

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



Annual Report 2008

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NINETY-SECOND ANNUAL REPORT

INTRODUCTION

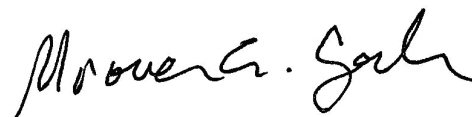
During the latter part of 2008, the New Jersey Legislature enacted the first major changes to the Bureau's statutory framework since 1917. The amendments were intended to clarify the role of the Bureau as an industry rate service organization for workers compensation, similar to sister organizations in most other states. While continuing the role of the Commissioner of Banking and Insurance to review and prior approve rate, form and rule changes, the amendments removed the direct supervision of the Commissioner over the Bureau. The legislation increased the transparency of Bureau operations and strengthened the role of the Governing Committee by adding three public members and the Commissioner as a non-voting, ex-officio member. In July 2009, the nine voting members of the Governing Committee will, after a transition period, begin to serve their three-year terms of office.

After several years of underwriting losses, rate levels have returned to adequacy and an overall rate level reduction of 1% was approved effective January 1, 2009. The 2009 increase in Schedule Rating debits and credits, as well as the cost differential in the residual market to 15%, continue to make the market more competitive to the benefit of all employers. These programs have encouraged carriers to write more business in the voluntary market, and have significantly depopulated the Plan. There appears to be a leveling out of the rate increases we have seen in recent years. While benefits for injured workers continue to rise, both medical and indemnity claim frequency continues to decline.

As a rate service organization, the Bureau collects a significant amount of financial and statistical data. In this regard, we have joined the program of the National Council on Compensation Insurance to collect detailed medical claim data for most workers compensation claims. The program will begin in 2010 and, over time, should provide useful information to specifically identify the scope of medical claims and how to better control their costs.

The new changes to the Bureau statute and rules are welcome and will assist the Bureau to continue to function effectively and efficiently. The Bureau will strive to serve the public as well as it has in its long history and will work to maintain a stable market for New Jersey employers, insurers and all those impacted by the system.

Respectfully Submitted,



Grover E. Czech, Esq.
Executive Director

REVISION OF MANUAL RATES - 2009

RATE LEVEL

The rate level decrease of 1.0% effective January 1, 2009 was based on the latest two policy years and latest calendar accident year of experience along with other considerations described below.

Analysis of the latest two policy years and the latest calendar accident year after adjustments for development and present premium and benefit levels using paid and incurred losses separately produced a premium level decrease of 1.6% due to experience. Analysis of the latest experience also indicated that a decrease of 0.9% due to trend factor considerations was necessary for inclusion in premium level determination.

Effective January 1, 2009, the maximum weekly benefit with respect to all types of injuries was increased from \$742 to \$773. The minimum weekly benefit also was increased from \$198 to \$206 for all kinds of injuries except permanent partial disabilities. A premium level increase of 2.0% was necessary to recognize the changes in benefits on a new and renewal basis only.

A decrease of 0.3% was applied to recognize the effect of a change in the allowance for production expense, a decrease of 0.1% was applied to recognize a change in the allowance for general expense and an increase of 0.4% was applied to recognize the effect of a change in the allowance for loss adjustment expense. The change in premium level resulting from adjustment to the allowance for the Security Fund assessment was a decrease of 0.2%.

The combined effect of the changes for the components above produced an **overall premium level** decrease of 0.7%.

The minimum surcharge amount in the Plan Premium Adjustment Program, applicable to risks written through the New Jersey Workers Compensation Insurance Plan, has been increased from 10% to 15%. As a result, the additional premium to be collected decreased the overall premium level by 0.3%.

The combined effect of the overall premium level change and the change to the minimum surcharge in the Plan Premium Adjustment Program results in an **overall rate level** decrease of 1.0%.

A Terrorism premium charge of \$0.03 per hundred of payroll is applicable to policies effective January 1, 2009 and thereafter, except for those policies providing coverage exclusively for private estate or residence employees or those policies where negotiation is used to determine the premium cost. Upward deviation from the \$0.03 rate, to a maximum of \$0.06, is also permitted.

A Catastrophe (Other than Certified Acts of Terrorism) premium charge of \$0.01 per hundred of payroll is applicable to policies effective January 1, 2009 and thereafter, except for those policies providing coverage exclusively for private estate or residence employees or those policies where negotiation is used to determine the premium cost.

Finally, the Uninsured Employers Fund Surcharge was changed to 0.12% and the Second Injury Fund Surcharge was changed to 6.08%.

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

RATE RELATIVITIES

The adjustment of rate relativities effective January 1, 2009 was based on the classification experience of policy years 2001 through 2005 for one-year policies and policy years 1999 through 2003 for the three-year, fixed-rate policies as reported under the New Jersey Statistical Plan.

There were 582 classifications in the Manual effective January 1, 2009, including the codes in the Admiralty and Federal Employers' Liability Schedule. 8 classifications carried no rate assignment. Of the remainder, 213 developed increased rates, 348 showed decreases and 13 were unchanged.

The rates for the classifications applicable 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.

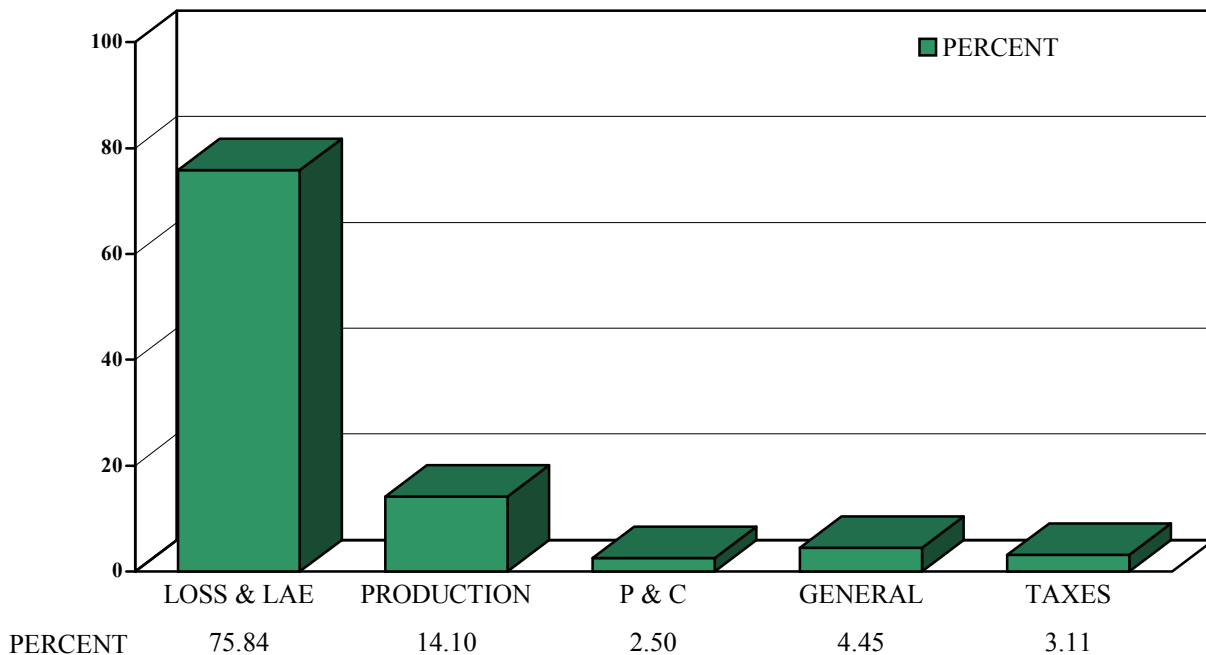
The revised Manual of Rates was included in Circular Letter #1773, dated November 18, 2008.

EXPENSES AND TAXES

The most important purpose of pricing is to generate the funds required to meet the cost of benefit obligations, but allowance must also be made for expense and tax requirements. These needs are regularly reviewed each year and adjustments made where appropriate. Since loss adjustment expense arises from claims against the employer and 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 and 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 is a device to express results on a common and 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, 2009 in the following amounts:

STANDARD EXPENSE PROVISIONS



Taxes include: Security Fund 0.46%, General State Premium 2.10%, Rate Supervision 0.25%, Miscellaneous Tax Provision 0.30%. Production includes commissions and branch office support to perform policy preparation functions. General includes administration, payroll audit and inspection. 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 systems of premium discount – Schedule Y or Schedule X. The discounts in Schedule Y are greater than those in Schedule X, and each company may 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, 2009 are:

	First	Next	Next	Over
Schedule Y	\$5,000	\$95,000	\$400,000	\$500,000
Applicable Discounts	--	9.2%	10.8%	11.8%

Schedule X discounts, while based on the same principle as indicated above, result in lower discount percentages. The Schedule X discounts effective January 1, 2009 are:

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

As of January 1, 2006, premium discount is not applicable 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>Taxes</u>	<u>Miscellaneous</u>	<u>Total</u>	<u>Percentage Change (%)</u>
1918 - 1972	0.704	4.386	1.030	1.034	3.289	--
July 1, 1973	0.974	1.013	1.013	0.998	0.998	(0.2)
July 1, 1974	0.955	1.007	1.014	1.000	0.975	(2.5)
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)

ANNOUNCEMENTS DURING 2008

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

The major issues, in addition to those previously discussed, are outlined below. All changes became effective January 1, 2009 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, 2009 and thereafter. The limiting loss values were also changed to reflect increasing loss costs. These changes were included in Manual Amendment Bulletin #442, dated November 18, 2008.

RETROSPECTIVE RATING – PREMIUM DISCOUNT

Expense Ratio Tables

Revised expense ratio tables were included in Manual Amendment Bulletin #443, dated November 18, 2008. 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 and included in Manual Amendment Bulletin #443, dated November 18, 2008.

Hazard Group Differentials

As a result of an examination of the latest available loss data, the four and seven-group systems of Hazard Group Differentials were revised and included in Manual Amendment Bulletin #443, dated November 18, 2008.

Excess Loss Premium Factors

As a result of an examination of the latest available loss data, the four and seven group systems of Excess Loss Premium Factors were revised and included in Manual Amendment Bulletin #443, dated November 18, 2008.

Tax Multipliers

As a result of adjustments in the tax provisions, the State and USL Tax Multipliers were revised and included in Manual Amendment Bulletin #443, dated November 18, 2008.

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 and included in Manual Amendment Bulletin #443, dated November 18, 2008.

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, 2009. The revised Table of Classifications by Hazard Group was included in Manual Amendment Bulletin #443, dated November 18, 2008.

Premium Discount

Adjustments were made to Schedule Y discounts in the Premium Discount Schedules and Tables as a result of the related expense element alterations. Schedule X discounts were not altered. This announcement was included in Manual Amendment Bulletin #443, dated November 18, 2008.

APPLICATION OF MANUAL

Anniversary Rating Date Definition

The Manual rule containing the definition of the anniversary rating date was amended to incorporate the changes to the Catastrophe Provisions that became effective September 1, 2008. The amended Manual rule was effective September 1, 2008, and was announced in Manual Amendment Bulletin #441, dated July 8, 2008.

Compulsory Insurance Requirements

The Manual rule pertaining to compulsory insurance requirements was amended to provide for requirements for corporate entities. The amended Manual rule became effective July 1, 2008 and was announced in Manual Amendment Bulletin #440, dated May 28, 2008.

PREPARATION AND AUDITING OF POLICIES

Executive Officers

Effective January 1, 2009, the maximum weekly payroll chargeable to executive officers and certain other employments was adjusted to \$2,120. The minimum weekly payroll was adjusted to \$530. The changes in the maximum and minimum weekly payroll amounts recognize the economic movement in weekly wages. The revised amounts were included in Manual Amendment Bulletin #442, dated November 18, 2008.

Appointed or Elected Public Officers

The minimum annual payroll for members of Boards of Education was increased to \$5,510, with an increase to \$1,100 in the minimum individual payroll for appointed or elected officers. These routine adjustments were included in Manual Amendment Bulletin #442, dated November 18, 2008.

Taxicab Companies and Drivers – Code 7370

The upset annual payroll applicable with this classification under certain stipulated conditions was increased to \$29,600. This change was included in Manual Amendment Bulletin #442, dated November 18, 2008.

Catastrophe Provisions

The Manual rule governing the application of the catastrophe rates was amended to incorporate the changes to the catastrophe provisions that became effective September 1, 2008. The amended Manual rule was effective September 1, 2008, and was announced in Manual Amendment Bulletin #441, dated July 8, 2008.

Application of the Experience Modification

The Manual rule governing the application of the experience modification was amended to incorporate the changes to the catastrophe provisions that became effective September 1, 2008. The amended Manual rule was effective September 1, 2008, and was announced in Manual Amendment Bulletin #441, dated July 8, 2008.

Charges for Higher Limits of Liability

The Manual rule governing charges for limits higher than standard policy limits for Employers Liability coverage was amended to incorporate the changes to the catastrophe provisions that became effective September 1, 2008. The amended Manual rule was effective September 1, 2008, and was announced in Manual Amendment Bulletin #441, dated July 8, 2008.

Definition of Standard Premium

The Manual rule defining standard premium was amended to incorporate the changes to the catastrophe provisions that became effective September 1, 2008. The amended Manual rule was effective September 1, 2008, and was announced in Manual Amendment Bulletin #441, dated July 8, 2008.

Spouse of Individual Proprietor or Partner

The Manual rule providing for the use of maximum and minimum weekly payroll amounts in the determination of premium for the spouse of an individual proprietor or partner was eliminated July 1, 2008, and was announced in Manual Amendment Bulletin #440, dated May 28, 2008.

Hired Vehicles

The Manual rule pertaining to hired vehicles was amended to remove an outdated reference. The amended Manual rule became effective July 1, 2008, and was announced in Manual Amendment Bulletin #440, dated May 28, 2008.

New Jersey Taxpayer Identification Number

The Manual rule providing for the reporting of the New Jersey Taxpayer Identification Number (NJTIN) in Workers Compensation and Employers Liability insurance policies was amended to provide direction for the reporting of the NJTIN for risks engaged in employee leasing arrangements. The amended Manual rule became effective July 1, 2008, and was announced in Manual Amendment Bulletin #440, dated May 28, 2008.

CATASTROPHE PROVISIONS

The rules in this section of the Manual were amended to provide for a single premium charge for coverage of foreign and domestic terrorism, and to authorize a premium charge for the coverage of catastrophes other than certified acts of terrorism. These amendments were made to comply with the provisions of the Terrorism Risk Insurance Program Reauthorization Act of 2007. The amended rules were effective September 1, 2008, and were announced in Manual Amendment Bulletin #441, dated July 8, 2008.

EMPLOYEE LEASING**New Jersey Taxpayer Identification Number**

The Manual rule providing for the reporting of the NJTIN in Workers Compensation and Employers Liability insurance policies for risks engaged in employee leasing arrangements was amended to provide direction for the reporting of the NJTIN. The amended Manual rule became effective July 1, 2008, and was announced in Manual Amendment Bulletin #440, dated May 28, 2008.

SCHEDULE RATING PLAN**Maximum Credit and Debit**

The Manual rule containing the maximum schedule rating percentage credit and debit amount was amended to provide for a change from 10% to 15% for both values. This announcement was included in Manual Amendment Bulletin #442, dated November 18, 2008.

WORKERS COMPENSATION INSURANCE PLAN**Plan Premium Adjustment Program**

The Manual rules containing the minimum Plan Premium Adjustment Program surcharge were amended to provide for a change in the minimum surcharge amount from 10% to 15%. This change was announced in Manual Amendment Bulletin #442, dated November 18, 2008.

National Workers Compensation Reinsurance Pool

The Manual rule listing the responsibilities of the National Workers Compensation Reinsurance Pool with respect to the New Jersey Workers Compensation Insurance Plan was amended to reflect the current responsibilities. The amended rule was included in Manual Amendment Bulletin #442, dated November 18, 2008.

New Jersey Workers Compensation Insurance Plan Expirations

The Manual rule providing for the release of information regarding New Jersey Workers Compensation Insurance Plan policy expirations was amended to provide for the current manner of distribution. The amended rule was included in Manual Amendment Bulletin #442, dated November 18, 2008.

STATISTICAL

Catastrophe Provisions

The Statistical Plan was amended to include those Manual rules that contain the changes to the Catastrophe Provisions that were announced in Manual Amendment Bulletin #441, dated July 8, 2008. The Statistical Plan changes were effective September 1, 2008, and included in Statistical Circular #110, dated July 8, 2008.

CLASSIFICATIONS

Farm – Nursery Employees & Drivers.....0005

The phraseology and explanatory footnote for code 0005 were amended to provide for consistency with those used nationally and to remove gender from the phraseology. These changes were included in Manual Amendment Bulletin #442, dated November 18, 2008.

Sugar Manufacturing or Refining from Sugar Cane or Sugar Beets.....6504

New phraseology reflecting the operations of the sugar manufacturing and refining industry were added to code 6504. The code to which these operations were previously assigned (2021) was discontinued. These changes were included in Manual Amendment Bulletin #442, dated November 18, 2008.

Rescue Mission – All Operations & Drivers8836

The phraseology for code 8836 was amended to remove clerical exposures from the class. This change was included in Manual Amendment Bulletin #442, dated November 18, 2008.

Classification Codes Discontinued

Sugar Refining.....	2021
Millinery Mfg.....	2532
Acid Mfg.....	4536
Bill Posting.....	9545

Code 2021 was discontinued for underwriting reasons. Codes 2532, 4536 and 9545 were discontinued because of a lack of experience reported during the latest five-year period. These changes were announced in Manual Amendment Bulletin #442, dated November 18, 2008.

FORMS

Effective September 1, 2008, the Manual was amended to withdraw the Terrorism Risk Insurance Program Reauthorization Act Endorsement, WC 00 01 13 A, because the disclosure information in that endorsement was already included in the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement, WC 00 04 22 A. Notice of the withdrawal of the Terrorism Risk Insurance Program Reauthorization Act Endorsement was included in Manual Amendment Bulletin #441, dated July 8, 2008.

Effective September 1, 2008, the Manual was amended to include the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement, WC 00 04 22 A. This endorsement replaced the Foreign Terrorism Premium Endorsement, WC 00 04 22. The revised endorsement removed references to foreign terrorism, and was included in Manual Amendment Bulletin #441, dated July 8, 2008.

Effective September 1, 2008, the Manual was amended to include the Catastrophe (Other than Certified Acts of Terrorism) Premium Endorsement, WC 00 04 21 C. This endorsement replaced the Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents Premium Endorsement, WC 00 04 21 B. The revised endorsement removed references to domestic terrorism, revised the definition of “catastrophe,” and was included in Manual Amendment Bulletin #441, dated July 8, 2008.

Effective January 1, 2009, the Manual was amended to include a revised New Jersey Premium Discount Endorsement – Schedule Y, WC 29 04 06 V. The endorsement was revised to accommodate changes in the expense provisions, and was included in Manual Amendment Bulletin #443, dated November 18, 2008.

Effective September 1, 2008, the Manual was amended to include revised Policy Information Page Algorithms. The revisions were made in consideration of the changes made to the Catastrophe Provisions, and were included in Manual Amendment Bulletin #441, dated July 8, 2008.

SPECIAL SERVICE CHARGES

The rules in this section of the Manual were amended to reflect changes in the availability of experience rating modifications and to reflect changes to the distribution of the Manual itself. The amended rules were announced in Manual Amendment Bulletin #442, dated November 18, 2008.

OTHER ANNOUNCEMENTS

During the year, the Bureau issued six Advisory Bulletins. Advisory Bulletins contain information pertinent to workers compensation issues in New Jersey, but do not directly affect rules in the Manual. A brief summary of the Advisory Bulletins issued during 2008 follows:

Advisory Bulletin #22, dated February 5, 2008, was issued to encourage carriers that had not adopted the eRatings Program to consider its use. The eRatings Program allows carriers to obtain the Experience Rating Worksheets of their insureds at the Bureau website.

Advisory Bulletin #23, dated February 6, 2008, was issued to provide information regarding the changes introduced by the passage of the Terrorism Risk Insurance Program Reauthorization Act of 2007.

Advisory Bulletin #24, dated September 3, 2008, was issued to notify members that the Policy Coverage search function available at the Bureau website had been enhanced with the inclusion of cancellation and reinstatement notices.

Advisory Bulletin #25, dated December 5, 2008, was issued to notify members that experience modification data was available in compact disc format for a fee from the Bureau, and that this data was also available free of charge at the Bureau website.

Advisory Bulletin #26, dated December 5, 2008, was issued to notify members that the Manual was available in paper or compact disc format for a fee from the Bureau, and that the Manual was also available free of charge at the Bureau website.

Advisory Bulletin #27, dated December 19, 2008, was issued to notify members of the New Jersey Supreme Court decision in the matter of Walter Sroczynski vs. John Milek. In this case, the Court ruled that magnetic tape and electronic notices of cancellation filed with the Bureau were ineffective because the notices did not include a certification required by statute. The Bulletin outlined certification procedures that should be followed by insurers when filing the cancellation notices in either magnetic tape or electronic formats.

FINANCIAL - 2008

In accordance with established practice, an outside accounting firm is retained on a three-year rotating basis to audit the Bureau. Suplee, Clooney & Company was appointed to complete the audit for the fiscal year ending June 30, 2008. 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 9, 2008. 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 2008. 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 is of interest because it 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 2008

INCOME

Total Quarterly Assessments		\$12,498,179
Rating Data, Bulletin Services and Forms	27,606	
Interest Income	55,216	
Miscellaneous Income	<u>800,782</u>	<u>883,615</u>
Total Income		\$13,381,794

EXPENDITURES

Salaries	\$ 6,567,729
Contract Personnel Service	107,110
FICA Tax	486,480
Employee Relations & Welfare	2,014,893
Rent, Maintenance, Repair & Alteration of Premises	679,295
Printing & Stationery	77,806
Postage & Express	111,457
Telephone	55,534
Insurance	56,638
Furniture, Office Machines & Equipment Rental	280,947
Data Processing	923,687
Legal & Auditing	76,068
Travel & Travel Items	147,664
Employee Recruitment	5,072
Pension	702,140
Miscellaneous	114,090
Total Expenditures	\$12,406,610
Excess Income over Expenditures	\$ 975,184

STATEMENT OF ASSETS AND LIABILITIES AT DECEMBER 31, 2008

ASSETS

Cash in Bank – Operating Account	\$ 90,811
Cash in Bank – Payroll Account	10,354
Petty Cash	500
Accounts Receivable	3,440
Money Market Account	2,865,740
Hudson City Bank CD	250,000
Total Assets	\$3,220,845

LIABILITIES

Expense Lease Commitment	\$ 47,231
Pension – Bureau Accrued	702,140
Excess Funds as of January 1	988,730
Excess Funds January 1 thru December 31	975,184
Assessment adjustment liability – Fiscal Year 2007/2008	507,560
Total Liabilities	\$3,220,845

BUREAU MEMBERSHIP CHANGES

AT THE END OF 2007, THE BUREAU WAS COMPRISED OF 397 MEMBER COMPANIES.

During 2008, the following 12 companies were admitted:

Acadia Insurance Company
Alamance Insurance Company
Arch Indemnity Insurance Company
Capitol Indemnity Corporation
Continental Western Insurance Company
Endurance American Insurance Company
Farmers Insurance Exchange
Mid-Century Insurance Company
Preferred Professional Insurance Company
Union Standard Insurance Company
Western Diversified Casualty Insurance Company
Zurich American Insurance Company of IL

Membership of the following companies was withdrawn during the year:

Cumis Insurance Society Inc
Eagle Insurance Company
Employers Reinsurance Corporation
Newark Insurance Company
Providence Washington Insurance Company of NY

THE TOTAL MEMBERSHIP AT THE END OF 2008 WAS 404.

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

ABF Freight System, Inc. (2001)	Federal Express Corp. (1989)	Merck & Co., Inc. (1980)	Sherwin-Williams Company (1992)
Acme Markets, Inc. (2002)	FedEx Freight, Inc. (2006)	Merrill Lynch & Co., Inc. & Subsid. (2003)	Shopwell Inc. (1990)
Amsted Industries, Inc. (1978)	FedEx Ground Package System, Inc. (1996)	Metuchen, Roman Catholic Diocese of (1988)	Shore Memorial Hospital (1994)
AtlantiCare Regional Medical Center (2006)	FedEx SmartPost, Inc. (2005)	Monmouth Ocean Hospital Serv. Corp. (2005)	Shorewood Packing Company (2001)
Atlantic City Electric Company (1981)	FirstEnergy Corporation & Subsidiaries (2004)	New York Times Co. & Subs. (1994)	Simon & Schuster, Inc. (1991)
Atlantic Health System, Inc. & Subs. (2006)	Ford Motor Company (1921)	Newark, Roman Catholic Archdi. of (1980)	Super Fresh Food Markets (1981)
Atlantic States Cast Iron Pipe Co. (1978)	Gannett Satellite Inf. Network (1993)	Nordstrom, Inc. (1990)	Supermarket Dist. Service Corp. (1990)
Bancroft Neuro Health, Inc. (1994)	General Motors Corp (1927)	PPG Industries, Inc. (1926)	Target Corp. (2000)
Bergen Regional Medical Center, LP (2003)	Giant of Maryland LLC (1999)	PRC-DeSoto International, Inc. (2008)	TownePlace Management Corporation (2001)
BJ's Wholesale Club, Inc. (1999)	Great Atlantic & Pacific Tea Co., Inc. (1959)	PSEG Power LLC & Subsidiaries (2000)	Toys "R" Us NJ Inc. (1993)
BJ's NJ Distribution Center, LLC (2005)	Hercules, Inc. (1917)	PSEG Services Corp. (2000)	Trenton, Roman Catholic Diocese of
Bon Secours Health System, Inc. & Subs. (2003)	Herr Foods, Inc. (1992)	Parker Hannifin Corp. (1997)	United Water New Jersey, Inc. (1917)
CBS Broadcasting Inc. (2002)	Hilton Hotels Corp. (1984)	Paterson, Roman Catholic Diocese of (1974)	Valley Home Care, Inc. (1999)
CBS Outdoor Group Inc. (2002)	Holy Redeemer Health Syst. & Affiliates (2006)	Pathmark Stores, Inc. (1979)	Valley Hospital Foundation (1999)
CBS Outdoor Inc. (2002)	International Paper Company (1942)	Plainbridge, Inc. (1993)	Valley Hospital, Inc. (1998)
CVS/Caremark Corporation (2007)	Kimble Glass, Inc. (1992)	Presbyterian Homes & Services Inc. (2000)	Valley Medical Services (1999)
Camden, Roman Catholic Diocese of (1973)	King World Corporation (2002)	Princeton University (1991)	Virtua Health Inc. & Subs. (2000)
Cape Regional Medical Center, Inc. (2006)	Kontes Glass Company (1997)	Procter & Gamble Distributing Co. (1993)	Volvo Cars of North America, Inc. (2000)
Chevron U.S.A., Inc. (1961)	Lowe's Home Centers, Inc. (2001)	Procter & Gamble Manufacturing Co. (1970)	Waldbaums, Inc. (1990)
Colonial Concrete Co. & Subsidiaries (2007)	Macy's, Inc. & Subsidiaries (2007)	Public Service Electric & Gas Co. (1929)	Wegman's Food Markets, Inc. (1999)
ConAgra Foods, Inc. & Subsidiaries (2001)	Marriott Claims Services Corporation (2001)	Quick Check Corporation (1993)	Weyerhaeuser Company (1958)
Cooper Hospital/Univ. Medical Center (1986)	Marriott Hotel Services, Inc. (1990)	Ralph Clayton & Sons and Affiliates (2002)	White Castle System, Inc. (1993)
Costco Wholesale Corporation (1997)	Marriott International Inc. (1993)	Residence Inn by Marriott, Inc. (2001)	White Rose, Inc. (2008)
Courtyard Management Corp. (1990)	Marriott International Admin. Serv. Inc. (1996)	Retailers & Manufacturers Dist & Subs (2006)	Yellow Transportation, Inc. (2002)
DCH Auto Group (USA) Inc. & Subs. (2006)	Marriott Ownership Resorts, Inc. (1992)	Robert Wood Johnson Univ. Hospital (1988)	
Delphi Automotive Systems Corporation (1999)	Marriott Resort at Seaview, Inc. (1988)	Rose Trucking Corp. (1994)	
DuPont Performance Elastomers L.L.C. (1996)	Marriott Resort at Seaview, Inc. (1988)	Ryder System, Inc. & Subsidiaries (1991)	
E.I. Dupont de Nemours & Company (1918)	Memorial Sloan-Kettering Cancer Center (2006)	St. Peter's University Hospital (1988)	
Execustay Corporation (2001)		Sherwin-Williams Automotive Finishes (1996)	
Exxonmobile Research & Engineering Co. (1927)			

RATING DIVISION

EXPERIENCE RATING

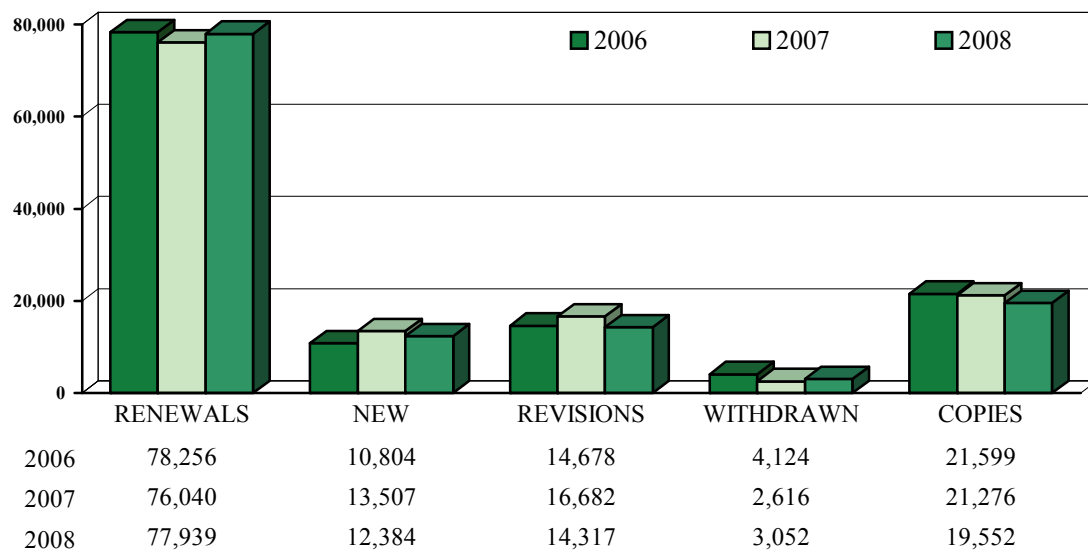
The Rating Division is responsible for the review of statistical data in the processing of experience ratings and their revisions. It is required to issue rating data to insurers and other authorized parties.

The number of risks which qualified for experience rating in 2008 was 98,411, an increase of 1.8% from the 96,626 risks qualifying for rating in 2007.

There were 90,323 new and renewal experience ratings prepared and issued in calendar year 2008 compared to 89,547 in 2007. The overall activity during 2008 is illustrated by the following graph.

EXPERIENCE RATING ACTIVITY

DURING 2008



Percentage of Ratings Issued in Relation To Effective Date – Calendar Year 2008						
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	2006	2007	2008
2.3%	19.7%	26.0%	52.0%	76.8%	76.9%	78.0%

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>	
1984	44,467	\$1,966,323,323	\$1,838,053,910	0.935
1985	42,727	1,772,822,537	1,671,274,975	0.943
1986	44,489	1,716,886,779	1,620,573,487	0.944
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

POLICY REVIEW FOR EXPERIENCE RATING

The Rating Division is required to review policies subject to experience rating which contain non-conforming items. The number of such policies handled in 2008 was 25,698, an increase of 0.7% from the 25,520 reviewed in 2007.

OWNERSHIP

The Rating Division also is required to examine ownership with regard to the combination of entities, changes of ownership interests and mergers involving insured businesses. The number of ownership issues handled in 2008 was 11,812, an increase of 2.9% from the 11,478 handled in 2007.

RETROSPECTIVE RATING

Retrospective Rating was elected by 121 risks in 2008, down from 364 risks in 2007. The estimated premium for the 121 risks was \$29,971,654, compared with \$75,652,182 in 2007. The decrease in premium amounted to 60.4%. Of the 121 retrospectively rated risks, 102 elected the Large Risk Alternative Rating Option, down from 325 in 2007. The premium for risks electing the Large Risk Alternative Rating Option was \$28,368,687, compared to \$69,310,091 in 2007, a decrease of 59.1%. Following is an exhibit of the retrospective rating programs effective in 2008:

RETROSPECTIVE RATING			
<u>TYPE/TERM</u>	<u>NO.</u>	<u>LOSS LIMIT</u>	<u>EST. STD. PREMIUM</u>
V-1	19	5	\$ 1,602,967
V-3	0	0	0
V-Long Term	0	0	0
LRA-1	102	58	28,368,687
LRA-3	0	0	0
LRA-Long Term	<u>0</u>	<u>0</u>	<u>0</u>
Total	121	63	\$29,971,654

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 1,930 in 2008, a decrease of 1.5% from the 1,960 risks in 2007. The New Jersey premium subject to this program in 2008 was \$648,240,683, and the resultant deductible premium was \$119,526,842.

UNDERWRITING DIVISION

The Underwriting Division is responsible for general classification studies, field audits, inspections and the New Jersey Workers Compensation Insurance Plan. The Division is also responsible for reviewing individual disability reports to assure proper classification assignment.

During 2008, the number of inspections increased and the number of audits decreased. There were 57,364 individual pieces of correspondence received dealing with classification, auditing, underwriting and Plan risk matters, representing an increase of 4.4% from the 54,972 received in 2007. Total correspondence for 2008 included 6,764 pieces resulting directly from employer non-cooperation with Plan Servicing Carriers.

INVESTIGATIONS

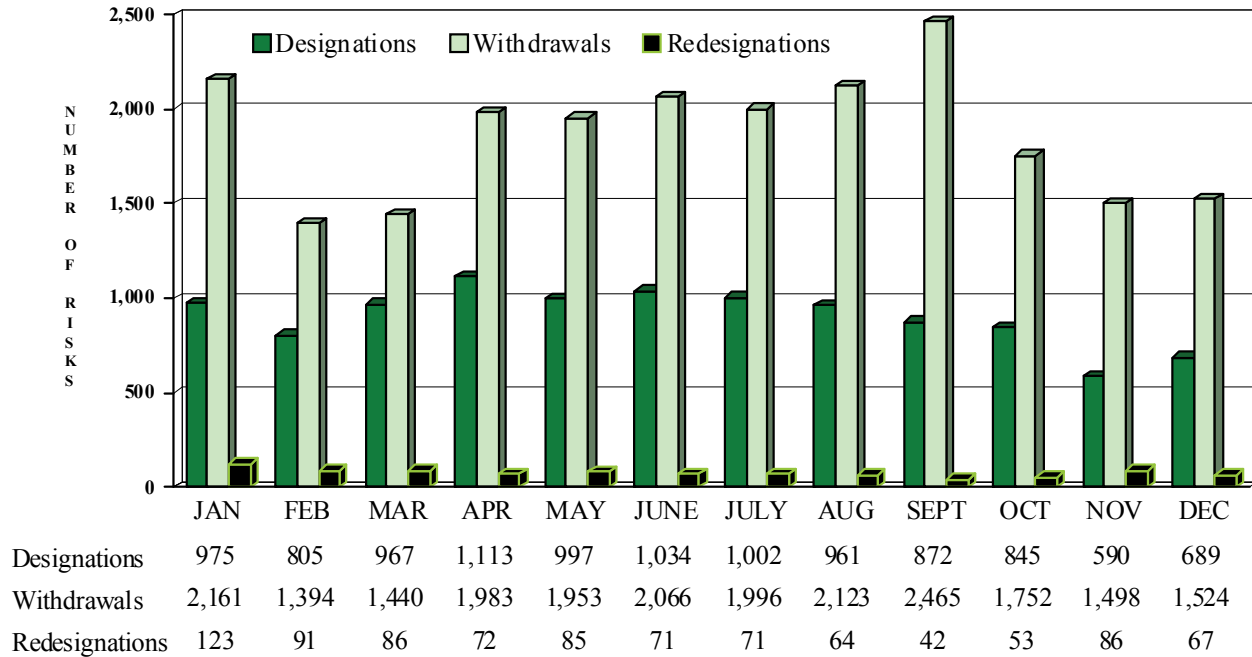
The field activity is outlined in the following exhibit. For comparison, the two preceding years are shown.

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Classification Surveys	3,724	3,005	3,416
Audits	2,676	2,572	2,367
Visits - No Inspection	1,131	1,049	1,152
Visits - No Audit	290	216	208
General Investigations	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	7,821	6,842	7,143

THE NEW JERSEY WORKERS COMPENSATION INSURANCE PLAN

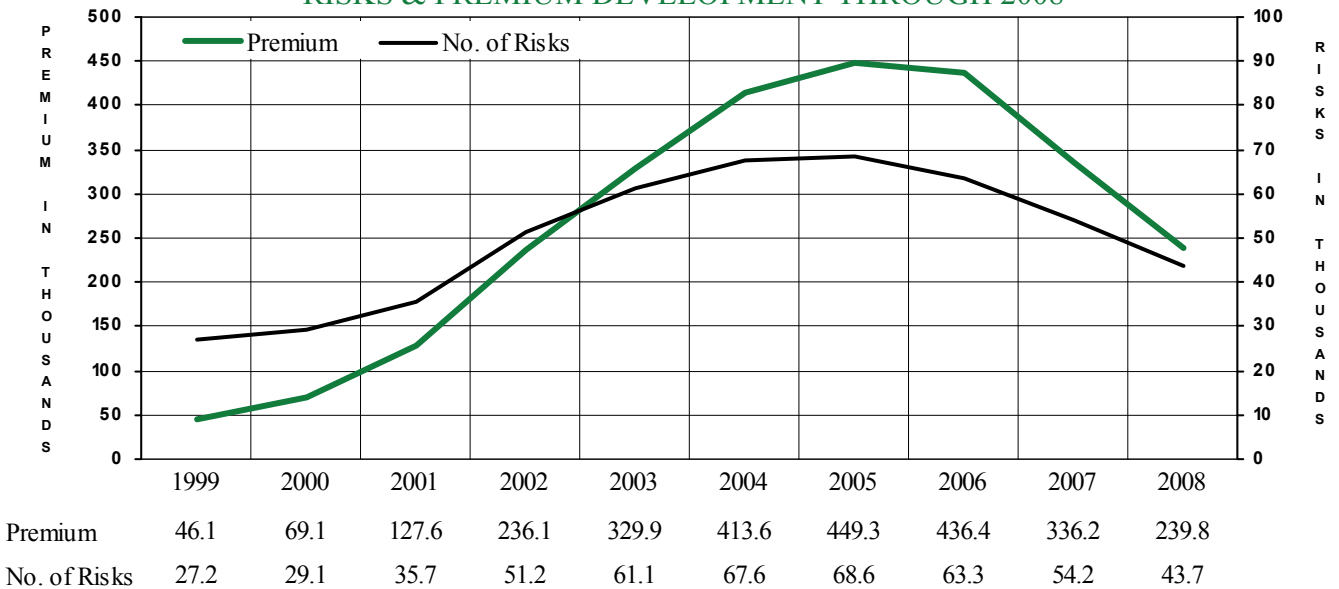
At the end of 2008, there were 43,734 Plan risks with an estimated annual premium of \$239,792,329, which represents approximately 8.9% of the total New Jersey workers compensation market, compared to 12.4% in 2007. The residual market currently provides coverage to approximately 20% of New Jersey's insured employers. There were 10,850 new designations in 2008, representing a 21.4% decrease from the 13,810 employers newly designated in 2007. There were 22,355 withdrawals in 2008, representing a decrease of approximately 7.0% from the 24,030 withdrawals in 2007. There were 911 employers assigned to new insurance companies upon notice by the designated company that it wished to be relieved of providing renewal coverage (Paragraph 14 of the Plan), representing an increase of 49.1% from the 611 in 2007. The Web Application Submission System for Plan risks processed 5,613 new designations, accounting for 52% of new Plan activity in 2008 compared to 45% in 2007.

MONTHLY PLAN ACTIVITY – 2008



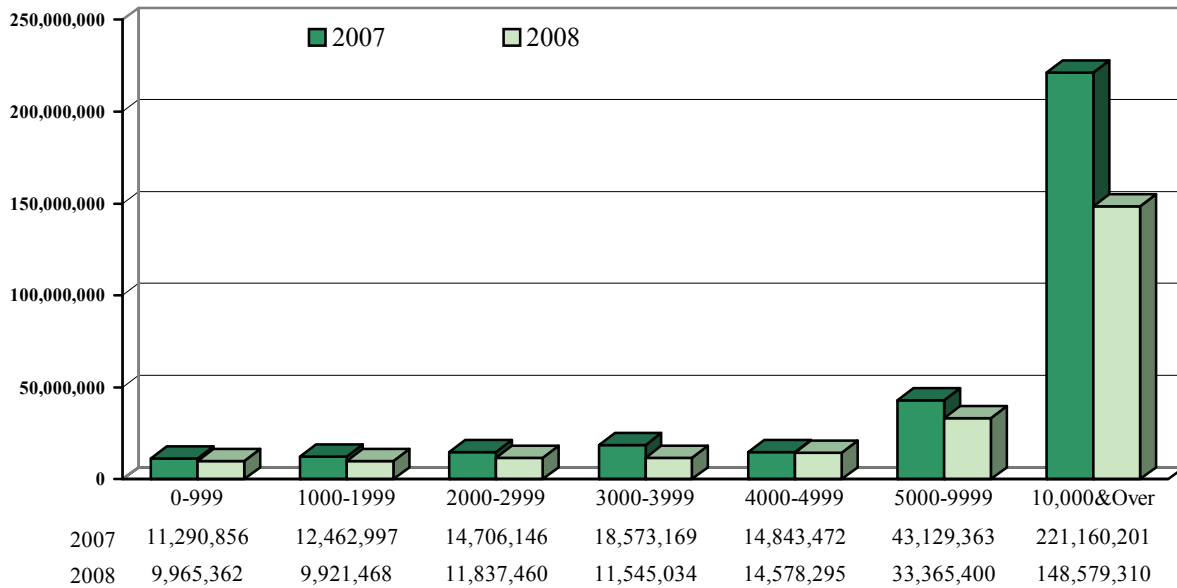
The 43,734 Plan risks with an estimated annual Plan premium of \$239,792,329 is less than the 54,220 risks with an estimated annual Plan premium of \$336,166,204 at the end of 2007. The difference represents a decrease of approximately 19.3% in the total number of Plan risks and a decrease of 28.7% in the estimated annual Plan premium. These results are encouraging and reflect a continuing gradual reduction in overall Plan activity. This is also reflective of increased Plan depopulation resulting from additional incentives implemented by the Bureau in 2006 and 2007, including elimination of Premium Discount for Plan risks and expansion of the Plan Premium Adjustment Program. The following graph shows the development since 1999.

RISKS & PREMIUM DEVELOPMENT THROUGH 2008

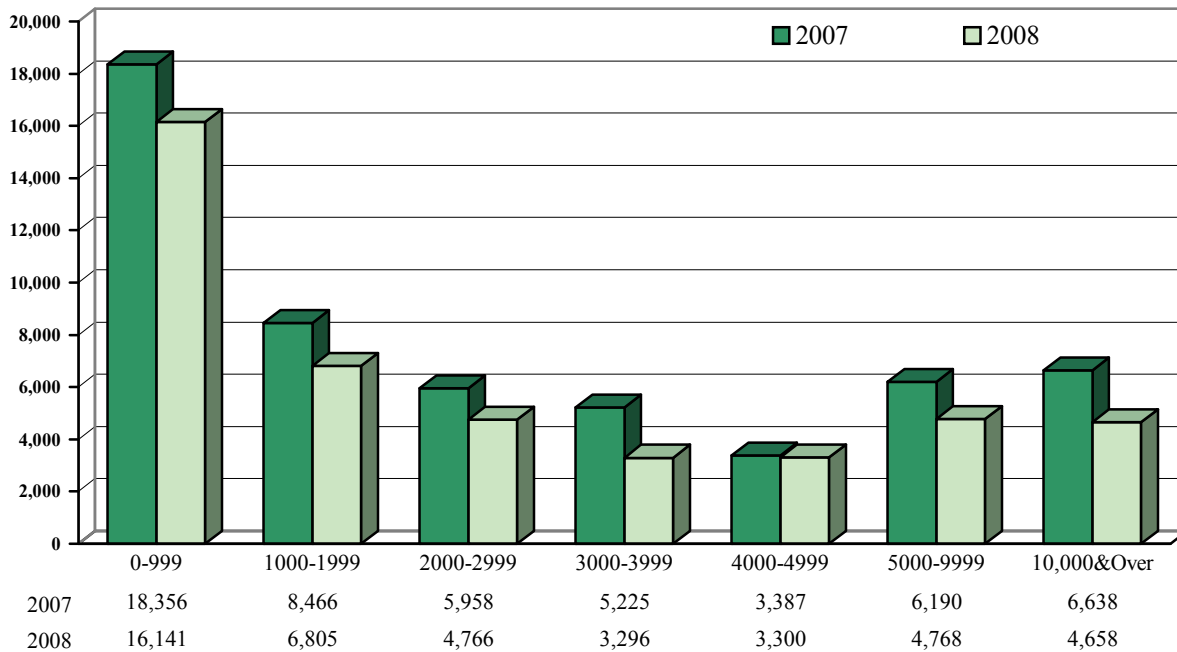


In 2008, 89% of Plan risks and 38% of the annual Plan premium were in the premium size group of \$0 to \$9,999. The average Plan risk generated premium of \$5,483. Other than the premium size group of “10,000 and over,” the 2008 distribution of Plan business by premium size was reasonably consistent with the previous year. The decrease in number of Plan risks and total Plan premium are indicative of overall market improvement and stabilization in New Jersey, and reflect the effects of the current economic climate.

DISTRIBUTION BY PREMIUM GROUP SIZE



RISK DISTRIBUTION BY PREMIUM GROUP SIZE



Premium credit of \$399,332,587 was in effect December 31, 2008 for 32,169 Plan risks written as regular business compared to \$320,295,071 premium for 31,083 risks as of December 31, 2007. The credit procedure has been in effect since July 1, 1963.

The status of the distribution of Plan Risks as of December 31, 2008 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, 2008
(Pro-Rata Share Based on Premium Writings of Fiscal Year Ending June 30, 2007)
(Premium is Policy or Plan Estimate)**

Insurance Company*	Completed Transactions		Outstanding Renewals		Outstanding New		Total Assignments		Voluntary Credits		Grand Totals		Quota	Factor
	Number	Premium	Number	Premium	Number	Premium	Number	Premium	Number	Premium	Number	Premium		
American Zurich Ins. Co.*	7,366	34,947,500	426	1,829,396	226	1,433,755	8,018	38,210,651	715	6,008,694	8,733	44,219,345	47,103,506	0.939
-Companion Prop. & Cas. Ins. Co.	1,158	5,753,549	4	11,491			1,162	5,765,040	424	17,709,896	1,586	23,474,936	19,697,830	1.740
Continental Insurance Co. of NJ*	1,506	5,911,499	96	385,448	34	298,672	1,636	6,595,619	680	8,637,870	2,316	15,233,489	15,914,210	0.957
Hartford Underwriters Ins. Co.*	1,557	7,329,397	118	1,110,772	2	6,513	1,677	8,446,682	6,821	49,671,648	8,498	58,118,330	47,301,635	1.229
-Liberty Insurance Corporation	10,373	62,414,467	872	4,348,924	57	751,640	11,302	67,515,031	1,558	33,001,692	12,860	100,516,723	236,393,133	0.974
New Jersey Casualty Ins. Co.*	12,954	62,687,221	760	3,769,912	550	2,213,610	14,264	68,670,743	809	35,116,642	15,073	103,787,385	111,770,165	0.929
Selective Ins. Co. of America*	395	1,348,063	67	183,972			462	1,532,035	2,192	21,385,547	2,654	22,917,582	23,053,236	0.994
-Travelers Indemnity Company*	4,907	40,061,620	302	2,800,099	4	194,809	5,213	43,056,528	1,588	11,712,414	6,801	54,768,942	137,891,201	0.946
II Non-Servicing Members of /orkers' Comp. Reinsurance Pool									17,382	216,088,184	17,382	216,088,184		
Total	40,216	220,453,316	2,645	14,440,014	873	4,898,999	43,734	239,792,329	32,169	399,332,587	75,903	639,124,916	639,124,916	

- Servicing Member of National Workers' Compensation Reinsurance Pool.

Including Companies under the same management

TABLE VI
Historical Plan Experience

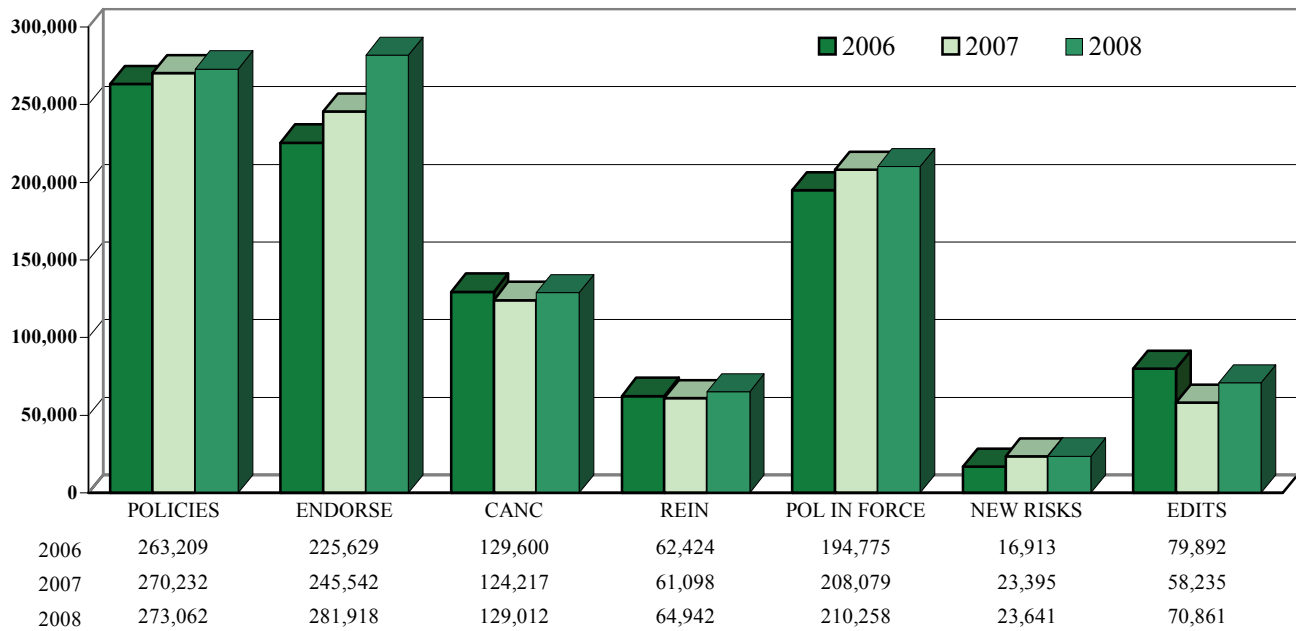
Policy Year	Number of Policies	Percent of Total	Standard Premium Incl. L & E Constant	Percent of Total	Total Incurred Loss	Loss Ratio
1972	15,706	12.5%	\$ 9,751,301	3.0%	\$ 7,060,701	72.41%
1973	13,634	10.3	7,260,486	2.1	4,945,611	68.12
1974	11,628	8.6	6,096,150	1.7	5,112,611	83.87
1975	12,605	9.2	8,073,206	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	357,620,142	18.6	271,969,903	76.05
2004	64,145	33.3	420,520,118	20.1	270,876,757	64.41
2005	67,561	34.2	469,267,341	19.5	276,010,792	58.82
2006	60,617	30.4	415,589,644	16.1	218,627,697	52.61

POLICY REVIEW DIVISION

POLICY FILINGS

In 2008, the total filings of policies, endorsements, cancellations and reinstatements received amounted to 748,834 compared to 701,089 the previous year. This change represents an increase of 6.8%. Policies and endorsements increased 7.6%. Policies in force increased 1.0%. Cancellations and reinstatements increased by 4.7%. New risks increased 1.1%. The computer edit error rate for all policies increased 21.7% in 2008, mainly due to errors involving the filing of TRIPRA endorsements.

RECEIPT AND DISTRIBUTION OF POLICY MATERIAL



POLICY FORMS

Forms must be filed before a policy, information page, endorsement, cancellation or reinstatement form may be used. In 2008, the amount of specimen policy forms reviewed was 1,239. During the previous year, 1,041 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.

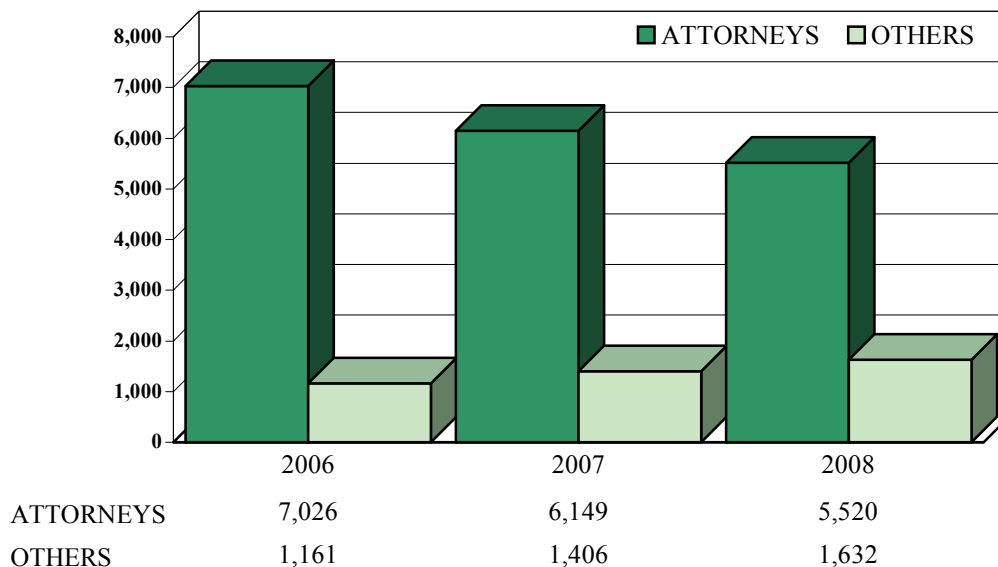
Policy material, correspondence, reports of experience and inspection reports with respect to a given New Jersey employer are housed in individual risk files. Each file is identified by a six-digit number. The file number is determined from the name of the employer through the use of a computer inquiry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

During 1998, the Bureau completed the conversion of all hard-copy individual risk files to a computerized data filing system. A total of 1,074,123 documents consisting of correspondence as well as inspection and audit reports were imaged. From 1999 through 2007, an additional 1,718,478 documents were imaged. Most of these documents represented new incoming material as well as material located by reviewing the existing filing system for documents that had not been imaged previously. In 2008, a total of 207,191 documents were imaged. At the present time, 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 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 website. As illustrated below, the 5,520 written requests from attorneys in 2008 represented a decrease of 10.2% from 2007. This decrease is likely the result of an increased use of the Bureau website. Inquiries made via the website cannot be quantified, however. The Bureau also received 1,122 letters from the Department of Labor and Workforce Development, 100 e-mails from insurance companies, 92 letters requesting copies of cancellation notices and transmittal letters, and 318 letters from insurance companies and labor unions.

RECORD OF COVERAGE INQUIRIES (Paper Format Only)



MANAGEMENT INFORMATION SYSTEMS DIVISION

The processing of statistical reports of experience, experience ratings, field audit selections, policy coverage requests, Plan Risk accounting and selection of carriers to afford 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 (WCRATE), experience modification data (WCMODS) and policy pre-delinquent and delinquent data (WCCNTL) for unit statistical filing purposes. The ability of a carrier to be able to immediately input policy year rates, surcharges and classification data eliminates the high percentage of rate and surcharge errors usually found in January and February policies.

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

The MIS Division provides the New Jersey workers compensation insurance community with a number of electronic services via our website, which are intended to provide large amounts of data to users. Also available is the File Transfer Protocol (FTP), which allows member carriers to submit WCPOLS and WCSTAT data records via electronic transmissions.

The following information and online applications are now available at the Bureau website: a list of Bureau contacts, the latest Annual Report, E-mail Notification Service, the New Jersey Workers Compensation Online Insurance Plan Application for Designation of an Insurance Company, Aggregate Financial Reporting, Circulars and Bulletins, Bureau Manual, Exploring the Cost of a Workers Compensation Policy booklet, Exploring Experience Rating booklet, New Jersey Forms, Workers Compensation Rates, and FROI/SROI EDI Reporting. The website also makes available data searches for Actuarial Statistics, Classification Experience and Policy Coverage, Rates, Experience Rating Modifications and residual market information.

Finally, the Bureau offers Experience Rating worksheets (eRatings) on the Bureau website for access by the carrier community and accepts data from CDX. In 2008, the Bureau expanded the Policy Coverage Search Inquiry, which now contains six years of policy data including cancellations and reinstatements. This data is updated every 24 hours. The Bureau website is available at www.njcrib.com.

ACTUARIAL 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 2008 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. The addition of loss adjustment expenses and any other expenses that must be considered when assessing the profitability of the system results in a combined loss and expense ratio.

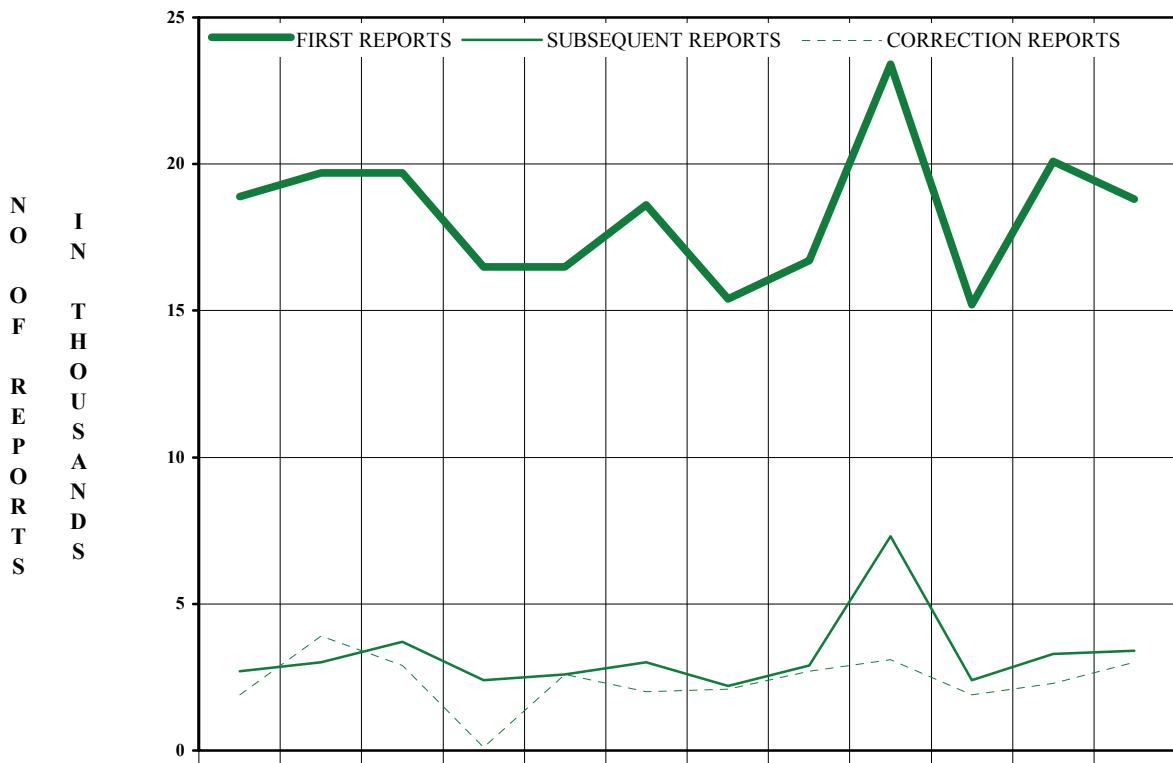
Statistics are not meaningful unless they have been subjected to quality analyses. Such quality with respect to the data filed through the Statistical Plan is, in large measure, dependent on whether payrolls have been audited properly and claims have been assigned to the proper classifications. In this 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 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 reliability of the data used in the pricing of insurance.

The Bureau website also contains actuarial information, which is updated annually. 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 site.

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 67.0% are received via the FTP electronic transmission method, 32.4% are received via CDX, 0.1% are received via magnetic tape and 0.5% are received in paper format.

EXPERIENCE REPORTS RECEIVED DURING 2008



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	18.9	19.7	19.7	16.5	16.5	18.6	15.4	16.7	23.4	15.2	20.1	18.8
SUBSEQUENT REPORTS	2.7	3.0	3.7	2.4	2.6	3.0	2.2	2.9	7.3	2.4	3.3	3.4
CORRECTION REPORTS	1.9	3.9	2.9	0.1	2.6	2.0	2.1	2.7	3.1	1.9	2.3	3.0

The number of first reports received decreased from 219,937 for calendar year 2007 to 219,592 in calendar year 2008. The number of subsequent reports received increased from 35,749 in calendar year 2007 to 38,823 in calendar year 2008. The number of correction reports received decreased from 30,986 in calendar year 2007 to 28,511 in calendar year 2008.

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 - 1962	\$118,875,795,919	\$1,743,418,237	\$987,203,321	56.62%
1963	8,710,394,846	135,156,401	75,719,217	56.02
1964	9,401,617,939	143,400,036	82,174,557	57.30
1965	10,227,029,873	154,541,867	88,912,406	57.53
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	127,204,003,111	1,921,321,031	1,282,855,813	66.77
2004	133,891,584,616	2,095,094,719	1,217,320,125	58.10
2005	140,954,830,316	2,401,831,248	1,218,411,390	50.73
2006	146,885,658,241	2,579,192,127	1,048,373,969	40.65
Total:	\$2,645,842,228,192	\$45,090,997,182	\$26,781,543,305	59.39%

TABLE VIII

**Experience by Size – All Risks
Policy Year 2006 – 1st Report**

Premium Size		Number of Risks on Annual Basis	Standard Premiums	Total Incurred Losses	Loss Ratio
From	To				
Minimum	Premium	18,330.93	\$ 8,113,663	\$ 1,860,903	22.94%
\$ 0	99	3,952.91	270,082	88,535	32.78
100	199	9,418.58	1,406,031	890,587	63.34
200	299	8,950.48	2,237,922	1,287,286	57.52
300	399	7,891.47	2,744,027	1,357,484	49.47
400	499	6,500.10	2,917,418	625,799	21.45
500	599	7,086.01	3,896,166	1,253,148	32.16
600	699	6,303.43	4,089,673	2,514,482	61.48
700	799	5,262.93	3,914,447	2,092,410	53.45
800	899	4,247.08	3,601,001	865,588	24.04
900	1,099	7,291.73	7,272,284	1,683,550	23.15
1,100	4,999	64,201.47	163,412,010	68,735,953	42.06
5,000	9,999	21,091.80	149,206,792	55,699,226	37.33
10,000	24,999	17,172.05	268,429,873	118,439,942	44.12
25,000	49,999	7,009.41	244,686,042	104,880,927	42.86
50,000	99,999	3,966.12	277,739,002	112,891,859	40.65
100,000	249,999	2,558.10	391,548,641	179,586,958	45.87
250,000	499,999	815.62	280,664,879	113,510,272	40.44
500,000	999,999	343.76	231,974,075	86,249,646	37.18
1,000,000	& Over	222.70	579,305,317	194,880,454	33.64
Total		202,616.68	\$2,627,429,345	\$1,049,395,009	39.94%
Over					
Min. Prem.	1,099	66,904.72	32,349,051	12,658,869	39.13
1,100	& Over	117,381.03	2,586,966,631	1,034,875,237	40.00

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 Over \$1,100		Total All Risks	
	Standard Premium	Loss Ratio	Standard Premium	Loss Ratio	Standard Premium	Loss Ratio	Standard Premium	Loss Ratio
1982	1,408.5	62.37%	30,246.3	46.07%	854,552.9	46.07%	884,799.2	39.32%
1983	1,317.2	93.63	31,884.2	75.89	833,534.3	45.84	865,418.5	46.95
1984	1,518.9	87.88	33,374.2	64.62	845,065.0	52.42	878,439.2	52.88
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	6,505.3	37.26	41,225.4	66.63	1,913,325.9	65.65	1,954,551.3	65.67
2004	7,165.6	54.99	40,527.9	59.11	2,096,249.3	57.04	2,136,777.2	57.08
2005	7,861.4	37.60	40,627.0	46.03	2,408,438.5	49.91	2,449,065.5	49.85
2006	8,113.7	22.94	40,462.7	35.88	2,586,966.6	40.00	2,627,429.3	39.94

The data included for policy years 2003 through 2006 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

<u>Report</u>	<u>Number of Policies</u>	<u>Payroll</u>	<u>Standard Premium</u>		<u>Death</u>	<u>Permanent Total</u>	<u>Permanent Partial Major</u>	<u>Permanent Partial Minor</u>	<u>Temporary Total</u>	<u>Medical Only</u>	<u>Total</u>
<u>2002</u>											
First	190,584	122,476,878,740	1,755,922,079	Number	58	38	1,097	16,183	19,263	82,003	118,642
				Indemnity	10,243,543	8,049,080	85,159,449	254,932,526	98,574,948	--	456,959,546
				Medical	2,359,068	28,215,096	96,176,942	184,613,863	120,368,155	67,511,063	499,244,187
Second	190,862	122,757,140,354	1,748,574,591	Number	65	48	1,390	17,184	20,174	84,273	123,134
				Indemnity	12,850,053	11,007,095	137,245,201	290,014,115	116,696,026	--	567,812,490
				Medical	2,493,017	36,402,273	130,817,363	194,238,305	129,176,244	70,081,965	563,209,167
Third	190,913	123,844,637,418	1,749,342,538	Number	72	73	1,785	17,214	19,975	84,712	123,831
				Indemnity	13,463,506	16,627,692	186,538,497	299,184,951	112,400,821	--	628,215,467
				Medical	2,188,589	47,307,354	160,075,477	191,004,326	118,148,567	70,703,777	589,428,090
Fourth	190,913	123,884,303,627	1,748,828,979	Number	71	93	1,849	17,021	19,988	84,895	123,917
				Indemnity	14,995,057	20,163,809	193,560,155	314,140,024	116,790,419	--	659,649,464
				Medical	2,087,488	52,259,954	157,799,546	194,485,402	122,401,682	70,859,382	599,893,454
Fifth	190,914	123,866,694,409	1,747,631,963	Number	79	115	1,899	16,749	20,073	84,911	123,826
				Indemnity	16,405,333	26,707,941	203,001,371	317,267,810	115,101,170	--	678,483,625
				Medical	3,683,007	57,754,152	164,982,392	196,018,920	115,791,515	70,467,889	608,697,875
<u>2003</u>											
First	191,271	125,831,213,658	1,960,740,147	Number	59	42	925	14,413	20,759	79,685	115,883
				Indemnity	16,039,474	9,934,485	84,501,332	246,653,333	110,984,429	--	468,113,053
				Medical	1,424,783	47,958,356	88,277,432	188,917,144	132,442,307	71,806,251	530,826,273
Second	191,540	127,131,769,242	1,931,467,224	Number	70	63	1,472	15,521	21,255	81,607	119,988
				Indemnity	17,827,145	13,235,050	145,731,121	280,149,278	118,963,595	--	575,906,189
				Medical	1,354,890	46,255,992	136,643,023	191,007,480	129,558,833	73,630,707	578,450,925
Third	191,528	127,177,453,513	1,920,043,653	Number	70	70	1,716	15,611	21,359	82,061	120,887
				Indemnity	18,619,537	17,271,559	176,240,891	298,882,551	129,017,159	--	640,031,697
				Medical	1,485,500	54,884,367	153,888,945	192,952,578	129,919,025	74,094,754	607,225,169
Fourth	191,534	127,204,003,111	1,921,321,031	Number	68	100	1,773	15,585	21,407	82,144	121,077
				Indemnity	18,125,047	26,614,298	187,236,537	306,766,526	129,286,632	--	668,029,040
				Medical	1,439,499	55,412,250	153,244,340	193,167,221	128,334,061	83,229,402	614,826,773
<u>2004</u>											
First	192,794	131,569,622,697	2,111,742,217	Number	71	29	914	14,444	19,192	78,482	113,132
				Indemnity	23,356,515	3,771,221	91,363,323	256,527,698	93,457,688	--	468,476,445
				Medical	5,209,965	15,741,203	104,689,496	194,125,966	126,009,308	77,362,989	523,138,927
Second	192,856	131,729,937,826	2,096,362,849	Number	81	51	1,337	15,481	19,662	80,265	116,877
				Indemnity	26,848,66	5,926,255	137,905,589	294,248,765	104,457,181	--	569,386,450
				Medical	5,141,589	22,674,251	136,759,696	197,329,487	127,090,037	80,643,344	569,638,404
Third	192,886	133,891,584,616	2,095,094,719	Number	85	65	1,495	15,582	19,828	80,401	117,456
				Indemnity	29,072,116	12,005,398	165,478,352	309,595,796	112,159,348	--	628,311,010
				Medical	6,755,454	31,587,554	148,340,141	195,948,431	126,032,702	80,344,833	589,009,115
<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
<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

CONCLUSION

The responsibilities and operations of the Bureau are numerous, varied and often complex. They are described in the previous thirty-three pages of this Report. There are many 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, academicians, consultants, actuaries 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 2008, the following individuals were honored for service of 25 years or more:

Regina Taylor	- 25 Years
Lisa Carr	- 30 Years
John Dustman	- 30 Years
Guisepina Grabowski	- 30 Years
Clementeen Mitchell	- 30 Years
Debra Grubbs	- 35 Years
Patricia Nardone	- 35 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: **Frederick A. Huber** - Associate Executive Director, **Roland E. Brazda III** - Director of Underwriting, **Salvatore A. Nardone** - Director of Rating, **Janet Nicolai** - Human Resources Director, **John T. Skidmore** - Director of Policy Review, **Robert Eichler** - Director of MIS, **Stanley R. Markow** - Acting Director of Actuarial Services and **Charu Mehta** - Financial Controller.

List of Members as of December 31, 2008

A

Acadia Insurance Company	American Home Assurance Company
Acceptance Indemnity Insurance Company	The American Insurance Company
ACE American Insurance Company	American Manufacturers Mutual Insurance Company
ACE Fire Underwriters Insurance Company	American Millennium Insurance Company
ACE Indemnity 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 Company
AIG Casualty Company	Amerisure Insurance Company
AIG Centennial Insurance Company	Amerisure Mutual Insurance Company
AIOI Insurance Company Of America	Ameritrust Insurance Corporation
AIU Insurance Company	AmGuard Insurance Company
Alamance Insurance Company	Amica Mutual Insurance Company
Alea North America Insurance Company	Arch Indemnity Insurance Company
All America Insurance Company	Arch Insurance Company
Alliance Assurance Company of America	Argonaut Insurance Company
Alliance National Insurance Company	Argonaut-Midwest Insurance Company
Allianz Insurance Company	Argonaut-Southwest Insurance Company
Allmerica Financial Alliance Insurance Company	ARI Casualty Company
Allmerica Financial Benefit Insurance Company	ARI Mutual Insurance Company
Allstate New Jersey Insurance Company	Arrowood Indemnity Company
American Alternative Insurance Corporation	Associated Indemnity Corporation
American Automobile Insurance Company	Assurance Company of America
American Casualty Company of Reading, PA	Athena Assurance Company
American Centennial Insurance Company	Atlanta International Insurance Company
American Compensation Insurance Company	Atlantic Employers Insurance Company
American European Insurance Company	Atlantic Mutual 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
American Hardware Mutual Insurance Company	AXA Insurance Company

B

Balboa Insurance Company	Berkley Regional Insurance Company
BancInsure Inc.	Bituminous Casualty Corporation
Bankers Standard Insurance Company	Bituminous Fire and Marine Insurance Company
Beacon Insurance Company of America	Brotherhood Mutual Insurance Company

C

Camden Fire Insurance Association	CastlePoint Insurance Company
Carolina Casualty Insurance Company	Caterpillar Insurance Company
Capitol Indemnity Corporation	Centennial Insurance Company

List of Members as of December 31, 2008

C

Central Mutual Insurance Company
 Centre Insurance Company
 Century Indemnity Company
 The Charter Oak Fire Insurance Company
 Cherokee Insurance Company
 Chubb Indemnity Insurance Company
 Chubb Insurance Company of New Jersey
 Chubb National Insurance Company
 Church Mutual Insurance Company
 Cincinnati Insurance Company
 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

DaimlerChrysler Insurance Company
 Deerfield Insurance Company
 Delos Insurance Company
 Diamond State Insurance Company

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

E

Eastern Casualty Insurance Company
 EastGuard Insurance Company
 Electric Insurance Company
 Empire Insurance Company
 Employers Fire Insurance Company
 Employers Insurance Company of Wausau

Employers Mutual Casualty Company
 Endurance American Insurance Company
 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 Mutual Insurance Company
 Federal Rural Electric Insurance Exchange
 Fidelity & Deposit Company of Maryland
 Fidelity & Guaranty Insurance Company
 Fidelity and 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
 First National Insurance Company of America
 Firstline National Insurance Company
 Fitchburg Mutual Fire Insurance Company
 Florists Mutual Insurance Company
 FMI Insurance Company
 Founders Insurance Company
 Frankenmuth Mutual Insurance Company
 Franklin Mutual Insurance Company
 Frontier Insurance Company

*List of Members as of December 31, 2008***G**

General Casualty Company of Wisconsin	Great American Insurance Company
General Insurance Company of America	Great American Insurance Company of NY
General Security National Insurance Company	Great Divide Insurance Company
General Star National Insurance Company	Great Northern Insurance Company
Genesis Insurance Company	Great West Casualty Company
Gerling America Insurance Company	Greater New York Mutual Insurance Company
Granite State Insurance Company	Greenwich Insurance Company
Graphic Arts Mutual Insurance Company	Guarantee Insurance Company
Great American Alliance Insurance Company	GuideOne Mutual Insurance Company
Great American Assurance Company	

H

The Hanover Insurance Company	The Hartford Fire Insurance Company
Harbor Point Reinsurance U.S. Inc.	Hartford Insurance Company of the Midwest
Harbor Specialty Insurance Company	Hartford Underwriters Insurance Company
Harco National Insurance Company	Highlands Insurance Company
Harford Mutual Insurance Company	Highmark Casualty Insurance Company
Harleysville Insurance Company	High Point Preferred Insurance Company
Harleysville Insurance Company of New Jersey	Homesite Insurance Company
Harleysville Mutual Insurance Company	Homestead Insurance Company
Harleysville Preferred Insurance Company	Housing Authority Property Insurance A Mutual Co
Harleysville Worcester Insurance Company	Houston General Insurance Company
Hartford Accident and Indemnity Company	Hudson Insurance Company
The Hartford Casualty Insurance Company	

I

Illinois National Insurance Company	Insurance Company of Greater New York
Imperial Casualty & Indemnity Company	Insurance Company of North America
Indemnity Insurance Company of North America	The Insurance Company of the State of Pennsylvania
Indiana Insurance Company	Insurance Company of the West
Infinity Assurance Insurance Company	

K

Keystone Insurance Company	Koa Fire & Marine Insurance Company
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L

Lancer Insurance Company	Lincoln General Insurance Company
Liberty Insurance Corporation	LM Insurance Corporation
Liberty Insurance Underwriters Inc.	Lumber Mutual Insurance Company
Liberty Mutual Fire Insurance Company	Lumbermens Mutual Casualty Company
Liberty Mutual Insurance Company	Lumbermens Underwriting Alliance
Liberty Mutual Mid-Atlantic Insurance Company	

*List of Members as of December 31, 2008***M**

Majestic 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

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

N

National Fire Insurance Company of Hartford
 National Interstate Insurance Company
 National Interstate Insurance Company of Hawaii
 National Surety Corporation
 National Union Fire of Pittsburgh, Pa.
 Nationwide Mutual Fire 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

NGM Insurance Company
 Nichido Fire & Marine Insurance Co. Ltd.
 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 River Insurance Company
 Northbrook Indemnity Company
 Northern Assurance Company of America
 Northern Insurance Company of New York
 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
 Palisades Property & Casualty Insurance Company
 Paramount Insurance Company
 Partner Re Insurance Company of New York
 Pawtucket Mutual Insurance Company
 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

*List of Members as of December 31, 2008***P**

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
 Redland Insurance Company
 Regent Insurance Company
 Reinsurance Company of America Inc.
 Republic-Franklin Insurance Company
 Republic Insurance Company

Republic Western Insurance Company
 Riverport Insurance Company
 Rochdale Insurance Company
 Royal and 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
 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 the 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
 Sampo Japan Insurance Company of America
 Sparta Insurance Company
 Specialty Surplus Insurance Company
 The Standard Fire Insurance Company
 Star Insurance Company
 Star Net Insurance Company
 State Farm Fire and Casualty Company
 State Farm General Insurance Company
 State National Insurance Company, Inc.
 Strathmore Insurance Company
 SUA Insurance Company

T

T.H.E. Insurance Company
 Titan Indemnity Company
 TIG Insurance Company
 TM Casualty Insurance Company
 Toa Reinsurance Company of America
 The Tokio Marine and Nichido Fire Insurance Co
 Tower Insurance Company of New York
 Tower National Insurance Company
 Transguard Insurance Company of America Inc.

Trans Pacific Insurance Company
 Transport Insurance Company
 Transportation Insurance Company
 Travelers Casualty Insurance Company of America
 The Travelers Casualty & Surety Company
 The Travelers Casualty & Surety Co of America
 The Travelers Casualty & Surety Co of Connecticut
 The Travelers Commercial Casualty Company
 The Travelers Commercial Insurance Company

List of Members as of December 31, 2008**T**

The Travelers Indemnity Company
The Travelers Indemnity Company of America
The Travelers Indemnity Company of Connecticut
The Travelers Property Casualty Co. of America

Truck Insurance Exchange
Trumbull Insurance Company
Twin City Fire Insurance Company

U

ULLICO Casualty Company
Union Standard Insurance Company
United States Fidelity and Guaranty Company
United States Fire Insurance Company
United States Liability Insurance Company
Unitrin Auto & Home Insurance Company

Unitrin Preferred Insurance Company
Universal Underwriters Insurance Company
Universal Underwriters of Texas Insurance Company
U.S. Specialty Insurance Company
Utica Mutual Insurance Company

V

Valiant Insurance Company
Valley Forge Insurance Company
VanLiner Insurance Company

Vigilant Insurance Company
Virginia Surety Company Inc.

W

Washington International Insurance Company
Wausau Business Insurance Company
Wausau Underwriters Insurance Company
Wesco Insurance Company
West American Insurance Company

Westchester Fire Insurance Company
Western Diversified Casualty Insurance Company
Westport Insurance Corporation
Work First Casualty Company

X

XL Insurance America Inc.
XL Insurance Company Of New York, Inc.

XL Reinsurance America Inc
XL Specialty Insurance Company

Y

York Insurance Company

Z

Zenith Insurance Company
Zurich American Insurance Company

Zurich American Insurance Company of Illinois

APPENDIX

EXHIBIT A
Calendar Year 2008
New Jersey Schedule "W" - Total Experience
Policy Year Analysis

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

Cal. Year Ended (a)	Amount To End Of Period In Dollars Only (b)	Experience Under Policies Becoming Effective in Calendar Year						All Years (j)	Experience For Cal Year (k)
		1942-2002 incl (c)	2003 (d)	2004 (e)	2005 (f)	2006 (g)	2007 (h)		
Dec. 31, 2003	1-Losses Paid	19,619,072,675	124,419,110	***	***	***	***	19,743,491,785	***
	2-Losses Outstanding	4,461,555,797	590,654,550	***	***	***	***	5,052,210,347	***
	3-Losses Incurred	24,080,628,472	715,073,660	***	***	***	***	24,795,702,132	***
	4 Std Prem Written	35,817,026,293	1,624,039,627	***	***	***	***	37,441,065,920	***
	5-Std Prem Earned	35,830,991,558	1,143,595,756	***	***	***	***	36,974,587,314	***
	6-Loss Ratio (3/5)	67.21%	62.53%	***	***	***	***	67.06%	***
Dec. 31, 2004	7-Losses Paid	20,255,139,309	488,022,723	130,784,025	***	***	***	20,873,946,057	1,130,454,272
	8-Losses Outstanding	4,124,004,594	917,584,338	624,761,752	***	***	***	5,666,350,684	614,140,337
	9-Losses Incurred	24,379,143,903	1,405,607,061	755,545,777	***	***	***	26,540,296,741	1,744,594,609
	10-Std Prem Written	35,833,904,765	2,008,602,287	1,786,669,132	***	***	***	39,629,176,184	2,188,110,264
	11-Std Prem Earned	35,844,747,685	2,019,674,479	1,209,406,618	***	***	***	39,073,828,782	2,099,241,468
	12-Loss Ratio (9/11)	68.01%	69.60%	62.47%	***	***	***	67.92%	83.11%
Dec. 31, 2005	13-Losses Paid	20,766,578,136	698,283,785	502,706,757	136,744,669	***	***	22,104,313,347	1,230,367,290
	14-Losses Outstanding	3,813,657,081	785,646,209	968,395,303	721,771,985	***	***	6,289,470,578	623,119,894
	15-Losses Incurred	24,580,235,217	1,483,929,994	1,471,102,060	858,516,654	***	***	28,393,783,925	1,853,487,184
	16-Std Prem Written	35,822,850,718	2,040,736,053	2,147,491,074	2,053,711,752	***	***	42,064,789,597	2,435,613,413
	17-Std Prem Earned	35,833,746,999	2,031,967,723	2,183,899,638	1,367,411,843	***	***	41,417,026,203	2,343,197,421
	18-Loss Ratio (15/17)	68.60%	73.03%	67.36%	62.78%	***	***	68.56%	79.10%
Dec. 31, 2006	19-Losses Paid	21,155,440,232	845,865,817	710,692,847	534,500,062	132,384,810	***	23,378,883,768	1,274,570,421
	20-Losses Outstanding	3,623,015,431	632,018,079	771,478,294	1,017,777,802	708,892,935	***	6,753,182,541	463,711,963
	21-Losses Incurred	24,778,455,663	1,477,883,896	1,482,171,141	1,552,277,864	841,277,745	***	30,132,066,309	1,738,282,384
	22-Std Prem Written	35,833,999,406	2,036,267,196	2,137,786,671	2,461,811,629	2,246,334,335	***	44,716,199,237	2,651,409,640
	23-Std Prem Earned	35,873,347,134	2,026,738,238	2,167,914,531	2,444,190,432	1,504,620,867	***	44,016,811,202	2,599,784,999
	24-Loss Ratio (21/23)	69.07%	72.92%	68.37%	63.51%	55.91%	***	68.46%	66.86%
Dec. 31, 2007	25-Losses Paid	21,485,641,411	950,850,351	860,217,324	759,783,828	529,603,639	140,631,184	24,726,727,737	1,347,843,969
	26-Losses Outstanding	3,345,851,006	551,170,967	640,749,819	846,983,645	1,023,454,201	700,332,739	7,108,542,377	355,359,836
	27-Losses Incurred	24,831,492,417	1,502,021,318	1,500,967,143	1,606,767,473	1,553,057,840	840,963,923	31,835,270,114	1,703,203,805
	28-Std Prem Written	35,821,416,205	2,030,062,164	2,135,894,350	2,467,959,690	2,642,166,486	2,359,309,633	47,456,808,528	2,740,609,291
	29-Std Prem Earned	35,859,815,801	2,020,394,183	2,166,848,903	2,445,322,229	2,672,153,912	1,581,164,309	46,745,699,337	2,728,888,135
	30-Loss Ratio (27/29)	69.25%	74.34%	69.27%	65.71%	58.12%	53.19%	68.10%	62.41%
Dec. 31, 2008	31-Losses Paid	21,768,480,715	1,025,489,854	958,507,372	922,139,411	750,543,808	540,400,414	26,112,842,710	1,386,114,973
	32-Losses Outstanding	3,126,309,577	463,450,169	550,621,703	694,817,730	859,823,747	1,002,544,698	7,422,779,720	314,237,343
	33-Losses Incurred	24,894,790,292	1,488,940,023	1,509,129,075	1,616,957,141	1,610,367,555	1,542,945,112	872,493,232	1,700,352,316
	34-Std Prem Written	35,816,445,979	2,026,754,614	2,138,493,338	2,466,556,637	2,641,354,737	2,735,239,484	2,313,836,369	2,681,872,630
	35-Std Prem Earned	35,857,091,364	2,017,304,774	2,166,928,551	2,444,915,395	2,666,188,943	2,751,279,851	1,568,224,560	2,726,234,101
	36-Loss Ratio (33/35)	69.43%	73.81%	69.64%	66.14%	60.40%	56.08%	67.79%	62.37%

EXHIBIT B**New Jersey Schedule "W"****Exhibit of Policy Year Experience
Policy Years 1942-2002****As Developed to December 31, 2008**

Policy Year	Losses			Standard Premium		Loss Ratio
	Paid	Outstanding	Incurred	Written	Earned	
1942 - 1988	\$8,886,245,084	\$468,800,736	\$9,355,045,820	\$15,050,881,677	\$15,060,990,459	62.11%
1989	857,811,808	70,113,126	927,924,934	1,102,287,358	1,112,777,166	83.39
1990	883,670,642	89,111,773	972,782,415	1,112,645,221	1,120,312,163	86.83
1991	876,619,231	78,414,596	955,033,827	1,125,589,847	1,132,154,249	84.36
1992	925,018,707	113,451,336	1,038,470,043	1,249,303,656	1,278,977,517	81.20
1993	912,764,104	111,367,967	1,024,132,071	1,493,568,898	1,463,511,160	69.98
1994	857,475,627	110,340,736	967,816,363	1,612,177,951	1,582,358,482	61.16
1995	858,957,709	121,734,581	980,692,290	1,599,061,388	1,601,193,942	61.25
1996	850,527,486	131,549,944	982,077,430	1,635,947,222	1,636,317,947	60.02
1997	862,112,462	202,703,610	1,064,816,072	1,552,944,246	1,564,730,777	68.05
1998	912,603,139	217,115,463	1,129,718,602	1,531,984,746	1,533,626,207	73.66
1999	980,759,074	310,015,909	1,290,774,983	1,583,635,178	1,584,787,906	81.45
2000	1,002,632,353	358,786,317	1,361,418,670	1,594,422,317	1,602,962,912	84.93
2001	1,041,739,437	347,630,550	1,389,369,987	1,706,335,003	1,704,419,676	81.52
2002	1,059,543,852	395,172,933	1,454,716,785	1,865,661,271	1,877,970,801	77.46
Total:	\$21,768,480,715	\$3,126,309,577	\$24,894,790,292	\$35,816,445,979	\$35,857,091,364	69.43%

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
1917-1963	\$1,802,438,295	58.41%	\$1,052,841,069	\$1,045,068,888	57.98%	\$7,772,181	0.43%
1964	138,090,265	57.89	79,940,454	79,510,521	57.58	429,933	0.31
1965	146,964,369	57.89	85,077,673	88,994,558	60.56	(3,916,885)	-2.67
1966	161,290,435	58.28	94,000,066	99,912,786	61.95	(5,912,720)	-3.67
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	67.38	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	2,343,197,421	62.39	1,461,920,871	1,853,487,184	79.10	(391,566,313)	-16.71
2006	2,599,784,999	62.40	1,622,265,839	1,738,282,384	66.86	(116,016,545)	-4.46
2007	2,728,888,135	62.54	1,706,646,640	1,703,203,805	62.41	3,442,835	0.13
2008	2,726,234,101	62.94	1,715,891,743	1,700,352,316	62.37	15,539,427	0.57
Total:	\$49,916,648,193	65.02%	\$32,456,507,530	\$33,801,833,881	67.72%	(\$1,345,326,351)	-2.70%

EXHIBIT D

**Calendar Year 2007 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>
Accident Fund Ins Co of America	\$297,820	Franklin Mutual Group	\$6,720,212	PMA Capital Insurance Group	\$78,125,130
Ace USA Insurance Group	148,709,773	Great American P & C Insurance Group	1,758,237	Protective Insurance Company	2,749,238
Alliance National Insurance Co.	3,063,086	Great Divide Insurance Company	1,662,697	QBE Americas Group	3,245,987
Allianz of America, Inc.	2,723,774	Greater New York Group	4,563,203	Quincy Mutual Fire Insurance Company	2,497,365
Allmerica Financial Prop. & Cas. Cos.	10,286,737	Guarantee Insurance Co.	12,346,320	Reinsurance Company of America	1,353,930
American Alternative Insurance Company	1,782,746	Guard Insurance Group	35,474,336	Rochdale Insurance Company	36,487,414
American Hardware Mutual Ins. Company	1,229,844	GuideOne Mutual Insurance Company	817,256	Safety National Group	1,956,321
American International Group	274,534,198	Harleysville Insurance Group	28,157,338	Seabright Insurance Co.	3,184,035
AmeriHealth Casualty Insurance Co.	902,816	Hartford Insurance Group	184,589,523	Selective Insurance Group	80,562,319
Arch Insurance Company	25,824,615	Imperial Casualty & Indemnity Company	2,056,749	Sentry Insurance Group	19,041,471
Argonaut Insurance Group	3,288,163	Liberty Mutual Insurance Companies	346,914,947	Sompo Japan Insurance Company	3,399,904
Central Insurance Companies	3,058,615	Lumbermen's Underwriting Alliance	751,810	SPARTA Insurance Company	4,499,370
Cherokee Insurance Company	303,981	Magna Carta Companies	10,437,245	State Farm Fire & Casualty Ins. Co.	8,081,729
Chubb Group of Insurance Companies	41,205,338	Majestic Insurance Company	21,265,938	SUA Insurance Company	1,207,004
Church Mutual Insurance Company	828,956	Meadowbrook Insurance Group	14,705,731	Tokio Marine & Fire USB Group	5,398,578
Cincinnati Insurance Company	1,109,646	Memic Indemnity Company	319,048	Tower Insurance Companies	8,766,705
CNA Insurance Group	53,775,289	Mercer Insurance Company of New Jersey	5,353,968	Transguard Insurance Company	619,793
Companion Property & Casualty Ins. Co.	41,119,526	Merchants Insurance Group	6,895,309	Travelers Insurance Companies	217,230,799
Continental Indemnity Company	9,943,450	Midwest Employers Casualty Company	527,653	Utica National Insurance Group	6,203,710
Cumberland Insurance Company	11,363,913	Mitsui Sumitomo Insurance Group	4,820,263	Vanliner Insurance Company	2,644,306
Delos Insurance Company	860,255	National Interstate Insurance Company	1,782,299	W. R. Berkley Group	370,384
Electric Insurance Company	2,879,435	New Jersey Manufacturers Group	509,695,157	Wesco Insurance Co.	1,841,750
Everest National Insurance Company	1,998,633	Nova Casualty Company	6,107,591	Westport Insurance Company	1,143,669
Fairfax Financial Group	15,565,304	Old Republic General Group	47,927,699	Work First Casualty Company	1,313,972
Farm Family Casualty Insurance Co.	20,117,146	One Beacon Insurance Group	5,423,785	XL Capital Group	8,891,415
Farmers Insurance Company of Flemington	2,176,890	Penn Millers Insurance Company	3,557,811	Zenith Insurance Company	1,068,297
Farmers Mutual Fire Ins Co of Salem Cty.	1,897,015	Pennsylvania Lumbermens Mutual Ins. Co.	320,784	Zurich U.S. Insurance Companies	219,646,447
Fitchburg Mutual Insurance Company	2,561,391	Pennsylvania National Mutual Cas. Ins. Co.	11,680,316	Companies under \$250,000	(769,685)
Florists Mutual Insurance Company	619,756	Petroleum Casualty Company	449,937		

Total: \$2,681,872,630

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>
1984	\$3,258,164	\$856,247,774	0.0038	340,429	155,506	44,467
1985	3,608,338	830,594,598	0.0043	360,911	161,290	44,551
1986	3,866,345	892,848,710	0.0043	365,577	169,326	48,650
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	2,435,613,413	0.0041	638,004	221,098	96,899
2006	10,988,212	2,651,409,640	0.0041	680,862	213,355	93,527
2007	11,205,950	2,740,609,291	0.0041	701,089	219,937	96,626
2008	11,522,995	2,681,872,630	0.0043	748,934	219,592	98,411

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" 2008 to:		
	Second to First	Third to Second	Fourth to Third	Fifth to First	Statistical Third	Statistical Fifth	Schedule "W" Twenty-Four Months
1993	1.141	1.055	1.011	1.227	1.156	1.133	0.934
1994	1.156	1.036	1.033	1.260	1.187	1.128	0.942
1995	1.145	1.052	1.019	1.242	1.218	1.181	1.002
1996	1.147	1.058	1.033	1.302	1.259	1.173	1.070
1997	1.175	1.073	1.040	1.347	1.296	1.214	1.144
1998	1.170	1.101	1.034	1.355	1.262	1.199	1.136
1999	1.206	1.085	1.063	1.442	1.327	1.204	1.222
2000	1.210	1.081	1.040	1.402	1.281	1.196	1.192
2001	1.192	1.086	1.045	1.359	1.242	1.161	1.134
2002	1.183	1.077	1.034	1.346	1.195	1.13	1.086
2003	1.156	1.080	1.029	XXXX	1.194	XXXX	1.059
2004	1.149	1.069	XXXX	XXXX	1.240	XXXX	1.026
2005	1.154	XXXX	XXXX	XXXX	XXXX	XXXX	1.042
2006	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	1.037
Average:	1.168	1.071	1.035	1.328	1.238	1.172	1.073

