

APPENDIX
EXHIBIT GG

Loss Ratio Report Form
 New Jersey Small Employer Health Benefits Program
 Reporting Year _____
 For Preceding Calendar Year Ending December 31, _____

Name of Carrier: _____ NAIC # _____

Address: _____

Check one: Insurance Company _____ HMO _____ Service Plan _____

A separate Report Form shall be completed and filed for each affiliate in addition to a combined report form for affiliated insurance companies or affiliated HMOs. Definitions and instructions regarding words and terms appearing below may be found on the reverse side.

	<u>Total</u>	<u>Standard Plans</u>	<u>Open Non- Standard Plans</u>	<u>Closed Non- Standard Plans</u>	<u>Purchasing Alliance Plans</u>
1. Premiums	_____	_____	_____	_____	_____
2. Claims (a. +b.-c. +d.-e)	_____	_____	_____	_____	_____
(See definitions, reverse side)					
a.	_____	_____	_____	_____	_____
b.	_____	_____	_____	_____	_____
c.	_____	_____	_____	_____	_____
d.	_____	_____	_____	_____	_____
e.	_____	_____	_____	_____	_____
3. Loss Ratio (2./1.)	_____	_____	_____	_____	_____
4. Dividends (.75 x 1.-2.)*	_____	_____	_____	_____	_____
5. Dividend Percentage (4. + 1.)	_____	_____	_____	_____	_____

*Note Instruction 4.

I certify that the above information is accurate and complete and has been prepared in accordance with N.J.A.C. 11:21-7A. If Dividends (or credits) are required, an explanation of our plan to issue them is attached.

Actuary's Signature

Date

Type or Print Actuary's Name

Title

Telephone Number

REPORTING FORM DEFINITIONS AND INSTRUCTIONS

1. "Premiums" are the total earned premiums, on the same earned basis as in the carrier's Annual Statement for the preceding calendar year, before dividends or credits applicable to prior years: (a) combined for all Standard Health Benefits Plans; (b) combined for open Nonstandard Health Benefits Plans; and (c) combined for Closed Nonstandard Health Benefits Plans. Include all Rider Premiums, both Standard and Nonstandard Riders, with the respective Plans which are ridered. The Closed Nonstandard Plans column is for the policies which are renewal only policies continued pursuant to N.J.S.A. 17B:27A-19j(3)(b).

2. "Claims" are equal to:

- a. claims paid in the preceding calendar year regardless of the year incurred;
- b. plus claims paid from January 1 through June 30 of the reporting year for claims incurred prior to January 1 of the reporting year;
- c. less claims paid from January 1 through June 30 of the preceding calendar year for claims incurred prior to January 1 of the preceding calendar year (as reported in the preceding year's Loss Ratio Report);
- d. plus a residual reserve equal to 3.3 percent a. + b. - c.;
- e. less the residual reserve as reported in the preceding calendar year's Loss Ratio Report.

3. "Loss Ratio" is the quotient, to the nearest .1 percent, of the Claims divided by the Premiums (2. divided by 1.).

4. "Dividends" are calculated on a combined basis for all standard health benefits plans; for all open nonstandard health benefits plans combined; and for all Closed Nonstandard health benefits plans combined. "Dividends" are equal to 75 percent of the Premiums less Claims (75% of 1. less 2.). (No dividends are required to be paid for nonstandard plans for reporting year 1995.) If the calculated amount is less than zero, then use zero. The Total column should be the sum of the calculated plan columns.

5. "Dividend Percentage" is the percentage ratio of Dividends to Premiums (4. divided by 1.)

Loss Ratio Reports are required to be completed and filed with the Department on or before August 1 of each year for the preceding calendar year, in accordance with N.J.A.C. 11:21-7A. Reports and all required accompanying statements and other information should be sent to the Department at the following address:

Attn.: SEH Loss Ratio Report Filings
Life and Health Division
New Jersey Department of Banking and Insurance
20 West State Street
P.O. Box 325
Trenton, NJ 08625-0325

Bbseh1/INOREGS