

**RESOLUTION NO. 20-14**

**CAMDEN COUNTY INSURANCE FUND COMMISSION**

**RESOLUTION ESTABLISHING PROCEDURE FOR MEMBER ENTITY DEDUCTIBLES  
AND LITIGATION DEFENSE COSTS**

**WHEREAS**, the CAMDEN COUNTY INSURANCE FUND COMMISSION (hereinafter "the Commission") is duly constituted as an Insurance Commission pursuant to N.J.S.A. 40A:10-6 et seq.; and

**WHEREAS**, the various member entities of the Commission have by resolution entered into an agreement to participate in the Commission to self-fund and/or share the costs of insurance; and

**WHEREAS**, certain insurance coverages contain member entity deductibles, referred to as "ancillary coverage" which is commercially insured such that there is no self funding at the commission or CEL levels; and

**WHEREAS**, the Commission has deemed it necessary and appropriate to outline an accepted procedure to handle such costs, including but not limited to litigation defense costs on behalf of its member entities; and

**WHEREAS**, the procedure will include advancing litigation and settlement costs by the Commission's third-party administrator and reimbursement of said costs by the member entity to the third-party administrator in accordance with the established procedure; now, therefore,

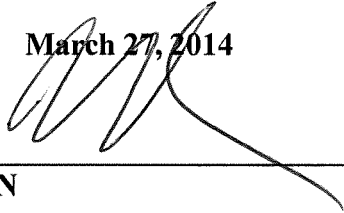
**BE IT RESOLVED**, by the Camden County Insurance Fund Commission (the Commission) that effective immediately, the Commission's third-party administrator (the "TPA"), shall have the authority to, and shall implement the following procedure for handling member entity deductibles and litigation defense costs for all lines of ancillary coverage:

1. The TPA will advance litigation defense costs, in accordance with the established claims committee procedures and all other Commission procedures, as such costs are incurred on a calendar year basis, not on a claims made basis.
2. When a claim settles, the TPA shall pay the final settlement, upon formal approval of the Commission, and the member entity will be billed in full for the final settlement and any defense litigation costs previously advanced, on the first assessment installment billing for the new Commission year.
3. For those claims that remain open, the prior year calendar defense litigation costs will be billed to the member entity in full on the first assessment installment billing for the new Commission year.

4. The TPA will provide a report, at least quarterly, to the Commission Treasurer and to each member entity to keep the member entities apprised of the reimbursement costs which are due.

5. The defense litigation costs billed to date on pending claims (all County Proper claims) will be reimbursed when billed by the TPA. The defense litigation costs billed for open claims after the approval date of this Resolution will be handled based on the process described above.

**ADOPTED: March 27, 2014**



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**CHAIRMAN**

**ATTEST:**



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**SECRETARY**