

ATLANTIC COUNTY MUNICIPAL JOINT INSURANCE FUND

LESSONS LEARNED FROM LOSSES

2011 YEAR IN REVIEW

For all years, Scibal has received 38,601 claims. The claims reported by line of coverage were as follows:

File Type/Coverage	Open	Closed	Total
AUTO LIABILITY	79	3215	3294
BOILER / MACHINERY		13	13
EMPLOYER'S LIABILITY	3	10	13
GENERAL LIABILITY	363	7621	7984
PROPERTY	119	5067	5186
LIABILITY SUSPENSE		132	132
SUSPENSE/REPORT ONLY	3	3800	3803
WORKERS COMPENSATION	592	17342	17934
SUSPENSE(OSHA REPORTABLE)		242	242
Totals	1159	37442	38601

For all lines, and all years, Scibal has closed 37,442 or 97% of all claims reported. Only 3% remain open. The total incurred for all years is **\$148, 535, 159.10**. Workers' Compensation accounts for 66% of the total or **\$98,467, 521.66**.

For the Fund Year 2011, Scibal received 1,842 claims to date. The following chart provides the breakdown by line of coverage:

File Type/Coverage	Open	Closed	Total
AUTO LIABILITY	50	96	146
BOILER / MACHINERY		1	1
GENERAL LIABILITY	158	204	362
PROPERTY	77	225	302
SUSPENSE/REPORT ONLY		143	143
WORKERS COMPENSATION	234	418	652
SUSPENSE(OSHA REPORTABLE)		236	236
Totals	519	1323	1842

To date, Scibal has closed over 72% or 1,323 claims. Only 519 claims remain open for this Fund Year. We do expect to receive more claims for this period.

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Workers' Compensation accounts for 74% of the total incurred which is currently **\$8,804,176.41**. Clearly, Workers' Compensation continues to be the high cost claim type for the Atlantic JIF.

In an effort to help alleviate the cost of Workers' Compensation, a new Joint Claim and Managed Care Initiative was implemented for this JIF in 2011. In this team-oriented model, the adjusters and nurses are working side by side to enable an even more aggressive management of claims. We are already seeing a significant cost savings in both medical care and per claim fees. In cases that are in litigation, Scibal worked closely with the defense panel and Fund Solicitor to offer timely Bona Fide Offers. At this point, Scibal has tracked over \$41, 700. 00 in petitioner fee savings in 2011. Scibal also works closely with the nurse case management team to identify Transitional Duty opportunities. We have increased our efforts to identify these opportunities through additional contact to the municipal representative as part of the JIF's Second Effort Program.

For all lines, less than .5% of all claims filed against this JIF are open and in litigation; this very low percentage reflects a strong litigation management program that begins on Day One of a claim occurrence. Our goal is to avoid litigation and move quickly to resolve a claim should litigation be filed.

Finally, for all lines and all years, working closely with our Fund Solicitor, we have been able to post over **\$6,267,000.00** in subrogation, salvage and excess reimbursements. In Fund Year 2011, we have been able to post over **\$718,600**. In subrogation and salvage reimbursements. This was a very strong year and reflects our joint commitment to making sure that the Atlantic JIF pursues and receives every dollar it is entitled to as a result of claims filed against its members.

Thank you and Happy New Year!



Scibal Associates Inc. Confidential by: Alice Lihou

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