

**New Jersey
Compensation Rating and Inspection Bureau
60 Park Place
Newark, NJ 07102**



Annual Report 2013

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NINETY-SEVENTH ANNUAL REPORT

INTRODUCTION

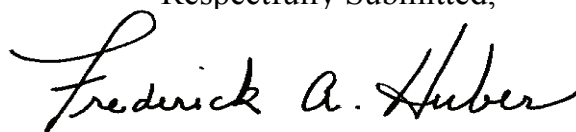
The year 2013 has been a busy one for the Bureau. Besides our usual responsibilities, we continue the conversion of our mainframe computer system to a server-based system. The conversion has progressed well and we anticipate completion of the project by late 2014. Concurrent with the introduction of the new system, CRIB will adopt a web-based New Jersey Workers Compensation Insurance Plan (“Plan”) application to replace the current process. Both of these changes will result in improved operational efficiencies for the Bureau and our stakeholders. Further changes are planned for 2015, with new applications for the management of policy and statistical records scheduled for adoption.

An increase in workers compensation and employers liability insurance rates of 3.6% was approved effective January 1, 2014—the lowest in the last four years. Financial results for workers compensation insurance in New Jersey are improving, likely the result of rate changes, an improving labor market and modest increases in earnings. The combined ratio for 2012 is approximately 108%, two points lower than the previous year and in line with the countrywide indication. Standard premium grew 10.4% in 2012, following an increase of 5.7% in 2011. This contrasts to a cumulative decline of 15.2% between 2008 and 2010. The growth in premium is encouraging; however, the combined ratio remains problematic. The unemployment rate in New Jersey is still among the highest in the nation, and despite gains in job creation, certain segments of the job market continue to struggle. A consistent rise in employment throughout all industry groups must occur to support the level of premium needed to meet increasing claim costs.

The number of risks and written premium for policies insured through the Plan continued to rise during 2013 as the market showed further tightening. In 2013, the number of risks insuring through the Plan increased 13.5% and written premium increased 44.8%, changes slightly larger than in 2012. The Plan statistics for the first quarter of 2014 show additional growth. Given the recent increase in residual market activity, uncertainty over the future of the federal backstop for terrorism scheduled to expire at the end of 2014, and the unknown impact of the Affordable Care Act on workers compensation, the Plan may face additional challenges ahead.

The discussions and exhibits which follow present information regarding the latest revision of rates and rating values, historic and recent experience and the activities of the Divisions of the Rating Bureau during 2013.

Respectfully Submitted,



Frederick A. Huber
Executive Director

REVISION OF MANUAL RATES – 2014

RATE LEVEL

The increase in rates and rating values of 3.6% effective January 1, 2014 was based on the latest two policy years and the latest calendar accident year of experience along with other considerations described below.

Analysis of the latest two policy years and the latest calendar accident year after adjustments for development and present premium and benefit levels using paid and incurred losses separately produced a rate level decrease of 2.1% due to experience.

Analysis of the latest experience also indicated that an increase of 5.5% due to trend factor considerations was necessary for inclusion in the rate level determination.

Effective January 1, 2014, the maximum weekly benefit with respect to all types of injuries was increased from \$826 to \$843. The minimum weekly benefit also was increased from \$220 to \$225 for all kinds of injuries except permanent partial disabilities. A rate level increase of 0.7% was necessary to recognize the changes in benefits.

A decrease of 0.4% was applied to recognize the effects of changes in the allowances for Loss Adjustment Expense, Bureau expense and the Security Fund.

The combined effect of all components produced an overall increase in rates and rating values of 3.6%.

In addition to the approved rates and rating values, changes to the minimum premium formula and the maximum minimum premium were introduced effective January 1, 2014. The minimum premium multiplier was increased from 100 to 150 and the maximum minimum premium was increased from \$850 to \$900. Such changes, however, had no effect on the overall rate level need.

A Terrorism premium charge of \$0.03 per hundred dollars of payroll is applicable to policies effective January 1, 2014 and thereafter, except for those policies providing coverage exclusively for private estate or residence employees or those policies where negotiations determine the premium cost. Upward deviation from the \$0.03 rate, to a maximum of \$0.06, is also permitted for voluntary business.

A Catastrophe (Other than Certified Acts of Terrorism) premium charge of \$0.01 per hundred dollars of payroll is applicable to policies effective January 1, 2014 and thereafter, except for those policies providing coverage exclusively for private estate or residence employees or those policies where negotiations determine the premium cost.

The Uninsured Employers Fund surcharge remains at 0.00% and the Second Injury Fund surcharge was changed to 6.56%.

Table I shows the historic record of rate level changes since 1918.

RATE RELATIVITIES

The adjustment of rate relativities effective January 1, 2014 was based on the classification experience of policy years 2006 through 2010, as reported through the Statistical Plan.

There were 572 classifications in the Manual effective January 1, 2014, including the codes to accommodate Federal employments. There were 8 classifications that carried no rate assignment. Of the remainder, 381 developed increased rates, 167 showed decreases and 16 were unchanged. In order to comply with the decision of the Commissioner, changes in manual rates for any classification were limited to a maximum increase of 15%.

The rates for the classifications under the Admiralty Law and Federal Employers' Liability Act were adjusted to reflect the most recent experience. The rates for Private Residence – Household Employee Classifications remain unchanged.

The Expense Constant remains at \$220 for all policies except Private Residence – Household Employee policies, which stays at \$30.

Special minimum premiums applicable to private residence classifications and to classifications subject to Admiralty Law or Federal Employers' Liability Act coverage were not affected by changes to the minimum premium formula and the maximum minimum premium approved effective January 1, 2014.

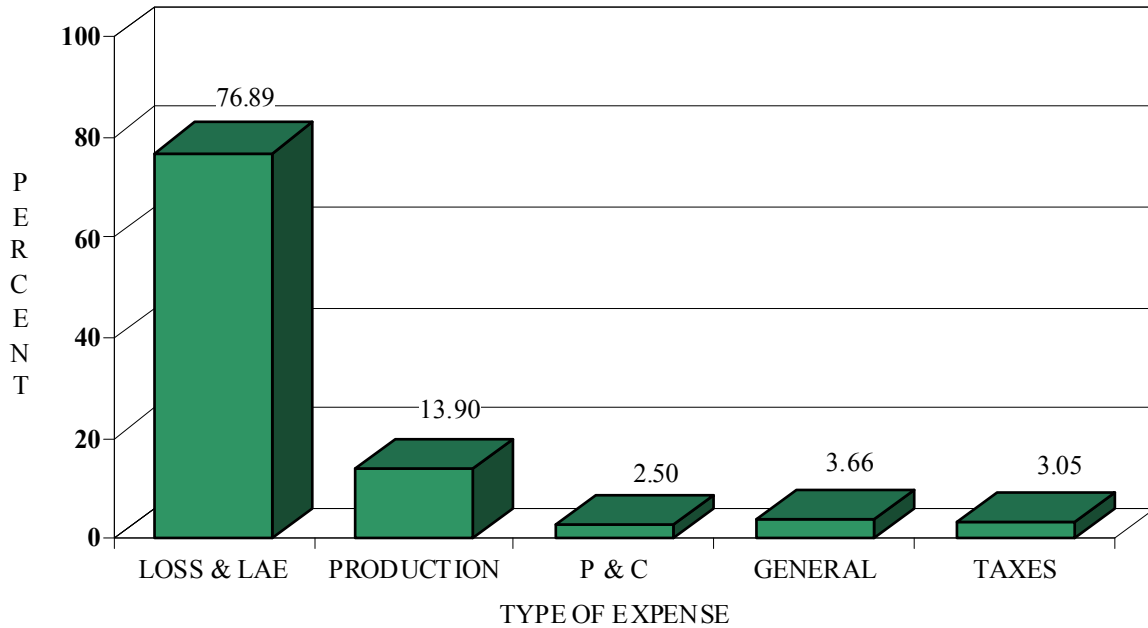
The revised Manual of Rates was included in Circular Letter #1865, dated November 26, 2013.

EXPENSES AND TAXES

The most important purpose of pricing is to generate the funds required to meet the cost of benefit obligations, but allowance must also be made for expense and tax requirements. These needs are reviewed each year and adjustments are made where appropriate. Because the loss adjustment expense arises from claims against the employer and from the payment of benefits prescribed by statute, it is functionally related to the benefit obligations.

The benefit cost experience of all insured New Jersey employers, as well as the standard expense and tax provisions, constitute the basis of the Manual of Rates which determine standard premium for New Jersey Workers Compensation and Employers Liability Insurance. Standard premium expresses each carrier's results on a common, comparable statistical basis. The standard expense provisions apply only to the first \$10,000 of standard premium per risk. Such provisions are included in the Manual of Rates effective January 1, 2014 in the following amounts:

STANDARD EXPENSE PROVISIONS



Taxes include: Security Fund 0.40%, General State Premium 2.10%, Rate Supervision 0.25%, and Miscellaneous Tax Provision 0.30%. Production includes commissions and branch office support to perform policy preparation functions. General includes administration, payroll audit, inspection and Bureau expense. The P & C allowance provides for profit and contingencies.

With respect to premium in excess of \$10,000 per risk, certain expense provisions are reduced by the application of one of two premium discount systems – Schedule Y or Schedule X. The discounts in Schedule Y are greater than those in Schedule X, and each insurer can choose one or the other to apply uniformly to its policies. The retrospective rating factors contain the same premium discounts. The Schedule Y discounts effective January 1, 2014 are:

	First	Next	Next	Over
Schedule Y	\$10,000	\$190,000	\$1,550,000	\$1,750,000
Applicable Discounts	--	8.5%	10.2%	10.9%

Schedule X discounts, although based on the same principle, result in lower discount percentages. The Schedule X discounts effective January 1, 2014 are:

	First	Next	Next	Over
Schedule X	\$10,000	\$190,000	\$1,550,000	\$1,750,000
Applicable Discounts	--	4.6%	5.5%	6.3%

Premium discount does not apply to policies written through the New Jersey Workers Compensation Insurance Plan.

TABLE I
HISTORY OF RATE LEVEL CHANGES

<u>Effective Date</u>	<u>Experience</u>	<u>Benefit Level</u>	<u>Expenses</u>	<u>Miscellaneous</u>	<u>Total</u>	<u>Percentage Change (%)</u>
1918 – 1976	0.663	4.614	1.067	0.996	3.251	--
July 1, 1976	1.131	1.000	0.985	0.985	1.097	9.7
Jan. 1, 1977	1.000	1.020	1.000	1.000	1.020	2.0
July 1, 1977	1.198	1.000	1.002	0.984	1.182	18.2
July 1, 1978	1.065	1.015	1.019	0.965	1.063	6.3
July 1, 1979	1.157	1.018	0.950	0.970	1.085	8.5
Jan. 1, 1980	1.000	1.225	1.000	0.907	1.111	11.1
Jan. 1, 1981	1.087	1.029	0.986	0.979	1.080	8.0
Jan. 1, 1982	0.847	1.096	1.043	0.972	0.941	(5.9)
Jan. 1, 1983	0.820	1.065	1.023	0.954	0.852	(14.8)
Jan. 1, 1984	0.886	1.059	0.988	0.959	0.889	(11.1)
Jan. 1, 1985	0.882	1.036	0.982	0.968	0.869	(13.1)
Jan. 1, 1986	0.967	1.037	1.010	0.987	1.000	0.0
Jan. 1, 1987	1.032	1.037	1.097	0.942	1.106	10.6
Jan. 1, 1988	1.087	1.036	1.011	0.963	1.096	9.6
Jan. 1, 1989	0.995	1.040	0.874	0.955	0.864	(13.6)
Jan. 1, 1990	1.136	1.037	0.984	0.897	1.040	4.0
Jan. 1, 1991	1.086	1.023	1.008	0.936	1.048	4.8
Jan. 1, 1992	1.194	1.032	0.995	0.895	1.098	9.8
Jan. 1, 1993	1.208	1.032	0.995	0.921	1.143	14.3
Jan. 1, 1994	1.207	1.039	0.998	0.852	1.066	6.6
Jan. 1, 1995	1.125	1.012	1.004	0.926	1.058	5.8
Jan. 1, 1996	1.052	1.015	1.009	0.893	0.962	(3.8)
Jan. 1, 1997	0.915	1.019	0.987	0.994	0.915	(8.5)
Jan. 1, 1998	0.964	1.023	0.993	0.926	0.907	(9.3)
Jan. 1, 1999	1.010	1.025	1.000	0.916	0.948	(5.2)
Jan. 1, 2000	1.082	1.029	1.006	0.871	0.976	(2.4)
Jan. 1, 2001	1.075	1.023	1.003	0.886	0.977	(2.3)
Jan. 1, 2002	1.170	1.030	0.997	0.849	1.020	2.0
Jan. 1, 2003	1.177	1.005	0.998	0.927	1.094	9.4
Jan. 1, 2004	1.081	1.006	1.007	0.974	1.067	6.7
Jan. 1, 2005	1.036	1.012	1.001	1.033	1.084	8.4
Jan. 1, 2006	1.006	1.017	1.005	0.998	1.026	2.6
Jan. 1, 2007	1.016	1.010	0.999	0.988	1.013	1.3
Jan. 1, 2008	1.007	1.020	0.995	1.012	1.034	3.4
Jan. 1, 2009	0.984	1.020	0.998	0.988	0.990	(1.0)
Jan. 1, 2010	0.982	1.010	1.002	0.980	0.974	(2.6)
Jan. 1, 2011	1.045	0.999	1.006	0.989	1.039	3.9
Jan. 1, 2012	1.058	1.008	1.008	0.994	1.069	6.9
Jan. 1, 2013	1.065	1.007	1.001	1.002	1.076	7.6
Jan. 1, 2014	0.979	1.007	0.996	1.055	1.036	3.6

ANNOUNCEMENTS DURING 2013

In 2013, the Rating Bureau held two meetings with the Governing Committee and two meetings with the Actuarial Subcommittee. Proposals by the Rating Bureau Staff and suggestions made by individuals, associations and others were reviewed and adopted when they appeared to be in the best interest of the New Jersey workers compensation community.

The major considerations, in addition to those previously discussed, are outlined below. All changes are effective January 1, 2014 unless noted differently.

EXPERIENCE RATING

Rating Values and Factors

Adjustments were made to the rating values, factors and credibility criteria to be used in experience ratings effective January 1, 2014 and thereafter. The limiting loss values were also changed to reflect increasing loss costs. The changes were included in Manual Amendment Bulletin #461, dated November 26, 2013.

Qualification Basis

The Manual rule citing the qualification basis for experience rating eligibility was amended to substitute a qualifying premium of \$6,000 in lieu of \$5,100 during the experience period. This change was included in Manual Amendment Bulletin #461, dated November 26, 2013.

RETROSPECTIVE RATING – PREMIUM DISCOUNT

Expense Ratio Tables

Revised expense ratio tables were included in Manual Amendment Bulletin #462, dated November 26, 2013. The new tables reflect the adjustments in the expense provisions.

Retrospective Development Factors

As a result of an examination of the latest available loss data, the Retrospective Development Factors were revised. The revised factors were included in Manual Amendment Bulletin #462, dated November 26, 2013.

Hazard Group Differentials

After examining the latest available loss data, the Hazard Group Differentials were revised. The revised Hazard Group Differentials were included in Manual Amendment Bulletin #462, dated November 26, 2013.

Excess Loss Premium Factors

As a result of an examination of the latest available loss data, the Excess Loss Premium Factors were revised. The revised Excess Loss Premium Factors were included in Manual Amendment Bulletin #462, dated November 26, 2013.

Tax Multipliers

As a result of adjustments in the tax provisions, the New Jersey and USL Tax Multipliers were revised. The revised Tax Multipliers were included in Manual Amendment Bulletin #462, dated November 26, 2013.

Expected Loss Ratio

As a result of adjustments in the expense and tax provisions, the Expected Loss Ratio used in Retrospective Rating calculations was revised. The revised Expected Loss Ratio was included in Manual Amendment Bulletin #462, dated November 26, 2013.

Table of Classifications by Hazard Group

The Table of Classifications by Hazard Group was revised to remove classification codes that were discontinued effective January 1, 2014. The revised Table of Classifications by Hazard Group was included in Manual Amendment Bulletin #462, dated November 26, 2013.

Large Risk Alternative Rating Option

The Manual rules pertaining to the use of the Large Risk Alternative Rating Option were revised to provide more flexibility in the rating process and to make the program more similar to plans in other jurisdictions. The changes were included in Manual Amendment Bulletin #462, dated November 26, 2013.

Notice of Election Form

The "Notice of Election of Retrospective Rating Plan" form was amended to reflect changes made to the Large Risk Alternative Rating Option. The amended form was included in Manual Amendment Bulletin #462, dated November 26, 2013.

Premium Discount

Adjustments were made to the Schedule Y discounts in the Premium Discount Schedules/Tables as a result of the related expense element alterations. Schedule X discounts were not altered. This announcement was included in Manual Amendment Bulletin #462, dated November 26, 2013.

APPLICATION OF THE MANUAL

Surcharge for the Rejection of a Voluntary Offer

The Manual rule pertaining to the determination of anniversary rating dates was revised to eliminate reference to the Surcharge for the Rejection of a Voluntary Offer, a residual market premium charge that was eliminated effective July 1, 2013. This change was included in Manual Amendment Bulletin #459, dated June 6, 2013.

PREPARATION AND AUDITING OF POLICIES

Executive Officers Payroll

The maximum weekly payroll chargeable to executive officers and certain other employments was changed from \$2,320 to \$2,370. The minimum weekly payroll was changed from \$580 to \$590. The revised amounts were included in Manual Amendment Bulletin #461, dated November 26, 2013.

Appointed or Elected Public Officers

The minimum payroll for members of boards of education changed from \$6,030 per year to \$6,140 per year, and the minimum payroll for appointed or elected officers was amended from \$1,210 to \$1,230 per year. This announcement was made in Manual Amendment Bulletin #461, dated November 26, 2013.

Taxicab Company and Drivers – Code 7370

The upset annual payroll applicable to this classification under certain stipulated conditions was increased from \$32,400 to \$33,000. This change was included in Manual Amendment Bulletin #461, dated November 26, 2013.

Surcharge for the Rejection of a Voluntary Offer

The Manual rules pertaining to the application of the experience modification and the definition of standard premium were revised to eliminate reference to the Surcharge for the Rejection of a Voluntary Offer. This change was included in Manual Amendment Bulletin #459, dated June 6, 2013.

CATASTROPHE PROVISIONS

Form of Endorsement

The Manual rule listing the required endorsement forms for terrorism coverage was amended to include the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007, WC 00 01 14. The new endorsement, effective January 1, 2014, addresses premium charges for terrorism if the current federal backstop for terrorism losses expires on December 31, 2014. Its application is required on all policies written through the New Jersey Workers Compensation Insurance Plan and is optional on all others. This change was included in Manual Amendment Bulletin #460, dated August 22, 2013.

STATISTICAL PLAN

Retrospective Rating Premium

The Manual rule for reporting Retrospective Rating premium was revised to clarify that only premium from New Jersey Workers Compensation and Employers Liability Insurance policies should be assigned to the statistical code used to capture Retrospective Rating premium. This change was announced in Statistical Circular #118, dated November 26, 2013.

Forms

The elimination of Form USR-ASWG-NJ was announced in Statistical Circular #117, dated October 9, 2013.

Data Elements

Several new data elements are required for filing on Unit Statistical Reports for policies effective January 1, 2014 and thereafter. The new data elements were announced in Statistical Circular #117, dated October 9, 2013.

Surcharge for the Rejection of a Voluntary Offer

The Manual rules pertaining to the Statistical reporting requirements for the Surcharge for the Rejection of a Voluntary Offer were changed and will only apply to Plan policies effective prior to July 1, 2013. This change was announced in Statistical Circular #116, dated June 6, 2013.

WORKERS COMPENSATION INSURANCE PLAN (Plan)

Form of Endorsement

The Manual rule listing the endorsement forms that are required on each policy written through the Plan was revised to include the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007, WC 00 01 14. This change was included in Manual Amendment Bulletin #460, dated August 22, 2013.

Surcharge for the Rejection of a Voluntary Offer

The Manual rules pertaining to the application of a premium charge for the rejection of voluntary coverage were revised to remove references to the Surcharge for the Rejection of a Voluntary Offer for policies issued on or after July 1, 2013. This change was included in Manual Amendment Bulletin #459, dated June 6, 2013.

Forms

The Application for Designation of an Insurance Company and the accompanying Instructions and Rules were amended to remove references to the Surcharge for the Rejection of a Voluntary Offer. The amended forms were included in Manual Amendment Bulletin #459, dated June 6, 2013.

CLASSIFICATIONS

Bottled Beverage Dealer or Delivery NOC – No Carbonated Liquids.....2156

Class code 2156 is eliminated and risks engaged in the manufacture, bottling and distribution of non-carbonated beverages, previously assigned to class code 2156, are assignable to class code 2157. Risks with operations involving only the distribution of non-carbonated beverages, previously assigned to class code 2156, are assignable to class code 8018 for the distribution facility and to class code 7380 for drivers.

Bottling NOC – Carbonated and Non-Carbonated Beverages.....2157

The phraseology for class code 2157 is amended so that risks engaged in the manufacture, bottling and distribution of both non-carbonated and carbonated beverages are assignable to class code 2157. Risks with operations involving only the distribution of carbonated beverages, previously assigned to class code 2157, are assignable to class code 8018 for the distribution facility and to class code 7380 for drivers.

Class code 7570 is eliminated due to the absence of experience during the latest five-year experience period. The changes to class codes 2156, 2157 and 7570 were announced in Manual Amendment Bulletin #461, dated November 26, 2013.

FORMS

Endorsements

The Manual was amended to include the New Jersey Premium Discount Endorsement Schedule Y, WC 29 04 11 A. The endorsement recognizes changes in the expense provisions and replaces the current endorsement, WC 29 04 11, which is withdrawn. This change was announced in Manual Amendment Bulletin #462, dated November 26, 2013.

The Manual was also amended to include the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007, WC 00 01 14. This change was announced in Manual Amendment Bulletin #460, dated August 22, 2013.

Information Page Algorithm

The Information Page Algorithms were changed to reflect the elimination of the Surcharge for the Rejection of a Voluntary Offer. These changes were included in Manual Amendment Bulletin #459, dated June 6, 2013.

OTHER ANNOUNCEMENTS

Advisory Bulletins

During the year, the Rating Bureau issued four Advisory Bulletins. Advisory Bulletins contain information pertinent to workers compensation in New Jersey, but do not directly affect rules in the Manual.

Advisory Bulletin #37 was issued on May 6, 2013 to announce that experience rating data would no longer be available in CD format, and to announce that order forms for experience rating worksheets and unit statistical reports were available at the Bureau's website.

Advisory Bulletin #38 was issued on June 14, 2013 and advised member carriers that as of September 1, 2013, all WCPolicy and WCStat data files submitted through the Bureau website were required to be submitted via a Secure File Transfer Protocol (SFTP).

The Rating Bureau issued Advisory Bulletin #39 on August 14, 2013 to remind members that the Policy Entry and Edit Package ("PEEP") would no longer be available after December 31, 2014.

Advisory Bulletin #40 was issued on October 25, 2013 to advise members that several enhancements to the Bureau's computer system were planned for deployment in 2014 and 2015.

Circular Letters

During the year, the Rating Bureau also issued Circular Letters that did not affect rules in the Manual. Every month, a Circular Letter was issued containing certain information about the New Jersey Workers Compensation Insurance Plan. Circular Letters were also used to announce the date and location of the Bureau Annual Meeting, as well as prospective changes to rates and rating values effective January 1, 2014.

FINANCIAL – 2013

An outside accounting firm is retained on a seven-year rotating basis to audit the Bureau. Suplee, Clooney & Company was appointed to complete the audit for the fiscal year ending June 30, 2013. Following the close of the fiscal year, this firm made a complete audit of the books and records of the Bureau, which were found to be proper. The audit report was dated August 28, 2013. Following receipt of the report, the excess between the fiscal year assessments and other income and expenses was returned to Bureau members according to established procedure, through the usual assessment adjustment.

Table II shows the income and expenditures statement for calendar year 2013. The twenty-five-year development of New Jersey workers compensation business and the net cost of administering the Bureau are shown in Exhibit E in the Appendix. This exhibit illustrates the growth of the workers compensation industry in terms of written premium, number of policy and statistical filings, and the number of experience rated risks.

TABLE II

INCOME AND EXPENDITURES STATEMENT FOR CALENDAR YEAR 2013

INCOME

Total Quarterly Assessments.....		\$16,994,726
Rating, Inspection and Bulletin Services.....	24,561	
Interest Income.....	6,683	
Miscellaneous Income.....	<u>365,580</u>	<u>396,824</u>
Total Income		\$17,391,550

EXPENDITURES

Salaries.....	\$ 6,959,623
Contract Personnel Service.....	49,030
FICA Tax.....	493,351
Employee Relations & Welfare.....	2,648,907
Rent, Maintenance, Repair & Alteration of Premises.....	967,666
Printing & Stationery.....	60,011
Postage & Express.....	79,217
Telephone.....	94,154
Insurance.....	100,988
Furniture, Equipment Rental, Repair, Supplies & Services.....	109,920
Data Processing.....	1,425,269
Spectrum.....	1,900,251
Legal & Auditing.....	75,977
Travel & Travel Items.....	132,321
Employee Recruitment.....	7,627
Pension.....	996,281
Miscellaneous.....	106,431
Total Expenditures	\$16,207,024
Excess Income over Expenditures	\$ 1,184,526

STATEMENT OF ASSETS AND LIABILITIES AT DECEMBER 31, 2013

ASSETS

Cash in Bank – Operating Account.....	\$ 921,547
Cash in Bank – Payroll Account.....	24,696
Petty Cash.....	500
Accounts Receivable.....	9,008
PNC – Money Market Account.....	3,317,754
City Bank – Money Market Account.....	250,239
Hudson City Bank CD.....	261,924
Total Assets	\$4,785,668

LIABILITIES

Pension – Bureau Accrued.....	1,059,127
Excess Funds as of January 1.....	1,881,586
Excess Funds January 1 thru December 31.....	1,184,526
Assessment adjustment liability – Fiscal Year 2012/2013.....	660,429
Total Liabilities	\$4,785,668

BUREAU MEMBERSHIP CHANGES

AT THE END OF 2012, THE BUREAU WAS COMPRISED OF 447 MEMBER COMPANIES.

During 2013, the following eight companies were admitted:

American Family Home Insurance Company
AmTrust Insurance Company of Kansas, Inc.
Comp Options Insurance Company, Inc.
Employers Compensation Insurance Company
Hereford Insurance Company
OBI National Insurance Company
Stonewood National Insurance Company
Stonington Insurance Company

Membership of the following companies were withdrawn during the year:

American Manufacturers Mutual Insurance Company
American Motorists Insurance Company
Camden Fire Insurance Association
Houston General Insurance Company
Lumbermens Mutual Casualty Company
Northern Assurance Company of America
Seabright Insurance Company
Ullico Casualty Company

THE TOTAL MEMBERSHIP AT THE END OF 2013 WAS 447.

The membership consists of insurance companies providing workers compensation coverage for commercial risks and for residence employees only. A list of the insurance companies providing workers compensation coverage for commercial risks is included after the “Conclusion” section of this Annual Report.

AUTHORIZED SELF-INSURED EMPLOYERS

Table III is a listing of employers who, pursuant to N.J.S.A. 34:15-77, have received authorization by the Department of Banking and Insurance (DOBI) to self-insure their obligations under the New Jersey Workers Compensation Law.

TABLE III

AUTHORIZED SELF-INSURED EMPLOYERS

(Information Furnished By the Department of Banking and Insurance)

The number of employers is 95. The year of exemption is shown in brackets after the name of the company.

ABF Freight System, Inc. (2001)	Family Dollar Stores of NJ, Inc. (2013)	Newark, Roman Catholic Archdi. of (1980)	Target Corporation (1997)
Atlantic City Electric Company (1981)	Federal Express Corp. (1989)	Nordstrom, Inc. (1990)	TownePlace Management LLC (2001)
Atlantic Health System, Inc. & Subs. (2006)	FedEx Freight, Inc. (2006)	PSEG Power LLC & Subsidiaries (1999)	Toys "R" US Inc. (1993)
Atlantic States Cast Iron Pipe Co. (1978)	FedEx Ground Package System, Inc. (1993)	PSEG Services Corp. (1999)	Trenton, Roman Catholic Diocese of (1979)
AtlantiCare Regional Medical Center (1984)	FedEx SmartPost, Inc. (2005)	Parker Hannifin Corp. (1997)	Trinitas Regional Medical Center (2012)
Bancroft Neuro Health, Inc. (1994)	FirstEnergy Corporation & Subsidiaries (2004)	Paterson, Roman Catholic Diocese of (1974)	United Water New Jersey, Inc. (1917)
Barnabas Health Inc. (2013)	Ford Motor Company (1921)	Pathmark Stores, Inc. (1979)	Valley Home Care, Inc. (1998)
Bergen Regional Medical Center, LP (2003)	Gannett Satellite Inf. Network (1993)	Plainbridge, Inc. (1993)	Valley Hospital Foundation (1998)
BT's Wholesale Club, Inc. (1999)	Gerresheimer Glass Inc. (1992)	Princeton University (1991)	Valley Hospital, Inc. (1998)
CBS Broadcasting Inc. (2002)	Great Atlantic & Pacific Tea Co., Inc. (1959)	Procter & Gamble Distributing LLC (1993)	Valley Medical Services (1998)
CBS Outdoor Group Inc. (2002)	Herr Foods, Inc. (1992)	Procter & Gamble Manufacturing Co. (1970)	Valley Physicians Services, Inc. (2008)
Camden, Roman Catholic Diocese of (1973)	Holy Redeemer Health Syst. & Affiliates (1995)	Public Service Electric & Gas Co. (1929)	Virtua Health Inc. & Subs. (2000)
Cape Regional Medical Center, Inc. (1995)	International Paper Company (1942)	Quick Chek Corporation (1993)	Volvo Cars of North America, Inc. (2000)
Chevron U.S.A., Inc. (1961)	Kimble Chase Life Science & Research Pro (1997)	Ralph Clayton & Sons and Affiliates (2002)	Waldbaums, Inc. (1990)
Colonial Concrete Co. & Subsidiaries (2007)	King World Corporation (2002)	Residence Inn by Marriott, LLC (2001)	Wegman's Food Markets, Inc. (1999)
ConAgra Foods, Inc. & Subsidiaries (1996)	Lowie's Home Centers, Inc. (2001)	Retailers & Manufacturers Dist & Subs (2006)	White Castle System, Inc. (1993)
Cooper Hospital/Univ. Medical Center (1986)	Macy's, Inc. & Subsidiaries (2005)	Robert Wood Johnson Univ. Hospital (1986)	White Rose, Inc. (1973)
Costco Wholesale Corporation (1997)	Marriott Claims Services Corporation (2001)	Rose Trucking Corp. (1994)	
Courtyard Management Corp. (1990)	Marriott Hotel Services, Inc. (1990)	St. Luke's Health Network, Inc. & Subs (2013)	
CVS/Caremark Corporation (1994)	Marriott International Admin. Serv. Inc. (1996)	St. Peter's University Hospital (1988)	
DCH Auto Group (USA) Inc. & Subs. (2006)	Marriott International Inc. (1988)	Sherwin-Williams Company (1992)	
Delhaize America LLC & Subs. (2011)	Memorial Sloan-Kettering Cancer Center (2006)	Shopwell Inc. (1990)	
E.I. Dupont de Nemours & Company (1918)	Merck & Co., Inc. (1980)	Shore Memorial Hospital (1994)	
Execustay Corporation (2001)	Metuchen, Roman Catholic Diocese of (1988)	Simon & Schuster, Inc. (1991)	
Exelon Generation Company, LLC (2009)	Monmouth Ocean Hospital Serv. Corp. (2005)	Springpoint Senior Living, Inc. (2000)	
		Super Fresh Food Markets (1982)	
		Supermarket Dist. Service Corp. (1990)	

RATING DIVISION

EXPERIENCE RATING

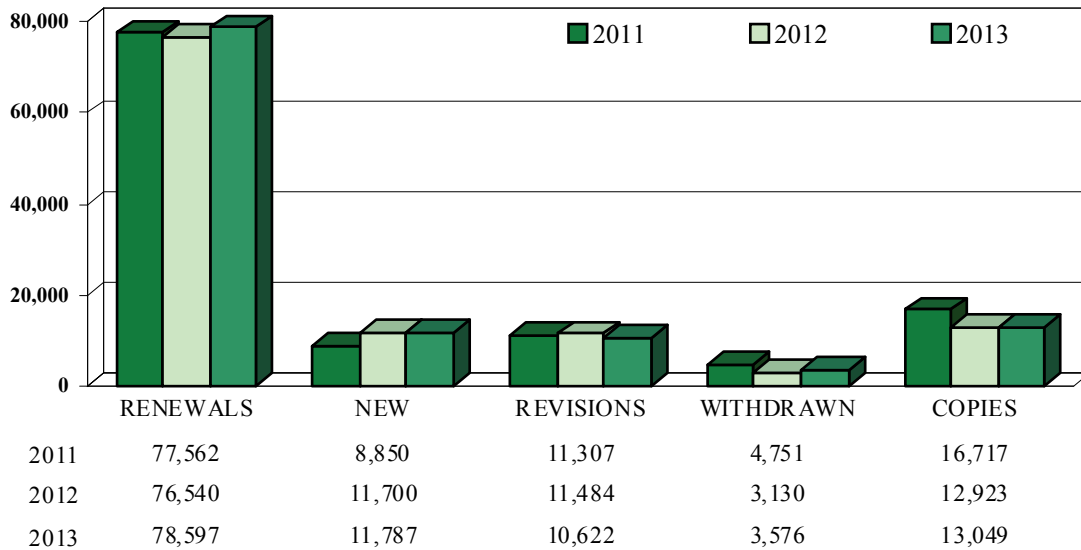
The Rating Division reviews statistical data in order to process experience ratings and their revisions. In addition, the Rating Division issues rating data to insurers and other authorized parties.

The number of risks which qualified for experience rating in 2013 was 96,676 – an increase of 4.1% from the 92,860 risks qualifying for rating in 2012.

There were 90,384 new and renewal experience ratings prepared and issued in calendar year 2013 compared to 88,240 in 2012. The overall activity during 2013 is illustrated by the following graph.

EXPERIENCE RATING ACTIVITY

DURING 2013



Percentage of Ratings Issued in Relation To Effective Date – Calendar Year 2013						
After Effective Date	Prior to Effective Date			More Than Thirty Days Prior To Effective Date		
	1 to 30 Days	30 to 60 Days	More than 60 Days	2011	2012	2013
3.1%	19.4%	25.7%	51.8%	77.6%	77.4%	77.5%

Table IV shows the historic statistical results of calculated experience ratings on the basis of the effective year of rating.

TABLE IV**Twenty-Five Year Historic Record
of Experience Rating Results**

Rating Effective Year	Total Ratings	<u>Premium During Experience Period</u>		Ratio of Adjusted to Manual
		<u>Manual Premium</u>	<u>Adjusted Premium</u>	
1989	52,411	2,400,709,097	2,271,640,130	0.946
1990	66,247	2,736,852,208	2,598,569,338	0.949
1991	73,747	3,270,965,375	3,119,317,828	0.954
1992	69,533	3,703,933,596	3,421,685,950	0.924
1993	72,640	4,250,309,586	4,063,216,350	0.956
1994	73,762	4,486,969,855	4,251,038,829	0.947
1995	75,369	4,688,577,235	4,282,807,608	0.913
1996	75,999	4,631,730,529	4,214,318,712	0.910
1997	75,443	4,268,646,155	3,891,935,525	0.912
1998	74,946	3,951,830,819	3,671,578,610	0.929
1999	74,130	3,884,644,847	3,607,391,660	0.929
2000	75,269	4,059,350,871	3,781,586,890	0.932
2001	77,189	4,213,562,828	3,959,587,845	0.940
2002	80,965	4,532,454,524	4,261,483,623	0.940
2003	87,283	5,273,541,974	4,782,503,648	0.907
2004	91,349	5,879,845,211	5,227,740,497	0.889
2005	96,831	6,625,515,552	6,068,433,564	0.916
2006	93,497	6,965,822,455	6,508,092,145	0.934
2007	96,561	7,332,429,411	6,816,567,968	0.930
2008	98,367	7,824,918,400	7,139,317,016	0.912
2009	98,778	7,978,377,797	7,174,327,136	0.899
2010	97,090	7,977,295,948	7,108,801,143	0.891
2011	91,416	8,070,140,425	7,201,525,804	0.892
2012	92,848	8,455,684,291	7,564,420,243	0.895
2013	96,635	9,180,676,809	8,034,644,045	0.875

POLICY REVIEW FOR EXPERIENCE RATING

The Rating Division reviews policies subject to experience rating which contain non-conforming items. The number of such policies reviewed in 2013 was 27,961 – an increase of 17.4% from the 23,816 reviewed in 2012.

OWNERSHIP

The Rating Division also examines ownership questions with regard to the combination of entities, changes of ownership interests and mergers involving insured businesses. The number of ownership issues reviewed in 2013 was 10,454 – a decrease of 13.6% from the 12,094 handled in 2012.

RETROSPECTIVE RATING

Retrospective Rating was elected by 421 risks in 2013, up from 229 risks in 2012. The estimated premium for the 421 risks was \$103,112,930, compared with \$46,268,439 in 2012. Of the 421 retrospectively rated risks, 398 elected the Large Risk Alternative Rating Option, up from 218 in 2012. The premium for risks electing the Large Risk Alternative Rating Option was \$96,802,752, compared to \$44,018,377 in 2012. Below is an exhibit of the retrospective rating programs effective in 2013:

<u>TYPE/TERM</u>	<u>RETROSPECTIVE RATING</u>		
	<u>NO.</u>	<u>LOSS LIMIT</u>	<u>EST. STD. PREMIUM</u>
V-1	23	6	\$ 6,310,178
V-3	0	0	0
V-Long Term	0	0	0
LRA-1	398	217	96,802,752
LRA-3	0	0	0
LRA-Long Term	<u>0</u>	<u>0</u>	<u>0</u>
Total	421	223	\$103,112,930

LARGE DEDUCTIBLE PROGRAM

The New Jersey Large Risk – Large Deductible Program was introduced effective July 1, 1993. The number of risks electing this program totaled 2,029 in 2013, a decrease of 6.6% from the 2,172 risks in 2012. The New Jersey premium subject to this program in 2013 was \$692,925,965, and the resultant deductible premium was \$131,060,390.

UNDERWRITING DIVISION

The Underwriting Division is responsible for general classification studies, field audits, inspections and the New Jersey Workers Compensation Insurance Plan.

During 2013, the number of inspections decreased and the number of audits increased. There were 33,839 individual pieces of correspondence received dealing with classification, auditing, underwriting and Plan risk matters, representing an increase of 2.9% from the 32,890 received in 2012. Total correspondence for 2013 included 4,944 pieces resulting directly from employer non-cooperation with Plan Servicing Carriers.

INVESTIGATIONS

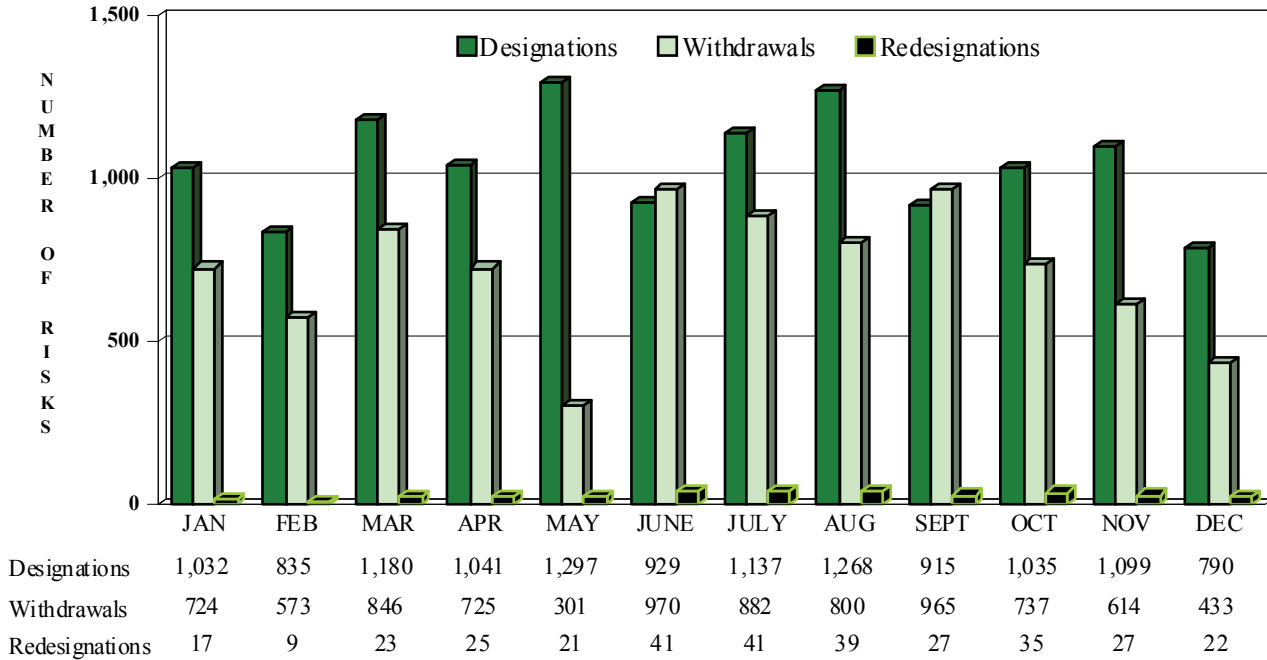
The field activity is outlined in the following exhibit. For comparison, the two preceding years are shown.

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Classification Surveys	3,496	3,269	3,186
Audits	2,614	2,545	2,597
Visits - No Inspection	1,256	1,055	984
Visits - No Audit	264	214	212
General Investigations	<u>2</u>	<u>2</u>	<u>2</u>
TOTAL	7,632	7,085	6,981

THE NEW JERSEY WORKERS COMPENSATION INSURANCE PLAN

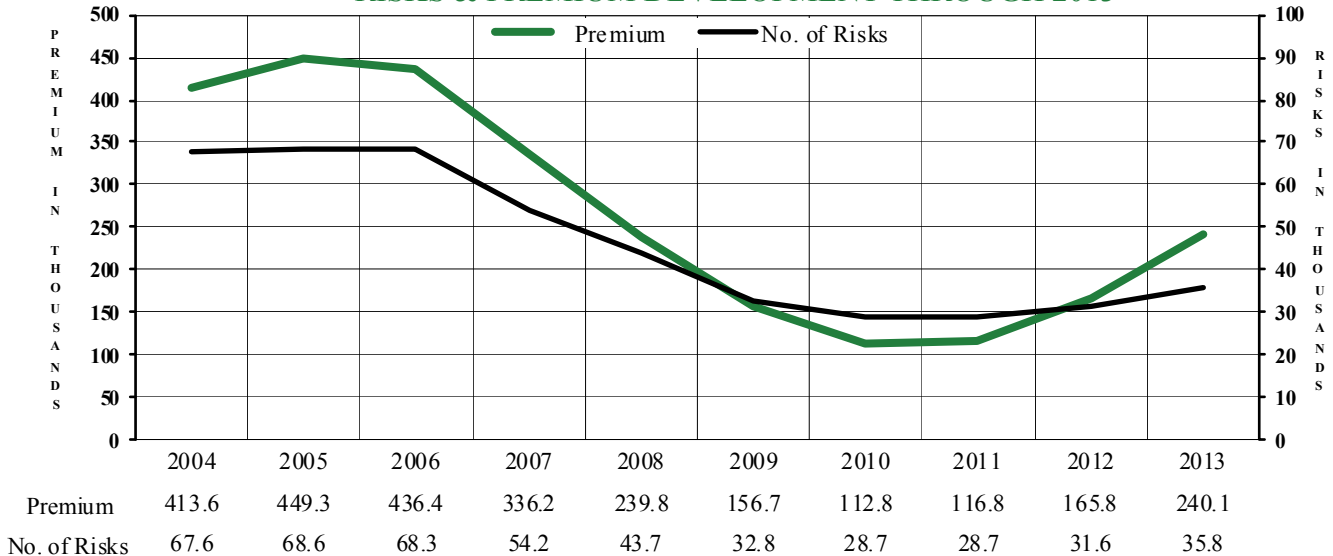
At the end of 2013, there were 35,844 Plan risks with an estimated annual premium of \$240,076,244, which represents approximately 7.7% of the total New Jersey workers compensation market, compared to 6.0% in 2012. The residual market currently provides coverage to approximately 17.4% of New Jersey's insured employers. There were 12,559 new designations in 2013 representing an 18.9% increase from the 10,561 employers newly designated in 2012. There were 8,570 withdrawals in 2013 representing an increase of 9.6% from the 7,817 withdrawals in 2012. There were 328 employers designated to new insurance companies upon notice by the designated company that it wished to be relieved of providing renewal coverage (Paragraph 14 of the Plan), representing a significant decrease from the 4,393 in 2012. The Web Application Submission System for Plan risks processed 8,713 new designations, accounting for 69% of new Plan activity compared to 62% in 2012.

MONTHLY PLAN ACTIVITY – 2013



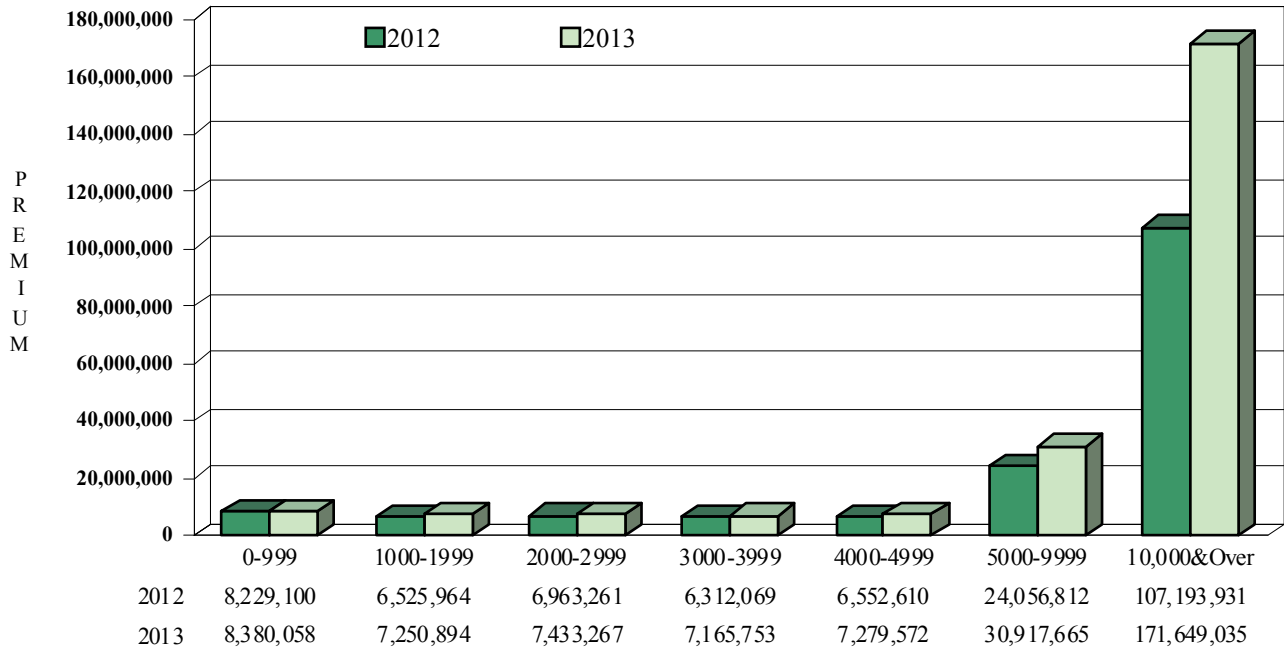
The 35,844 Plan risks with an estimated annual Plan premium of \$240,076,244 is compared with 31,580 risks with an estimated annual Plan premium of \$165,833,747 at the end of 2012. The result is an increase of approximately 13.5% in the total number of Plan risks and an increase of 44.8% in the estimated annual Plan premium. These results reflect an increase in overall Plan activity with a stronger weighting in policies with above average premium. The following graph shows the development since 2004.

RISKS & PREMIUM DEVELOPMENT THROUGH 2013

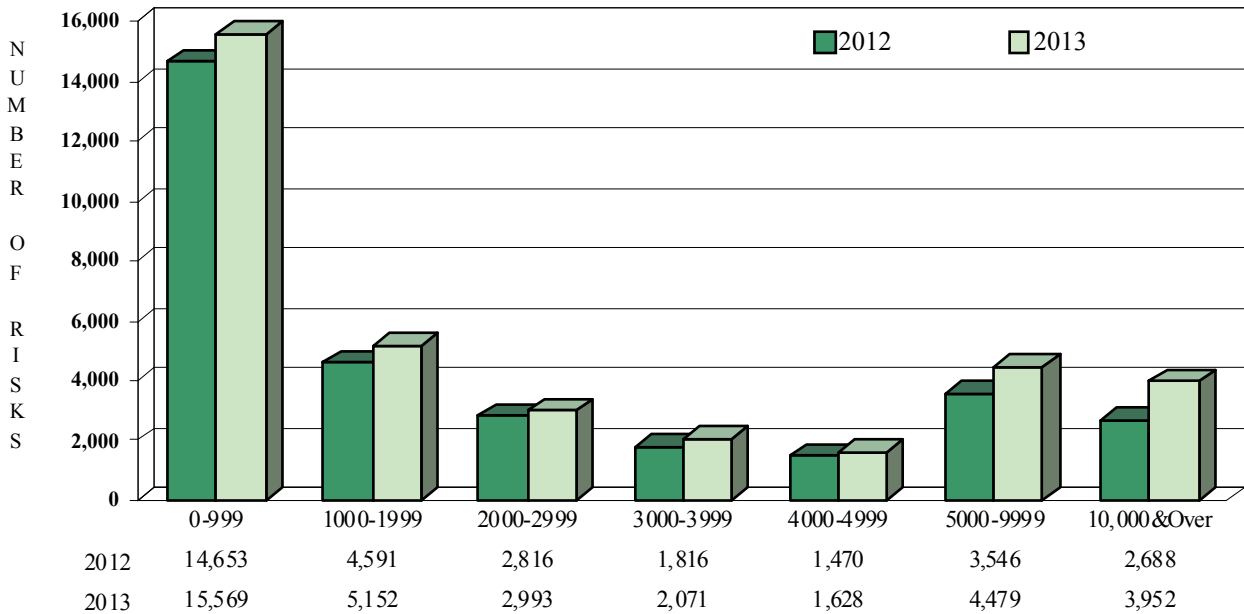


In 2013, 89.0% of Plan risks and 28.5% of the annual Plan premium were in the premium size group of \$0 to \$9,999. The average Plan risk generated premium of \$6,698 in 2013, up from \$5,251 in 2012. The increase in Plan business in 2013 is reflective of growth in Plan risks with premium size of \$10,000 or greater.

PREMIUM DISTRIBUTION BY PREMIUM GROUP SIZE



RISK DISTRIBUTION BY PREMIUM GROUP SIZE



Premium credit of \$368,530,964 was in effect December 31, 2013 for 37,138 Plan risks written as regular business compared to \$423,665,264 of premium for 37,795 risks as of December 31, 2012. The credit procedure has been in effect since July 1, 1963.

The status of the distribution of Plan Risks as of December 31, 2013 is shown in Table V, and the historic exhibit of claim experience under the Plan is shown in Table VI.

TABLE V

**New Jersey Workers Compensation Insurance Plan
Business by Companies as of December 31, 2013
(Premium is Policy or Plan Estimate)**

<u>Insurance Company*</u>	<u>Completed Transactions</u>		<u>Outstanding Renewals</u>		<u>Outstanding New</u>		<u>Total Assignments</u>		<u>Voluntary Credits</u>		<u>Grand Totals</u>		<u>Quota</u>	<u>Factor</u>
	<u>Number</u>	<u>Premium</u>	<u>Number</u>	<u>Premium</u>	<u>Number</u>	<u>Premium</u>	<u>Number</u>	<u>Premium</u>	<u>Number</u>	<u>Premium</u>	<u>Number</u>	<u>Premium</u>		
Amguard Insurance Company (P)	3,006	\$13,300,522	468	\$1,585,815	257	\$689,063	3,731	\$15,575,400			3,731	\$15,575,400	\$15,577,493	1.000
Continental Insurance Co. of NJ	1,059	3,373,766	34	62,980	18	75,702	1,111	3,512,448	980	7,431,932	2,091	10,944,380	10,936,672	1.001
Hartford Underwriters Ins. Co.	1,087	10,121,341	51	230,342	17	506,038	1,155	10,857,721	9,521	53,711,478	10,676	64,569,199	64,500,192	1.001
LM Insurance Corporation (P)	9,573	71,337,355	565	4,181,529	210	1,977,909	10,348	77,496,793			10,348	77,496,793	77,887,463	0.995
New Jersey Casualty Ins. Co.	10,941	63,978,988	634	3,259,084	68	2,693,077	11,643	69,931,149	685	17,705,998	12,328	87,637,147	87,189,069	1.005
Technology Insurance. Co. (P)	3,035	14,565,474	211	868,803	72	359,738	3,318	15,794,015			3,318	15,794,015	15,577,493	1.014
Travelers Prop. Cas. Co. (P)	4,082	43,397,808	209	2,183,932	247	1,326,978	4,538	46,908,718			4,538	46,908,718	46,732,478	1.004
All Pool Companies									25,952	289,681,556	25,952	289,681,556		
Total	32,783	\$220,075,254	2,172	\$12,372,485	889	\$7,628,505	35,844	\$240,076,244	37,138	\$368,530,964	72,982	\$608,607,208		

P - Servicing Member of National Workers Compensation Reinsurance Association NFP.

* - Including Companies under the same management.

TABLE VI**Historical Plan Experience**

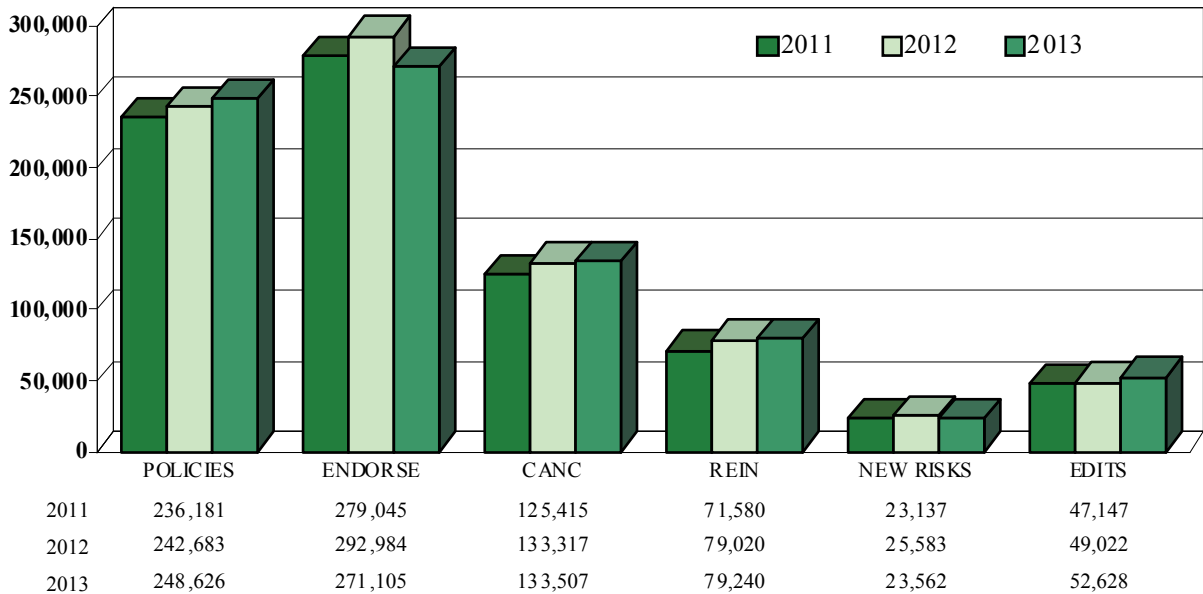
<u>Policy Year</u>	<u>Number of Policies</u>	<u>Percentage of Total</u>	<u>Standard Premium Incl. L & E Constant</u>	<u>Percentage of Total</u>	<u>Total Incurred Losses</u>	<u>Loss Ratio</u>
1977	30,145	19.1%	\$ 42,369,210	8.5%	\$ 24,420,735	57.64%
1978	41,444	24.0	76,230,056	12.9	42,544,850	55.81
1979	46,860	26.0	88,406,063	12.8	42,289,122	47.84
1980	44,885	27.0	95,777,392	12.0	47,962,246	50.08
1981	37,229	25.9	72,533,154	8.4	31,500,105	43.43
1982	32,731	22.4	44,745,514	5.0	24,967,992	55.80
1983	27,550	18.1	29,283,820	3.4	20,126,267	68.73
1984	26,552	16.6	27,669,562	3.1	20,345,537	73.53
1985	34,777	20.8	54,553,834	6.5	49,321,110	90.41
1986	42,971	24.9	80,071,439	8.9	73,781,916	92.15
1987	47,727	26.8	102,026,176	9.6	92,172,890	90.34
1988	48,742	27.0	118,973,937	10.1	102,050,081	85.78
1989	49,926	27.6	118,668,817	11.0	131,916,139	111.16
1990	50,527	28.7	143,849,745	12.2	138,850,602	96.52
1991	53,911	31.4	168,111,234	15.0	177,046,294	105.31
1992	61,759	36.4	216,892,457	17.5	199,604,902	92.03
1993	67,965	40.9	359,253,876	24.7	200,578,867	55.83
1994	69,760	42.3	352,742,899	21.7	178,709,781	50.66
1995	68,643	41.9	296,942,975	18.3	148,686,259	50.07
1996	56,451	34.7	177,571,390	10.9	98,814,752	55.65
1997	42,170	25.7	95,271,639	6.0	57,247,973	60.09
1998	29,742	17.3	56,858,821	3.6	37,941,190	66.73
1999	25,586	14.0	49,091,964	3.0	40,843,491	83.20
2000	26,707	14.1	72,193,510	4.4	51,259,189	71.00
2001	33,778	17.4	140,034,917	8.3	109,176,323	77.96
2002	47,021	24.6	244,450,916	14.0	194,869,241	79.72
2003	58,838	30.7	357,598,535	18.6	273,486,110	76.48
2004	64,145	33.3	420,642,338	20.1	269,705,716	64.12
2005	67,557	34.1	469,161,779	19.5	293,286,674	62.51
2006	60,605	30.4	413,975,542	16.1	278,807,701	67.35
2007	52,164	26.1	317,141,816	12.0	188,339,032	59.39
2008	42,019	21.2	223,764,324	8.7	127,005,598	56.76
2009	31,889	16.3	150,916,611	6.3	85,349,106	56.55
2010	27,509	14.0	118,578,127	5.0	77,480,785	65.34
2011	27,506	13.5	130,194,681	5.1	70,930,219	54.48

POLICY REVIEW DIVISION

POLICY FILINGS

In 2013, the number of filings of policies, endorsements, cancellations and reinstatements totaled 732,478 compared to 748,004 the previous year. This change represents a decrease of 2.1%. Policies and endorsements decreased 3.0%. Cancellations and reinstatements increased by 0.2%. New risks decreased 7.9%. The computer edit error rate for all policies increased 7.4%.

RECEIPT AND DISTRIBUTION OF POLICY MATERIAL



POLICY FORMS

In 2013, the amount of specimen policy forms, information pages, endorsements, cancellations or reinstatements reviewed was 836. During the previous year, 551 were reviewed.

COVERAGE RECORDS

The Bureau has been designated by the Commissioner of Banking and Insurance to receive policy filings to establish the record of coverage required by N.J.S.A. 34:15-78. The filings include the information page and all endorsements, cancellations and reinstatements notices applicable to each policy.

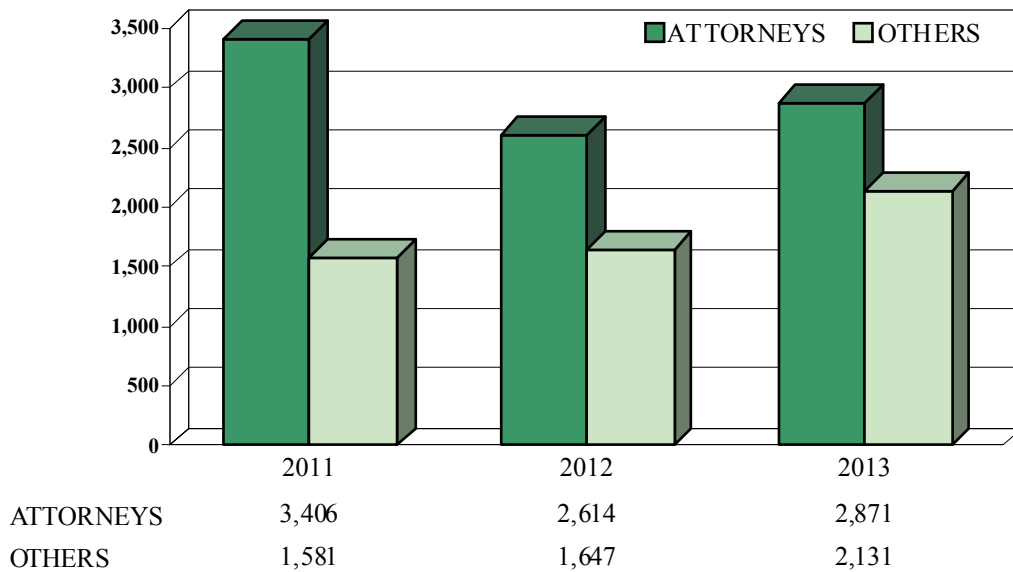
Policy material, correspondence, reports of experience and inspection reports with respect to a given New Jersey employer are housed in individual risk files. Each file is identified by a six-digit number. The file number is determined from the name of the employer through the use of a computer inquiry system by the Alpha Search Department of the Policy Review Division.

In 2013, a total of 198,760 documents consisting of correspondence, as well as inspection and audit reports and transmittal letters were imaged. Each Bureau employee has immediate access to all information for a risk, including correspondence, policies, endorsements, cancellations, reinstatements, audits, inspections, statistical reports and rating data.

The record of coverage filed with the Bureau is often subpoenaed in cases where the State of New Jersey prosecutes an employer for failing to carry workers compensation insurance. A representative of the Bureau is often required to appear with records before a grand jury or in court to provide testimony.

Most inquiries into the record of coverage are made via correspondence from attorneys representing claimants. Other inquiries come from the Department of Labor and Workforce Development or from insurance companies seeking to confirm their own records or to identify subcontractors with respect to premium audit matters. Coverage records are also available at the Bureau’s website. As illustrated below, the 2,871 written requests from attorneys in 2013 represented an increase of 9.8% from 2012. The Bureau also received 903 letters from the Department of Labor and Workforce Development, 493 e-mails from insurance companies seeking policy information, 364 letters requesting copies of cancellation notices and transmittal letters, and 371 letters from insurance companies and labor unions regarding policy matters.

RECORD OF COVERAGE INQUIRIES (Paper Format Only)



INFORMATION TECHNOLOGY SERVICES DIVISION

The processing of statistical reports of experience, experience ratings, field audit selections, policy coverage requests, Plan Risk accounting and selection of carriers to provide coverage on behalf of employers unable to secure voluntary coverage are handled in large measure through the use of the Bureau's mainframe equipment. Specific information from the policies, as well as all data from the carriers' reporting of experience, are stored on direct access storage and magnetic tape devices, thus facilitating the automated processing and review. The proper functioning of this division has a direct impact on the quality of work that the Bureau staff performs each day.

Carriers have the option to subscribe to the national standard formatted electronic data packages of rates, surcharges and classification data (WC RATE), experience modification data (WCMODS) and policy pre-delinquent and delinquent data (WCCNTL) for unit statistical filing purposes. The ability of a carrier to be able to immediately input policy year rates, surcharges and classification data eliminates the high percentage of rate and surcharge errors usually found in January and February policies.

Carriers are encouraged to use policy and statistical electronic filing methods. The flow of hard copy submissions increases expense costs for the carrier and Bureau. Electronic reporting improves the timeliness of data submission and enhances the credibility and quality of the data being submitted. National WCIO data reporting specifications (WCPOLS and WCSTAT) for electronic submissions of data are in place, and the Bureau is committed to assisting any carrier to reduce and eliminate hard copy filings.

The ITS Division maintains the Bureau's website, www.njcrib.com, which provides the New Jersey workers compensation insurance community with electronic services and information. Carriers may submit WCPOLS and WCSTAT data records to the Bureau via the website through the File Transfer Protocol (FTP) or through the Compensation Data Exchange (CDX). Other online services include the New Jersey Workers Compensation Online Insurance Plan Application for Designation of an Insurance Company, the Financial Data Reporting Application and the E-mail Notification Service.

The following information is also available at the Bureau's website: a list of Bureau contacts, Bureau News, the latest Annual Report, Circulars and Bulletins, the Bureau Manual, Actuarial Statistics, New Jersey Forms and Workers Compensation Rates. The website also makes available data searches for Classification Experience, Experience Rating Modifications and Residual market population information. The Policy Coverage Search Inquiry contains six years of policy data including cancellations and reinstatements. This data is updated every 24 hours.

Additionally, the Bureau offers carrier members a secure portal to obtain Experience Rating worksheets (eRatings) and Plan Risk Daily Assignments and corresponding documents.

ACTUARIAL SERVICES DIVISION

Statistics constitute the foundation of the workers compensation insurance pricing system, and are necessary in the continuous work of maintaining rates and rating plans on a current basis. They are also important for research and the formulation of new rating concepts.

The reporting of individual policy experience through the Statistical Plan forms the basis of the policy year experience referred to as Schedule "Z." These detailed reports are used for various analyses, experience and retrospective ratings as well as for classification pure premium relativities. For each policy, these reports include the audited payrolls, premium rates charged, experience modification (if any) and all items affecting the cost of coverage. They also include a separate listing of the incurred indemnity and medical losses for each compensable accident. Each report is valued by the carrier as of the eighteenth month after the month in which the policy became effective, and is filed with the Bureau approximately twenty and one-half months after the inception month of the policy. Tables VII through X flow from this data.

Calendar year Schedule "W" data (Exhibits A and B in the appendix) show the developments which occurred during 2013 with respect to both premiums and losses under all policies in effect since January 1, 1942. These Exhibits illustrate the reason for retaining a long period of years in the Schedule "W" report. The data show there is significant claim activity indicating that ultimate payments may be more or less than originally estimated. Exhibits C and D in the appendix also flow from the Schedule "W" data.

It should be noted that the premium data included in Tables VII through X and in Exhibits A through D are on a gross or "standard" basis. Standard premium is primarily used for ratemaking purposes and does not represent the premium that is ultimately collected by the insurance carriers ("net" premium). Net premium results from the application of various rating programs that affect the final cost to employers. The loss ratios displayed in the Tables and Exhibits are determined by dividing the incurred losses by the standard premium. Loss adjustment expenses and any operating expenses must be considered along with the loss ratio when assessing the profitability of the system.

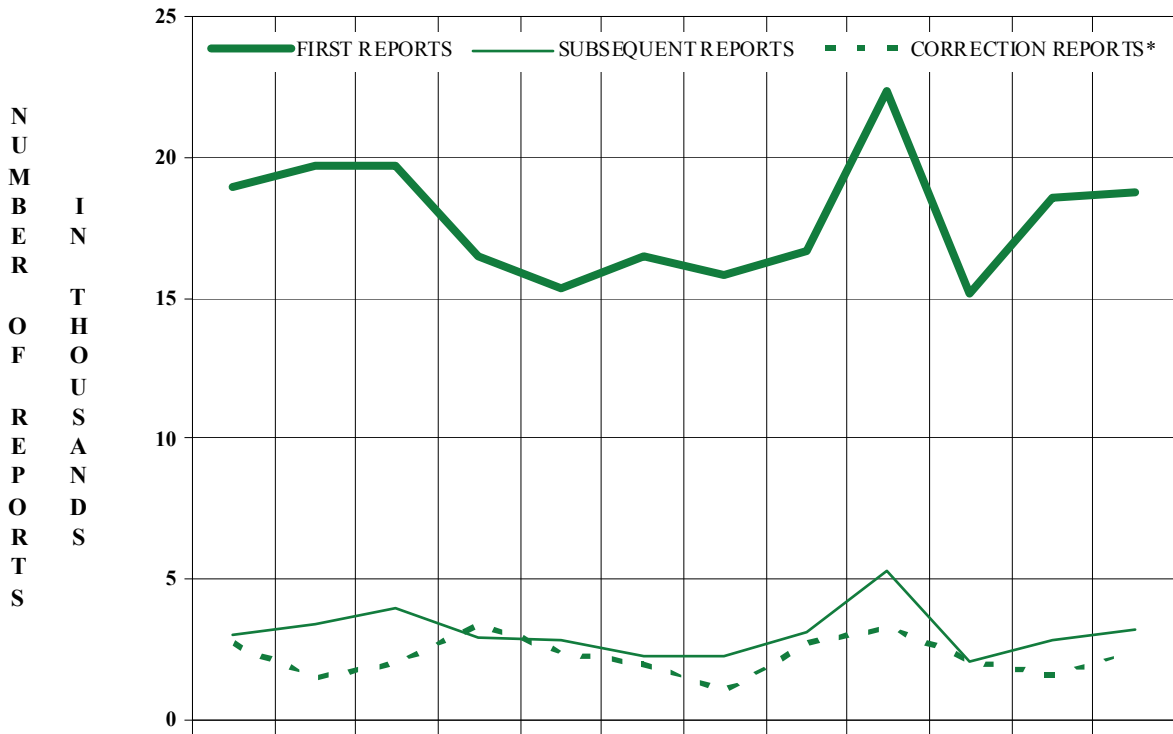
Statistics are not meaningful unless they have been subjected to quality analyses. Such quality with respect to the data filed through the Statistical Plan is, in large measure, dependent on whether payrolls have been audited properly and claims have been assigned to the proper classifications. In this regard, an extensive test payroll audit program and a data quality processing system directed toward the classification of claims are in place. Schedule "W" data can be filed electronically at the Bureau's website, using the Financial Data Reporting Application (FDRA). FDRA subjects data to an extensive series of edits to assure the reasonableness of the data. As a result of these ongoing quality control programs, the Bureau has confidence in the credibility of the data used in the pricing of insurance.

The Bureau's website contains useful actuarial information, which is updated throughout the year. The latest paid and incurred policy and accident year loss development factors on an aggregate basis, as well as data concerning the latest trend factor, are some of the information available at the website.

STATISTICAL

Reports of policy year experience are received on a routine, scheduled basis related to the policy effective date. After the first report is filed, nine subsequent reports are required at annual intervals. These reports are necessary to establish and maintain appropriate classification pure premiums and in the calculation of individual risk ratings. Approximately 99.60% are received electronically and 0.40% are received in paper format.

EXPERIENCE REPORTS RECEIVED DURING 2013
Policy Inception Date May 2011 to April 2012



CALENDAR MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
POLICY MONTH	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
FIRST REPORTS	19.0	19.7	19.7	16.5	15.3	16.5	15.8	16.7	22.4	15.2	18.6	18.8
SUBSEQUENT REPORTS	3.0	3.4	4.0	2.9	2.8	2.3	2.3	3.1	5.3	2.1	2.8	3.2
CORRECTION REPORTS*	2.7	1.5	2.0	3.4	2.4	2.0	1.0	2.7	3.3	2.1	1.6	2.4

The number of first reports received by the Bureau decreased from 214,755 for calendar year 2012 to 214,193 in calendar year 2013. The number of subsequent reports decreased from 37,212 in calendar year 2012 to 37,035 in calendar year 2013. The number of “late” first reports, *i.e.*, reports for policy inception months outside of the range in the above graph totaled 2,373 and the number of “late” subsequent reports was 1,996. The number of correction reports* received by the Bureau decreased from 27,359 in calendar year 2012 to 26,993 in calendar year 2013.

* The figure for Correction Reports reflects all corrections received, including those that fall outside of this Policy Inception Date range.

TABLE VII
Historical Record
New Jersey Workers Compensation Insurance
Policy Year Experience – Schedule “Z”

<u>Policy Year</u>	<u>Payrolls</u>	<u>Standard Premium</u>	<u>Benefits (Incurred Losses)</u>	<u>Loss Ratio</u>
1917 – 1967	\$170,374,169,508	\$2,568,889,292	\$1,459,044,933	56.80%
1968	13,041,009,169	244,453,296	136,710,750	55.93
1969	14,359,295,241	269,152,306	146,152,948	54.30
1970	15,505,945,738	279,521,408	154,399,390	55.24
1971	16,567,193,740	292,022,218	165,021,354	56.51
1972	18,159,136,673	325,648,401	190,081,640	58.37
1973	19,438,340,466	349,400,396	218,316,790	62.48
1974	20,604,436,767	352,158,561	235,838,780	66.97
1975	21,667,396,678	360,418,423	252,638,790	70.10
1976	23,397,036,246	412,598,232	266,307,728	64.54
1977	25,744,549,233	500,291,693	288,710,021	57.71
1978	28,303,648,446	590,066,853	294,332,539	49.88
1979	30,562,909,053	687,751,366	307,291,953	44.68
1980	33,418,523,291	794,096,282	322,120,476	40.56
1981	35,622,703,963	860,794,357	334,541,486	38.86
1982	38,061,276,672	884,799,224	347,929,544	39.32
1983	42,026,040,816	865,418,501	406,298,137	46.95
1984	46,783,172,626	878,439,267	464,541,392	52.88
1985	51,474,675,840	834,609,822	516,628,882	61.90
1986	55,801,445,075	892,564,167	593,008,576	66.44
1987	61,081,724,912	1,049,255,787	693,429,183	66.09
1988	64,812,682,582	1,162,668,484	763,295,250	65.65
1989	67,852,361,291	1,071,937,741	853,526,272	79.62
1990	68,827,366,854	1,094,360,686	869,900,637	79.49
1991	69,946,595,509	1,112,582,886	884,135,777	79.47
1992	73,520,899,303	1,226,607,863	907,663,021	74.00
1993	76,291,094,882	1,433,085,707	903,536,103	63.05
1994	77,607,894,202	1,605,540,592	857,700,458	53.42
1995	78,450,694,603	1,623,163,094	830,544,570	51.17
1996	85,762,092,960	1,633,459,838	837,417,547	51.27
1997	89,623,613,674	1,590,829,767	877,032,669	55.13
1998	97,266,119,996	1,567,887,889	942,381,442	60.11
1999	107,118,565,196	1,609,757,126	1,071,757,349	66.58
2000	113,818,367,589	1,625,320,242	1,138,515,346	70.05
2001	120,146,478,705	1,696,374,327	1,196,648,775	70.54
2002	123,866,694,409	1,747,631,963	1,287,181,500	73.65
2003	127,094,274,564	1,921,315,768	1,317,064,869	68.55
2004	133,084,170,363	2,089,426,998	1,282,670,203	61.39
2005	141,088,854,099	2,407,614,717	1,385,834,339	57.56
2006	147,321,261,508	2,570,410,531	1,428,020,134	55.56
2007	155,038,109,355	2,646,674,649	1,419,483,715	53.63
2008	151,098,651,615	2,565,860,073	1,330,820,598	51.87
2009	149,339,430,846	2,406,413,677	1,307,776,989	54.35
2010	153,531,800,143	2,379,160,491	1,265,136,087	53.18
2011	155,390,256,997	2,545,489,831	1,074,091,042	42.20
Total:	\$3,409,892,961,398	\$57,625,924,792	\$33,825,479,984	58.70%

TABLE VIII

**Experience by Size – All Risks
Policy Year 2011 – 1st Report**

Premium Size		Number of Risks on Annual Basis	Standard Premiums	Total Incurred Losses	Loss Ratio
From	To				
Minimum	Premium	22,401.74	\$ 7,921,967	\$ 3,204,162	40.45%
\$ 0	99	4,119.58	288,537	415,710	144.08
100	199	9,917.14	1,483,868	681,833	45.95
200	299	9,423.00	2,334,237	668,783	28.65
300	399	8,923.84	3,110,233	1,558,077	50.10
400	499	6,654.35	2,982,802	620,211	20.79
500	599	5,975.32	3,278,573	2,834,023	86.44
600	699	8,554.76	5,556,686	1,960,727	35.29
700	799	5,157.12	3,840,875	1,502,925	39.13
800	899	4,123.00	3,496,746	1,301,281	37.21
900	1,099	7,740.94	7,703,660	2,116,605	27.48
1,100	4,999	63,866.04	162,930,734	87,669,070	53.81
5,000	9,999	20,283.51	142,758,169	57,251,537	40.10
10,000	24,999	15,678.15	244,425,034	108,291,155	44.30
25,000	49,999	6,260.28	218,785,543	93,771,205	42.86
50,000	99,999	3,628.34	253,761,950	102,052,205	40.22
100,000	249,999	2,376.30	364,548,322	164,546,435	45.14
250,000	499,999	762.69	266,818,630	106,258,507	39.82
500,000	999,999	386.99	263,119,630	110,486,846	41.99
1,000,000	& Over	211.08	530,918,014	230,378,491	43.39
Total		206,444.17	\$2,490,064,210	\$1,077,569,788	43.27%
Over Min. Prem.	1,099	70,589.05	\$ 34,076,217	\$ 13,660,175	40.09%
1,100	& Over	113,453.38	2,448,066,026	1,060,705,451	43.33

TABLE IX
SIZE OF RISK EXPERIENCE – HISTORIC
Premium in Thousands of Dollars

Policy Year	Minimum Premium Risks Only		Premiums \$0 – \$1,099 Inc. Min Prem.		Premiums \$1,100 and Over		Total All Risks	
	Standard Premium	Loss Ratio	Standard Premium	Loss Ratio	Standard Premium	Loss Ratio	Standard Premium	Loss Ratio
1987	2,164.5	131.05%	35,134.5	73.04%	1,014,003.2	65.85%	1,049,137.7	66.09%
1988	2,803.4	137.85	35,327.5	86.23	1,127,341.0	65.01	1,162,668.5	65.65
1989	2,772.3	151.26	36,169.1	102.90	1,041,268.0	78.66	1,077,437.1	79.47
1990	2,888.9	155.82	35,733.4	111.42	1,064,580.1	78.33	1,100,313.5	79.40
1991	3,016.0	146.62	35,047.6	103.37	1,083,776.0	78.62	1,118,823.6	79.39
1992	3,372.7	118.37	34,479.1	91.79	1,198,569.1	73.36	1,233,048.2	73.87
1993	5,292.7	59.22	34,243.0	81.50	1,415,850.2	62.06	1,450,093.2	62.52
1994	7,308.8	78.07	34,525.1	63.96	1,583,764.6	52.87	1,618,289.7	53.11
1995	8,072.9	50.49	35,295.8	57.68	1,600,433.7	50.72	1,635,729.5	50.87
1996	8,137.7	36.02	35,762.3	57.79	1,609,462.4	50.81	1,645,224.7	50.96
1997	8,105.6	51.43	37,367.4	73.14	1,513,239.3	56.21	1,550,606.7	56.62
1998	9,348.7	33.26	41,200.7	65.66	1,446,227.1	63.43	1,487,427.8	63.49
1999	8,604.0	46.82	44,107.7	67.17	1,500,932.4	69.59	1,545,040.1	69.52
2000	8,452.4	49.95	45,905.1	69.71	1,539,341.5	72.10	1,585,246.6	72.04
2001	7,735.0	61.97	45,453.4	80.66	1,650,834.4	70.82	1,696,287.9	71.09
2002	6,957.6	53.17	43,377.4	58.33	1,728,436.3	73.06	1,771,813.8	72.70
2003	7,185.3	38.11	41,291.5	69.47	1,912,931.9	67.41	1,954,223.3	67.45
2004	7,171.1	46.87	40,530.8	65.15	2,090,527.0	60.23	2,131,057.9	60.32
2005	7,865.3	43.34	40,650.0	53.75	2,414,496.4	56.65	2,455,146.4	56.60
2006	8,155.0	46.46	40,579.1	56.36	2,573,436.5	54.72	2,614,015.6	54.74
2007	8,269.8	47.21	40,678.2	62.22	2,628,642.4	53.23	2,669,320.7	53.37
2008	8,160.9	56.20	40,556.0	49.55	2,525,126.6	52.08	2,565,682.6	52.04
2009	7,961.8	53.31	40,694.3	60.56	2,350,121.0	54.82	2,390,815.2	54.91
2010	7,933.5	258.59	40,616.5	97.02	2,296,569.9	54.19	2,337,186.3	54.93
2011	7,922.0	40.45	41,998.2	40.15	2,448,066.0	43.33	2,490,064.2	43.27

The data included for policy years 2008 through 2011 are from the latest statistical report. All other policy years are from the fifth statistical report.

MINIMUM PREMIUM FORMULA CHANGES

- Effective July 1, 1971 – Eight times the rate plus the loss and expense constant.
- Effective July 1, 1976 – Twelve times the rate plus the loss and expense constant.
- Effective July 1, 1977 – Fifteen times the rate plus the loss and expense constant.
- Effective July 1, 1978 – Eighteen times the rate plus the loss and expense constant.
- Effective Jan. 1, 1987 – Twenty-One times the rate plus the loss and expense constant.
- Effective Jan. 1, 1989 – Twenty-Five times the rate plus the expense constant.
- Effective Jan. 1, 1991 – Twenty-Eight times the rate plus the expense constant.
- Effective Jan. 1, 1993 – Forty times the rate plus the expense constant.
- Effective Jan. 1, 1994 – Sixty times the rate plus the expense constant.
- Effective Jan. 1, 1995 – Seventy times the rate plus the expense constant.
- Effective Jan. 1, 1996 – Eighty times the rate plus the expense constant.
- Effective Jan. 1, 1997 – Ninety times the rate plus the expense constant.
- Effective Jan. 1, 1998 – One Hundred times the rate plus the expense constant.
- Effective Jan. 1, 2014 – One Hundred Fifty times the rate plus the expense constant.

TABLE X

**UNIT PLAN
POLICY YEAR EXPERIENCE – NEW JERSEY
BY REPORT LEVEL**

Report	Number of Policies	Payroll	Standard Premium		Death	Permanent Total	Permanent Partial Major	Permanent Partial Minor	Temporary Total	Medical Only	Total
<u>2007</u>											
First	199,550	154,541,444,012	2,652,327,001	Number	54	36	766	11,354	18,194	71,597	102,001
				Indemnity	14,857,659	6,522,608	82,654,524	234,956,770	128,964,988	--	467,956,549
				Medical	520,745	18,081,181	98,332,392	190,184,784	171,336,666	79,636,243	558,092,011
Second	199,969	155,102,456,962	2,646,098,143	Number	62	45	1,148	13,014	18,276	72,128	104,673
				Indemnity	18,167,108	9,010,374	135,436,582	294,358,366	142,547,022	--	599,519,452
				Medical	534,820	22,152,001	141,880,071	210,369,311	165,003,053	79,075,450	619,014,706
Third	200,041	155,037,729,187	2,640,847,215	Number	64	52	1,378	13,369	18,209	72,120	105,192
				Indemnity	19,852,853	13,186,728	168,698,522	318,494,682	148,545,007	--	668,777,792
				Medical	5,067,951	23,014,324	160,013,360	219,243,696	157,825,492	78,480,746	643,645,569
Fourth	200,406	155,048,490,407	2,640,331,740	Number	65	82	1,574	13,475	17,976	72,176	105,348
				Indemnity	21,367,057	24,375,510	182,981,336	330,754,657	150,845,116	--	710,323,676
				Medical	5,773,991	35,173,290	163,786,275	221,321,872	157,935,292	78,665,802	662,656,522
Fifth	200,057	155,038,109,355	2,646,674,649	Number	74	122	1,711	13,239	18,005	71,980	105,131
				Indemnity	22,079,557	33,796,550	196,557,128	328,184,224	156,427,517	--	737,044,976
				Medical	6,922,087	41,864,663	174,922,127	219,010,928	160,975,617	78,743,317	682,438,739
<u>2008</u>											
First	198,274	152,587,618,199	2,580,045,626	Number	50	22	666	9,978	16,847	64,735	92,298
				Indemnity	17,838,535	4,951,840	73,313,020	218,067,477	134,004,892	--	448,175,764
				Medical	1,837,874	20,074,544	69,244,067	173,836,775	175,743,066	77,866,767	518,603,093
Second	198,446	151,111,477,225	2,569,030,911	Number	60	30	1,014	11,565	16,726	64,806	94,201
				Indemnity	19,734,168	8,317,531	118,034,363	276,098,498	149,345,562	--	571,530,122
				Medical	3,061,757	24,424,647	107,048,362	208,960,643	173,842,925	76,743,517	594,081,851
Third	198,470	151,117,130,577	2,567,745,591	Number	69	47	1,320	12,145	16,302	64,862	94,745
				Indemnity	22,991,362	20,549,010	151,631,950	305,180,145	148,465,263	--	648,817,730
				Medical	3,016,538	22,224,796	145,582,168	219,920,694	165,533,673	75,994,961	632,272,830
Fourth	198,501	151,098,651,615	2,565,860,073	Number	71	72	1,483	11,983	16,222	64,714	94,545
				Indemnity	23,290,651	22,163,512	175,740,714	309,175,469	151,193,366	--	681,563,712
				Medical	4,592,936	33,146,474	156,416,309	217,969,392	160,641,141	76,490,634	649,256,886
<u>2009</u>											
First	195,727	149,350,413,666	2,417,093,274	Number	47	61	710	9,550	15,987	60,358	86,713
				Indemnity	18,540,983	7,905,981	65,890,488	212,837,436	131,143,567	--	436,318,455
				Medical	1,794,774	28,940,699	81,186,471	176,206,811	180,767,873	76,996,661	545,893,289
Second	196,018	149,407,902,549	2,409,040,244	Number	51	69	1,180	10,907	15,859	60,983	89,049
				Indemnity	18,031,562	11,071,105	121,757,780	262,329,421	148,733,508	--	561,923,376
				Medical	1,497,515	29,955,558	130,270,823	202,850,870	185,024,234	76,747,703	626,346,703
Third	196,035	149,339,430,846	2,406,413,677	Number	60	119	1,459	11,113	15,715	60,840	89,306
				Indemnity	19,687,662	21,335,634	155,997,378	283,805,108	157,717,590	--	638,543,372
				Medical	1,618,363	46,047,692	158,851,453	208,883,694	178,059,375	75,773,040	669,233,617
<u>2010</u>											
First	196,582	153,193,071,089	2,384,035,634	Number	55	46	770	10,317	16,240	60,376	87,804
				Indemnity	13,390,697	5,977,056	69,771,029	223,773,000	149,153,000	--	462,064,782
				Medical	11,154,638	12,636,457	77,468,143	190,783,926	214,689,567	83,715,098	590,447,829
Second	196,701	153,531,800,143	2,379,160,491	Number	62	84	1,261	11,239	16,367	60,494	89,507
				Indemnity	12,971,680	13,108,270	127,792,723	274,361,963	166,920,312	--	595,154,948
				Medical	8,487,765	28,382,623	127,063,754	216,892,576	205,982,268	83,172,153	669,981,139
<u>2011</u>											
First	203,073	155,390,256,997	2,545,489,831	Number	53	55	800	10,077	15,406	58,377	84,768
				Indemnity	9,439,389	6,235,205	78,773,665	224,531,848	137,167,220	--	456,147,327
				Medical	4,360,257	17,805,360	102,315,231	200,127,486	208,569,002	84,766,379	617,943,715

CONCLUSION

The responsibilities and operations of the Bureau are numerous, varied and often complex. In addition to the Bureau, many other participants have contributed to the success of New Jersey's Workers Compensation System including employers, legislators, governmental agencies, attorneys, judges of compensation, insurers, insurance producers, and others. The Bureau looks forward to working with these individuals and groups to ensure the continued success of the system.

To maintain an effective operation capable of addressing its day-to-day activities, it is necessary to rely on dedicated persons, many of whom have committed their working careers to the Bureau. We are privileged to have such a group. During 2013, the following individuals were honored for service of 25 years or more:

Shymoon Baksh	25 Years
Madeline Carrer	25 Years
Marietta Davis	25 Years
Stacy Davis	25 Years
Louise Stango	25 Years
Regina Taylor	30 Years
Lisa Carr	35 Years
Clementeen Mitchell	35 Years
Debbie Grubbs	40 Years
Patricia Nardone	40 Years

The following individuals retired in 2013. We extend our appreciation for their service and best wishes in their retirements.

Josephine Grabowski	34 Years
Olga Montero	36 Years

Our thanks also go out to each Bureau employee who has contributed to the Bureau's objectives and goals. While it is not possible to identify all who have contributed to the success of the Bureau, special acknowledgements are appropriate for: **Paul G. Witko** – Associate Executive Director, **Robert Eichler** – Director of ITS, **Salvatore A. Nardone** – Director of Rating, **Janet Nicolai** – Director of Human Resources, **Stanley R. Markow** – Director of Actuarial Services, **James O'Hare** – Acting Director of Underwriting, and **Charu Mehta** – Controller.

IN MEMORIAM

On September 25, 2013, JOHN T. SKIDMORE passed away. John worked at the Bureau for over forty years, the last eighteen as Director of Policy Review. His unexpected passing has saddened all who had the pleasure of knowing him. We share with countless others, a sincere affection and admiration for John. His contributions to the Bureau and to the workers compensation insurance community will long be remembered.

This Annual Report is dedicated to John T. Skidmore.

List of Members as of December 31, 2013**A**

Acadia Insurance Company
 Acceptance Indemnity Insurance Company
 ACE American Insurance Company
 ACE Fire Underwriters Insurance Company
 ACE Property and Casualty Insurance Company
 Accident Fund General Insurance Company
 Accident Fund Insurance Company of America
 Accident Fund National Insurance Company
 ACIG Insurance Company
 Admiral Insurance Company
 Advantage Workers Compensation Insurance Co.
 Affiliated FM Insurance Company
 AIG Property Casualty Company
 AIOI Nissa Dowa Ins. Company of America
 AIU Insurance Company
 Alamance Insurance Company
 Alea North America Insurance Company
 All America Insurance Company
 Alliance Assurance Company of America
 Alliance National Insurance Company
 Allianz Insurance Company
 Allied Eastern Indemnity Company
 Allmerica Financial Alliance Insurance Company
 Allmerica Financial Benefit Insurance Company
 Allstate New Jersey Insurance Company
 Alterra Reinsurance USA Inc.
 American Alternative Insurance Corporation
 American Automobile Insurance Company
 American Casualty Company of Reading, PA
 American Centennial Insurance Company
 American Compensation Insurance Company
 American European Insurance Company
 American Family Home Insurance Company
 American Fire and Casualty Company
 American Fuji Fire & Marine Insurance Company
 American Guarantee and Liability Insurance Co.
 American Home Assurance Company
 American Insurance Company
 American Millennium Insurance Company
 American Mining Insurance Company
 American Modern Home Insurance Company
 American Safety Casualty Insurance Company
 American States Insurance Company
 American Universal Insurance Company
 American Zurich Insurance Company
 Americas Insurance Company
 AmeriHealth Casualty Insurance Company
 Amerisure Insurance Company
 Amerisure Mutual Insurance Company
 Ameritrust Insurance Corporation
 AmTrust Insurance Co. of Kansas, Inc.
 AmGuard Insurance Company
 Amica Mutual Insurance Company
 Arch Indemnity Insurance Company
 Arch Insurance Company
 Argonaut Great Central Insurance Company
 Argonaut Insurance Company
 Argonaut-Midwest Insurance Company
 Argonaut-Southwest Insurance Company
 ARI Casualty Company
 ARI Mutual Insurance Company
 Arrowood Indemnity Company
 Associated Indemnity Corporation
 Assurance Company of America
 Atlanta International Insurance Company
 Atlantic Employers Insurance Company
 Atlantic Specialty Insurance Company
 Automobile Insurance Company of Hartford
 AXA Corporate Solutions Reinsurance Company
 AXA Insurance Company

B

Balboa Insurance Company
 BancInsure Inc.
 Bankers Standard Insurance Company
 Beacon Insurance Company of America
 Benchmark Insurance Company
 Berkley National Insurance Company
 Berkley Regional Insurance Company
 Berkshire Hathaway Homestate Ins. Co.
 Bituminous Casualty Corporation
 Bituminous Fire and Marine Insurance Company
 Bloomington Compensation Ins. Co.
 Brotherhood Mutual Insurance Company

C

California Insurance Company
 Catlin Insurance Company, Inc.
 Capitol Indemnity Corporation
 Carolina Casualty Insurance Company

List of Members as of December 31, 2013

C

CastlePoint Insurance Company
 CastlePoint National Insurance Company
 Caterpillar Insurance Company
 Central Mutual Insurance Company
 Centre Insurance Company
 Century Indemnity Company
 Charter Oak Fire Insurance Company
 Cherokee Insurance Company
 Chubb Indemnity Insurance Company
 Chubb Insurance Company of New Jersey
 Chubb National Insurance Company
 Church Mutual Insurance Company
 Cincinnati Insurance Company
 Cincinnati Casualty Company
 Cincinnati Indemnity Company
 Citizens Insurance Company of America

Clarendon America Insurance Company
 Clarendon National Insurance Company
 Clearwater Insurance Company
 Colonial American Casualty Surety Company
 Commerce and Industry Insurance Company
 Companion Property & Casualty Insurance Co.
 Comp Options Insurance Co., Inc.
 Continental Casualty Company
 Continental Indemnity Company
 Continental Insurance Company
 Continental Insurance Company of New Jersey
 Continental Western Insurance Company
 Countryway Insurance Company
 Crum and Forster Indemnity Company
 Crum and Forster Insurance Company
 Cumberland Insurance Company, Inc.

D

Deerfield Insurance Company
 Diamond State Insurance Company
 Direct National Insurance Company

Discover Property and Casualty Insurance Company
 Drive New Jersey Insurance Company

E

Eastern Advantage Assurance Company
 Eastern Casualty Insurance Company
 EastGuard Insurance Company
 Eastern Alliance Insurance Company
 Electric Insurance Company
 Empire Insurance Company
 Employers Assurance Company
 Employers Compensation Insurance Company
 Employers Fire Insurance Company

Employers Insurance Company of Wausau
 Employers Mutual Casualty Company
 Employers Preferred Insurance Company
 Endurance American Insurance Company
 Endurance Reinsurance Corporation of America
 Euler American Credit Indemnity Company
 Everest National Insurance Company
 Excalibur Reinsurance Company
 Excelsior Insurance Company
 Executive Risk Indemnity Insurance

F

Fairmont Premier Insurance Company
 Fairmont Specialty Insurance Company
 Farm Family Casualty Insurance Company
 Farmers Insurance Company of Flemington
 Farmers Insurance Exchange
 Farmers Mutual Fire Insurance Co of Salem County
 Farmington Casualty Company
 Federal Insurance Company
 Federated Rural Electric Insurance Exchange
 Federated Mutual Insurance Company

Fidelity & Deposit Company of Maryland
 Fidelity & Guaranty Insurance Company
 Fidelity & Guaranty Insurance Underwriters, Inc.
 Finial Reinsurance Company
 Fireman's Fund Indemnity Corporation
 Fireman's Fund Insurance Company
 Firemen's Insurance Company of Washington, DC
 First Dakota Indemnity Company
 First Financial Insurance Company
 First Liberty Insurance Corporation

List of Members as of December 31, 2013

F

First National Insurance Company of America
 First Nonprofit Insurance Company
 Firstline National Insurance Company
 Fitchburg Mutual Fire Insurance Company
 Florists Mutual Insurance Company
 FMI Insurance Company
 Foremost Insurance Company Grand Rapids, MI
 Foremost Property & Casualty Insurance Company

Foremost Signature Insurance Company
 Founders Insurance Company
 Frankenmuth Mutual Insurance Company
 Franklin Mutual Insurance Company
 Frank Winston Crum Insurance Company
 Freestone Insurance Company
 Frontier Insurance Company

G

General Casualty Company of Wisconsin
 General Insurance Company of America
 General Security National Insurance Company
 General Star National Insurance Company
 Genesis Insurance Company
 Granite State Insurance Company
 Graphic Arts Mutual Insurance Company
 Gray Insurance Company
 Great American Alliance Insurance Company
 Great American Assurance Company

Great American Insurance Company
 Great American Insurance Company of NY
 Great Divide Insurance Company
 Great Northern Insurance Company
 Great West Casualty Company
 Greater New York Mutual Insurance Company
 Greenwich Insurance Company
 Guarantee Insurance Company
 GuideOne Mutual Insurance Company

H

Hanover Insurance Company
 Hanover American Ins. Company
 Harbor Specialty Insurance Company
 Harco National Insurance Company
 Harford Mutual Insurance Company
 Harleysville Insurance Company
 Harleysville Insurance Company of New Jersey
 Harleysville Preferred Insurance Company
 Harleysville Worcester Insurance Company
 Hartford Accident and Indemnity Company
 Hartford Casualty Insurance Company

Hartford Fire Insurance Company
 Hartford Insurance Company of the Midwest
 Hartford Underwriters Insurance Company
 Hereford Insurance Company
 Highlands Insurance Company
 Highmark Casualty Insurance Company
 High Point Preferred Insurance Company
 Homesite Insurance Company
 Homestead Insurance Company
 Housing Authority Property Insurance A Mutual Co.
 Hudson Insurance Company

I

Illinois Insurance Company
 Illinois National Insurance Company
 Imperium Insurance Company
 Indemnity Insurance Company of North America
 Indiana Insurance Company

Infinity Assurance Insurance Company
 Insurance Company of Greater New York
 Insurance Company of North America
 Insurance Company of the State of Pennsylvania
 Insurance Company of the West

K

Keystone Insurance Company
 Key Risk Insurance Company

Koa Fire & Marine Insurance Company

List of Members as of December 31, 2013

L

Lancer Insurance Company
 Leading Insurance Group Ins. Co. Ltd.
 Liberty Insurance Corporation
 Liberty Insurance Underwriters, Inc.
 Liberty Mutual Fire Insurance Company
 Liberty Mutual Insurance Company

Liberty Mutual Mid-Atlantic Insurance Company
 Lincoln General Insurance Company
 Lion Insurance Company
 LM Insurance Corporation
 Lumber Mutual Insurance Company
 Lumbermens Underwriting Alliance

M

Maine Employers Mutual Insurance Company
 Manufacturers Alliance Insurance Company
 Markel Insurance Company
 Maryland Casualty Company
 Massachusetts Bay Insurance Company
 MEMIC Indemnity Company
 Mercer Insurance Company
 Mercer Insurance Company of New Jersey, Inc.
 Merchants Mutual Insurance Company
 Merchants Preferred Insurance Company
 Meridian Security Insurance Company

Metlife Insurance Company of CT
 MIC Property & Casualty Insurance Corporation
 Mid-Century Insurance Company
 Middlesex Insurance Company
 Midwest Employers Casualty Company
 Midwestern Indemnity Company
 Mitsui Sumitomo Insurance Company of America
 Mitsui Sumitomo Insurance USA Inc.
 Motors Insurance Corporation
 Motorists Commercial Mutual Insurance Company

N

National Casualty Company
 National Fire Insurance Company of Hartford
 National Interstate Insurance Company
 National Interstate Insurance Company of Hawaii
 National Specialty Insurance Company
 National Surety Corporation
 National Union Fire of Pittsburgh, Pa.
 Nationwide Agribusiness Insurance Company
 Nationwide Mutual Fire Insurance Company
 Nationwide Mutual Insurance Company
 Netherlands Insurance Company
 New England Insurance Company
 New Hampshire Insurance Company
 New Jersey Casualty Insurance Company
 New Jersey Indemnity Insurance Company

New Jersey Manufacturers Insurance Company
 New Jersey Re-Insurance Company
 New York Marine and General Ins. Company
 NGM Insurance Company
 Nipponkoa Insurance Company, Ltd.
 Norfolk and Dedham Mutual Fire Insurance Company
 NorGuard Insurance Company
 North American Elite Insurance Company
 North American Specialty Insurance Company
 North Pointe Insurance Company
 North River Insurance Company
 Northbrook Indemnity Company
 Northern Insurance Company of New York
 North Sea Insurance Company
 Nova Casualty Company

O

OBI National Insurance Company
 Occidental Fire & Casualty Co of North Carolina
 Ohio Casualty Insurance Company
 Ohio Farmers Insurance Company
 Ohio Security Insurance Company

Old Republic Insurance Company
 Old Republic General Insurance Corporation
 OneBeacon America Insurance Company
 OneBeacon Insurance Company

P

Pacific Employers Insurance Company
 Pacific Indemnity Company
 Pacific Pioneer Insurance Company

Paramount Insurance Company
 Partner Re Insurance Company of New York
 Pawtucket Insurance Company

List of Members as of December 31, 2013

P

Peerless Indemnity Insurance Company	Platte River Insurance Company
Peerless Insurance Company	Praetorian Insurance Company
Penn Millers Insurance Company	Preferred Mutual Insurance Company
Penn National Security Insurance Company	Preferred Professional Insurance Company
Pennsylvania General Insurance Company	Preserver Insurance Company
Pennsylvania Lumbermens Mutual Insurance Co.	Princeton Insurance Company
Pennsylvania Manufacturers Association Ins Co.	Progressive Garden State Insurance Company
Pennsylvania Manufacturers Indemnity Company	Property & Casualty Insurance Co. of Hartford
Pennsylvania National Mutual Casualty Ins. Co.	Protective Insurance Company
Petroleum Casualty Company	Providence Washington Insurance Company
Pharmacists Mutual Ins. Company	Public Service Mutual Insurance Company
Phoenix Insurance Company	

Q

QBE Insurance Corporation	Quincy Mutual Fire Insurance Company
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R

Rampart Insurance Company	RLI Insurance Company
Regent Insurance Company	Rochdale Insurance Company
Republic-Franklin Insurance Company	Royal & SunAlliance Personal Insurance Company
Repwest Insurance Company	RVI America Insurance Company
Riverport Insurance Company	

S

SAFECO Insurance Company of America	Sentry Casualty Company
Safety First Insurance Company	Sentry Insurance A Mutual Company
Safety National Casualty Company	Sentry Select Insurance Company
Sagamore Insurance Company	Sompo Japan Insurance Company of America
Samsung Fire & Marine Insurance Company Ltd.	SPARTA Insurance Company
St. Paul Fire and Marine Insurance Company	Specialty Surplus Insurance Company
St. Paul Mercury Insurance Company	Standard Fire Insurance Company
St. Paul Protective Insurance Company	Starr Indemnity & Liability Company
Select Markets Insurance Company	Star Insurance Company
Selective Casualty Insurance Company	StarNet Insurance Company
Selective Fire and Casualty Ins. Company	State Automobile Mutual Insurance Company
Selective Insurance Co. of New England	State Auto Property & Casualty Insurance Company
Selective Insurance Company of America	State Farm Fire and Casualty Company
Selective Insurance Company of New York	State Farm General Insurance Company
Selective Insurance Company of South Carolina	State National Insurance Company, Inc.
Selective Insurance Company of Southeast	Stonewood National Insurance Company
Selective Way Insurance Company	Stonington Insurance Company
Seneca Insurance Company Inc.	Strathmore Insurance Company
Sentinel Insurance Company, Ltd.	

T

Technology Insurance Company, Inc.	Titan Indemnity Company
T.H.E. Insurance Company	TNUS Insurance Company
TIG Insurance Company	Toa Reinsurance Company of America

List of Members as of December 31, 2013

T

Tokio Marine America Insurance Company	Travelers Commercial Casualty Company
Tokio Marine and Nichido Fire Insurance Co	Travelers Commercial Insurance Company
Tower Insurance Company of New York	Travelers Constitution State Ins. Company
Tower National Insurance Company	Travelers Indemnity Company
Transguard Insurance Company of America Inc.	Travelers Indemnity Company of America
Trans Pacific Insurance Company	Travelers Indemnity Company of Connecticut
Transport Insurance Company	Travelers Property Casualty Co. of America
Transportation Insurance Company	Tri-State Insurance Co. of Minnesota
Travelers Casualty Company	Truck Insurance Exchange
Travelers Casualty Insurance Company of America	Trumbull Insurance Company
Travelers Casualty & Surety Company	Twin City Fire Insurance Company
Travelers Casualty & Surety Company of America	21 st Century Centennial Insurance Company
Travelers Casualty Company of Connecticut	

U

United National Casualty Insurance Company	Unitrin Auto & Home Insurance Company
United National Specialty Insurance Company	Unitrin Preferred Insurance Company
United States Fidelity and Guaranty Company	Universal Underwriters Insurance Company
United States Fire Insurance Company	Universal Underwriters of Texas Insurance Company
United States Liability Insurance Company	U.S. Specialty Insurance Company
United Wisconsin Insurance Company	Utica Mutual Insurance Company

V

Valiant Insurance Company	Vigilant Insurance Company
Valley Forge Insurance Company	Virginia Insurance Reciprocal
VanLiner Insurance Company	Virginia Surety Company Inc

W

Washington International Insurance Company	Westchester Fire Insurance Company
Wausau Business Insurance Company	Western Diversified Casualty Insurance Company
Wausau Underwriters Insurance Company	Westport Insurance Corporation
Wesco Insurance Company	Work First Casualty Company
West American Insurance Company	

X

XL Insurance America, Inc.	XL Reinsurance America Inc.
XL Insurance Company of New York, Inc.	XL Specialty Insurance Company

Y

York Insurance Company

Z

Zenith Insurance Company	Zurich American Insurance Company
ZNAT Insurance Company	Zurich American Insurance Co. of Illinois

APPENDIX

EXHIBIT A
Calendar Year 2013
New Jersey Schedule "W" – Total Experience
Policy Year Analysis

Showing premium written, earned & losses incurred under all policies of Workers Compensation and Employers Liability Insurance issued in the State of New Jersey

Cal. Year Ended (a)	Amount To End Of Period In Dollars Only (b)	Experience Under Policies Becoming Effective in Calendar Year							All Years (j)	Experience For Cal. Year (k)
		1942–2007 incl (c)	2008 (d)	2009 (e)	2010 (f)	2011 (g)	2012 (h)	2013 (i)		
Dec. 31, 2008	1-Losses Paid	25,966,633,022	146,604,375	***	***	***	***	***	26,113,237,397	***
	2-Losses Outstanding	6,701,545,907	723,157,493	***	***	***	***	***	7,424,703,400	***
	3-Losses Incurred	32,668,178,929	869,761,868	***	***	***	***	***	33,537,940,797	***
	4-Std Prem Written	47,929,148,180	2,386,174,194	***	***	***	***	***	50,315,322,374	***
	5-Std Prem Earned	48,001,057,129	1,619,679,248	***	***	***	***	***	49,620,736,377	***
	6-Loss Ratio (3/5)	68.06%	53.70%	***	***	***	***	***	67.59%	***
Dec. 31, 2009	7-Losses Paid	26,861,061,685	533,310,225	127,747,259	***	***	***	***	27,522,119,169	1,408,881,772
	8-Losses Outstanding	6,032,627,030	950,589,766	642,155,838	***	***	***	***	7,625,372,634	200,669,234
	9-Losses Incurred	32,893,688,715	1,483,899,991	769,903,097	***	***	***	***	35,147,491,803	1,609,551,006
	10-Std Prem Written	47,908,821,017	2,733,746,987	2,246,212,921	***	***	***	***	52,888,780,925	2,573,458,551
	11-Std Prem Earned	47,962,803,540	2,737,114,985	1,502,706,253	***	***	***	***	52,202,624,778	2,581,888,401
	12-Loss Ratio (9/11)	68.58%	54.21%	51.23%	***	***	***	***	67.33%	62.34%
Dec. 31, 2010	13-Losses Paid	27,537,490,594	763,808,414	529,297,340	143,426,954	***	***	***	28,974,023,302	1,451,904,133
	14-Losses Outstanding	5,430,299,282	816,015,017	918,481,238	619,144,998	***	***	***	7,783,940,535	158,567,901
	15-Losses Incurred	32,967,789,876	1,579,823,431	1,447,778,578	762,571,952	***	***	***	36,757,963,837	1,610,472,034
	16-Std Prem Written	47,893,400,468	2,669,643,040	2,549,284,128	2,116,637,568	***	***	***	55,228,965,204	2,340,184,279
	17-Std Prem Earned	47,955,582,587	2,665,600,190	2,542,373,369	1,414,777,393	***	***	***	54,578,333,539	2,375,708,761
	18-Loss Ratio (15/17)	68.75%	59.27%	56.95%	53.90%	***	***	***	67.35%	67.79%
Dec. 31, 2011	19-Losses Paid	28,086,175,908	947,748,476	765,945,260	571,259,030	144,409,246	***	***	30,515,537,920	1,541,514,618
	20-Losses Outstanding	4,961,464,214	637,614,053	782,170,222	947,638,113	660,154,484	***	***	7,989,041,086	205,100,551
	21-Losses Incurred	33,047,640,122	1,585,362,529	1,548,115,482	1,518,897,143	804,563,730	***	***	38,504,579,006	1,746,615,169
	22-Std Prem Written	47,889,101,103	2,665,337,860	2,529,904,494	2,487,698,395	2,230,617,179	***	***	57,802,659,031	2,573,693,827
	23-Std Prem Earned	47,950,717,806	2,662,624,601	2,510,954,086	2,512,167,061	1,453,507,490	***	***	57,089,971,044	2,511,637,505
	24-Loss Ratio (21/23)	68.92%	59.54%	61.65%	60.46%	55.35%	***	***	67.45%	69.54%
Dec. 31, 2012	25-Losses Paid	28,545,127,881	1,062,638,690	942,866,044	826,630,632	580,653,524	139,402,728	***	32,097,319,499	1,581,781,579
	26-Losses Outstanding	4,613,925,637	565,964,058	649,455,332	807,649,013	1,003,830,886	674,526,026	***	8,315,350,952	326,309,866
	27-Losses Incurred	33,159,053,518	1,628,602,748	1,592,321,376	1,634,279,645	1,584,484,410	813,928,754	***	40,412,670,451	1,908,091,445
	28-Std Prem Written	47,887,741,506	2,662,848,589	2,525,397,411	2,495,972,354	2,635,239,479	2,409,746,436	***	60,616,945,775	2,814,286,744
	29-Std Prem Earned	47,944,516,029	2,659,314,511	2,505,222,033	2,514,642,687	2,638,708,546	1,582,598,227	***	59,845,002,033	2,755,030,989
	30-Loss Ratio (27/29)	69.16%	61.24%	63.56%	64.99%	60.05%	51.43%	***	67.53%	69.26%
Dec. 31, 2013	31-Losses Paid	28,938,463,482	1,144,141,507	1,060,683,596	1,008,814,252	835,087,376	568,932,551	150,094,807	33,706,217,571	1,608,898,072
	32-Losses Outstanding	4,334,313,469	491,711,682	581,667,820	670,483,552	849,404,844	1,048,729,046	729,003,599	8,705,314,012	389,963,060
	33-Losses Incurred	33,272,776,951	1,635,853,189	1,642,351,416	1,679,297,804	1,684,492,220	1,617,661,597	879,098,406	42,411,531,583	1,998,861,132
	34-Std Prem Written	47,883,745,515	2,660,331,274	2,516,696,100	2,485,131,940	2,672,753,722	2,814,929,847	2,691,824,944	63,725,413,342	3,108,467,567
	35-Std Prem Earned	47,940,628,699	2,656,997,558	2,499,134,799	2,505,291,773	2,673,558,393	2,829,464,939	1,713,921,666	62,818,997,827	2,973,995,794
	36-Loss Ratio (33/35)	69.40%	61.57%	65.72%	67.03%	63.01%	57.17%	51.29%	67.51%	67.21%

EXHIBIT B**New Jersey Schedule "W"****Exhibit of Policy Year Experience
Policy Years 1942–2007****As Developed to December 31, 2013**

Policy Year	Losses			Standard Premium		Loss Ratio
	Paid	Outstanding	Incurred	Written	Earned	
1942–1988	\$9,057,364,554	\$403,786,218	\$9,461,150,772	\$15,051,945,785	\$15,062,960,097	62.81%
1989	877,780,873	62,238,778	940,019,651	1,101,553,786	1,112,008,564	84.53
1990	910,044,275	82,579,689	992,623,964	1,113,868,874	1,121,497,292	88.51
1991	902,287,859	70,718,344	973,006,203	1,126,609,741	1,133,263,295	85.86
1992	962,619,488	96,640,166	1,059,259,654	1,249,295,389	1,279,036,850	82.82
1993	948,041,111	97,246,676	1,045,287,787	1,493,884,856	1,463,956,852	71.40
1994	897,526,329	90,492,151	988,018,480	1,612,085,941	1,582,325,817	62.44
1995	901,804,774	104,875,544	1,006,680,318	1,598,957,419	1,601,290,113	62.87
1996	888,056,886	116,462,793	1,004,519,679	1,636,345,275	1,636,989,880	61.36
1997	902,133,178	153,433,259	1,055,566,437	1,550,763,566	1,562,339,400	67.56
1998	945,782,277	201,076,045	1,146,858,322	1,541,436,540	1,547,823,658	74.09
1999	1,019,715,083	256,339,763	1,276,054,846	1,599,547,453	1,597,104,438	79.90
2000	1,080,156,760	292,766,012	1,372,922,772	1,608,285,953	1,609,591,523	85.30
2001	1,175,694,903	261,574,536	1,437,269,439	1,695,357,686	1,687,487,948	85.17
2002	1,230,280,782	313,666,181	1,543,946,963	1,795,641,503	1,812,134,003	85.20
2003	1,253,117,267	262,522,766	1,515,640,033	2,027,511,976	2,011,289,108	75.36
2004	1,220,165,125	300,796,202	1,520,961,327	2,144,772,590	2,171,975,822	70.03
2005	1,282,995,539	367,910,020	1,650,905,559	2,509,502,147	2,504,810,557	65.91
2006	1,244,297,785	393,058,796	1,637,356,581	2,673,857,618	2,686,500,090	60.95
2007	1,238,598,634	406,129,530	1,644,728,164	2,752,521,417	2,756,243,392	59.67
Total:	\$28,938,463,482	\$4,334,313,469	\$33,272,776,951	\$47,883,745,515	\$47,940,628,699	69.40%

EXHIBIT C

Historical Record
New Jersey Workers Compensation Insurance
Calendar Year Experience – Schedule "W"

Calendar Year	Earned Standard Premiums	Available for Benefits (Expected Loss Ratio)	Available for Benefits	Benefits (Incurred Losses)	Actual Loss Ratio	Difference Between Available & Incurred	
						Amount	% of Standard Earned Premium
1917–1968	\$2,672,761,163	58.33%	\$1,558,929,133	\$1,572,671,071	58.84%	(\$13,741,938)	-0.51%
1969	253,468,183	58.09	147,239,668	143,146,697	56.48	4,092,971	1.61
1970	273,993,821	58.16	159,354,806	157,716,621	57.56	1,638,185	0.60
1971	284,666,161	59.07	168,152,301	176,777,315	62.10	(8,625,014)	-3.03
1972	305,410,864	59.04	180,314,574	183,786,341	60.18	(3,471,767)	-1.14
1973	336,940,156	59.05	198,963,162	179,863,173	53.38	19,099,989	5.67
1974	357,401,962	58.51	209,115,888	205,176,270	57.41	3,939,618	1.10
1975	362,243,531	58.12	210,535,940	248,213,049	68.52	(37,677,109)	-10.40
1976	381,091,154	59.15	225,415,418	282,649,183	74.17	(57,233,765)	-15.02
1977	438,187,092	59.31	259,888,764	312,498,866	71.32	(52,610,102)	-12.01
1978	552,686,782	59.32	327,853,799	415,701,778	75.21	(87,847,979)	-15.89
1979	612,366,005	59.84	366,439,817	423,656,759	69.18	(57,216,942)	-9.34
1980	750,623,435	64.33	482,876,056	440,490,276	58.68	42,385,780	5.65
1981	862,414,850	67.03	578,076,674	439,803,819	51.00	138,272,855	16.03
1982	882,140,561	66.25	584,418,122	415,786,560	47.13	168,631,562	19.12
1983	851,705,162	64.94	553,097,332	362,883,241	42.61	190,214,091	22.33
1984	859,093,068	64.85	557,121,855	443,300,073	51.60	113,821,782	13.25
1985	846,301,589	64.94	549,588,252	507,532,527	59.97	42,055,725	4.97
1986	879,321,035	63.81	561,094,752	599,491,622	68.18	(38,396,870)	-4.37
1987	1,012,085,295	61.44	621,825,205	598,253,645	59.11	23,571,560	2.33
1988	1,088,105,229	59.23	644,484,727	783,365,290	71.99	(138,880,563)	-12.76
1989	1,185,371,547	62.20	737,301,102	767,708,837	64.77	(30,407,735)	-2.57
1990	1,110,714,820	68.64	762,394,652	913,281,629	82.22	(150,886,977)	-13.58
1991	1,116,578,810	70.48	786,964,745	1,079,159,030	96.65	(292,194,285)	-26.17
1992	1,233,154,194	70.97	875,169,531	1,201,185,416	97.41	(326,015,885)	-26.44
1993	1,332,883,000	72.25	963,007,968	1,155,279,101	86.68	(192,271,133)	-14.43
1994	1,548,457,360	70.58	1,092,901,205	1,119,208,233	72.28	(26,307,028)	-1.70
1995	1,612,865,810	69.00	1,112,877,409	895,183,292	55.50	217,694,117	13.50
1996	1,604,338,813	70.00	1,123,037,169	850,869,366	53.04	272,167,803	16.96
1997	1,630,785,137	70.33	1,146,931,187	856,328,184	52.51	290,603,003	17.82
1998	1,550,453,461	69.48	1,077,255,065	899,290,060	58.00	177,965,005	11.48
1999	1,524,338,873	67.86	1,034,416,359	1,039,593,140	68.20	(5,176,781)	-0.34
2000	1,610,490,995	67.84	1,092,557,091	1,070,096,941	66.45	22,460,150	1.39
2001	1,624,787,076	67.32	1,093,806,660	1,317,862,836	81.11	(224,056,176)	-13.79
2002	1,907,479,905	67.38	1,285,259,960	1,487,310,185	77.97	(202,050,225)	-10.59
2003	1,963,595,170	65.77	1,291,456,543	1,516,793,157	77.25	(225,336,614)	-11.48
2004	2,099,241,468	63.34	1,329,659,546	1,744,594,609	83.11	(414,935,063)	-19.77
2005	2,370,590,292	62.39	1,479,011,283	1,799,955,355	75.93	(320,944,072)	-13.54
2006	2,636,785,057	62.40	1,645,353,876	1,790,133,165	67.89	(144,779,289)	-5.49
2007	2,739,233,296	62.54	1,713,116,503	1,697,730,533	61.98	15,385,970	0.56
2008	2,800,298,950	62.94	1,762,508,159	1,709,585,122	61.05	52,923,037	1.89
2009	2,581,888,401	63.16	1,630,720,714	1,609,551,006	62.34	21,169,708	0.82
2010	2,375,708,761	62.88	1,493,845,669	1,610,472,034	67.79	(116,626,365)	-4.91
2011	2,511,637,505	62.39	1,567,010,639	1,746,615,169	69.54	(179,604,530)	-7.15
2012	2,755,030,989	61.97	1,707,292,704	1,908,091,445	69.26	(200,798,741)	-7.29
2013	2,973,995,794	62.40	1,855,773,375	1,998,861,132	67.21	(143,087,757)	-4.81
Total:	\$63,263,712,582	64.50%	\$40,804,415,359	\$42,677,503,153	67.46%	(\$1,873,087,794)	-2.96%

EXHIBIT D

**Calendar Year 2013 Exhibit of Written Premium by Carrier or Group
(Member Companies with less than \$250,000 Written Premium Summarized)**

<u>Company</u>	<u>Written Premium</u>	<u>Company</u>	<u>Written Premium</u>	<u>Company</u>	<u>Written Premium</u>
ACE USA Group	\$210,388,164	Farmers Insurance Company of Flemington	\$1,785,788	New York Marine & General Insurance Co.	\$1,542,026
ACIG Insurance Company	1,199,132	Farmers Insurance Group	823,850	Old Republic General Insurance Group	113,666,735
Alliance National Insurance Co.	4,465,396	Farmers Mutual Fire Ins. Co. of Salem Cty.	1,489,910	OneBeacon Insurance Group	3,225,797
Allianz Societas Europaea	2,748,802	Federated Mutual Insurance Company	2,939,617	Pennsylvania National Mutual Cas. Ins. Co.	12,141,000
Allmerica Financial Prop. & Cas. Cos.	12,278,180	Fitchburg Mutual Insurance Company	1,862,417	Petroleum Casualty Company	449,274
American Alternative Insurance Corporation	3,730,598	Florists' Mutual Insurance Company	1,079,071	Protective Insurance Company	7,356,786
American Financial Group, Inc.	24,128,038	Frank Winston Crum Insurance Company	9,004,052	QBE Insurance Group Limited	9,813,067
American International Group	334,103,408	Franklin Mutual Group	7,413,367	Safety National Group	38,150,939
AmeriHealth Casualty Insurance Company	1,350,568	Freestone Insurance Company	4,069,970	Samsung Fire & Marine Insurance Co., Ltd.	3,851,544
Amerisure Companies	1,916,529	Greater New York Group	2,951,239	SeaBright Insurance Company	675,588
AmTrust Financial Services, Inc.	120,105,016	Guarantee Insurance Company	17,766,145	Selective Insurance Group	69,716,982
Arch Insurance Company	30,654,749	GUARD Insurance Group	60,062,619	Sentry Insurance Group	24,003,145
Argonaut Insurance Group	1,920,903	GuideOne Mutual Insurance Company	854,153	Sompo Japan Ins. Co. of America	4,657,325
Berkshire Hathaway Insurance Group	6,900,841	Harford Mutual Insurance Companies	1,864,956	SPARTA Insurance Company	3,323,454
Blue Cross Blue Shield of Michigan	555,550	Hartford Insurance Group	296,835,557	Starr Indemnity & Liability Company	5,020,456
Cherokee Insurance Company	737,748	HDI-Gerling America Insurance Company	2,596,424	State Farm Fire and Casualty Company	7,993,769
Chubb Group of Insurance Companies	46,432,029	Highmark Casualty Insurance Company	346,136	State National Insurance Company, Inc.	2,269,026
Church Mutual Insurance Company	1,522,322	Homesite Insurance Company	341,576	Stonington Insurance Company	447,657
Cincinnati Insurance Company	1,302,162	Leading Insurance Group Ins. Co. Ltd. USB	1,409,542	T.H.E. Insurance Company	693,912
CNA Insurance Companies	47,603,257	Liberty Mutual Holding Company Inc.	292,709,599	Tokio Marine Holdings, Inc.	5,214,992
Companion Property & Casualty Ins. Co.	42,792,777	Lion Insurance Company	2,321,113	Tower Group, Inc.	13,701,403
Continental Indemnity Company	29,893,232	Lumbermen's Underwriting Alliance	5,668,417	Transguard Insurance Co. of America	271,406
Cumberland Insurance Company Inc.	7,465,230	Magna Carta Companies	16,451,638	Travelers Group	279,095,235
Eastern Alliance Insurance Group	7,118,063	MEMIC Indemnity Company	6,161,972	Utica National Insurance Group	11,276,598
Electric Insurance Company	2,735,624	Meadowbrook Insurance Group	12,622,172	W. R. Berkley Insurance Group	8,617,010
Employers Holdings, Inc.	2,967,163	Mercer Insurance Co. of New Jersey, Inc.	6,052,512	Work First Casualty Company	426,532
Employers Mutual Casualty Company	379,140	Merchants Insurance Group	6,184,804	XL Group plc	30,208,350
Everest National Insurance Company	4,621,000	Mitsui Sumitomo US Insurance Group	4,281,374	Zenith Insurance Company	15,597,626
Fairfax Financial Holdings Limited	12,827,348	Mutual Insurers Holding Company	341,685	Zurich (U.S. Pool) Insurance Group Ltd.	144,006,658
Farm Family Casualty Insurance Company	20,631,946	Nationwide Mutual Insurance Companies	29,300,121	Companies under \$250,000	1,088,067
		NJM Insurance Group	506,898,497		

Total: \$3,108,467,567

EXHIBIT E**Financial****Historical Calendar Year Development**

<u>Calendar Year</u>	<u>Bureau Net Expenditures</u>	<u>Standard Written Premium</u>	<u>Bureau Expense Ratio</u>	<u>Policy Declarations and Associated Filings</u>	<u>Statistical Plan 1st Reports</u>	<u>Experience Rated Risks</u>
1989	\$5,161,495	\$1,140,266,617	0.0045	434,597	185,546	57,803
1990	5,443,122	1,102,312,788	0.0049	497,596	187,809	69,685
1991	5,933,205	1,113,340,830	0.0053	464,956	198,858	75,693
1992	6,676,642	1,225,195,453	0.0054	449,838	195,616	72,843
1993	7,258,742	1,443,256,655	0.0050	485,439	188,039	73,584
1994	7,252,193	1,614,662,905	0.0045	481,663	181,950	74,941
1995	7,565,671	1,639,936,184	0.0046	495,458	176,423	75,483
1996	7,734,540	1,593,966,361	0.0049	488,018	173,239	76,060
1997	7,884,305	1,603,704,350	0.0049	500,026	174,810	75,474
1998	8,321,782	1,522,151,816	0.0055	524,839	164,474	74,978
1999	8,243,514	1,546,245,652	0.0053	535,162	171,232	74,191
2000	8,679,637	1,585,759,208	0.0055	588,323	175,059	75,324
2001	9,054,951	1,642,028,174	0.0055	603,179	194,193	77,228
2002	9,638,108	1,936,271,395	0.0050	613,378	203,313	81,018
2003	9,887,336	2,003,283,947	0.0049	660,775	228,957	87,333
2004	9,540,680	2,188,110,264	0.0044	614,795	209,849	91,439
2005	9,911,579	2,481,562,377	0.0040	638,004	221,098	96,899
2006	10,988,212	2,689,091,121	0.0041	680,862	213,355	93,527
2007	11,205,950	2,750,912,978	0.0041	701,089	219,937	96,626
2008	11,522,995	2,764,579,714	0.0042	748,934	219,592	98,411
2009	11,923,656	2,573,458,551	0.0046	673,191	220,318	98,834
2010	13,008,195	2,340,184,279	0.0056	711,039	217,317	97,137
2011	13,684,860	2,573,693,827	0.0053	712,221	215,082	91,459
2012	14,196,657	2,814,286,744	0.0050	748,004	214,755	92,860
2013	15,810,200	3,108,467,567	0.0051	732,478	214,193	96,676

