



## New Jersey Schools Insurance Group

6000 Midlantic Drive, Suite 300 North  
Mount Laurel, New Jersey 08054  
(609) 386-6060 • FAX (609) 386-8877  
[www.njsig.org](http://www.njsig.org)

### Board of Trustees Meeting of June 15, 2016 Claim Report

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#### ❖ May 1, 2016 to May 31, 2016 CLAIM ACTIVITY

##### Workers' Compensation

|   |             |
|---|-------------|
| Total pending work comp cases last month (as of April 30)   | 2558        |
| New major work comp cases last month (May)                  | 555         |
| Total work comp cases last month (May)                      | 3108        |
| Total <u>closed</u> work comp cases last month (May)        | (622)       |
| <b>Total Pending Work Comp Cases this month (as of May)</b> | <b>2486</b> |

##### Property / Liability

|  |            |
|--|------------|
| Total pending property-liability cases last month (as of April 30) | 585        |
| New property-liability reports last month (May)                    | 117        |
| Total property-liability cases last month (May)                    | 702        |
| Total <u>closed</u> property-liability cases last month (May)      | (97)       |
| <b>Total Property-Liability Cases this month (as of May)</b>       | <b>605</b> |

##### Office Totals

|  |             |
|--|-------------|
| Total pending cases (as of April 30)       | 3143        |
| Total new reports last month (May)         | 667         |
| Total cases last month (May)               | 3810        |
| Total <u>closed</u> cases last month (May) | (719)       |
| <b>Total Pending cases as of May 31</b>    | <b>3091</b> |



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### ■PENDING BY ADJUSTER TITLE

| Job Title                    | May         |
|------------------------------|-------------|
| Medical Claim Supervisor     | 0           |
| Medical Claim Assistants     | 537         |
| Legal Claim Examiners        | 199         |
| Claim Examiners              | 1244        |
| Senior Claim Representatives | 858         |
| Claim Representatives        | 253         |
| <b>Totals</b>                | <b>3091</b> |

#### Work Load Standards

Medical Claim Assistants - to 125 Files

Legal Claim Examiners - to 200 files

Claim Examiners - to 200 files

Senior Claim Representatives - to 175 files

Claim Representatives - to 150 files

A recent change that will positively affect the workload of our Claims Adjusters is the creation of a caseload for our Claims Assistant, Janice Buchanan. This caseload will consist of existing auto pay - medical maintenance claims that were formally part of the pending caseload of our Claim Adjusters. Since these are low maintenance files, there was no need for them to be part of a Claims Adjuster's pending. This will help to reduce current caseloads and fewer files will help to make Claims Adjuster workloads more manageable.

### ■(MAY CLAIM ACTIVITY)

The total number of new reports for this period was 667. This was up 14% from last month (576) and up 6% from one year ago (625). Overall pending was 3091 is down 2% from the prior month (3143) and down 5% from two months ago (3244). Our workers' compensation incoming was up 10% and property-liability was up 31% from last month. The property-liability pending count contains two Hurricane Sandy claims. One has since settled and will close in June which will leave one Hurricane Sandy claim remaining.

### ■CLAIMS PERSONNEL

There were no changes within the Claims Department in May with regard to personnel. I continue to receive the utmost cooperation and assistance from the Workers' Compensation Supervisors, as well as Technical, Management and Support staff since becoming the Interim Claims Manager on April 5, 2016.

Revised: 6/4/16



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### ■SELECTED SELF-AUDIT RESULTS

|                           | RATING       |                | PERCENT      |
|---------------------------|--------------|----------------|--------------|
|                           | Satisfactory | Unsatisfactory |              |
| Reporting & Communication | 167          | 13             | 93%          |
| Direction                 | 280          | 24             | 92%          |
| 48 Hour Contact           | 106          | 15             | 88%          |
| Investigation             | 68           | 6              | 92%          |
| <b>TOTALS</b>             | <b>621</b>   | <b>58</b>      | <b>91.5%</b> |

The preceding results reflect audits completed on 8 individuals. Individual results: 95%, 95%, 98%, 92%, 95%, 95%, 91%, and 80% (the necessary corrective action has been taken).

### ■FRAUDULENT CHECK

The fraud check was completed for May. We have completed a review of 50 checks. No internal or external problems were found.

### ■ACCOUNT VISITATIONS AND INSTALLATIONS

No claim reviews were conducted in May. The Claims Department was represented at all sub fund meetings in May. Benefits of the NEPHA Hotline, which is available to the districts, was discussed from a claims perspective.

### ■EDUCATION AND TRAINING

In June, I will be attending the Munich Re Executive Claims Conference, Princeton, New Jersey. Theresa Brewer will be attending the Munich Re Adjuster Seminar, Madison, Wisconsin. At least 10 members of the claims staff will be attending the writing workshops to be held in Mount Laurel, NJ training facility on June 14 - 15, 2016.

### ■LITIGATION

There are no trial notifications to discuss. There is one litigated matter which will be discussed in executive session.



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### ■ MISCELLANEOUS - ANNUAL CLAIMS AUDIT

During the month of April, our yearly claims audit was conducted. The report is attached. I am pleased to report that the results were very positive. This year we took a different approach by being more proactive in working with the auditor to be sure there was a clear understanding of our handling, the current status and plan to resolve each claim.

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Our overall reserve redundancy is 54% (for every \$100 we reserve, actual payout was \$54)  
Span of control supervisor to adjuster is manageable at 4:1.  
Average pending is 175 for workers' compensation and 152 for non- workers' compensation which is in line with industry standards.

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Procedural Compliance with Guidelines: 100% (189 files reviewed- all lines)  
Reserving: 99.5% (189 files reviewed- all lines)  
Litigation Management: 97% (59 litigated files reviewed)  
CMS (Medicare) Reporting: 100% (189 files review -all lines)  
Coverage: 100% (189 files reviewed-all lines)  
Subrogation 84% (small sampling: out of 6 files reviewed, there was 1 finding )  
Contacts: 98% (189 files reviewed- all lines)  
Investigation: 97% (189 files reviewed all lines)  
File Control: 99.5% (189 files reviewed -all lines)  
Medical Management: 95% (42 files reviewed)  
Best Practices: 100% (189 files reviewed -all lines)  
Indexing (ISO/CIB): 100% (189 files reviewed -all lines)

*Tony Ruggeri*

Anthony Ruggeri  
Claims Manager (interim)