

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



Annual Report 2011

TABLE OF CONTENTS

	Page No.
INTRODUCTION	1
REVISION OF MANUAL RATES – 2012	2
History of Rate Level Changes – Table I	5
ANNOUNCEMENTS DURING 2011	6
OTHER ANNOUNCEMENTS	10
FINANCIAL – 2011	11
Income and Expenditures Statement – 2011 – Table II	12
BUREAU MEMBERSHIP CHANGES	13
AUTHORIZED SELF-INSURED EMPLOYERS	13
Self-Insured Employers – Table III	14
RATING DIVISION	15
Historic Results – Table IV	16
Policy Review for Experience Rating	17
Ownership	17
Retrospective Rating	17
Large Deductible Program	17
UNDERWRITING DIVISION	18
Investigations	18
New Jersey Workers Compensation Insurance Plan	18
Plan Status as of December 31, 2011 – Table V	21
Historical Plan Experience – Table VI	22
POLICY REVIEW DIVISION	23
Policy Filings	23
Policy Forms	23
Coverage Records	23
INFORMATION TECHNOLOGY SERVICES DIVISION	25
ACTUARIAL SERVICES DIVISION	26
Statistical	27
Unit Plan Experience – Historic – Table VII	28
Size of Risk Experience – 2009 – Table VIII	29
Size of Risk Experience – Historic – Table IX	30
Unit Plan Policy Year Experience by Report Level – Table X	31
CONCLUSION	32
BUREAU MEMBERSHIP	34

APPENDIX

	Exhibits
Calendar Year Experience 2011	A,B
Calendar Year Experience – Historic – Total	C
Calendar Year 2011 – Written Premiums by Carrier	D
Calendar Year Financial Development – Historic	E
Loss Development Ratios – Historic by Report Level	F

NINETY-FIFTH ANNUAL REPORT

INTRODUCTION

This is my first opportunity to present an Annual Report since becoming Executive Director of the Rating Bureau on September 1, 2011. The Bureau has a long history of service to the New Jersey workers compensation community. It is largely through the efforts of its knowledgeable and dedicated Staff that the Bureau maintains a reputation for excellence. We will continue to expend all of our energy to maintain and improve upon our reputation and to ensure a stable market for employers, insurers and those affected by the system.

The New Jersey workers compensation rate level increased for the second successive year after two consecutive years of decreases. A rate level increase of 6.9% was approved effective January 1, 2012. The increase resulted, in large part, from deterioration in the latest experience, most notably in the premium base. Premiums continue to be driven down by the weak economy, particularly in the manufacturing and construction sectors. Although these sectors represent less than 15% of statewide payrolls, they comprise approximately 35% of workers compensation premium.

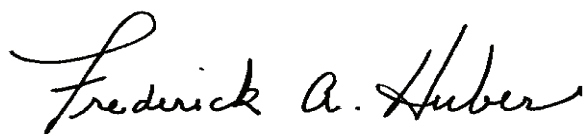
Claim severity, especially for medical losses, continues to rise and adversely affect rate levels. Claim frequency, another cost driver that had been declining for well over fifteen years, is stabilizing. Historically, the decline in frequency provided a favorable impact on rate levels and served to offset a portion of rising claim costs.

The residual market, a reliable barometer of the health of the market, stabilized in early 2011. However, as the year came to a close, there were signs of increased activity. Applications for coverage are up and depopulation efforts are slowing. The average premium size of a residual market risk increased in 2011, the first such increase in the last five years and a trend being watched in residual markets nationally.

Despite the upward pressure on rates and changes in residual market activity, the market continues to be relatively stable. In addition, there are signs that an economic recovery may slowly be taking shape. Recent gains in employment may lead to a needed growth in premium, but may also increase pressure on both claim frequency and severity.

The discussions and exhibits in this Report present information regarding the latest revision of rates and rating values, historic and recent experience and the activities of the Rating Bureau during 2011.

Respectfully Submitted,



Frederick A. Huber
Executive Director

REVISION OF MANUAL RATES – 2012

RATE LEVEL

The rate level increase of 6.9% effective January 1, 2012 was based on the latest two policy years and the latest two calendar accident years of experience along with other considerations described below.

Analysis of the latest two policy years and the latest two calendar accident years after adjustments for development and present premium and benefit levels using paid and incurred losses separately produced a premium level increase of 5.8% due to experience. Analysis of the latest experience also indicated that a decrease of 0.3% due to trend factor considerations was necessary for inclusion in the premium level determination.

Effective January 1, 2012, the maximum weekly benefit with respect to all types of injuries was increased from \$792 to \$810. The minimum weekly benefit also was increased from \$211 to \$216 for all kinds of injuries except permanent partial disabilities. A premium level increase of 0.8% was necessary to recognize the changes in benefits.

An increase of 0.8% was applied to recognize the effects of changes in the allowances for Production expense, General expense, Loss Adjustment expense and the Security Fund. A decrease of 0.3% was applied to limit the effect of the indicated premium level change on certain expense provisions.

The combined effect of all components produced an overall **premium level** increase of 6.9%. Since there were no changes to other premium producing items, the overall **rate level** change is also an increase of 6.9%.

A Terrorism premium charge of \$0.03 per hundred dollars of payroll is applicable to policies effective January 1, 2012 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, 2012 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 was changed to 0.17% and the Second Injury Fund Surcharge was changed to 7.82%.

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

RATE RELATIVITIES

The adjustment of rate relativities effective January 1, 2012 was based on the classification experience of policy years 2004 through 2008, as reported through the Statistical Plan.

There were 574 classifications in the Manual effective January 1, 2012, including the codes to accommodate Federal employments. There were 7 classifications that carried no rate assignment. Of the remainder, 466 developed increased rates, 89 showed decreases and 12 were unchanged.

The rates for the classifications under the Admiralty 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.

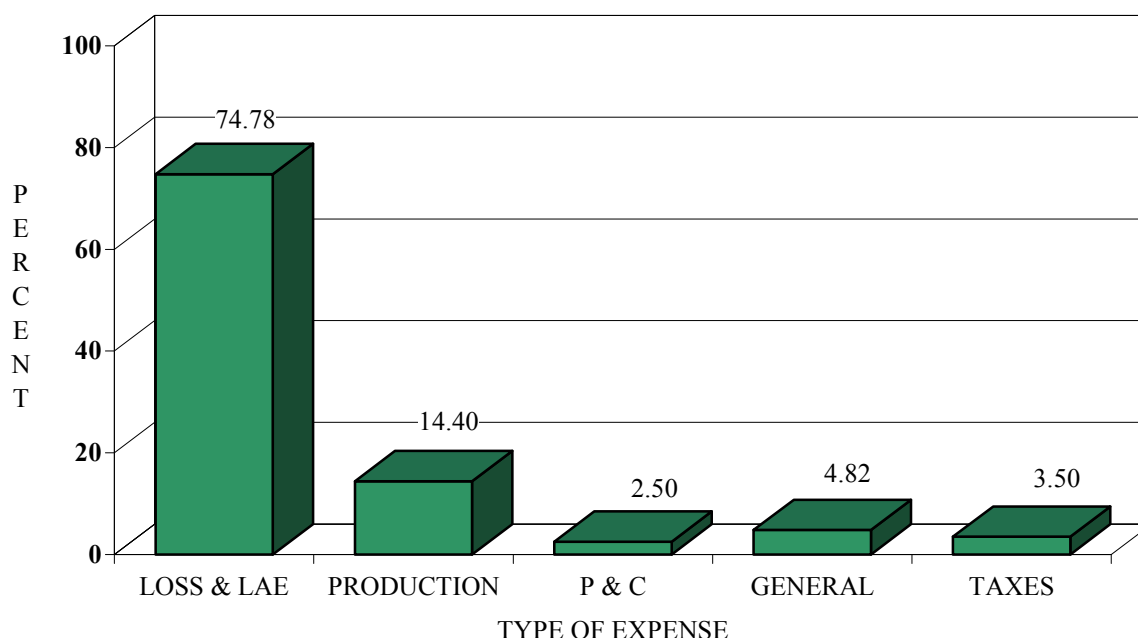
The revised Manual of Rates was included in Circular Letter #1830, dated November 16, 2011.

EXPENSES AND TAXES

The most important purpose of ratemaking 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 regularly reviewed each year and adjustments made where appropriate. Since 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 \$5,000 of standard premium per risk. Such provisions are included in the Manual of Rates effective January 1, 2012 in the following amounts:

STANDARD EXPENSE PROVISIONS



Taxes include: Security Fund 0.85%, 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 \$5,000 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, 2012 are:

	First	Next	Next	Over
Schedule Y	\$5,000	\$95,000	\$400,000	\$500,000
Applicable Discounts	--	9.5%	11.1%	12.2%

Schedule X discounts, although based on the same principle, result in lower discount percentages. The Schedule X discounts effective January 1, 2012 are:

	First	Next	Next	Over
Schedule X	\$5,000	\$95,000	\$400,000	\$500,000
Applicable Discounts	--	3.5%	5.0%	7.0%

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 – 1974	0.655	4.474	1.058	1.032	3.200	--
July 1, 1975	1.012	1.014	1.009	0.965	0.999	(0.1)
Jan. 1, 1976	1.000	1.017	1.000	1.000	1.017	1.7
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

ANNOUNCEMENTS DURING 2011

In 2011, the Rating Bureau held three 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, 2012 unless noted differently.

EXPERIENCE RATING

Rating Values and Factors

The usual annual adjustments were made to the rating values, factors and credibility criteria to be used in experience ratings effective January 1, 2012 and thereafter. The limiting loss values were also changed to reflect increasing loss costs. The changes were included in Manual Amendment Bulletin #453, dated November 16, 2011.

RETROSPECTIVE RATING – PREMIUM DISCOUNT

Expense Ratio Tables

Revised expense ratio tables were included in Manual Amendment Bulletin #454, dated November 16, 2011. 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 #454, dated November 16, 2011.

Hazard Group Differentials

As a result of an examination of the latest available loss data, the Hazard Group Differentials were revised. The revised Hazard Group Differentials were included in Manual Amendment Bulletin #454, dated November 16, 2011.

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 #454, dated November 16, 2011.

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 #454, dated November 16, 2011.

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 #454, dated November 16, 2011.

Table of Expected Loss Ranges

In order to recognize more recent loss experience, the Table of Expected Loss Ranges was updated. The revised Table of Expected Loss Ranges was included in Manual Amendment Bulletin #454, dated November 16, 2011.

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, 2012, and to revise the hazard group assignments for the classifications subject to the Federal Employers Liability Act. The revised Table of Classifications by Hazard Group was included in Manual Amendment Bulletin #454, dated November 16, 2011.

Premium Discount

Adjustments were made to 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 #454, dated November 16, 2011.

PREPARATION AND AUDITING OF POLICIES**Large Risk – Large Deductible Program**

A limit on the maximum amount of a deductible in the Large Risk – Large Deductible Program has been eliminated. This manual change was included in Manual Amendment Bulletin #455, dated November 17, 2011.

Minimum Deposit Premium

The Manual rule regarding minimum deposit premium requirements was amended to provide greater flexibility for all risks except those written through The Plan. This change became effective July 1, 2011 and was included in Manual Amendment Bulletin #452, dated June 10, 2011.

CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM

Classifications

The Manual rule containing the table of classifications to which the Construction Classification Premium Adjustment Program applies was amended to remove classification code 5705, which was eliminated. This change was included in Manual Amendment Bulletin #453, dated November 16, 2011.

LARGE RISK – LARGE DEDUCTIBLE PROGRAM

Deductible Amount

A limit on the maximum amount of a deductible in the Large Risk – Large Deductible Program has been eliminated. This manual change was included in Manual Amendment Bulletin #455, dated November 17, 2011.

STATISTICAL

Removal of Illustrations from Manual

The Unit Statistical Report and Individual Case Report illustrations were removed from the Statistical Plan, effective July 1, 2011. These changes were announced in Statistical Circular #113, dated May 25, 2011. The illustrations were eliminated because they are to be included in a new, web-based Unit Statistical Reporting Guidebook, which will be published in early 2012. A Statistical Plan provision referencing the illustrations was eliminated and announced in Statistical Circular #114, dated November 16, 2011.

Filing of Closed Medical Only Claims of \$500 or Less

The Statistical Plan rule allowing for the aggregate reporting of closed medical only claims of \$500 or less was eliminated for claims arising from policies effective January 1, 2013 and thereafter. This change was included in Statistical Circular #113, dated May 25, 2011.

Contract Medical

All references to “Contract Medical” in the Statistical Plan were eliminated effective July 1, 2011 and announced in Statistical Circular #113, dated May 25, 2011. Contract medical is not applicable in New Jersey.

Special Statistical Plan Code Numbers

Statistical Code 0941 (Premium Resulting from the Application of the Plan Rating Program) and Code 7777 (Exposure, Premium and Losses under U. S. Longshoremen’s Act for code numbers where rates do not include U.S. coverage) were eliminated effective July 1, 2011 since other rules for the collection of the data previously assigned to them are in place. These changes were included in Statistical Circular #113, dated May 25, 2011.

Update to Subrogation Calculation

The Statistical Plan rule concerning subrogation was updated to include the word “Sample” in a calculation example, and to replace “cash recovery” with “recovery amount.” These updates were included in Statistical Circular #114, dated November 16, 2011.

WORKERS COMPENSATION INSURANCE PLAN

Policy Termination for Employer Non-Compliance

The administrative procedures in the Manual for policy cancellation by a Plan servicing carrier under the Audit Non-Compliance Program were amended. The changes are effective July 1, 2011 and included in Manual Amendment Bulletin #452, dated June 10, 2011.

CLASSIFICATIONS

Motion Picture: Development of Negatives, Printing and all Subsequent Operations4360

The classification phraseology and footnote for class code 4362 have been eliminated and incorporated with class code 4360. These changes were included in Manual Amendment Bulletin #453, dated November 16, 2011.

Automobile Body Repair8393

The descriptive footnote for class code 8393 has been amended to reflect the correct phraseology for class code 3815, which is referenced in the footnote. These changes were included in Manual Amendment Bulletin #453, dated November 16, 2011.

Enameled Iron Ware Mfg3091

Motion Picture: Film Exchange & projection rooms, Clerical4362

Salvage Operation – No wrecking, shoring or other structural operations5705

Class codes 3091 and 5705 were eliminated due to the absence of experience during the latest five-year experience period. Classification code 4362 was eliminated for underwriting reasons. These changes were announced in Manual Amendment Bulletin #453, dated November 16, 2011.

FORMS

Endorsements

The Manual was amended to include a revised New Jersey Premium Discount Endorsement – Schedule Y, WC 29 04 06 Y. The endorsement was revised to accommodate changes in the expense provisions and replaces the current endorsement, WC 29 04 06 X. The revised endorsement was included in Manual Amendment Bulletin #454, dated November 16, 2011.

OTHER ANNOUNCEMENTS

Advisory Bulletins

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

Advisory Bulletin #32 was issued on August 19, 2011 to announce that the Rating Bureau, as a member of the American Cooperative Council on Compensation Technology (“ACCCT”), had requested that member carriers participate in an ACCCT survey regarding their expectations about future electronic data reporting.

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; the migration from IAIABC Claims Release 1 to Release 3 for First Report of Injury and Subsequent Report of Injury; the retirement of former Executive Director Grover E. Czech; and the appointments of Frederick A. Huber as Executive Director and Paul G. Witko as Associate Executive Director.

FINANCIAL – 2011

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, 2011. 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 18, 2011. 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 2011. 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 2011****INCOME**

Total Quarterly Assessments		\$14,212,724
Forms	165	
Rating, Inspection and Bulletin Services	21,815	
Interest Income	7,982	
Miscellaneous Income	<u>662,595</u>	<u>692,557</u>
Total Income		\$14,905,281

EXPENDITURES

Salaries	\$ 7,295,406
Contract Personnel Service	53,196
FICA Tax	539,594
Employee Relations & Welfare	2,408,037
Rent, Maintenance, Repair & Alteration of Premises	903,985
Printing & Stationery	81,083
Postage & Express	96,739
Telephone	67,243
Insurance	92,605
Furniture, Equipment Rental, Repair, Supplies & Services	95,456
Data Processing	1,325,725
Legal & Auditing	117,503
Travel & Travel Items	141,741
Employee Recruitment	22,569
Pension	1,024,049
Miscellaneous	86,767
Strategic Plan	25,719
Total Expenditures	\$14,377,417
Excess Income over Expenditures	\$ 527,864

STATEMENT OF ASSETS AND LIABILITIES AT DECEMBER 31, 2011**ASSETS**

Cash in Bank – Operating Account	\$ 829,025
Cash in Bank – Payroll Account	3,325
Petty Cash	500
Accounts Receivable	3,471
Money Market Account	2,368,459
Hudson City Bank CD	259,972

Total Assets **\$3,464,752**

LIABILITIES

SUI - Employer	\$ (378)
Pension – Bureau Accrued	1,024,049
Excess Funds as of January 1	1,178,558
Excess Funds January 1 thru December 31	527,864
Assessment adjustment liability – Fiscal Year 2010/2011	734,659

Total Liabilities **\$3,464,752**

BUREAU MEMBERSHIP CHANGES

AT THE END OF 2010, THE BUREAU WAS COMPRISED OF 426 MEMBER COMPANIES.

During 2011, the following 12 companies were admitted:

Key Risk Insurance Company
Leading Insurance Group Insurance Co. LTD
Lion Insurance Company
National Specialty Insurance Company
Nationwide Mutual Insurance Company
New York Marine and General Insurance Company
North Sea Insurance Company
RLI Insurance Company
Samsung Fire & Marine Insurance Company
Technology Insurance Company, Inc.
Tri-State Insurance Co. of Minnesota
ZNAT Insurance Company

Membership of the following companies were withdrawn during the year:

Aegis Security Insurance Company
Majestic Insurance Company
Reinsurance Company of America Ins.

THE TOTAL MEMBERSHIP AT THE END OF 2011 WAS 435.

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 94. The year of exemption is shown in brackets after the name of the company.

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

RATING DIVISION

EXPERIENCE RATING

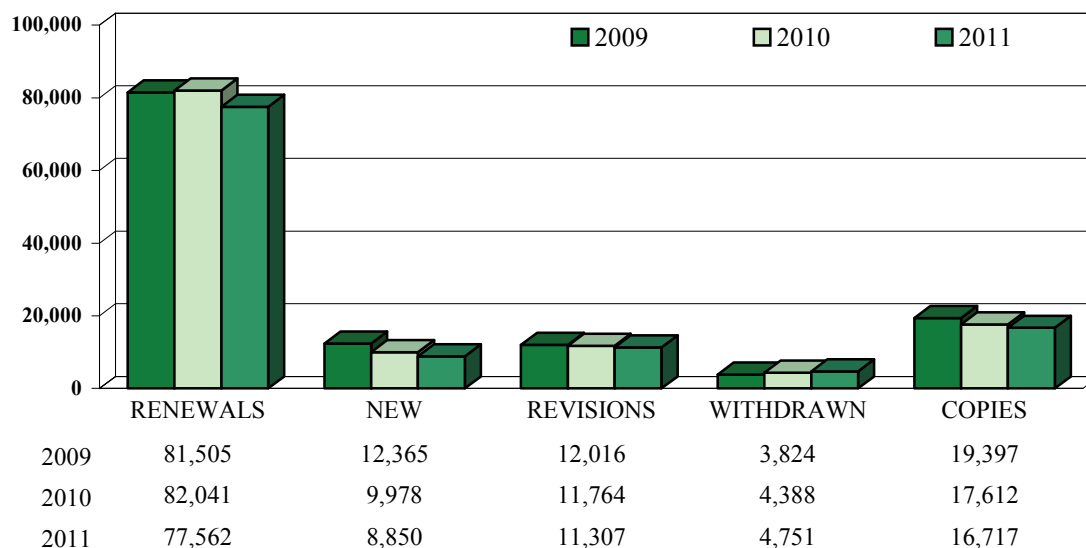
The Rating Division reviews statistical data in order to process experience ratings and their revisions. In addition, the Rating Division issues rating data to insurers and other authorized parties.

The number of risks which qualified for experience rating in 2011 was 91,459 – a decrease of 5.8% from the 97,137 risks qualifying for rating in 2010.

There were 86,412 new and renewal experience ratings prepared and issued in calendar year 2011 compared to 92,019 in 2010. The overall activity during 2011 is illustrated by the following graph.

EXPERIENCE RATING ACTIVITY

DURING 2011



Percentage of Ratings Issued in Relation To Effective Date – Calendar Year 2011						
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	2009	2010	2011
2.9%	19.5%	25.8%	51.8%	77.3%	77.4%	77.6%

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>	
1987	48,377	\$2,066,892,242	\$1,892,721,377	0.916
1988	54,958	2,500,094,755	2,255,979,321	0.902
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

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 2011 was 27,526 – an increase of 7.4% from the 25,633 reviewed in 2010.

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 2011 was 10,932 – an increase of 15.4% from the 9,474 handled in 2010.

RETROSPECTIVE RATING

Retrospective Rating was elected by 324 risks in 2011, down from 333 risks in 2010. The estimated premium for the 333 risks was \$67,887,020, compared with \$73,179,158 in 2010. The decrease in premium amounted to 7.2%. Of the 324 retrospectively rated risks, 313 elected the Large Risk Alternative Rating Option, up from 310 in 2010. The premium for risks electing the Large Risk Alternative Rating Option was \$64,449,602, compared to \$68,113,197 in 2010, a decrease of 5.4%. Below is an exhibit of the retrospective rating programs effective in 2011:

RETROSPECTIVE RATING			
<u>TYPE/TERM</u>	<u>NO.</u>	<u>LOSS LIMIT</u>	<u>EST. STD. PREMIUM</u>
V-1	11	8	\$ 3,437,418
V-3	0	0	0
V-Long Term	0	0	0
LRA-1	313	217	64,449,602
LRA-3	0	0	0
LRA-Long Term	<u>0</u>	<u>0</u>	<u>0</u>
Total	324	225	\$67,887,020

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 2,007 in 2011, an increase of 1.6% from the 1,975 risks in 2010. The New Jersey premium subject to this program in 2011 was \$621,792,258, and the resultant deductible premium was \$117,981,675.

UNDERWRITING DIVISION

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

During 2011, the number of inspections and the number of audits decreased. There were 35,275 individual pieces of correspondence received dealing with classification, auditing, underwriting and Plan risk matters, representing a decrease of 16.4% from the 42,180 received in 2010. Total correspondence for 2011 included 4,301 pieces resulting directly from employer non-cooperation with Plan Servicing Carriers.

INVESTIGATIONS

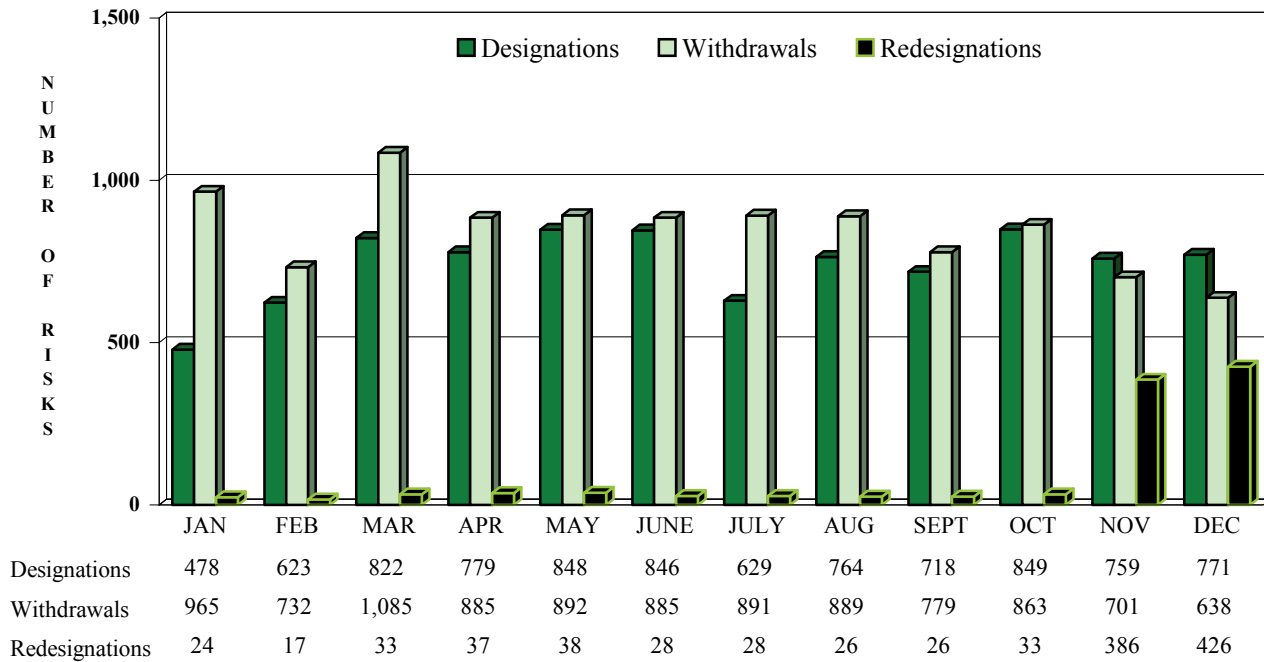
The field activity is outlined in the following exhibit. For comparison, the two preceding years are shown.

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Classification Surveys	3,529	3,514	3,496
Audits	2,352	2,639	2,614
Visits - No Inspection	1,308	1,515	1,256
Visits - No Audit	186	142	264
General Investigations	<u>3</u>	<u>2</u>	<u>2</u>
TOTAL	7,378	7,812	7,632

THE NEW JERSEY WORKERS COMPENSATION INSURANCE PLAN

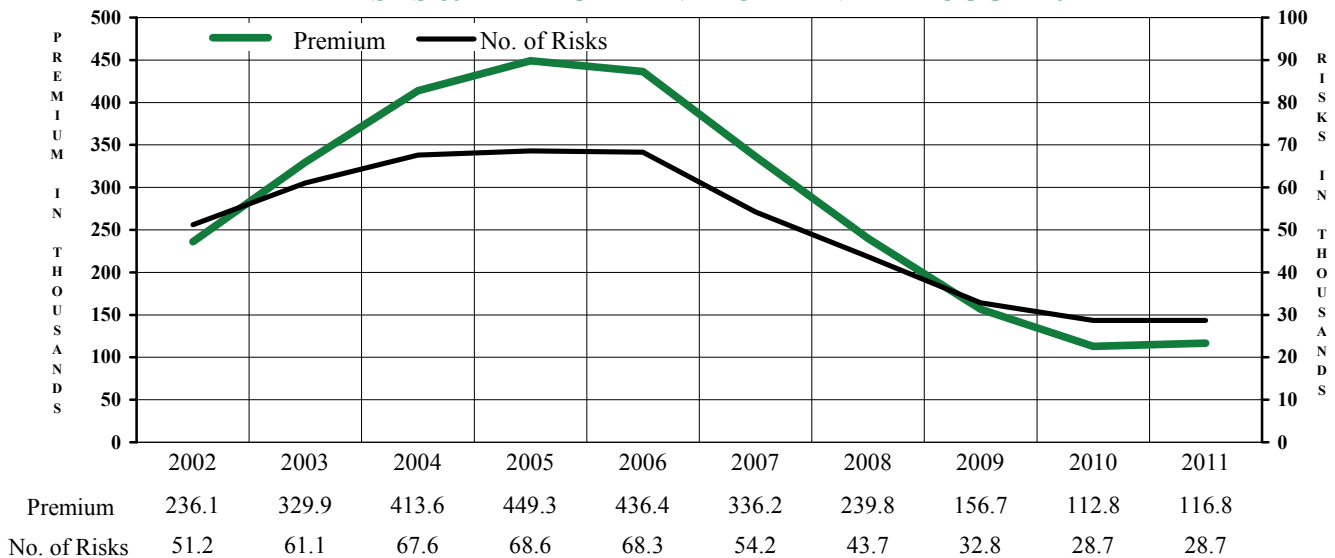
At the end of 2011, there were 28,674 Plan risks with an estimated annual premium of \$116,751,089, which represents approximately 4.5% of the total New Jersey workers compensation market, compared to 4.9% in 2010. The residual market currently provides coverage to approximately 15% of New Jersey's insured employers. There were 8,886 new designations in 2011, representing a 19.0% increase from the 7,469 employers newly designated in 2010. There were 10,205 withdrawals in 2011, representing a decrease of approximately 16.2% from the 12,179 withdrawals in 2010. There were 1,102 employers reassigned to new insurance companies, representing an increase of 126.5% from the 487 in 2010. This increase is primarily the result of the replacement of a Direct Assignment Carrier and a Pool Servicing Carrier with two new Pool Servicing Carriers. The Web Application Submission System for Plan risks processed 5,745 new designations, accounting for 65% of new Plan activity, compared to 60% in 2010.

MONTHLY PLAN ACTIVITY – 2011



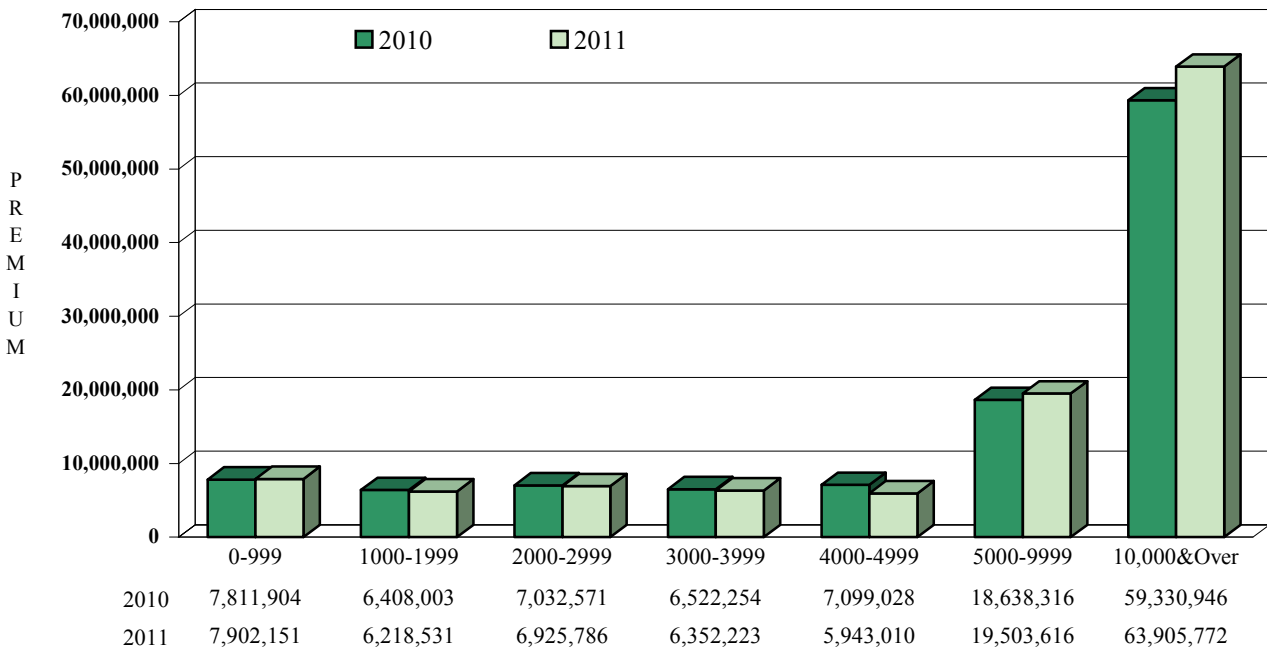
The 28,674 Plan risks with an estimated annual Plan premium of \$116,751,089 is compared with 28,713 risks with an estimated annual Plan premium of \$112,843,022 at the end of 2010. The result is a decrease of approximately 0.1% in the total number of Plan risks and an increase of 3.5% in the estimated annual Plan premium. These results reflect stabilization in overall Plan activity. The following graph shows the development since 2002.

RISKS & PREMIUM DEVELOPMENT THROUGH 2011

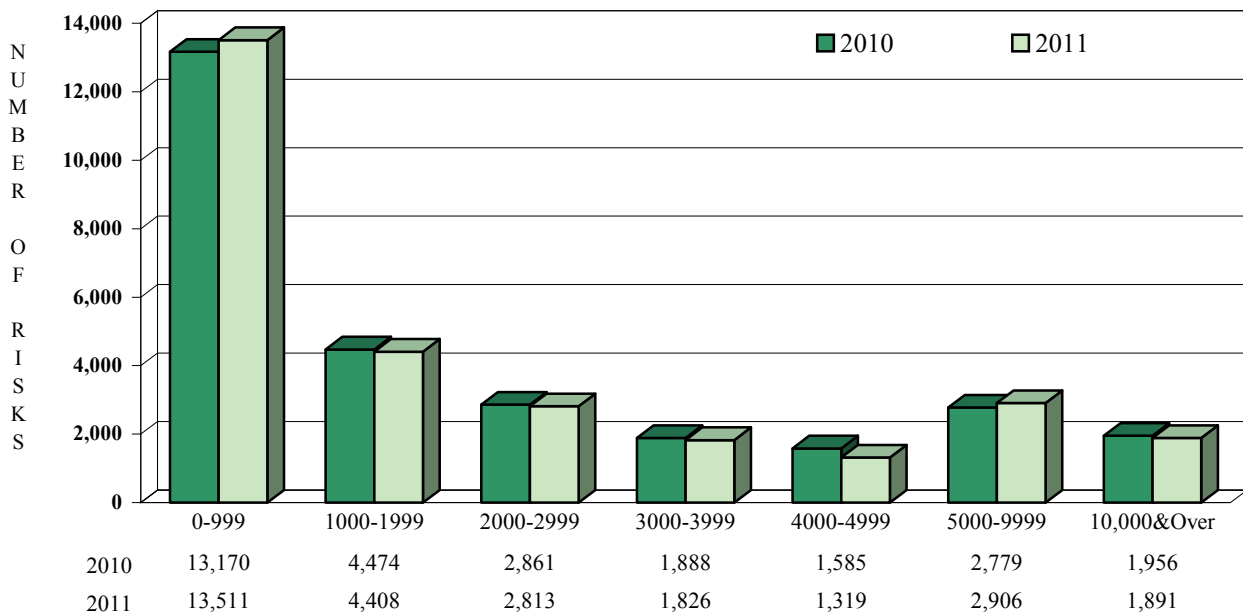


In 2011, 93.4% of Plan risks and 45.3% of the annual Plan premium were in the premium size group of \$0 to \$9,999. The average Plan risk generated premium of \$4,072. The 2011 distribution of Plan business by premium size was reasonably consistent with the previous year. The general consistency in the number of Plan risks and the nominal increase in total Plan premium are indicative of overall market stabilization in New Jersey, as well as the effects of the current economic climate and the employing community's efforts to maintain safer workplaces.

PREMIUM DISTRIBUTION BY PREMIUM GROUP SIZE



RISK DISTRIBUTION BY PREMIUM GROUP SIZE



Premium credit of \$471,362,469 was in effect December 31, 2011 for 38,008 Plan risks written as regular business, compared to \$482,770,327 of premium for 37,149 risks as of December 31, 2010. The credit procedure has been in effect since July 1, 1963.

The distribution of Plan Risks as of December 31, 2011 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, 2011
(Premium is Policy or Plan Estimate)**

Insurance Company*	Completed Transactions		Outstanding Renewals		Outstanding New		Total Assignments		Voluntary Credits		Grand Totals		Factor
	Number	Premium	Number	Premium	Number	Premium	Number	Premium	Number	Premium	Number	Premium	
American Zurich Ins. Co.	3,907	\$14,717,453	344	\$1,510,415			4,251	\$16,227,868	814	\$7,288,157	5,065	\$23,516,025	0.730
-Companion Prop. & Cas. Ins. Co.	399	1,828,119	4	7,746			403	1,835,865			403	1,835,865	0.493
Continental Insurance Co. of NJ	646	2,184,598	26	138,238	103	\$300,630	775	2,623,466	945	9,926,298	1,720	12,549,764	1.113
Hartford Underwriters Ins. Co.	500	1,821,670	28	139,099	14	31,919	542	1,992,688	9,535	64,943,105	10,077	66,935,793	1.202
-Liberty Insurance Corporation	4,738	18,803,212	178	831,933	396	1,745,209	5,312	21,380,354			5,312	21,380,354	1.043
New Jersey Casualty Ins. Co.	13,883	52,501,649	527	1,922,848	719	4,227,673	15,129	58,652,170	816	28,172,334	15,945	86,824,504	0.956
-Travelers Indemnity Company	1,974	12,449,725	86	369,713	202	1,219,240	2,262	14,038,678			2,262	14,038,678	1.077
All Pool Companies									25,898	361,032,575	25,898	361,032,575	
Total	26,047	\$104,306,426	1,193	\$4,919,992	1,434	\$7,524,671	28,674	\$116,751,089	38,008	\$471,362,469	66,682	\$588,113,558	

-Serving Member of National Workers Compensation Reinsurance Association NFP.

* Including Companies under the same management.

TABLE VI**Historical Plan Experience**

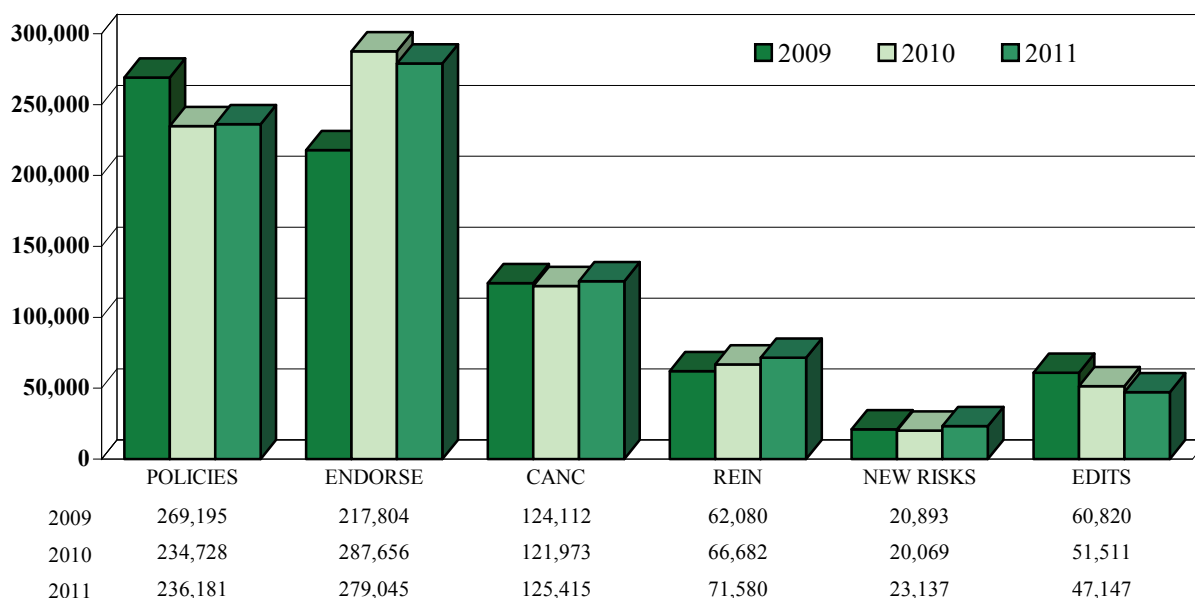
<u>Policy Year</u>	<u>Number of Policies</u>	<u>Percentage of Total</u>	<u>Standard Premium Incl. L & E Constant</u>	<u>Percentage of Total</u>	<u>Total Incurred Losses</u>	<u>Loss Ratio</u>
1975	12,605	9.2%	\$ 8,073,206	2.2%	\$ 6,724,147	83.29%
1976	18,953	12.9	24,923,363	6.0	19,355,848	77.66
1977	30,145	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	413,873,130	16.1	273,410,898	66.06
2007	52,164	26.1	317,095,393	12.0	183,543,483	57.88
2008	42,021	21.2	223,482,100	8.7	116,474,162	52.12
2009	31,895	16.3	150,904,718	6.2	71,120,708	47.13

POLICY REVIEW DIVISION

POLICY FILINGS

In 2011, the total filings of policies, endorsements, cancellations and reinstatements received amounted to 712,221 compared to 711,039 the previous year. This change represents an increase of 0.2%. Policies and endorsements decreased 1.4%. Cancellations and reinstatements increased by 4.4%. New risks increased 15.3%. The computer edit error rate for all policies decreased 8.5%.

RECEIPT AND DISTRIBUTION OF POLICY MATERIAL



POLICY FORMS

In 2011, the amount of specimen policy forms, information pages, endorsements, cancellations or reinstatements reviewed was 604. During the previous year, 623 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.

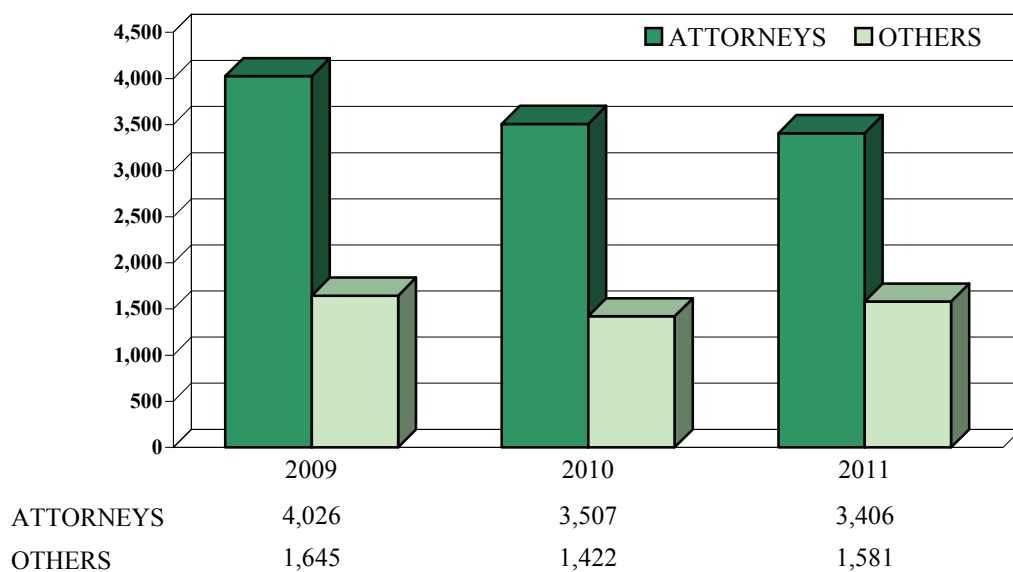
Policy material, correspondence, reports of experience and inspection reports with respect to a given New Jersey employer are housed in individual risk files. Each file is identified by a six-digit number. The file number is determined from the name of the employer through the use of a computer inquiry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

In 2011, a total of 204,752 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 3,406 written requests from attorneys in 2011 represented a decrease of 2.9% from 2010. This decrease is likely the result of an increased use of the Bureau's website. The Bureau also received 1,211 letters from the Department of Labor and Workforce Development, 117 e-mails from insurance companies seeking policy information, 51 letters requesting copies of cancellation notices and transmittal letters, and 202 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 IBM 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 (WC MODS) and policy pre-delinquent and delinquent data (WC CNTL) 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 (WC POLS and WC STAT) 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 WC POLS and WC STAT 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 2011 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.

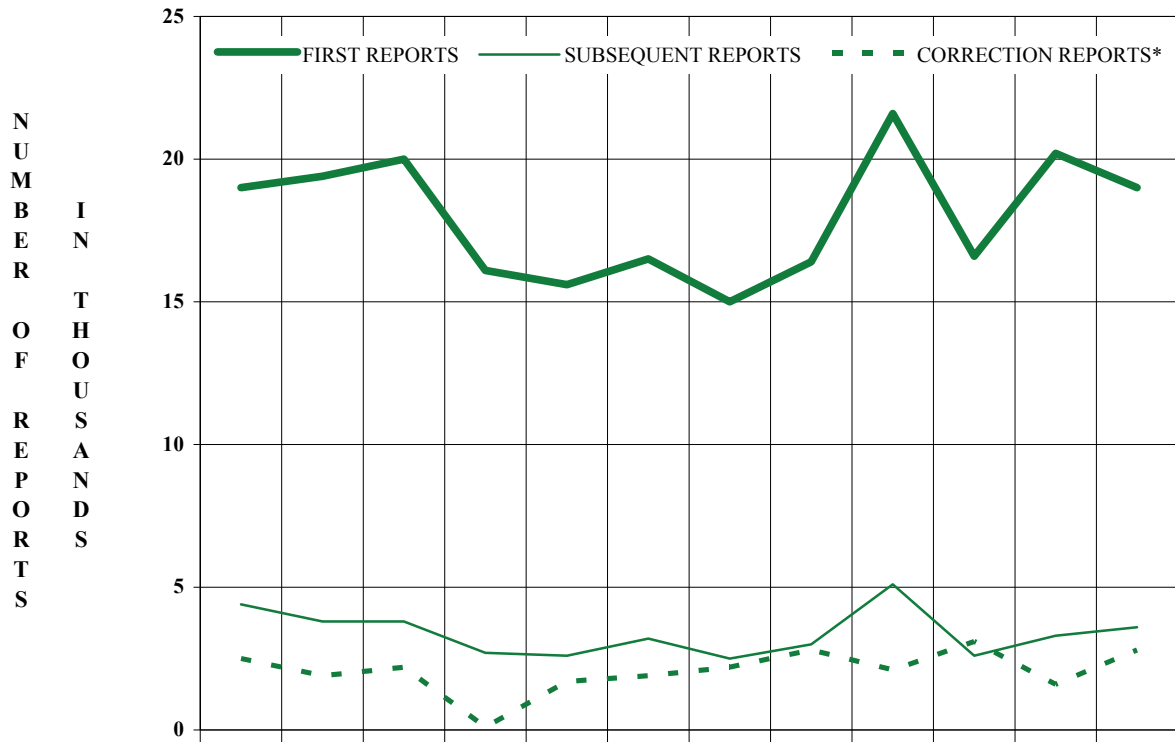
Statistics are not meaningful unless they have been subjected to quality analyses. Such quality with respect to the data filed through the Statistical Plan is, in large measure, dependent on whether payrolls have been audited properly and claims have been assigned to the proper classifications. In this 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 99.47% are received electronically and 0.53% are received in paper format.

EXPERIENCE REPORTS RECEIVED DURING 2011 Policy Inception Date May 2009 to April 2010



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	19.4	20.0	16.1	15.6	16.5	15.0	16.4	21.6	16.6	20.2	19.0
SUBSEQUENT REPORTS	4.4	3.8	3.8	2.7	2.6	3.2	2.5	3.0	5.1	2.6	3.3	3.6
CORRECTION REPORTS*	2.5	1.9	2.2	0.1	1.7	1.9	2.2	2.8	2.1	3.1	1.6	2.8

The number of first reports received by the Bureau decreased from 217,317 for calendar year 2010 to 215,082 in calendar year 2011. The number of subsequent reports increased from 38,088 in calendar year 2010 to 40,604 in calendar year 2011. The number of “late” first reports, i.e., reports for policy inception months outside of the range in the above graph totaled 5,829 and the number of “late” subsequent reports was 1,408. The number of correction reports* received by the Bureau decreased from 29,143 in calendar year 2010 to 24,736 in calendar year 2011.

* 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 – 1965	\$147,214,838,577	\$2,176,516,541	\$1,234,009,501	56.70%
1966	11,095,302,546	175,960,004	100,066,564	56.87
1967	12,064,028,385	216,412,747	124,968,868	57.75
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	147,314,147,517	2,570,072,974	1,380,154,612	53.70
2007	155,037,729,187	2,640,847,215	1,312,423,361	49.70
2008	151,111,477,225	2,569,030,911	1,165,611,973	45.37
2009	149,350,413,666	2,417,093,274	982,211,744	40.64
Total:	\$3,100,987,218,529	\$52,708,959,914	\$30,840,553,109	58.51%

TABLE VIII

Experience by Size – All Risks
Policy Year 2009 – 1st Report

Premium Size	Number of Risks on Annual Basis	Standard Premiums	Total Incurred Losses	Loss Ratio
From	To			
Minimum	Premium	\$ 7,939,551	\$ 3,804,656	47.92%
\$ 0	99	288,668	85,601	29.65
100	199	1,434,180	513,279	35.79
200	299	2,278,058	698,290	30.65
300	399	2,834,949	1,503,196	53.02
400	499	2,850,731	907,971	31.85
500	599	3,017,024	1,062,363	35.21
600	699	5,173,404	1,958,903	37.86
700	799	3,860,319	2,357,593	61.07
800	899	3,621,797	1,292,450	35.69
900	1,099	7,295,727	2,540,005	34.81
1,100	4,999	159,423,339	58,704,268	36.82
5,000	9,999	138,609,137	56,704,036	40.91
10,000	24,999	241,237,027	94,738,209	39.27
25,000	49,999	216,270,765	81,391,541	37.63
50,000	99,999	252,825,738	101,114,377	39.99
100,000	249,999	353,607,117	156,910,426	44.37
250,000	499,999	246,079,999	101,135,557	41.10
500,000	999,999	227,908,544	94,443,564	41.44
1,000,000	& Over	525,155,589	221,488,014	42.18
Total		\$2,401,711,663	\$983,354,299	40.94%
Over				
Min. Prem.	1,099	\$ 32,654,857	\$ 12,919,651	39.56%
1,100	& Over	2,361,117,255	966,629,992	40.94

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
1985	1,537.2	99.37%	34,416.0	75.92%	800,193.8	61.30%	834,609.8	61.90%
1986	1,667.4	130.97	34,337.0	86.93	858,227.2	65.70	892,564.2	66.44
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	8,155.6	45.33	40,579.1	53.91	2,573,090.0	52.92	2,613,669.0	52.93
2007	8,267.9	50.89	40,664.2	59.18	2,622,750.3	49.21	2,663,414.6	49.36
2008	8,084.8	50.66	40,463.4	44.95	2,528,175.2	45.43	2,568,638.6	45.42
2009	7,939.6	47.92	40,594.4	41.20	2,361,117.3	40.94	2,401,711.7	40.94

The data included for policy years 2006 through 2009 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.

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>2005</u>											
First	197,377	140,616,450,021	2,405,579,045	Number	52	39	1,084	13,434	18,798	76,845	110,252
				Indemnity	13,610,648	7,527,771	90,985,945	259,069,272	106,167,815	--	477,361,451
				Medical	4,248,890	39,473,937	110,349,982	206,770,606	137,323,995	80,201,416	578,368,826
Second	197,820	140,954,830,316	2,401,831,248	Number	70	52	1,446	14,677	19,256	78,080	113,581
				Indemnity	17,393,307	10,893,454	142,503,752	295,548,371	119,090,960	--	585,429,844
				Medical	3,912,926	52,312,076	148,476,840	209,429,888	138,224,225	80,625,591	632,981,546
Third	197,866	141,027,765,162	2,401,366,418	Number	66	69	1,645	15,020	19,127	78,108	114,035
				Indemnity	20,970,737	15,973,363	176,836,665	311,660,727	118,048,595	--	643,490,087
				Medical	4,317,330	74,414,339	163,815,239	207,101,598	129,718,795	80,151,121	659,518,422
Fourth	197,866	141,052,327,113	2,407,255,326	Number	70	84	1,762	14,790	19,151	78,263	114,120
				Indemnity	22,863,704	20,212,063	201,072,489	318,606,981	118,384,817	--	681,140,054
				Medical	4,279,689	76,797,681	172,846,098	204,502,637	132,802,249	80,085,162	671,313,516
Fifth	197,864	141,088,854,099	2,407,614,717	Number	72	104	1,846	14,656	19,120	78,345	114,143
				Indemnity	22,104,093	24,514,905	209,595,767	321,768,467	120,951,484	--	698,934,716
				Medical	7,001,876	75,535,664	184,464,875	205,773,230	132,937,458	81,186,520	686,899,623
<u>2006</u>											
First	199,106	146,885,658,241	2,579,192,127	Number	49	31	905	11,899	18,254	73,444	104,582
				Indemnity	11,091,988	8,360,532	88,040,282	244,985,194	114,255,121	--	466,733,117
				Medical	2,277,941	53,121,700	101,335,844	191,424,085	153,348,576	80,132,706	581,640,852
Second	199,341	147,199,252,607	2,571,726,461	Number	53	46	1,255	13,469	18,504	74,551	107,878
				Indemnity	12,521,595	13,325,701	137,675,702	288,878,915	124,693,488	--	577,095,401
				Medical	3,263,438	68,519,415	132,820,790	199,437,267	151,819,169	81,111,069	636,971,148
Third	199,407	147,387,361,586	2,570,595,988	Number	54	65	1,496	13,507	18,524	74,696	108,342
				Indemnity	15,251,912	20,174,536	176,541,073	306,289,498	126,467,211	--	644,724,230
				Medical	3,189,742	91,676,636	157,967,586	202,405,398	138,132,139	80,694,638	674,066,139
Fourth	199,401	147,314,147,517	2,570,072,974	Number	58	76	1,640	13,389	18,530	74,761	108,454
				Indemnity	15,939,287	23,289,093	192,851,547	317,811,858	135,696,375	--	685,588,160
				Medical	3,383,320	89,392,875	171,538,206	207,708,719	142,341,296	80,202,036	694,566,452
<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	63	52	1,379	13,369	18,209	72,120	105,192
				Indemnity	19,504,826	13,186,728	169,046,549	318,494,682	148,545,007	--	668,777,792
				Medical	682,025	23,014,324	164,399,286	219,243,696	157,825,492	78,480,746	643,645,569
<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
<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

CONCLUSION

The responsibilities and operations of the Bureau are numerous, varied and often complex. In addition to the Bureau, there are many other participants who 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 2011, the following individuals were honored for service of 25 years or more:

Kathy Coughlin	25 Years
Mary Maceiras	25 Years
Nancy Melendez	25 Years
Ilda Pinto	25 Years
Olga Montero	30 Years

On December 31, 2011, after almost 11 years of service as Executive Director, Grover E. Czech retired from the Bureau. Mr. Czech's tenure as Executive Director was highlighted by rate stability, increased competition in the New Jersey workers compensation marketplace and the implementation of a number of rating plans designed to help both employers and insurers. He enhanced many personnel policies and procedures at the Bureau and was responsible for changes to the premises that made the Bureau a better place to work for all its employees. His perseverance, dedication and contributions to the workers compensation system and the Bureau will long be remembered. We wish Grover and his family a long, healthy and happy retirement.

The following individuals also retired in 2011. We extend our appreciation for their service and best wishes in their retirements.

Patricia Nordahl-Liguori	30 Years
Irene Figueroa-Garris	25 Years
Cherith Roberts-Smith	22 Years
Roland Brazda	20 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, **John T. Skidmore** – Director of Policy Review, **Stanley R. Markow** – Acting Director of Actuarial Services, **James O'Hare** – Acting Director of Underwriting, and **Charu Mehta** – Controller.

IN MEMORIAM

On February 12, 2012, *SHEILA THOMAS* passed away. Sheila had been employed with the Bureau since 1969 in various capacities. Her passing has left a void in the hearts of all who knew her.

This Annual Report is dedicated to Sheila Thomas.

List of Members as of December 31, 2011

A

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

B

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

C

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

List of Members as of December 31, 2011

C

CastlePoint Insurance Company
 CastlePoint National Insurance Company
 Caterpillar Insurance Company
 Central Mutual Insurance Company
 Centre Insurance Company
 Century Indemnity Company
 The Charter Oak Fire Insurance Company
 Chartis Property Casualty Company
 Cherokee Insurance Company
 Chrysler Insurance Company
 Chubb Indemnity Insurance Company
 Chubb Insurance Company of New Jersey
 Chubb National Insurance Company
 Church Mutual Insurance Company
 Cincinnati Insurance 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.
 Continental Casualty Company
 Continental Indemnity Company
 The Continental Insurance Company
 The 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

Dallas National Insurance Company
 Deerfield Insurance Company
 Diamond State Insurance Company

Direct National Insurance Company
 Discover Property and Casualty Insurance Company
 Drive New Jersey Insurance Company

E

Eastern Casualty Insurance Company
 EastGuard Insurance Company
 Eastern Alliance Insurance Company
 Electric Insurance Company
 Empire 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
 Excelsior Insurance Company
 Executive Risk Indemnity Inc.

F

Fairfield Insurance Company
 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 Financial Insurance Company
 First Liberty Insurance Corporation

List of Members as of December 31, 2011

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, Inc.
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
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

The Hanover Insurance Company
Harbor Specialty Insurance Company
Harco National Insurance Company
Harford Mutual Insurance Company
Harleysville Insurance Company
Harleysville Insurance Company of New Jersey
Harleysville Mutual Insurance Company
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
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.
Houston General Insurance Company
Hudson Insurance Company

I

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
The 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, 2011

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 Mutual Casualty 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
Mission American Insurance 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
The 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 Assurance Company of America
Northern Insurance Company of New York
North Sea Insurance Company
Nova Casualty Company

O

Occidental Fire & Casualty Co of North Carolina
The 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 Mutual Insurance Company

List of Members as of December 31, 2011

P

Peerless Indemnity Insurance Company
 Peerless Insurance Company
 Penn Millers Insurance Company
 Pennsylvania General Insurance Company
 Pennsylvania Lumbermens Mutual Insurance Co.
 Pennsylvania Manufacturers Association Ins Co.
 Pennsylvania Manufacturers Indemnity Company
 Pennsylvania National Mutual Casualty Ins. Co.
 Petroleum Casualty Company
 Phoenix Insurance Company
 Platte River Insurance Company

PMA Capital Insurance Company
 Praetorian Insurance Company
 Preferred Mutual Insurance Company
 Preferred Professional Insurance Company
 Preserver Insurance Company
 Princeton Insurance Company
 Progressive Garden State Insurance Company
 Property & Casualty Insurance Co. of Hartford
 Protective Insurance Company
 Providence Washington Insurance Company
 Public Service Mutual Insurance Company

Q

QBE Insurance Corporation

Quincy Mutual Fire Insurance Company

R

Rampart Insurance Company
 Regent Insurance Company
 Republic-Franklin Insurance Company
 Repwest Insurance Company
 Riverport Insurance Company

RLI Insurance Company
 Rochdale Insurance Company
 Royal & SunAlliance Personal Insurance Company
 Rural Community Insurance Company
 RVI National Insurance Company

S

SAFECO Insurance Company of America
 Safety First Insurance Company
 Safety National Casualty Company
 Samsung Fire & Marine Insurance Company, Ltd.
 St. Paul Fire and Marine Insurance Company
 St. Paul Medical Liability Insurance Company
 St. Paul Mercury Insurance Company
 St. Paul Protective Insurance Company
 SeaBright Insurance Company
 Select Markets Insurance Company
 Selective Insurance Company of America
 Selective Insurance Company of New York
 Selective Insurance Company of South Carolina
 Selective Insurance Company of Southeast
 Selective Way Insurance Company
 Seneca Insurance Company Inc.

Sentinel Insurance Company, Ltd.
 Sentry Casualty Company
 Sentry Insurance A Mutual Company
 Sentry Select Insurance Company
 Sompo Japan Insurance Company of America
 SPARTA Insurance Company
 Specialty Surplus Insurance Company
 Standard Fire Insurance Company
 Starr Indemnity & Liability Company
 Star Insurance Company
 StarNet Insurance Company
 State Automobile Mutual Insurance Company
 State Auto Property & Casualty Insurance Company
 State Farm Fire and Casualty Company
 State Farm General Insurance Company
 State National Insurance Company, Inc.
 Strathmore Insurance Company

T

Technology Insurance Company, Inc.
 T.H.E. Insurance Company
 TIG Insurance Company

Titan Indemnity Company
 TM Casualty Insurance Company
 The Virginia Insurance Reciprocal
 TNUS Insurance Company

List of Members as of December 31, 2011

T

Toa Reinsurance Company of America	Travelers Commercial Casualty Company
The Tokio Marine and Nichido Fire Insurance Co	Travelers Commercial Insurance Company
Tower Insurance Company of New York	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 Insurance Company of America	Truck Insurance Exchange
Travelers Casualty & Surety Company	Trumbull Insurance Company
Travelers Casualty & Surety Company of America	Twin City Fire Insurance Company
Travelers Casualty & Surety Co. of Connecticut	

U

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

V

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

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	
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Z

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

21st Century Centennial Insurance Company

APPENDIX

EXHIBIT A

Calendar Year 2011
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)	1942–2005 incl (c)	Experience Under Policies Becoming Effective in Calendar Year						All Years (j)	Experience For Cal. Year (k)
			2006 (d)	2007 (e)	2008 (f)	2009 (g)	2010 (h)	2011 (i)		
Dec. 31, 2006	1-Losses Paid	23,236,276,767	133,935,863	***	***	***	***	***	23,370,212,630	***
	2-Losses Outstanding	6,048,194,137	711,978,494	***	***	***	***	***	6,760,172,631	***
	3-Losses Incurred	29,284,470,904	845,914,357	***	***	***	***	***	30,130,385,261	***
	4 Std Prem Written	42,494,384,216	2,305,445,466	***	***	***	***	***	44,799,829,682	***
	5-Std Prem Earned	42,536,162,764	1,545,041,367	***	***	***	***	***	44,081,204,131	***
	6-Loss Ratio (3/5)	68.85%	54.75%	***	***	***	***	***	68.35%	***
Dec. 31, 2007	7-Losses Paid	24,057,132,578	531,051,099	140,586,608	***	***	***	***	24,728,770,285	1,358,557,655
	8-Losses Outstanding	5,373,260,465	1,025,005,086	701,079,958	***	***	***	***	7,099,345,509	339,172,878
	9-Losses Incurred	29,430,393,043	1,556,056,185	841,666,566	***	***	***	***	31,828,115,794	1,697,730,533
	10-Std Prem Written	42,480,274,630	2,703,338,892	2,367,129,138	***	***	***	***	47,550,742,660	2,750,912,978
	11-Std Prem Earned	42,517,813,606	2,719,990,183	1,582,633,638	***	***	***	***	46,820,437,427	2,739,233,296
	12-Loss Ratio (9/11)	69.22%	57.21%	53.18%	***	***	***	***	67.98%	61.98%
Dec. 31, 2008	13-Losses Paid	24,671,471,836	752,114,141	542,236,596	147,294,290	***		***	26,113,116,863	1,384,346,578
	14-Losses Outstanding	4,836,608,300	860,223,605	1,004,664,789	724,027,606	***	***	***	7,425,524,300	326,178,791
	15-Losses Incurred	29,508,080,136	1,612,337,746	1,546,901,385	871,321,896	***	***	***	33,538,641,163	1,710,525,369
	16-Std Prem Written	42,472,024,498	2,681,709,789	2,775,413,893	2,386,174,194	***	***	***	50,315,322,374	2,764,579,714
	17-Std Prem Earned	42,510,348,455	2,693,191,871	2,797,516,803	1,619,679,248	***	***	***	49,620,736,377	2,800,298,950
	18-Loss Ratio (15/17)	69.41%	59.87%	55.30%	53.80%	***	***	***	67.59%	61.08%
Dec. 31, 2009	19-Losses Paid	25,162,969,716	920,732,803	776,543,877	533,974,263	127,806,581	***	***	27,522,027,240	1,408,910,377
	20-Losses Outstanding	4,445,425,819	732,219,868	855,109,994	951,068,602	642,035,714	***	***	7,625,859,997	200,335,697
	21-Losses Incurred	29,608,395,535	1,652,952,671	1,631,653,871	1,485,042,865	769,842,295	***	***	35,147,887,237	1,609,246,074
	22-Std Prem Written	42,475,611,191	2,677,369,963	2,755,839,863	2,733,746,987	2,246,212,921	***	***	52,888,780,925	2,573,458,551
	23-Std Prem Earned	42,514,432,264	2,689,162,909	2,759,208,367	2,737,114,985	1,502,706,253	***	***	52,202,624,778	2,581,888,401
	24-Loss Ratio (21/23)	69.64%	61.47%	59.13%	54.26%	51.23%	***	***	67.33%	62.33%
Dec. 31, 2010	25-Losses Paid	25,544,083,244	1,040,037,378	952,566,821	764,469,784	529,368,177	143,405,937	***	28,973,931,341	1,451,904,101
	26-Losses Outstanding	4,077,940,787	644,915,480	698,750,067	815,361,826	917,269,862	618,441,352	***	7,772,679,374	146,819,377
	27-Losses Incurred	29,622,024,031	1,684,952,858	1,651,316,888	1,579,831,610	1,446,638,039	761,847,289	***	36,746,610,715	1,598,723,478
	28-Std Prem Written	42,474,680,827	2,668,972,765	2,749,746,876	2,669,643,040	2,549,284,128	2,116,637,568	***	55,228,965,204	2,340,184,279
	29-Std Prem Earned	42,520,410,957	2,681,601,068	2,753,570,562	2,665,600,190	2,542,373,369	1,414,777,393	***	54,578,333,539	2,375,708,761
	30-Loss Ratio (27/29)	69.67%	62.83%	59.97%	59.27%	56.90%	53.85%	***	67.33%	67.29%
Dec. 31, 2011	31-Losses Paid	25,885,669,902	1,126,629,768	1,073,627,152	948,179,656	765,952,340	571,171,740	144,337,889	30,515,568,447	1,541,637,106
	32-Losses Outstanding	3,835,434,547	536,650,619	589,519,582	638,019,976	782,218,405	947,583,009	659,950,541	7,989,376,679	216,697,305
	33-Losses Incurred	29,721,104,449	1,663,280,387	1,663,146,734	1,586,199,632	1,548,170,745	1,518,754,749	804,288,430	38,504,945,126	1,758,334,411
	34-Std Prem Written	42,471,983,934	2,668,772,075	2,748,489,366	2,665,320,503	2,529,891,488	2,487,686,426	2,228,506,004	57,800,649,796	2,571,684,592
	35-Std Prem Earned	42,517,383,889	2,681,330,524	2,752,003,393	2,662,624,601	2,510,954,086	2,512,167,061	1,460,641,026	57,097,104,580	2,518,771,041
	36-Loss Ratio (33/35)	69.90%	62.03%	60.43%	59.57%	61.66%	60.46%	55.06%	67.44%	69.81%

EXHIBIT B**New Jersey Schedule "W"****Exhibit of Policy Year Experience
Policy Years 1942–2005****As Developed to December 31, 2011**

Policy Year	Losses			Standard Premium		Loss Ratio
	<u>Paid</u>	<u>Outstanding</u>	<u>Incurred</u>	<u>Written</u>	<u>Earned</u>	
1942–1988	\$8,987,193,467	\$426,505,483	\$9,413,698,950	\$15,048,378,706	\$15,059,393,019	62.51%
1989	870,425,023	59,528,099	929,953,122	1,101,589,771	1,112,044,548	83.63
1990	900,583,044	88,283,544	988,866,588	1,113,837,984	1,121,466,420	88.18
1991	892,477,320	74,279,694	966,757,014	1,126,565,309	1,133,218,868	85.31
1992	949,895,565	102,289,960	1,052,185,525	1,248,949,452	1,278,690,550	82.29
1993	934,785,927	101,381,842	1,036,167,769	1,493,882,228	1,463,961,838	70.78
1994	882,376,768	98,871,914	981,248,682	1,612,071,117	1,582,310,993	62.01
1995	887,338,614	115,892,621	1,003,231,235	1,598,983,804	1,601,290,181	62.65
1996	875,080,632	125,098,172	1,000,178,804	1,636,327,001	1,636,975,916	61.10
1997	887,301,938	158,227,091	1,045,529,029	1,550,505,605	1,562,306,377	66.92
1998	924,042,997	208,859,190	1,132,902,187	1,540,709,662	1,547,990,524	73.19
1999	994,243,078	271,138,039	1,265,381,117	1,598,721,119	1,597,131,198	79.23
2000	1,051,569,170	349,861,818	1,401,430,988	1,606,410,617	1,608,811,532	87.11
2001	1,136,801,392	281,801,601	1,418,602,993	1,694,591,866	1,687,142,715	84.08
2002	1,184,816,763	307,659,690	1,492,476,453	1,795,406,915	1,812,009,194	82.37
2003	1,198,142,899	288,639,020	1,486,781,919	2,048,668,422	2,033,048,308	73.13
2004	1,146,142,943	342,352,281	1,488,495,224	2,149,585,159	2,177,529,872	68.36
2005	1,182,452,362	434,764,488	1,617,216,850	2,506,799,197	2,502,061,836	64.64
Total:	\$25,885,669,902	\$3,835,434,547	\$29,721,104,449	\$42,471,983,934	\$42,517,383,889	69.90%

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
1917–1966	\$2,248,783,364	58.34%	\$1,311,859,262	\$1,313,486,753	58.41%	(\$1,627,491)	-0.07%
1967	191,663,727	58.34	111,816,618	121,706,685	63.50	(9,890,067)	-5.16
1968	232,314,072	58.22	135,253,253	137,477,633	59.18	(2,224,380)	-0.96
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	1,710,525,369	61.08	51,982,790	1.86
2009	2,581,888,401	63.16	1,630,720,714	1,609,246,074	62.33	21,474,640	0.83
2010	2,375,708,761	62.88	1,493,845,669	1,598,723,478	67.29	(104,877,809)	-4.41
2011	2,518,771,041	62.39	1,571,461,252	1,758,334,411	69.81	(186,873,159)	-7.42
Total:	\$57,541,819,335	64.73%	\$37,245,799,893	\$38,771,156,577	67.38%	(\$1,525,356,684)	-2.65%

EXHIBIT D

Calendar Year 2011 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 INA Group	\$175,652,718	Federated Mutual Insurance Company	\$1,976,022	Old Republic General Insurance Group	\$45,994,920
ACIG Insurance Company	2,453,319	Fitchburg Mutual Insurance Company	1,788,207	OneBeacon Insurance Group	2,143,825
Allianz SE	3,349,832	Florists' Mutual Insurance Company	596,769	Pennsylvania National Mutual Cas. Ins. Co.	10,877,366
American Alternative Insurance Corporation	1,065,535	Frank Winston Crum Insurance, Inc.	296,586	Petroleum Casualty Company	657,841
American Compensation Insurance Company	254,241	Franklin Mutual Group	6,963,838	PMA Insurance Group	78,003,038
AmeriHealth Casualty Insurance Company	457,896	Great American P & C Insurance Group	9,104,237	Protective Insurance Company	5,556,481
Amerisure Companies	687,352	Greater New York Group	1,667,879	QBE Insurance Group Limited	11,468,544
AmTrust Financial Services, Inc.	40,873,174	Guarantee Insurance Company	32,835,098	Safety National Group	7,853,283
Arch Insurance Company	44,991,253	GUARD Insurance Group	32,654,998	SeaBright Insurance Company	10,218,739
Argonaut Insurance Group	2,438,141	GuideOne Mutual Insurance Company	730,501	Selective Insurance Group	59,505,024
Berkshire Hathaway Insurance Group	999,196	Harford Mutual Insurance Companies	786,762	Sentry Insurance Group	16,369,157
Blue Cross Blue Shield of Michigan	497,870	Harleysville Insurance Group	24,084,685	Sompo Japan Ins. Co. of America	4,049,546
Chartis Insurance Group	307,788,737	Hartford Insurance Group	258,539,394	SPARTA Insurance Company	6,043,787
Cherokee Insurance Company	522,066	HDI-Gerling America Insurance Company	698,631	State Farm Fire and Casualty Company	6,699,309
Chubb Group of Insurance Companies	39,545,889	Homesite Insurance Company	326,181	State National Insurance Company, Inc.	1,521,382
Church Mutual Insurance Company	2,416,759	Imperium Insurance Company	2,344,128	T.H.E. Insurance Company	372,506
Cincinnati Insurance Company	700,939	Leading Insurance Group Ins. Co. Ltd. USB	657,627	The Hanover Ins. Grp. Prop. & Cas. Cos.	12,038,198
CNA Insurance Companies	46,025,954	Liberty Mutual Insurance Companies	265,521,422	Tokio Marine Holdings, Inc.	4,191,204
Companion Property & Casualty Ins. Co.	37,287,321	Lumbermen's Underwriting Alliance	4,175,896	Tower Group, Inc.	19,966,256
Continental Indemnity Company	22,323,150	Magna Carta Companies	11,493,209	Transguard Insurance Co. of America	891,833
Cumberland Insurance Company Inc.	7,372,829	Majestic Insurance Company	6,482,639	Travelers Group	202,666,933
Dallas National Insurance Company	2,909,079	Meadowbrook Insurance Group	10,602,436	ULLICO Casualty Company	3,899,728
Eastern Alliance Insurance Group	1,442,495	MEMIC Indemnity Company	685,709	Utica National Insurance Group	6,594,811
Electric Insurance Company	2,251,515	Mercer Insurance Co. of New Jersey, Inc.	5,893,920	W. R. Berkley Group	7,408,721
Everest National Insurance Company	3,479,294	Merchants Insurance Group	6,046,069	Work First Casualty Company	1,354,501
Fairfax Financial (USA) Group	11,533,048	Mitsui Sumitomo US Insurance Group	4,973,344	XL Group plc	8,010,276
Farm Family Casualty Insurance Company	17,929,572	Motorists Commercial Mutual Insurance Co.	721,426	Zenith Insurance Company	7,861,773
Farmers Insurance Company of Flemington	1,636,584	Mutual Insurers Holding Company	261,977	Zurich Insurance Group Ltd.	137,501,157
Farmers Mutual Fire Ins. Co. of Salem Cty.	1,223,037	NJM Insurance Group	418,344,301	Companies under \$250,000	601,767

Total: \$2,571,684,592

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>
1987	\$3,954,529	\$1,043,816,401	0.0038	386,392	171,529	52,331
1988	4,431,583	1,137,597,624	0.0039	407,110	180,461	57,788
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	2,571,684,592	0.0053	712,221	215,082	91,459

EXHIBIT F**New Jersey Workers Compensation Experience
Unit Statistical Reports and Schedule "W"****Loss Development Ratios by Policy Year & Report Level**

Policy Year	Statistical Plan Reports				Schedule "W" 2011 to:		
	Second to <u>First</u>	Third to <u>Second</u>	Fourth to <u>Third</u>	Fifth to <u>First</u>	Statistical <u>First</u>	Statistical <u>Third</u>	Statistical <u>Fifth</u>
1995	1.147	1.058	1.033	1.302	1.505	1.241	1.156
1996	1.175	1.073	1.040	1.347	1.536	1.217	1.140
1997	1.170	1.101	1.034	1.355	1.538	1.194	1.135
1998	1.206	1.085	1.063	1.442	1.590	1.215	1.102
1999	1.210	1.081	1.040	1.402	1.550	1.185	1.105
2000	1.192	1.066	1.045	1.359	1.502	1.182	1.106
2001	1.183	1.077	1.034	1.346	1.446	1.135	1.074
2002	1.156	1.080	1.029	1.318	1.383	1.108	1.049
2003	1.149	1.069	1.030	1.294	1.367	1.113	1.057
2004	1.154	1.069	1.038	1.313	1.360	1.102	1.036
2005	1.158	1.086	1.047	XXXX	1.358	1.080	XXXX
2006	1.188	1.077	XXXX	XXXX	1.359	1.063	XXXX
2007	1.206	XXXX	XXXX	XXXX	1.345	XXXX	XXXX
2008	XXXX	XXXX	XXXX	XXXX	1.213	XXXX	XXXX
Average:	1.176	1.077	1.039	1.345	1.419	1.144	1.090

