos.



The MEL Safety Institute (MSI) and New Jersey Counties Excess Joint Insurance Fund (NJCE) continues our live-instructor virtual safety training. Our upcoming schedule of online webinars is provided below, with links to register.

December Webinar Training Schedule

Click on Topic to Register

Date	Webinar Topic	Time
12/1/2020	Personal Protective Equipment (PPE)	8:30 - 10:30 am
12/1/2020	Bloodborne Pathogens (BBP)	11:00 - 12:00 pm
12/1/2020	HazCom w/GHS	1:00 - 2:30 pm
12/2/2020	Fire Safety	8:30 - 9:30 am
12/2/2020	Fire Extinguisher	10:00 - 11:00 am
12/2/2020	Driving Safety Awareness	1:00 - 2:30 pm
12/3/2020	Confined Space for Entrants & Attendants	8:30 - 10:30 am
12/3/2020	Fall Protection Awareness	1:00 - 3:00 pm
12/4/2020	Snow Plow/Snow Removal Safety	8:30 - 10:30 am
12/4/2020	Hearing Conservation	11:00 - 12:00 pm
12/4/2020	Traffic Control in Work Zones	1:00 - 3:00 pm
12/7/2020	Building Trust and a Constitutionally Sound Police Agency Through Training	9:00 - 10:30 am
12/7/2020	Leaf Collection Safety	8:30 - 10:30 am
12/7/2020	Chipper Safety	11:00 - 12:00 pm
12/7/2020	Dealing with Difficult People	1:00 - 3:00 pm
12/8/2020	Preparing for First Amendment Audits	9:00 - 11:00 am
12/8/2020	Ethics for NJ Local Government Employees	9:00 - 11:00 am
12/8/2020	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	1:00 - 3:00 pm
12/8/2020	HazCom w/GHS-Evening	7:00 - 8:30 pm
12/9/2020	HazMat Awareness with Hazard Communication & NJ Right to Know	8:30 - 11:30 am
12/9/2020	Bloodborne Pathogens (BBP)	1:00 - 2:00 pm
12/10/2020	Snow Plow/Snow Removal Safety	8:30 - 10:30 am
12/10/2020	Shop and Tool Safety	11:00 - 12:00 pm
12/10/2020	Confined Space for Entrants & Attendants	1:00 - 3:00 pm
12/11/2020	Flagger Skills and Safety Considerations	8:30 - 9:30 am
12/11/2020	Hearing Conservation	10:00 - 11:00 pm
12/14/2020	CDL-Drivers Safety Regulations	9:00 - 11:00 am
12/14/2020	CDL- Reasonable Suspicion for Supervisors	1:00 - 3:00 pm
12/15/2020	Fall Protection Awareness	8:30 - 10:30 am
12/15/2020	Personal Protective Equipment (PPE)	1:00 - 3:00 pm
12/16/2020	Sanitation/Recycling Safety	8:30 - 10:30 am
12/16/2020	Lock Out/Tag Out (LOTO)	1:00 - 3:00 pm
12/17/2020	Fire Safety	9:00 - 10:00 am
12/17/2020	Fire Extinguisher	10:30 - 11:30 am
12/18/2020	Driving Safety Awareness	8:30 - 10:00 am
12/18/2020	HazCom w/GHS	10:30 - 12:00 pm

Live Webinar Guidelines:

To maintain the integrity of the live webinar training and our ability to offer CEUs, J.A Montgomery Consulting must abide by the rules of the State agency who issued the designation. Chief among those rules

is the attendee of the class must attend the whole session. Attendees who enter the class more than 5 minutes late or leave early will not be awarded CEUs for the class or receive a certificate of completion.

The Zoom platform is utilized to track the time each attendee logs in and logs out of webinars. Also, we can track participation, to demonstrate to the State agency that the student also participated in polls, quizzes, and question & answer activities during the live, instructor-led webinar. We maintain these records to document our compliance with the State agency.

About Zoom Training:

- A Zoom account is not needed to attend a class. Attendees can login and view the presentations from a laptop, smartphone, or tablet.
- Registration is required. Once registered you will receive the webinar link for your class, be sure to save the link on your calendar to access the day of training.
- Students must be present in the webinar within 5 minutes of the start time for their attendance to be recorded in their learning histories.
- Please [click here](#) for informative Zoom operation details.
- Group Training procedures:
 - Please have one person register for the safety training webinar.
 - Please complete the Group sign in sheet (link to sign in sheet below) and send it to ndougherty@iamontgomery.com within 24 hours of training completion.

<https://njce.org/wp-content/uploads/2020/06/Webinar-Group-Sign-in-Sheet.pdf>

Questions?

- NJCE members call Natalie Dougherty at (856) 552-4738.

CEU's for Certified Publics Works Managers			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Accident Investigation	2 / M	HazCom with Globally Harmonized System	1 / T,G
Advanced Safety Leadership	10 / M	Hazardous Materials Awareness w/ HazCom & GHS	3 / T
Asbestos, Lead & Silica Industrial Health Overview	1 / T,G	Hazard Identification - Making Your Observations Count	1 / T,M
Back Safety / Material Handling	1 / T	Hearing Conservation	1 / T,G
Bloodborne Pathogens Training	1 / G	Heavy Equipment Safety	1 / G - 2 / T
Bloodborne Pathogens Administrator Training	1 / T,M	Hoists, Cranes and Rigging	2 / T
BOE Safety Awareness	3 / T	Housing Authority Safety Awareness	3 / T
CDL – Supervisors Reasonable Suspicion	2 / M	Jetter Safety	2 / T
CDL - Drivers' Safety Regulations	2 / G	Landscape Safety	2 / T
Coaching the Maintenance Vehicle Operator	2 / T,M	Leaf Collection Safety Awareness	2 / T
Confined Space Entry – Permit Required	3.5 / T	Lockout Tagout	2 / T
Confined Space Awareness	1 / T,G	Personal Protective Equipment (PPE)	2 / T
Dealing With Difficult People	1 / M	Playground Safety Inspections	2 / T
Defensive Driving-6-Hour	6 / M	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / M
Driving Safety Awareness	1.5 / T	Sanitation and Recycling Safety	2 / T
Ethics for NJ Officials and Employees	2 / E	Safety Committee Best Practices	1.5 / M
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Coordinator's Skills Training	2 / M,G
Excavation Trenching & Shoring	2 / T,M	Shop and Tool Safety	1 / T
Fall Protection Awareness	2 / T,M	Seasonal Public Works Operations	3 / T
Fast Track to Safety	4 / T	Snow Plow Safety	2 / T
Fire Extinguisher	1 / T	Special Events Management	2 / M
Fire Safety	.5 / T -.5 / G	Shift Briefing Essentials	1 / M
Flagger / Workzone Safety	2 / T,M		
CEU's for Registered Municipal Clerks			
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Asbestos, Lead & Silica Industrial Health Overview	1 / P	Hazard Identification - Making your Observations Count	2 / P
Bloodborne Pathogens Training	1 / P	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / P
Dealing With Difficult People	1 / P	Safety Committee Best Practices	1.5 / P
Employee Conduct and Violence in the Work Place	1.5 / E	Safety Coordinator's Skills Training	4 / P
Ethics for NJ Officials and Employees	2 / E,P	Special Event Management	2 / P
TCH's For Water/ Wastewater			
MSI Course	TCH's/Cat.	MSI Course	TCH's/Cat.
Accident Investigation	1.5 / S	HazCom with Globally Harmonized System	1.5 / S
Advanced Safety Leadership	10 / S	Hazardous Materials Awareness w/ HazCom & GHS	3 / S
Asbestos, Lead & Silica Industrial Health Overview	1 / S	Heavy Equipment Safety	3 / S
Back Safety / Material Handling	1 / S	Housing Authority Safety Awareness	3 / S
Bloodborne Pathogens Training	1 / S	Hazard Identification - Making your Observations Count	1.5 / S
Bloodborne Pathogens Administrator Training	2 / Non S	Hearing Conservation	1 / S
BOE Safety Awareness	3 / S	Hoists, Cranes and Rigging	2 / S
CDL – Supervisors Reasonable Suspicion	1.5 / S	Jetter Safety	2 / S
CDL - Drivers' Safety Regulations	2 / S	Ladder Safety/Walking Working Surfaces	2 / S
Confined Space Awareness	1 / S	Landscape Safety	2 / S
Confined Space Entry - Permit Required	3.5 / S	Leaf Collection Safety Awareness	2 / S
Dealing With Difficult People	1 / S	Lockout Tagout	2 / S
Defensive Driving-6-Hour	5.5 / S	Shop and Tool Safety	1 / S
Driving Safety Awareness	1.5 / S	Office Safety	2 / S
Employee Conduct and Violence in the Work Place	1.5 / Non S	Personal Protective Equipment (PPE)	2 / S
Excavation Trenching & Shoring	4 / S	Safety Committee Best Practices	1.5 / S
Fall Protection Awareness	2 / S	Safety Coordinator's Skills Training	4 / S
Fast Track to Safety	4 / S	Seasonal Public Works Operations	3 / S
Fire Extinguisher	1 / S	Shift Briefing Essentials	1.5 / S
Fire Safety	1 / S	Snow Plow Safety	2 / S
Flagger / Workzone Safety	2 / S	Special Event Management	2 / S
CEU's for Tax Collectors		CEU's for County/Municipal Finance Officers	
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Employee Conduct and Violence in the Work Place	1.5 / E	Employee Conduct and Violence in the Work Place	1.5 / E
Ethics for NJ Officials and Employees	2 / E	Ethics for NJ Officials and Employees	2 / E
Dealing With Difficult People	1 / E, Gen	Dealing With Difficult People	1 / E, M
Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / Gen	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / OFM
CEU's for Certified Recycling Professionals		CEU's for Qualified Purchasing Agents	
MSI Course	CEU's/Cat.	MSI Course	CEU's/Cat.
Fire Extinguisher Safety	1 / CRP	Employee Conduct and Violence in the Work Place	1.5 / E
Hazard Recognition- Making your Observations Count	2 / CRP	Ethics for NJ Officials and Employees	2 / E
Heavy Equipment	3 / CRP	Dealing With Difficult People	1 / OFF
Sanitation and Recycling Safety	2 / CRP	Protecting Children from Abuse - For Managers/Supervisors/Elected Officials	2 / OFF
CEU's for Park and Rec Professionals			
MSI Course	CEU's/Cat.		
Playground Safety Inspections (CEUs for all Park and Rec Professionals)	.2		
***Categories		***Categories(cont.)	
E - Ethics		Non S - Non Safety (Management)	
T - Technical		P - Professional Development	
G - Governmental		M - Management	
S - Safety / Non S - Non Safety		CRP - Certified Recycling Professional Classroom CEU	
GEN - General Secondary Duties		OFF - Office Admin/General Duties	
OFM - Office Mgmt. and Ancillary subjects			



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TO: Commissioners of the Cumberland County Insurance Commission (CCIC)
CC: Brad Stokes, CumbCIC Executive Director
FROM: Christopher Powell and Public Entity Team
DATE: 12/3/2020
RE: Risk Management Consultant's Report

Safety and Training

- **8/12/2020 Safety and Accident Review Committee Meeting Minutes**
Attached are the approved 8/12/2020 Safety and Accident Review Committee Meeting Minutes. The 10/14/2020 Meeting Minutes will be included in the next agenda packet contingent upon their approval.

Risk Management

- **2020 NJCEL reinsurer BRIT Safety Grant**
The submission for the 2020 BRIT Safety Grant from the County's Public Work's Department for the purchase of one traffic attenuator was approved. A traffic attenuator is a yellow with black striped piece of equipment that gets secured to a dump truck and is intended to make a roadway work zone more visible. By doing so, it hopefully will reduce auto accidents as statistics show, drivers are more distracted than ever before.

The total cost for the attenuator was \$16,984. The amount awarded was \$8,492 which is 50% of the cost. Since 2015, the Insurance Commission has received \$40,004.69 from the reinsurer BRIT Safety Grant.

- **2020 Wellness Incentive Grant Program Submissions & 2021 Wellness Incentive Grant Program**
This year there were two Wellness Incentive Grant Program submissions received from the County. One submission had multiple departments requesting different wellness items and activities. Three of the departments were unable to complete their wellness activities. The original amount of the submission was \$998.61. The actual amount spent by the remaining departments was \$464.65.

In addition, the Safety and Accident Review Committee met on October 14th and respectfully request continued funding for the Wellness Incentive Grant for 2021. Attached is the program with the following changes for approval:

- o Increase the number of grants awarded from three to five.
- o Increase the amount of grants awarded from \$3,000 to \$5,000. The intended breakdown is \$3,000 for the County, \$1,000 for the Cumberland County Improvement Authority and \$1,000 for the Cumberland County Utilities Authority. If one member does not participate or a submission is not approved, then another member is eligible to utilize the funds.

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All other parts of the program would remain the same. The Safety and Accident Review Committee respectfully request the Commission approve an amount not to exceed \$5,000 (\$1,000 per grant – total of 5 grants) for this program. We will discuss further at the meeting.

Action Requested: Motion to authorize \$5,000 for the Wellness Incentive Program.

- **Litigation Management Plan**

Attached is the revised Litigation Management Plan. All changes were made by Commission Counsel and are administrative in nature to reflect current practices.

Action Requested: Motion to adopt the revised Litigation Management Plan.

- **2021 Meeting Schedules**

Enclosed are the meeting schedules for the Safety and Accident Review Committee and Claims Committee meetings.

Action Requested: Motion to approve both schedules as presented.

- **2020 Claims Sweep on Claims Made Policies**

We have contacted all the of the members and reminded them to advise our office if they have any knowledge of an incident which may give a rise to a claim under the "claims made" policies: Public Officials / Employment Practices, Medical Malpractice, Employed Lawyers, Crime, Pollution and Cyber Liability. These policies have strict definitions to what constitutes "knowledge of a claim" and the time period in which it must be reported to the carrier for coverage to be afforded. As these policies expire on 1/1/2021, we need to report any potential claims that may have been throughout 2020 to the carriers prior to 1/1/2021.

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CUMBERLAND COUNTY INSURANCE COMMISSION

Safety and Accident Review Committee Meeting Minutes
 August 12, 2020 – 10:00am
 Via Video Conference Meeting

- I. Call to Order – Mr. Atkinson
 Mr. Atkinson called the meeting to order at 10:04 am.

II. Roll Call

<u>Committee Members:</u>	<u>Member</u>	<u>Present / Absent</u>
Craig Atkinson	Cumberland County Insurance Commission (Chair)	Present
Robin Haaf	Cumberland County - Human Services/Alcohol	Present
Jasmin Calderon	Cumberland County - Prosecutor/Administration	Absent
Megan Sheppard	Cumberland County – Health Department	Absent
Ginger Supernavage	Cumberland County – Dept. of Workforce Development	Present
Henrietta Barreras	Cumberland County - Human Resources	Present
Dawn Bowen	Cumberland County - Emergency Services & Public Protection	Present
Theresa VanSant	Cumberland County – CATS	Present
Veronica Surrency	Cumberland County - Juvenile Detention Center	Absent
David Dewoody	Cumberland County – Purchasing	Present
Ronald Cusano	Cumberland County – Sheriff's Department	Absent
MaryAnn Maslanik	Cumberland County – 4 –H Extension	Present
James Neher	Cumberland County – Public Works	Absent
Kathy Rodriquez	Cumberland County – Dept. of Social Services	Absent
Christina Campbell	Cumberland County – Library	Present
James Matlock	Cumberland County – Consumer Affairs	Absent
Sal DeFrancisco	Cumberland County Improvement Authority	Present
Stephanie Shelton	Cumberland County Improvement Authority	Present
Steven Errickson	Cumberland County Utilities Authority	Absent
Dr. Cynthia Hickman	Cumberland County – Human Resources	Present

Alternates:

Frank Sabella	Cumberland County – Prosecutor/Administration	Present
Noah Hetzell	Cumberland County – Department of Health	Present
John Knoop	Cumberland County – County Engineer/Public Works	Absent
Craig Johnson	Cumberland County – Sheriff's Office	Absent
Betty Rodriquez	Cumberland County – Dept. of Social Services	Absent
Gabe Scarpa	Cumberland County – Emergency Services & Public Protection	Absent

Commission Professionals:

Brad Stokes	Executive Director	Present
Glenn Prince	NJCEL Safety Director / JA Montgomery	Present
Jonathan Czarnecki	JA Montgomery	Absent
Christina Violetti	RMC / Hardenbergh Insurance Group	Present
Joe Henry	RMC / Hardenbergh Insurance Group	Present
Karen Read	PERMA	Absent
Veronica George	Inservco Insurance Services	Absent

- III. Approval of the 2/12/2020 and 4/28/2020 Safety and Accident Review Committee Meeting Minutes.
 Motion to approve the 2/12/2020 and 4/28/2020 Safety and Accident Review Committee Meeting Minutes.

Moved: Dr. Cynthia Hickman
 Seconded: Noah Hetzell
 Vote: Aye: Unanimous Nay: 0 Abstentions: 0

IV. NJCEL Safety Director's Report

Mr. Prince advised the Committee that J.A. Montgomery has transitioned from instructor led training to 100% webinar based training. In addition, all the safety resources, including Safety Director bulletins and training schedules are now found on the New Jersey Counties Excess Liability Joint Insurance Fund website (www.NJCE.org).

He further advised that supplemental training videos are available on the website, under the Safety tab via link as opposed to regular mail. There are no costs to utilize the videos.

CUMBERLAND COUNTY INSURANCE COMMISSION

Lastly, he encouraged the committee to view the distributed Most Commonly Cited Citations for the 2nd quarter, utilize it for department self-assessment and contact J.A. Montgomery for assistance if necessary.

V. Chairman's Report – Craig Atkinson

The Chairman began by providing a review of the County's Accident Statistics for the first seven months of 2020.

Lastly, he advised the Committee that the County has been participating in ongoing virtual training.

VI. Risk Management Consultant's Report

Ms. Violetti provided the accident report for Cumberland County Improvement Authority and Cumberland County Utilities Authority for the first seven months of 2020.

Next, she spoke about the 2020 BRIT Safety Grant. J.A. Montgomery received the submission for Cumberland County's Public Works Department for the purchase of one traffic attenuator. The total cost was \$16,984. The BRIT Safety Grant Committee will be meeting shortly to discuss all submissions received. A traffic attenuator is a yellow with black stripped piece of equipment that gets secured to a dump truck and is intended to make a roadway work zone more visible. By doing so, it hopefully will reduce auto accidents as statistics show, drivers are more distracted than ever before.

She continued with updating the Committee on the 2020 Wellness Grants. The Cumberland County Insurance Commission approved the two submissions, one which had been provided by the County Sheriff's Department and the 2nd was provided by Dr. Hickman on behalf of multiple County Departments. There was a discussion regarding a concern if a department could not fulfill their approved wellness activity. Ms. Violetti instructed that the department should reach out to her directly for further discussion.

Next, she announced that with the current restriction in place due to the COVID-19 virus, the 2021 Safety Expo has been cancelled. The Safety Expo Committee hopes to move forward with this idea in 2022.

Ms. Violetti re-enforced the online digital Streaming Library that Mr. Prince announced in his report. The Library contains 115 streaming training videos for members to utilize. A list of the videos was distributed to the Committee members.

Lastly, she spoke about the NJCEL Child Abuse Training. J.A. Montgomery provided two online webinars in July titled "Protecting Children from Abuse" which discussed child abuse and the responsibility of local government to protect children. Two additional trainings are schedule in August for any who may have missed the webinar in July. This was recommended training for those who interact with children regularly. In addition, the NJCEL website contains a 20-minute video titled "Protecting Children" which was recommended training for those who do not interact with children regularly.

VII. Presentation of Supervisor's Accident Investigation Forms for Review – Chairman Atkinson

The accident investigation form for the Workers' Compensation claims on Exhibit A were reviewed.

VII. Old Business

Mr. Dewoody advised the Committee that the County has completed the 2019 Right to Know Survey. In addition, the County has purchased more MSDS uploads and the database is getting updated.

IX. New Business

There was no new business.

X. Adjournment

Motion to adjourn

Moved: Henrietta Barreras

Seconded: Ginger Supernavage

The meeting was adjourned at 10:52 am.

CUMBERLAND COUNTY INSURANCE COMMISSION WELLNESS INCENTIVE PROGRAM

Purpose:

The Wellness Incentive Program is designed to award five grants (each up to \$1,000) to assist each member in promoting wellness objectives by providing financial reimbursement for wellness and health related items or programs purchased by a members' department. The intended breakdown is \$3,000 for the County, \$1,000 for the Cumberland County Improvement Authority and \$1,000 for the Cumberland County Utilities Authority. If one member does not participate or a submission is not approved, then another member is eligible to utilize the funds.

Advantages to the Members:

A commitment to wellness has many advantages to the member such as helping to retain healthy employees which contributes to fewer absences, improved job performance, greater productivity and a quicker return to the workplace when suffering a workers' compensation injury.

Suggested Uses:

Some suggestions for eligible items could fall under the following categories:

- Physical activity
- Chair massages
- Fresh Fruit Fridays
- Inspirational quote and poster displays
- Proper nutrition i.e. smoothies
- Health Fair
- Lunch n' Learn
- Health screenings i.e. blood pressure, heart rate, skin, glucose, cholesterol
- Health education

Inadmissible Reimbursements:

- Healthcare premiums
- Deductible reimbursements
- Any current benefits in place through the member's health care provider i.e. gym membership reimbursements
- Free services

Submission Process:

All departments from each member are eligible to submit a request for the wellness grant. A submission form and supporting documentation such as photographs and documentation illustrating cost of the item or program will be required. Additional documentation such as testimonials of the item or program will be encouraged. The submission deadline is March 15th. Submissions will be emailed to Joe Henry at jhenry@hig.net. Any submission which did not contain all required pieces stated above will not qualify.

Selection Process:

At the April Safety and Accident Review Committee meeting, all submissions will be reviewed by the Committee. The Committee will vote on which submission from each member entity will move forward. A motion will be required to present five submissions to the Insurance Commission at the June meeting. The Insurance Commission will have final approval.

Reimbursement Instructions:

The departments awarded the grants will be notified. The disbursement of the funds will be provided to the department once evidence that the wellness activity has been completed and paid. The wellness item or

activity must be completed by November 15th. In addition, all documentation (department purchase order, invoice and signed Commission voucher) must be sent to Christina Violetti at cvioletti@hig.net by November 15th. No payments will be made to vendors directly.

**CUMBERLAND COUNTY INSURANCE COMMISSION
SUBMISSION FOR WELLNESS INCENTIVE PROGRAM GRANT**

Member:

Department:

Provide a description of the wellness item(s) or program being nominated for the grant. Supporting documentation such as photographs and cost are required. Testimonials are encouraged but are not required.

Printed Name of Person submitting nomination:

Signature of Person submitting nomination:

Position / Title:

Date:

Submit this form by

March 15th to:

Hardenbergh Insurance Group, Attn: Joe Henry
8000 Sagemore Drive, Suite 8101, Marlton, NJ 08053

Email: jhenry@hig.net

Cumberland County Insurance Commission
Safety and Accident Committee
2021 Meeting Schedule

All meetings will be held at the 911 Center located at
637 Bridgeton Avenue, Bridgeton NJ @ 10:00 AM

February 10, 2021

April 14, 2021

June 9, 2021

August 11, 2021

October 13, 2021

December 8, 2021

Cumberland County Insurance Commission
Claims Committee
2021 Meeting Schedule

All meetings will be held in the Freeholder Conference Room
164 W. Broad Street, Bridgeton NJ
at 11:00AM OR via Conference Call

For Meetings Convened via ZOOM Video Conference or Telephonically, the
Conference information will be provided in the Agenda

January 19, 2021

February 16, 2021

March 16, 2021

April 20, 2021

May 18, 2021

June 15, 2021

July 20, 2021

August 17, 2021

September 21, 2021

October 19, 2021

November 16, 2021

December 21, 2021



CUMBERLAND COUNTY INSURANCE COMMISSION
Cumulative Savings Report
1/1/2020 - 10/31/2020

2020						
	UNITS OF SERVICE	BILLED	APPROVED	SAVINGS	% SAVINGS	MANAGED CARE FEE
JANUARY	33	\$97,849.87	\$54,627.09	\$43,222.78	44%	\$5,618.96
FEBRUARY	11	\$4,600.47	\$1,712.05	\$2,888.42	63%	\$375.49
MARCH	41	\$40,038.97	\$17,014.24	\$23,024.73	58%	\$2,993.21
APRIL	42	\$22,878.98	\$9,806.99	\$13,071.99	57%	\$1,699.36
MAY	27	\$13,404.00	\$5,150.26	\$8,253.74	62%	\$1,072.99
JUNE	37	\$15,453.20	\$3,977.73	\$11,475.47	74%	\$1,491.81
JULY	42	\$40,220.78	\$20,289.63	\$19,931.15	50%	\$2,591.05
AUGUST	35	\$40,138.20	\$12,509.90	\$27,628.30	69%	\$3,591.68
SEPTEMBER	58	\$30,755.50	\$11,717.43	\$19,038.07	62%	\$2,474.95
OCTOBER	59	\$174,403.11	\$37,938.69	\$136,464.42	78%	\$17,740.37
NOVEMBER						
DECEMBER						
Grand Total	385	\$479,743.08	\$174,744.01	\$304,999.07	64%	\$39,649.88

2019						
	UNITS OF SERVICE	BILLED	APPROVED	SAVINGS	% SAVINGS	MANAGED CARE FEE
JANUARY	33	\$110,004.18	\$35,581.97	\$74,422.21	68%	\$9,674.89
FEBRUARY	16	\$36,031.21	\$34,348.58	\$1,682.63	5%	\$218.74
MARCH	28	\$28,681.02	\$16,374.42	\$12,306.60	43%	\$1,599.86
APRIL	29	\$43,382.24	\$10,100.05	\$33,282.19	77%	\$4,326.68
MAY	13	\$21,781.60	\$11,094.44	\$10,687.16	49%	\$1,389.33
JUNE	8	\$19,188.95	\$8,812.68	\$10,376.27	54%	\$1,348.92
JULY	14	\$5,401.50	\$3,995.59	\$1,405.91	26%	\$182.77
AUGUST	8	\$2,282.24	\$965.68	\$1,316.56	58%	\$171.15
SEPTEMBER	7	\$3,483.50	\$1,461.97	\$2,021.53	58%	\$452.86
OCTOBER	15	\$8,329.16	\$3,345.57	\$4,983.59	60%	\$1,082.79
NOVEMBER	11	\$28,722.86	\$7,873.51	\$20,849.35	73%	\$2,710.42
DECEMBER	32	\$68,902.28	\$21,366.77	\$47,535.51	69%	\$6,179.62
Grand Total	214	\$376,190.74	\$155,321.23	\$220,869.51	59%	\$29,338.02



CUMBERLAND COUNTY INSURANCE COMMISSION

PPO SAVINGS AND PENETRATION REPORT
January 1, 2020 – October 31, 2020

	UNITS OF SERVICE	CHARGES	APPROVED	SAVINGS	% SAVINGS	MANAGED CARE FEE
Participating Provider	365	\$470,166.21	\$166,417.81	\$303,748.40	65%	\$39,487.29
Orthopedic Surgery	70	\$208,639.27	\$46,776.39	\$161,862.88	78%	\$21,042.17
Hospital	8	\$109,768.31	\$65,861.02	\$43,907.29	40%	\$5,707.95
Physical Therapy	130	\$61,919.00	\$15,442.00	\$46,477.00	75%	\$6,042.01
Medical Transportation	43	\$26,287.00	\$13,885.00	\$12,402.00	47%	\$1,612.26
Occ Med/Primary Care	79	\$24,217.87	\$10,491.57	\$13,726.30	57%	\$1,784.42
Ambulatory Surgical Center	1	\$13,590.00	\$3,998.50	\$9,591.50	71%	\$1,246.90
MRI/Radiology	17	\$11,094.87	\$4,166.76	\$6,928.11	62%	\$900.65
Ambulatory Surgery Center	1	\$5,100.00	\$900.00	\$4,200.00	82%	\$546.00
Anesthesiology	2	\$3,399.00	\$1,491.00	\$1,908.00	56%	\$248.04
Physician Fees	7	\$2,145.00	\$1,873.96	\$271.04	13%	\$35.24
Sports Medicine	3	\$2,046.97	\$773.15	\$1,273.82	62%	\$165.60
Emergency Medicine	1	\$1,278.00	\$559.75	\$718.25	56%	\$93.37
Physical Medicine & Rehab	1	\$506.10	\$123.67	\$382.43	76%	\$49.72
Durable Medical Equipment	2	\$174.82	\$75.04	\$99.78	57%	\$12.97
Out Of Network	20	\$9,576.87	\$8,326.20	\$1,250.67	13%	\$162.59
Physical Medicine & Rehab	2	\$2,959.00	\$2,023.00	\$936.00	32%	\$121.68
Anesthesiology	2	\$2,025.00	\$2,025.00	\$0.00	0%	\$0.00
Durable Medical Equipment	2	\$1,565.87	\$1,317.37	\$248.50	16%	\$32.31
Behavioral Health	7	\$1,130.00	\$1,130.00	\$0.00	0%	\$0.00
Laboratory Services	3	\$679.00	\$647.83	\$31.17	5%	\$4.05
Emergency Medicine	1	\$567.00	\$567.00	\$0.00	0%	\$0.00
Pain Management	2	\$551.00	\$516.00	\$35.00	6%	\$4.55
Physician Fees	1	\$100.00	\$100.00	\$0.00	0%	\$0.00
Grand Total	385	\$479,743.08	\$174,744.01	\$304,999.07	64%	\$39,649.88

TOP 10 PROVIDER REPORT
January 1, 2020 – October 31, 2020

	UNITS OF SERVICE	APPROVED
INSPIRA MEDICAL CENTER VINELAND	6	\$62,130.04
PREMIER ORTHOPAEDIC & SPORTS MEDICINE ASSOC OF SNJ LLC	46	\$38,907.46
COMP X MEDICAL MANAGEMENT	43	\$13,885.00
NOVACARE REHABILITATION	95	\$11,822.00
INSPIRA HEALTH NETWORK URGENT CARE	46	\$6,074.58
PREMIER ORTHOPAEDIC ASSOC OF SOUTHERN NJ	25	\$4,356.48
VANTAGE SURGICAL CENTER	1	\$3,998.50
ONE CALL CARE DIAGNOSTICS	13	\$3,875.00
INSPIRA MEDICAL CENTER ELMER	2	\$3,730.98
RECONSTRUCTIVE ORTHOPEDICS P A	9	\$3,509.79
Grand Total	286	\$152,289.83

APPENDIX I – MEETING MINUTES

**CUMBERLAND COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – OCTOBER 1, 2020
ELECTRONICALLY
11:00 AM**

Meeting called to order by Chairman Surrency. Open Public Meetings notice read into record

ROLL CALL OF COMMISSIONERS:

Jack Surrency	Present
Gerald Seneski	Present
Kim Wood	Present

ALTERNATE FUND COMMISSIONER:

Jody Hirata	Present
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FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash, Karen A. Read
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ALSO PRESENT:

Anthony Bontempo, Cumberland County
Craig Atkinson, Cumberland County
John Carr, Cumberland County
Melissa Strickland, Cumberland County
Jerry Valasquez,
Christina Violetti, Hardenbergh Insurance Group
James Miles, Bowman & Company
Dennis Skalkowski, Bowman & Company
Scott Brown, SGRisk
Ben Newville, SGRisk
Veronica George, Inservco
Amy Zeiders, Inservco
Yvonne Frey, Inservco
Surretha Hobbs, Inservco
Karen Beatty, Qual-Lynx
Chris Roselli, Qual-Lynx
Robyn Walcoff, PERMA
Jennifer Conicella, PERMA
Glenn Prince, JA Montgomery
Edward Cooney, Conner Strong & Buckelew

PUBLIC PRESENT:

Nancy Ridgway

APPROVAL OF MINUTES: OPEN AND CLOSED SESSION OF AUGUST 6, 2020

Moved: Commissioner Wood
Second: Commissioner Seneski
Vote: Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

2019 Audit Report – A draft copy of the 2019 Audit was distributed to Fund Commissioners under separate cover. Representatives of the Commission’s auditor, Bowman & Company, will attend the meeting to formally present the audit. Included in the agenda on **Pages 3-5** is Resolution 19-20, Certification of Annual Audit Report for the Period ending December 31, 2019 along with the Group Affidavit Form.

Executive Director said the first action item on the agenda is the 2019 Audit report. A draft copy was distributed to Commissioners. Representatives from Bowman & Company were present to provide a formal presentation on the audit. James Miles of Bowman & Company said the audit was complete and the draft copy distributed with the agenda found the financial statements to be fairly stated in all material respects, with no finding or recommendations.

Dennis Skalkowski of Bowman & Company gave a brief overview of the financials and said there are no findings or recommendations in the report with clean opinions. On page nine the Statement of Net Position shows an ending net position of \$834,866, which was a decrease of roughly \$272,000 over the prior year. On page 10 the Statement of Revenues, Expenses and Changes in Net Position show how the auditors arrive at that number. The Commission had an operating loss of \$406,034, which is net of the operating revenues and operating expenses, non-operating revenues of \$201,110, added to that is the net position of last year of \$1,106,547, subtracted from that is the return with surplus, which is the NJCEL dividend of \$66,737, ending with a net position of \$834,886. Mr. Skalkowski reviewed Page 20 the Summary of the Changes in Unpaid Claim Liabilities reflecting total claim payments all fund years of \$1,076,789 and an ending liability of \$4,089,683 for the Commission, which is an increase over prior year. Mr. Skalkowski asked if there were any questions and expressed appreciation for the opportunity to serve the Commission. With no questions, a motion to approved Resolution 19-20 was requested by Chairman Surrency. Executive Director noted the correction to the Resolution number on page 3 which should read 19-20.

Motion to approve Resolution 19-20 Certification of Annual Audit Report for Period Ending December 31, 2019

Motion: Commissioner Seneski
Second: Chairman Wood
Roll Call Vote: 3 Ayes, 0 Nays

Certificate of Insurance Issuance Report: Certificate of Insurance Issuance Report:

Attached on **Pages 6 & 7** was the Certificate of Insurance Issuance Report from the CEL listing those certificates issued for the period of July 1, 2020 to August 31, 2020. There were 6 certificates of insurance issued during this period.

Motion to approve the certificate of insurance report.

Motion:	Commissioner Seneski
Second:	Chairman Wood
Vote:	Unanimous

NJ Excess Counties Insurance Fund (CELJIF) – NJ Counties Excess Joint Insurance Fund (CELJIF) - The NJCE met on September 24, 2020 via a zoom conference. A summary report of the meeting is included in the agenda on **Pages 8-11**. The next NJCE meeting is scheduled for October 22, 2020 at 9:30 AM.

Financial Fast Track – Included on **Pages 12-15** of the agenda are the Financial Fast Track reports for the Cumberland County Insurance Commission for June and July. As of **July 31, 2020**, the Commission has a statutory surplus of **\$236,669**.

NJ CEL Property and Casualty Financial Fast Track (Pages 16 & 17) – Included in the agenda is the NJ CEL Financial Fast Track Report for January. As of **July 31, 2020**, the CEL has a surplus of **\$16,698,018**.

2020 Property & Casualty Assessments – The third and final assessment bills for 2020 were e-mailed to member entities on August 26, 2020. Payments were due on September 15, 2020.

2021 Renewal – Underwriting Data Collection – The Origami System was launched as part of the 2021 Exposure Renewal Process. The 2021 Property and Casualty Budget is reliant on a number of factors including updated renewal applications and exposure data. The deadline to complete the renewal process was September 9, 2020. We ask that any outstanding items be completed within the next few days. We want to thank everyone involved in uploading the renewal information into the Origami System.

NJCE Best Practices Workshop, 2020 Virtual Edition – The 9th Annual NJCE Best Practices Workshop is scheduled to be a Zoom Webinar on Thursday, October 29, 2020. The workshop will be approximately 2.5 to 3 hours.

Topics are the NJCE JIF Renewal Overviews and Recommendations, BRIT Safety Grant Successes and Future Projects and implications of COVID-19. We ask you to save the date and more information will follow. Jennifer Conicella said the program focuses mainly on Covid-19, the success of the NJCE program, all the great things that the BRIT safety grant has brought, and how it has helped NJCE members.

2020 New Jersey Association of Counties Conference: This annual conference rescheduled for October has been replaced with a series of educational virtual workshops on COVID-19 matters to be held between September 30th and November 11th.

NJCE 10TH Year Anniversary: 2020 marks the 10th anniversary since the Fund's inception. We hope to schedule a luncheon meeting honoring this milestone in early 2021.

Next Meeting – A reminder that our next meeting is on December 3rd.

In response to Commissioner Seneski, Executive Director said the underwriting data is looking good. We do not have any specific numbers yet from the marketplace. Underwriting Manager Ed Cooney and the underwriting team are working on that right now. In terms of a timeline, as the CEL has in the past, will introduce a budget at the meeting in late October and that will give our underlying conditions, an idea of what to expect from the CEL and indications at the Commission level. In terms of the loss funds - things look good there. Executive Director said the CEL is a Joint Insurance Fund so they will introduce in October based on regulatory guidelines. The Insurance Commissions are not subject to the same regulations so they typically introduce in November or December and may some introduce in January. Commissioner Seneski said he is looking forward to receiving the information at the December meeting. Executive Director said the 2021 budget will be available at that time.

SAFETY COMMITTEE:

Mr. Atkinson reported on the statistical analysis for this year with 15 at property damage accidents; nine at fault which is a 60% average. In 2020 the County suffered 5 lost time personal injury accidents and suffered a total of 27 total lost days. There were 11 total modified duty personal injury accidents for an excess of 99 modified duty days. The next Safety and Accident Review Committee is scheduled for October 12th which will be held virtually.

Mr. Atkinson reported training conducted by the Training and Development office. The County has taken advantage of the online training made available virtually by JA Montgomery throughout our departments as far as the safety topics are concerned. Mr. Atkinson reported the County completed their safety management system plan for the CATS Department. This was a federal mandate, under the Federal Transit Administration and it will go into effect on December 1 2020. Barbara Nedehon, Director of Aging wrote the plan individually. Mr. Atkinson reviewed the plan and said it coincides with the regulations that the County will make effective December 1.

CLAIMS COMMITTEE: Jennifer Conicella reported the Claims Committee met on September 15th and those claims will be discussed further in closed session.

TREASURER:

REPORT: Treasurer reported the October bills list was included in the agenda.

MOTION TO APPROVE RESOLUTION 20-20 OCTOBER BILLS LIST IN THE AMOUNT OF \$41,151.70

Motion: Commissioner Surrency
Second: Chairman Wood
Roll Call Vote: 3 Ayes, 0 Nays

CEL SAFETY DIRECTOR: Safety Director Glenn Prince reviewed the Safety Director’s report and the Safety Director Bulletins issued by JA Montgomery Risk Control. Safety Director said included in the Safety Director’s report is the webinar training program schedule of topics and instructions. As Mr. Atkinson mentioned earlier, JA Montgomery has transitioned from instructor led training at this time due to Covid 19 and have placed the entire training calendar in a webinar format. Included on page 23 was the training program being conducted on October 15th, which is the designated employer representative training for all CDL employers. Included on page 24 was the 2021 initiatives. Safety Director said previously the landscape safety program was a four hour program. It is now broken down into one hour blocks of instruction for mower safety, chainsaw safety, chipper safety and utility vehicle operation. If an employee only requires one of those modules, they can attend an hourly session as opposed to a four-hour session. There are two webinars for confined space entry and in 2021 there will be a work zone and flagger safety training for work zone construction and temporary traffic control.

Safety Director said the BRIT Safety Grant deadline for submissions has been extended from September 30th to October 30, 2020. A submission has been received from Cumberland County for a truck-mounted attenuator. A very important piece of equipment that is used in temporary traffic control situations and work zones to protect not just the public, but also the employees that are that are operating within that work zone.

RISK MANAGER:

Christina Violetti said there was a plan that came out of the Safety an Accident Review Committee to hold a Safety Expo for all the members of the insurance commission. The committee met many times via zoom throughout the year and decided that due to Covid 19 restrictions, to hopefully move this idea forward in 2022. The Expo would allow the Cumberland County Insurance Commission members to have their employees come out and provide a full day of training on a variety of topics that could be taken all in one day. The Safety and Accident Review Committee hopes to move forward with this goal for 2022. Ms. Violetti said in regards to the 2020 underwriting renewal data all the information has been entered into origami for all of the members. Ms. Violetti reviewed the 2020 Wellness Incentive Grant Program submissions. The Office of Elections and the County Clerk's office went in on their grant submissions together, which was originally for yoga classes. They have reached out to request a change in their wellness activity to more of a stretching focused class with no change in cost.

Mr. Hrubash thanked Hardenbergh Insurance for meeting the timeline in terms of having the underwriting data back. This is critical in order for us to stay within the timeline and get budget numbers out to the membership in a timely manner.

MANAGED CARE: Karen Beatty reviewed the Cumulative Savings report for 2020 and the PPO Penetration Report. The Cumulative Savings Report shows that so far this year the Commission saved 54% and the bills repriced to the savings of \$149,496 to the Commission.

UNDERWRITING MANAGER:

Executive Director Hrubash asked the Underwriting Manager Mr. Ed Cooney, from Connor Strong & Buckelew to give a brief overview of the marketplace.

Mr. Cooney said the underwriting office starts the renewal process in June, resulting in a presentation for the directors in August. This year the insurance market has accelerated, as well as over the last couple of years, and it is more than fully in a hard market. This means that rates are increasing, coverage terms are getting tighter and more restricted, and there is much less capacity in the marketplace, especially on certain coverages driven by a whole host of factors. The property markets have been tightening for a while now which means fewer carriers are willing to put up limits or significant amounts of limits available. This is similar to supply and demand, and that has increased pricing and terms are getting tighter throughout the market. The NJCE may start to see stabilization in the multiyear trend in the next two years or so, but it is still going up at this point because of historic losses that carriers have been experiencing. Underwriting Manager said the liability side is the next biggest area affecting all the markets and public entity is one of the hardest hit areas across the country, driven by social inflation. All costs and settlements are tripling and it is affecting carriers due to under collected premium or inappropriate premium for that type of loss history, so now carriers are playing catch up. This does not mean that the Commission is assuming that but it is affected by the overall insurance market. The same thing is happening in the property space. The rates are going up, coverage terms are being more restricted, and capacity has decreased drastically.

Underwriting Manager said those are the two hardest hit areas, but certainly the whole insurance market is on a similar trend. The Underwriting office has been putting out tremendous effort this year by collecting more and better renewal information for all the carriers from all the Commissions. Underwriting Manager said they will be looking at all of these areas for this year's renewal trying almost everything in the marketplace, alternative program structures and new markets coming into the NJCE program in order to save more money and create a more stable program in this new market that we are experiencing now. Underwriting Manager said most likely, this is not just a high trend. It is probably a new normal.

CLAIMS SERVICE: Claims Manager Veronica George said the Claims report will be in Executive Session

MOTION TO GO INTO EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES FOR PERSONNEL, SAFETY, PUBLIC PROPERTY OR LITIGATION IN ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT - PAYMENT AUTHORIZATION REQUESTS

Motion: Commissioner Seneski
Second: Commissioner Wood
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Seneski
Second: Commissioner Wood
Vote: Unanimous

Workers Comp PAR/SAR

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001227 IN THE AMOUNT OF \$70,000.00

Motion: Commissioner Wood
Second: Commissioner Seneski

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001295 IN THE AMOUNT OF \$97,500.00

Motion: Commissioner Wood
Second: Commissioner Seneski

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001107 IN THE AMOUNT OF \$21,508.60; SETTLEMENT AUTHORIZATION \$12,000.00

Motion: Commissioner Wood
Second: Commissioner Seneski

MOTION TO APPROVE SETTLEMENT AUTHORIZATION REQUEST FOR CLAIM #3770000639 IN THE AMOUNT OF \$141,500.00

Motion: Commissioner Surrency
Second: Commissioner Seneski

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001088 IN THE AMOUNT OF \$16,863.92; SETTLEMENT AUTHORIZATION \$12,500.00

Motion: Commissioner Wood
Second: Commissioner Seneski

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001106 IN THE AMOUNT OF \$27,008.00; SETTLEMENT AUTHORIZATION \$25,000.00

Motion: Commissioner Wood
Second: Commissioner Seneski

Workers Comp PAR

MOTION TO APPROVE PAYMENT AUTHORIZATION REQUEST FOR CLAIM #3770001272 IN THE AMOUNT OF \$91,000.00 LEGAL EXPENSE ONLY

Motion: Commissioner Wood
Second: Commissioner Seneski

MOTION TO APPROVE THE PARS/SARS

Motion: Commissioner Wood
Second: Commissioner Seneski
Roll Call Vote: 3 Ayes, 0 Nays

OLD BUSINESS: None.

NEW BUSINESS: None

MOTION TO OPEN THE PUBLIC PORTION OF THE MEETING

Motion: Commissioner Wood
Second: Commissioner Seneski
Vote: Unanimous

PUBLIC COMMENT: Mrs. Ridgway requested the amounts for the PARs and SARs. In response, Ms. Read of PERMA provided the amounts of the PARs/SARS approved in Executive Session. Mrs. Ridgway wished Commission members a Happy Thanksgiving

MOTION TO CLOSE THE PUBLIC PORTION OF THE MEETING

Motion: Commissioner Wood
Second: Commissioner Seneski
Vote: Unanimous

MOTION TO ADJOURN:

Motion:	Commissioner Wood
Second:	Chairman Seneski
Vote:	Unanimous

MEETING ADJOURNED: 12:23 PM

NEXT MEETING: WILL BE HELD ON DECEMBER 3, 2020 AT 11:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary

APPENDIX II

Moody's Investor Service Report

SECTOR COMMENT

17 November 2020

 Rate this Research

TABLE OF CONTENTS

Shared services and expertise help smaller local governments bolster their cyberattack defenses	2
Extensive training and up-to-date information help municipalities keep a cap on costs and lower their social risks	3
MEL's ability to purchase local government notes provides a source of emergency liquidity	4
Moody's related publications	5

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Local government – New Jersey

Joint insurance funds help smaller municipalities lower cyber, social risks

The [New Jersey](#) (A3 negative) joint insurance funds (JIFs) provide participating local governments with services that strengthen their ability to deal with issues such as cybersecurity, police training and market access, bolstering municipalities' credit quality by reducing their financial risks as well as social and governance risks. While these services are valuable to all members, they are particularly important to smaller governments, which might otherwise have difficulty obtaining them. The JIFs and the Municipal Excess Liability JIF (MEL) and New Jersey Counties Excess JIF (NJCE) work by pooling talent and expertise from their constituents, so the weakness of one municipality is covered by sharing resources with another.

- » **Shared services and expertise help smaller local governments bolster their cyberattack defenses.** As ransomware attacks grow more sophisticated and the frequency of all kinds of cyberattacks increase, smaller municipalities benefit from the ability to borrow the technical expertise of the larger members of the JIFs. The MEL and NJCE's programs place a greater emphasis on prevention than treatment, and it incentivizes municipalities to improve their defenses by offering lower insurance rates to municipalities, authorities and counties that adopt stricter cybersecurity standards.
- » **Extensive training services help governments keep a cap on costs and reduce social risks.** Local governments need resources to improve training in the many different services they provide, from police and first responders to street repair crews and park personnel. Even for a large government, training new hires is financially demanding, and all the more so for smaller governments with limited resources. Covering municipalities', authorities' and counties' gaps in these areas also reduces their social and governance risks.
- » **MEL's ability to purchase municipal notes provides source of emergency liquidity.** The JIFs provided one of several sources of extra liquidity in the Bond Anticipation Note market when liquidity dried up in March and April because of the coronavirus pandemic. While municipalities which had their notes bought benefited directly, the purchases also helped to reestablish a more normal market, benefiting all local governments, particularly smaller ones.

How New Jersey's joint insurance funds work

The New Jersey JIFs provide property and casualty insurance and risk management services to most local units of government including municipalities, counties and local authorities. The MEL and NJCE are specialized JIFs which provide excess liability coverage and services to member JIFs, each of which has a variable number of local governments as owners.

Since 1985, the JIFs along with the MEL and the NJCE have saved the taxpayers an estimated \$3.4 billion and have reduced member accident rates by over 65%¹. These self-insurance pools are owned by their member local governments, which purchase from the pools insurance and services that strengthen their ability to deal with issues such as employee accidents, liability claims, cybersecurity and police training.

The MEL member JIFs, the MEL and NJCE are not insurance companies but governmental entities run by municipal leaders who hire outside professionals. As such, the JIFs are not run for profit. They charge their membership for the risk management services they offer, including claims management, loss control programs and insurance, but they do not include a profit component. Over time, based on performance results, they may generate a surplus and return dividends to their membership.

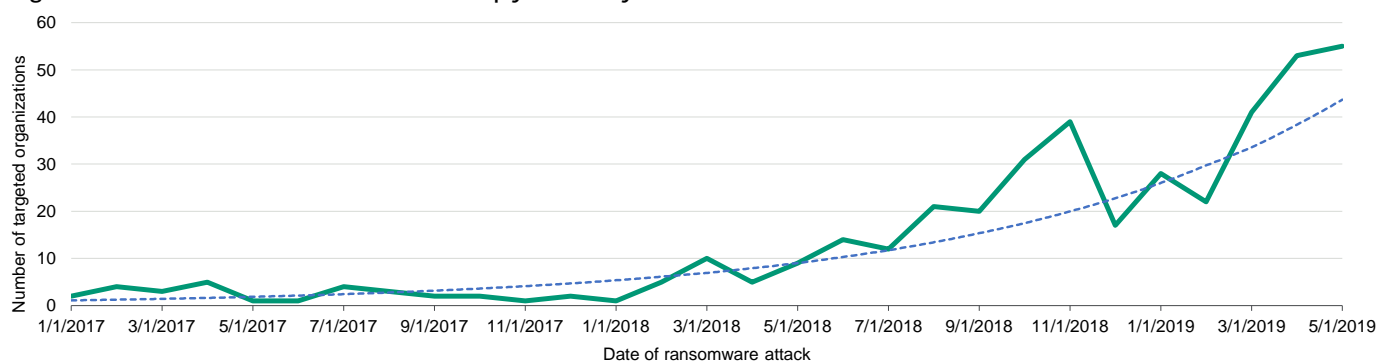
While insurance remains critical, the JIFs' remit has led them to go beyond the purview of insurance by providing a safety program and extensive training. Participation is optional; membership in the MEL or NJCE requires a request for a proposal with the understanding that if accepted it will require a three-year membership. The MEL covers in excess of the 65% of the municipalities and authorities organized into 19 member JIFs of varying sizes and the NJCE covers 10 of the 21 NJ counties and certain affiliated entities via several underlying county insurance commissions.

Shared services and expertise help smaller local governments bolster their cyberattack defenses

As [ransomware attacks grow more sophisticated](#) and the frequency of all kinds of cyberattacks on local governments increases, smaller municipalities benefit from the ability to borrow the technical expertise of the larger JIF members, especially in the area of attack prevention. Even with help from the most sophisticated professionals, it is better to prevent an attack than to successfully deal with one: it avoids wasted time and additional costs. As shown in Exhibit 1, targeted ransomware attacks across all organizations and sectors increased markedly starting in early 2018.

Exhibit 1

Targeted ransomware attacks have increased sharply in recent years



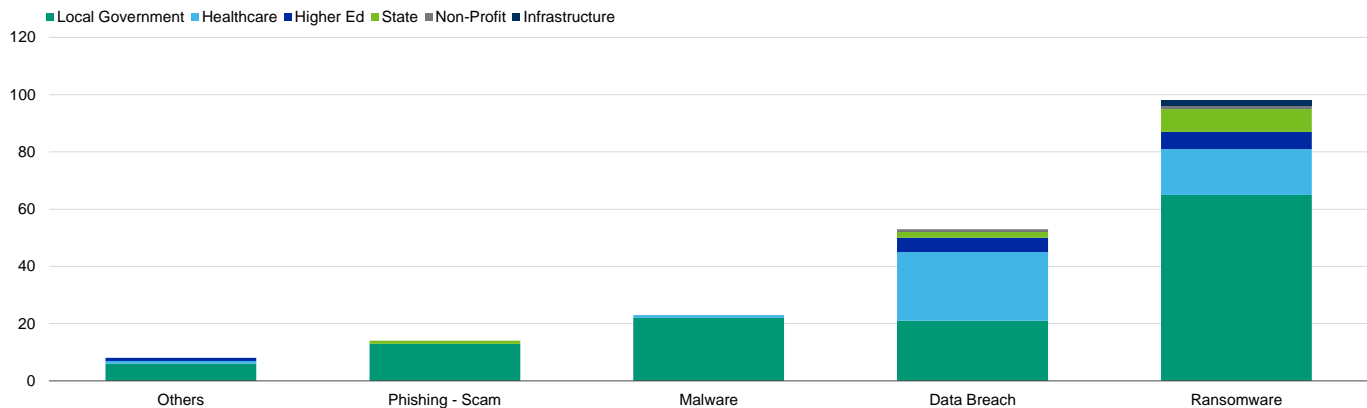
Organizations include all entities including public, private, academic, nonprofit etc.

Sources: Symantec; Moody's Investors Service

Ransomware is not the only form of cyberattack to target local governments. As seen in Exhibit 2, local governments have also suffered phishing attacks, non-ransomware malware infections and data breaches, among other incidents.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody.com for the most updated credit rating action information and rating history.

Exhibit 2

Distribution of cyberattacks by sector and type of attack, 2017 to present

Statistics are based on incidents reported to or observed by Moody's. This does not purport to be a complete tabulation of incidents.

Source: Moody's Investors Service

The MEL, in collaboration with the Bloustein Local Government Research Center of Rutgers University, has implemented a program to help its members improve their cyber risk preparedness. The program, which has existed for some years, has been expanded as the nature of the risk has become better understood, and the NJCE-JIF is adopting a similar program for its member counties. While the MEL-JIF program is at the forefront of cyber preparedness, it is not unique. Statewide cyber defenses or teams are becoming increasingly popular, as seen [Ohio's Cyber Reserve](#) program. The MEL's program is different, however, in that it places a greater emphasis on prevention than treatment. In addition, the MEL incentivizes municipalities to improve their defenses by offering lower rates for insurance to municipalities which adopt stricter cybersecurity standards.

The MEL-JIF program consists of several different modules, each addressing a core area of concern. On the technology side, it includes "Minimum Technological Proficiency Standards," which cover such things as backup practices, defensive software (including antivirus and malware detection software), server security and training. The standards also call for policies, leadership expertise and an incident response plan. The MEL provides draft cyber policies,² which members are encouraged to modify to meet local needs, as well as a list of vendors that can supply cybersecurity training. The list is provided free, though individual municipalities must still pay vendors for their services.

The issue of vendor choice highlights an advantage of the MEL-JIF system. Smaller municipalities frequently lack the IT expertise to choose between vendors. Larger ones, however, tend to be better-staffed and are more likely to have gone through the process of selecting appropriate vendors because they have more money (at least in nominal dollars if not relative to budget) and present a more attractive target for cyberattack. As a result, they have a greater incentive to develop their own cybersecurity. Members of the JIF share their experience and expertise with each other, allowing the smaller ones to punch above their weight.

In the event of an attack, even larger municipalities will need assistance. While they may have stronger IT departments, they will still need specialty lawyers and forensic experts. In consultation with members, the state and various federal, state and local law enforcement agencies, the JIFs have developed an incident response program that can guide local governments. The MEL covers any initial expenses, including the potential payment of a ransom, and sorts out deductibles later. This marks another difference from the Ohio program, which only offers technical and not financial support.

Lastly, the MEL JIFs provide insurance to cover any losses on the cyber front. While the details of coverage are confidential, the deductibles decrease as governments enact tougher security standards, and the amount of coverage has increased over time. This incentivizes better security and provides greater protection when things go wrong – all credit positives.

Extensive training and up-to-date information help municipalities keep a cap on costs and lower their social risks

MEL JIFs help municipalities address another difficulty common among smaller local governments: having access to dozens of skill sets while maintaining financial stability. A typical local government needs everything from computer experts, lawyers and accountants to

crane operators, street repair crews, police and park personnel. Even for a large government, training new hires is a formidable task, and doubly so for smaller governments with limited resources. Covering municipalities' gaps in these areas also reduces their social and governance risks.

The MEL has an extensive list of webinars and, before the coronavirus pandemic, in-person training modules. For example, the MEL has a scheduled two-hour webinar³ on which types of personal protective equipment (PPE) are required for various jobs. Modules such as these, as well as the associated guidance provided, offer important guidance to municipalities during the pandemic. The MEL has publicly posted state guidance on reopening procedures and other pandemic-related tasks.

Training is a valuable tool in preventing social risk. Improperly trained officials or employees are more likely to make mistakes that could lead to anything from a loss of reputation to lawsuits to, in extreme cases, civil unrest. The MEL provides training for police departments, including officers newly promoted to supervisory functions. Such assistance is particularly important because the potential social risks associated with police action are [considerable](#). The MEL began rolling out police training following incidents in [Ferguson, MO](#) (Ba1 positive) in August 2014, and has been coordinating updates to its implicit bias and use-of-force trainings. The MEL works closely with the state Attorney General's office, with many of its training offerings eligible for continuing education credits. It also maintains an extensive record of recent court cases and decisions that have a bearing on police activity in any fashion.

The NJCE rolled out its initial police training program to its county members in 2012 for correction facility operations and the [Camden County, NJ](#) (Aa2 stable) police department, which is responsible for the City of Camden. The county has expressed a great deal of satisfaction with the way the department handled the recent peaceful protests in the city.

Proper training helps ensure officials follow the law and appropriate procedures in many other areas of local government activity, which, if badly handled, can lead to physical, financial or emotional trauma. For example, the reputational and potentially financial implications of first responders aggravating an injured driver's injuries are potentially significant. Consequently, the MEL offers a training course on "Safe Patient Lifting for Emergency Responders." Given that a municipality which failed to offer services would be useless, the JIFs attempt to offer training sessions covering the maximum number of services.

MEL's ability to purchase local government notes provides a source of emergency liquidity

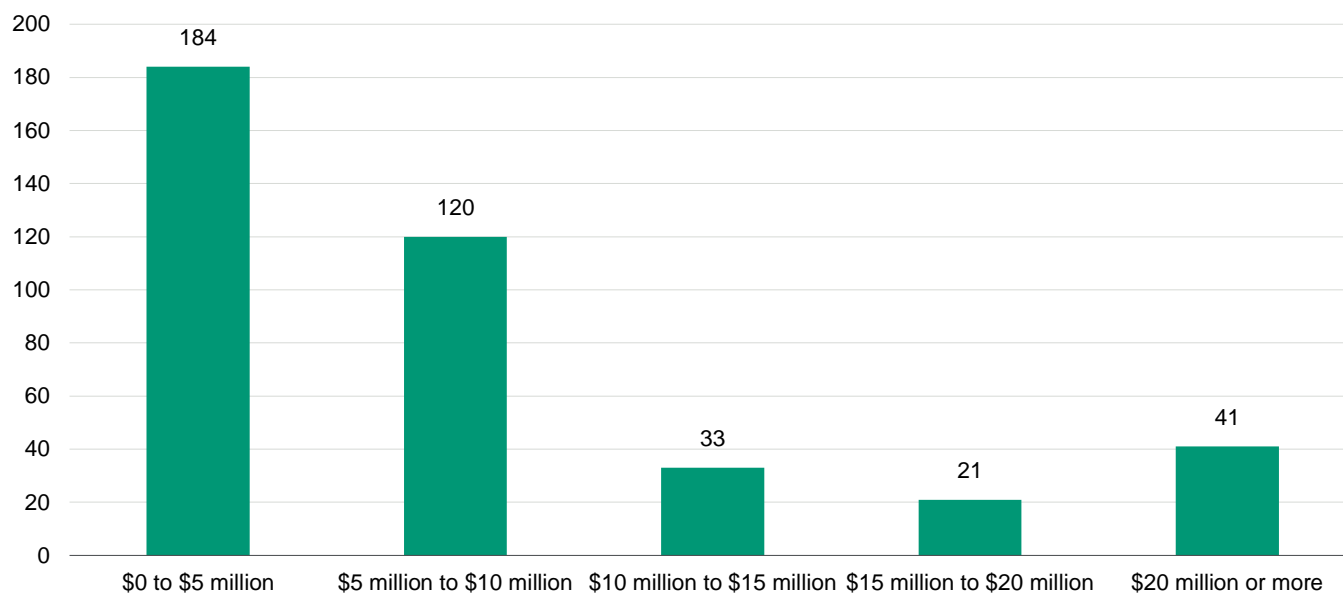
The MEL JIFs provided one of several sources of extra liquidity for municipalities when the pandemic shook the New Jersey local government note market in March and April. The market upheaval prompted the state to allow the MEL and its member JIFs to invest in Bond Anticipation Notes (BANs) issued by its own membership. The move had a significant impact: while the municipalities which had their notes purchased benefited directly, the MEL and JIF investments also helped reestablish a more normal market, to the benefit of all local governments. In all, the MEL and its member JIFS have bought approximately \$135 million in notes to date. It is, however, difficult to parse the impact of the JIFs in isolation since the state's decision, coupled with other state actions, came close in time to strong federal action.

The JIF action particularly benefited smaller municipalities. The total amount of MEL borrowing was smaller than some individual transactions by counties. In December 2019, for example, [Hudson County](#) (Aa2 stable) sold \$182 million in BANs maturing in December 2020, but the overwhelming majority of New Jersey issuances are on the smaller side and are therefore less attractive to some types of investor despite their strong credit quality. Of the 399 New Jersey notes maturing in 2020, 184 had a par amount under \$5 million (see Exhibit 3). These smaller issuances benefited from the restoration of a normal market.

Exhibit 3

Nearly half of New Jersey local government BANs are under \$5 million par

Number of NJ notes maturing in 2020, by par amount



Includes notes maturing in 2020 with the word "anticipation" in the description and with an ascertainable par amount. This is not the entire universe of NJ notes.

Source: Municipal Securities Rulemaking Board's Electronic Municipal Market Access service

Because of the vagaries of state law and the conventions of the market, New Jersey municipalities are among the heaviest users of BANs in the country. Under normal conditions, the market is extremely robust and rates are typically quite low, which is one of the primary attractions of this form of issuance. In March and April of 2020, however, the pandemic roiled markets and liquidity dried up. The state took a number of steps to address this, one of which included the JIFs.

Before the outbreak, the MEL's cash management plan was highly restrictive: excess funds could only be invested in Treasuries, CDs and comparable instruments, sacrificing return for the highest possible levels of safety. While municipal short-term debt is generally viewed as less secure than Treasuries, it is nonetheless a highly rated sector, and the state believed the market issues were a liquidity issue and not a credit issue. That said, the state, the NJ Infrastructure Bank and counties took the opportunity to strengthen their credit analysis of potential borrowers anyway so as to ensure they invested wisely.

Moody's related publications

Endnotes

- [1](#) Figures based on MEL's own calculations.
- [2](#) The MEL actually provides draft policies for a wide variety of topics, not just cyber defense.
- [3](#) ["Required upon initial assignment and retraining as needed for supervisors and employees who use or specify PPE"](#)

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CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

APPENDIX III

Litigation Management Plan

THE CUMBERLAND COUNTY INSURANCE COMMISSION

**Litigation Management Plan
Adopted: October 2013**

Revised: February 4, 2016
August 6, 2020
December 3, 2020

TABLE OF CONTENTS

LITIGATION MANAGEMENT GUIDELINES

- I. Introduction
- II. Conflict of Interest
- III. Claims Administrator
- IV. Defense Counsel
- V. CCIC Attorney
- VI. Special Counsel
- VII. Interaction/Prompt Dispositions
- VIII. Fees and Expenses
- IX. Review of Legal Services
- X. Subrogation

I. INTRODUCTION

The Cumberland County Insurance Commission ("CCIC") was formed in order to secure certain insurance coverage and to provide control over risk management; an important element in this regard is relative to the proactive and effective management of litigation.

To achieve this fundamentally significant strategic goal, CCIC seeks to aggressively defend frivolous claims, promptly settle meritorious claims and aggressively use all available defenses including Title 59 immunities in a cost-effective manner.

CCIC approved Defense Attorneys are an important part of a team of professionals who have an impact on the CCIC's long term success. Actuaries, Auditors, Safety and Claims professionals, along with Risk Managers have worked together to properly fund the CCIC, to prevent and control claims and to practice sound risk management principles. The direct and active involvement of our members has and will contribute to CCIC's success.

The purpose of the Litigation Management Plan is to outline the CCIC's philosophy of claims litigation, describe the roles and relationships of the parties to the litigation process and to supplement its Rules & Regulations and other policies established by the CCIC Commissioners

The CCIC has previously established via Resolution 15-13 an advisory Claims Committee with a charter via Resolution 15-14. The Claims Committee shall be composed of at least one representative from each member of the CCIC and each representative shall have one vote. The Claims Committee shall review and recommend for approval or denial all payment authorization requests which exceed the total authority of a member's deductible plus ten thousand (\$10,00) dollars for Property, including Boiler & Machinery, Auto Liability, General Liability including Law Enforcement Legal Liability claims, and fifteen thousand dollars (\$15,000), inclusive of legal fees, expenses and such other items for Workers' Compensation claims; it being the intent of the CCIC that all members be aware of all claims and have opportunity for meaningful input from inception to ultimate resolution of all claims.

CCIC has established a protocol for litigation management which will serve the best interests of the members and CCIC. The plan will define the parameters within which CCIC's defense counsel and claim personnel will operate during the course of litigation. CCIC believes an active and well-understood relationship between its Claims Administrator, Defense Counsel and Commission Attorney is essential to the continued success of CCIC.

The best possible protection for members will be provided when the above parties combine their skills and effectively communicate from the inception of a complaint/petition to its ultimate disposition. It is imperative every expense associated with the defense or resolution of complaints/petitions be reasonably and necessarily incurred. CCIC simply cannot avoid the reality that it's "loss experience is composed of two factors it hopes to better control, those being loss and expense."

The CCIC must strive to eliminate the duplication of effort on the part of attorneys and claims specialists. The CCIC expects to identify and clarify pertinent issues at the earliest possible stage of litigation. Thereafter, it is necessary for this "team" to proceed immediately toward an expeditious, efficient and just conclusion of a complaint/petition. Disposition at the earliest possible date is highly desirable and in most cases is in the best interest of members.

II. CONFLICT OF INTEREST

- A. No Defense Counsel or a member of his/her law firm shall be assigned the defense of a complaint/petition where the Defense Counsel or a member of his/her law firm serves as counsel to the member named in the complaint/petition unless the Commission attorney deems such representation appropriate.
- B. No Defense Counsel or a member of his/her law firm, appointed as Defense Counsel by CCIC shall represent an individual or entity in any matter, whether or not a formalized complaint or petition, against CCIC or any of its members, any other County Insurance Commission who is a member of the New Jersey Counties Excess Liability Fund unless the CCIC Attorney deems such representation appropriate.
- C. All Defense Counsel shall be required to comply with the Rules of Professional Conduct as promulgated and amended from time to time by the Supreme Court of New Jersey.
- D. CCIC shall terminate the appointment of Defense Counsel where the Defense Counsel or a member of his/her law firm has violated the above conflict of interest policy.

III. CLAIMS ADMINISTRATOR

CCIC's designated Claims Administrator is its Claims Manager and is charged with the responsibility to vigilantly and proactively anticipate and initiate all reasonable action needed to control the claim and its cost for CCIC and its members. Thus, the Claim Administrator will

always retain primary responsibility for the management of litigation from inception through final disposition. The Claims Administrator will work closely with CCIC's Attorney and the selected Defense Counsel.

The Claims Administrator will conduct as complete an investigation as is necessary to evaluate the member's exposure and thereafter promptly pursue resolution of the claim and/or complaint/petition. If the Claims Administrator is unable to develop all necessary evidence and information through their investigative efforts, the Commission Attorney will be asked to assist the Claims Administrator.

Upon receipt of Complaint, the Commission Attorney will forward copy to insurer and assign Defense Counsel from the County/CCIC's approved list to handle the member's defense. The assignment will be confirmed in writing by the Commission Attorney with copy to the Claims Administrator.

As to Tort Claims specifically, the Claims Administrator will be responsible for investigating any claims or allegations raised in the Tort Claim notice. Any proposed response to the Tort Claim Notice will be at the discretion and prepared by the Claims Administrator. The Claims Administrator will be responsible for submitting the final version of the response to the claimant and/or his or her attorney. The Claims Administrator will confer with the Commission Attorney on an as needed basis.

IV. DEFENSE COUNSEL

Assigned Defense Counsel owes the CCIC member a fiduciary responsibility, which includes but is not limited to the highest degree of care and good faith during his/her professional representation. CCIC's contractual duty to provide a defense to the member encompasses the expectation Defense Counsel will take whatever measures are necessary to avoid or limit liability and damages. In all matters Defense Counsel shall abide by New Jersey's Rules of Professional Conduct.

Once litigation begins, CCIC expects an aggressive approach to the case. Contact with the member and Plaintiff/Petitioner's Attorney should be made immediately. Indeed, Defense Counsel is urged to seek voluntary cooperation from the member and Plaintiff/Petitioner's Attorney so that essential facts and discovery can be exchanged informally and promptly. Interrogatories, document requests and other written discovery should routinely be filed. Important evidence should be obtained promptly through the most

efficient and cost effective means available. Generally, an aggressive gathering of information by Defense Counsel working with the Claims Administrator and the member will aid the prompt and efficient disposition process. Moreover, copies of all pertinent motions, pleadings, and other court filings which are served by the parties should be forwarded to the Claims Administrator in a timely manner.

It is essential the effort of Defense Counsel be in proportion to the seriousness of the matter in question and that Defense Counsel should confer with the Claims Administrator to determine how to bring each case/claim to a speedy and cost-effective conclusion. Neither the member nor CCIC are well served by exorbitant costs incurred in an easily-defensible matter. By way of example, generally speaking, defense expenditures should not exceed costs of any settlement of the action.

Defense Counsel should forward a proposed litigation budget to the Claims Administrator. Once the budget has been submitted, Defense Counsel will be expected to update for good reason. In such cases, Defense Counsel will be expected to submit a revised proposed budget to the Claims Administrator along with an explanation as to why additional attorney's fees/costs are required.

CCIC directs an attorney with commensurate Title 59/Workers' Compensation experience will handle assigned matters.

In the event the Title 59/Workers' Compensation defense strategy is in question, it is incumbent upon Defense Counsel to discuss said strategy with the Claims Administrator, CCIC Attorney and/or Special Counsel if appropriate.

As soon as the issues are formed, Defense Counsel should seek to move the case forward. Delays in terminating litigation will generally not be in the best economic interest of CCIC and should, therefore, be avoided. However, CCIC understands that there may be delays that may result which are not within the control of defense counsel, such as those that may be attributable to Plaintiff or Petitioner. In such cases, it is incumbent upon Defense Counsel to communicate said rationale with the Claims Administrator.

V. CCIC ATTORNEY

CCIC's Attorney is responsible for the overall legal conduct of CCIC as it relates to *N.J.S.A.40A:10-1 et. seq.*, Insurance, *N.J.S.A. 40A:11-1 et. seq.* Local Public Contracts Law

and in general all those bodies of law which affect the CCIC. In addition, the Attorney shall assign and evaluate Defense Counsel.

The CCIC Attorney shall consult with the Claims Administrator on all complex conflict of interest questions. The CCIC Attorney is responsible for assisting the Claims Administrator in monitoring the cost and performance of Defense Counsel, assisting in the coordination of claims in litigation, participating in the planning of pre-trial and trial strategy and be provided settlement and release documents for review on behalf of the Commission. The CCIC Attorney shall attempt to resolve all disputes between the Claims Administrator and Defense Counsel so as to assure the orderly implementation of the policy and guidelines outlined herein. It is anticipated that appointed counsel will keep the Claims Administrator and Commission counsel updated as to all matter and developments as if appropriate in all attorney client relationships.

The use of paralegals is encouraged in order to control costs. Whenever there are services that can be performed by a paralegal, then the Commission encourages the use of those services.

VI. SPECIAL COUNSEL

CCIC may elect to appoint an attorney(s) as Special Counsel, or may designate the CCIC Attorney as such. Special Counsel is appointed to provide early, proactive and deliberate defense strategy to the Claims Administrator, Defense Counsel, CCIC Attorney and CCIC when in the opinion of CCIC said person(s) possess unique and extensive, specialized experience in a matter relevant to the defense of the complaint/petition.

VII. INTERACTION/PROMPT DISPOSITION

The efficient resolution of claims will depend upon the extent of cooperation and assistance the "Defense Team" extends to each other. Although we expect each professional to be responsible for his/her assigned tasks, these duties cannot be accomplished in a vacuum. The key to success is ongoing and frequent communications between all involved parties.

The Defense Attorney and Claims Administrator share the common goal of prompt disposition of all complaints/petitions. An exchange of views is encouraged in order to identify pertinent issues and outline the most effective course available to resolve the

complaints/petitions in the best interest of CCIC and its members. Even though independent judgment must be exercised by Defense Counsel and Claims Administrator, the obligation to ensure the maintenance of open lines of communication is held equally by Defense Counsel and the Claims Administrator. Each party must be available to receive and exchange views whenever necessary.

Initially, the Claims Administrator and member should gather all investigative evidence and information either prior to or simultaneously with the defense assignment to avoid duplication of effort. Defense Counsel should thereafter promptly advise the Claims Administrator of such matters as the status of the case, any and all areas of legal exposure, the potential for recovery of sanctions for frivolous claims, the possibility of resolving the case on summary judgment, and the anticipated probability of success should the matter ultimately proceed to trial.

VIII. FEES AND EXPENSES

Defense Counsel fees and related charges are the most significant portion of expense in the litigation cycle. Since legal fees are included in a member's "experience", it is essential that all expenses incurred in the defense or resolution of litigation be reasonable and necessary. Defense Counsel may find it necessary to research certain issues of law during the course of a complaint/petition. CCIC expects that Defense Counsel is familiar with most negligence, Title 59, and Workers' Compensation issues and, therefore, research would usually be limited to confirming the law, or exploring unusual nuances on questions of law. Since the cost of research is included in overall expenses, CCIC should receive the conclusions, results and any memoranda produced as a result of this work.

Statements for legal services must comply with CCIC's approved fee schedule which is included in each Defense Counsel's professional services contract. Statements for services must be itemized with expenditures in one-tenth of an hour increments. Routine ministerial tasks such as receipt and review of letters should in most every instance not exceed 1/10th of an hour for review. The Commission also will not accept billing for two lawyers to confer on an assigned matter as an "interoffice" conference. The Commission believes that such activities are appropriate but generally benefit the development and growth of counsel's expertise and accordingly shall not be billed to the Commission. The date, description of the services rendered, and identity of the persons providing such service must be provided for each

entry. Appropriate documentation must be provided for out-of-pocket costs and disbursements. If mileage is billed it will be paid at a rate of .40 per mile; however if attorney travel time is billed, mileage reimbursement will not apply. Each interim and final statement will reflect current outstanding fees plus cumulative paid fees and expenses from the inception of the legal activities of the file.

Bills for legal services should be generally submitted monthly; provided, however, that no bills for \$100 or less should be submitted monthly. If a file is inactive or bills to date are less than \$100 bills should be submitted on a quarterly basis but not more frequently than that.

County Counsel/Counsel to the Cumberland County Insurance Commission and the Claims Administrator will review all statements for services rendered and make inquiries to Defense Counsel on any items needing clarification.

IX. REVIEW OF LEGAL SERVICES

Occasionally, CCIC may audit and review the legal product of retained Defense Counsel. It is expected that Defense Counsel will cooperate with CCIC and make available all files requested for review.

The review will address the overall quality of the work performed including but not limited to the following:

1. Services performed by retained Defense Counsel:

- a. Did Counsel promptly contact the CCIC member and Claims Administrator?
- b. Did Counsel follow the initial instructions and guidelines set forth by the Claims Administrator and/or CCIC Attorney?
- c. Did Counsel file responsive pleadings in a timely manner?
- d. Did Counsel timely report to the Claims Administrator?
- e. Did Counsel properly perform research?
- f. Did Counsel promptly perform and report all reasonable and necessary discovery?
- g. Did Counsel effectively communicate with all necessary parties at all stages of the litigation?
- h. Did Counsel aggressively move the case to a conclusion and was there a constant attempt to seek early disposition?
- i. Did Counsel submit required on a complete and timely basis?

- j. Did Counsel anticipate prospective areas of concern?
- k. Did Counsel identify and communicate any areas that would lead to legal exposures?

2. The fees for legal services rendered compared with the work performed:

- a. Generally speaking, were the billings reasonable?
- b. Were the billings within the approved fee schedule?
- c. Were the billings itemized to one-tenth of an hour?
- d. Were the billings submitted at appropriate intervals?
- e. Were the billings reflective of the work performed?
- f. Were the services performed or the fees charged commensurate with the complexity of the case assigned?

X. SUBROGATION

The Claims Administrator, in consultation with the CCIC attorney, will determine whether or not a claim is appropriate for the CCIC to pursue reimbursement for any monies paid by the CCIC to recoup expenses on a loss that has been paid when another party or entity should be liable for paying at least a portion of said claim.

Should it be determined that any particular loss is appropriate for subrogation, the following procedure must be utilized:

The Claims Administrator will communicate with the responsible party seeking reimbursement.

If, however, the Claims Administrator is unable to obtain reimbursement from and/or cooperation of the responsible party, the Claims Administrator shall refer the subrogation to the Commission attorney.

If the CCIC attorney is unable to obtain reimbursement from and/or cooperation of the responsible party, the CCIC attorney, where appropriate, will pursue all legal remedies on behalf of the CCIC, including but not limited to filing a lawsuit. The Commission attorney has the authority to assign this duty to outside counsel.

This Litigation Management Plan is supplemented by insurer's policies and procedures where implicated as that may be updated.