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WORKERS' COMPENSATION BOARD  
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December 31, 2014

Honorable Andrew M. Cuomo  
Governor, State of New York  
State Capitol  
Albany, New York 12224

Honorable Sheldon Silver  
Speaker, NYS Assembly  
LOB, Room 932  
Albany, New York 12247

Honorable Dean Skelos  
Majority Leader, NYS Senate  
LOB, Room 909  
Albany, New York 12247

Honorable Jeffrey D. Klein  
Temporary President and Majority Coalition  
Leader, NYS Senate  
LOB, Room 913  
Albany, New York 12248

Dear Governor Cuomo and Legislative Leaders:

Legislation passed in 2011 requires Workers' Compensation Board (Board) to prepare a semi-annual report to the Governor and the Legislature regarding the status of the various insolvent group self-insured trusts.

In response to this legislative requirement, I am pleased to present you with a brief analysis of the current status of group defaults, actions taken by the Board to collect from employers of these defaulted trusts, and the current funding status of all other self-insurers.

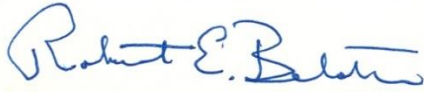
As part of the Business Relief Act passed in the Executive Budget, the Board was granted \$900 million in bonding authority address group trust defaults. The bonding authority provides small businesses with more affordable payment options and final releases from the joint and several liabilities associated with their participation in the insolvent groups. The Board has issued approximately \$370 million in bonds and has used these proceeds to execute six Assumption of Loss policies with an additional three Assumption policies pending approval.

Other highlights contained within the report include:

- The outstanding liability for all defaulted trusts administered by the Board has dropped from \$924 million in the first report published on June 30, 2011 to \$241,799,000 in our last report submitted in June 2014 to \$205,900,000 in the attached report;
- The Board has signed final settlement agreements with approximately 1,700 defaulted trust members; and

- The total number of defaulted trust claims being administered by the Board has decreased substantially from 7,515 to 1,008, demonstrating the Board's effective management of the claims, including the usage of Assumption policies.

Sincerely,

A handwritten signature in blue ink that reads "Robert E. Beloten". The signature is written in a cursive style with a large initial "R".

Robert E. Beloten  
Chair

Enclosure

In accordance with Chapter 57 of the Laws of 2011, the Board is hereby reporting on the current status of all insolvent group trusts and the funding positions of currently active self-insured employers.

## I. Insolvent Non-Municipal Group Self-Insured Employers

### A. Total Liability of Insolvent Non-Municipal Group Self-Insured Employers

The table below displays the current outstanding liabilities as set forth in the most recent audited financial statement. The total liabilities include: claims liability; accrued expenses; accounts payable; unreimbursed WCL §50(5)(g) funds; and accrued NYS Assessments. It does not reflect the GSITs assets or collections expected to be recovered from the GSITs members which are reflected in Section III of this report. Further, those GSITs which have executed an ALP have been removed from this section as the claims liabilities have been effectively capped via an ALP policy with member settlement proceeds and/or litigation proceeds serving to fund the cost of the ALP policy. See Section III infra.

Name of Insolvent Non-Municipal Group Self-Insured Trust	Date of Transition	Total Liability from Previous Audited Financial Statement <sup>^</sup>	Total Liability from Most Recent Audited Financial Statement <sup>^</sup>
Healthcare Industry Trust of New York (HITNY)			
Healthcare Providers Self Insurance Trust (HCP)			
Manufacturing Industry WC Insurance Trust (NYMIT)			
New York Healthcare Facilities WC Trust (HCF)			
Provider Agency Trust for Human Services (PATH)			
Transportation Industry WC Trust (TRANSPORTATION)			
Manufacturing Self Insurance Trust (MSIT)			
Elite Contractors Trust of New York (ELITE)			
Wholesale and Retail WC Trust of New York (WRWCT)			
Auto Service and Repair Self Insurance Trust (AUTO)			
Builders Self Insurance Trust (BUILDERS)	05/01/2009	\$ 11,079,000	\$ 8,258,000
New York State Cemeteries Trust (NYSCT)	07/07/2008	\$ 1,445,000	\$ 1,555,000
OHI Workers' Compensation Self-Insurance Trust(OHI)	07/01/2011	\$ 5,559,000	\$ 4,053,000
Public Entity Trust of New York (PETNY)	01/15/2008	\$ 3,852,000	\$ 2,851,000
Real Estate Management Trust of New York (REMTNY)	07/07/2008	\$ 5,145,000	\$ 5,400,000

<b>Retail and Wholesale Industry WC Self Insurance Trust (RWWCT)</b>	<b>10/15/2008</b>	<b>\$ 2,875,000</b>	<b>\$ 2,629,000</b>
<b>Trade Industry WC Trust for Manufacturers (TRADE)</b>	<b>05/16/2008</b>	<b>\$ 16,449,000</b>	<b>\$ 15,434,000</b>
<b>Community Residence Insurance Savings Plan Self-Insurance Trust for Workers Compensation(CRISP)</b>	<b>08/08/2011</b>	<b>\$ 55,348,000</b>	<b>\$ 48,997,000</b>
<b>Empire State Transportation WC Trust(EMPIRE)</b>	<b>01/01/2012</b>	<b>\$ 56,568,000</b>	<b>\$ 50,792,000</b>
<b>Selective Safety Trust (SELECTIVE)</b>	<b>03/18/2011</b>	<b>\$ 12,311,000</b>	<b>\$ 12,464,000</b>
<b>Team Transportation Workers' Comp Trust(Team)</b>	<b>02/01/2012</b>	<b>\$ 31,268,000</b>	<b>\$ 26,989,000</b>
<b>Total of GSIT's with completed Deficit Reconstructions</b>		<b>\$ 201,899,000</b>	<b>\$ 179,422,000</b>
<b>Long Term Care Risk Management Group (LONG TERM CARE)</b>	<b>04/14/2011</b>	<b>\$ 29,114,000</b>	<b>\$ 24,133,000</b>
<b>New York McDonalds Operators' Workers' Compensation Trust(McDONALDS)</b>	<b>07/15/2011</b>	<b>\$ 2,809,000</b>	<b>\$ 2,345,000</b>
<b>Total of GSIT's prior to completed Forensic Review</b>		<b>\$ 31,923,000</b>	<b>\$ 26,478,000</b>
<b>Total All Trusts</b>		<b>\$ 233,822,000</b>	<b>\$ 205,900,000</b>

**^ Does not reflect amounts held by the WCB or collections expected to be recovered.**

**B. Total Open Claims of Insolvent Non-Municipal Group Self-Insured Employer**

<b>Name of Insolvent Non-Municipal Group Self-Insured Trust</b>	<b>Date of Transition</b>	<b>Number of Open Claims as of Transition</b>	<b>Number of Open Claims as of 11/30/2014</b>	<b>Difference</b>
<b>Healthcare Industry Trust of New York (HITNY)</b>	<b>02/01/2008</b>	<b>1,651</b>	<b>0*</b>	<b>(1,651)</b>
<b>Healthcare Providers Self Insurance Trust (HCP)</b>	<b>10/12/2009</b>	<b>1,168</b>	<b>0*</b>	<b>(1,168)</b>
<b>Manufacturing Industry WC Insurance Trust (NYMIT)</b>	<b>03/31/2006</b>	<b>149</b>	<b>0*</b>	<b>(149)</b>
<b>New York Healthcare Facilities WC Trust (HCF)</b>	<b>07/31/2006</b>	<b>294</b>	<b>0*</b>	<b>(294)</b>
<b>Provider Agency Trust for Human Services (PATH)</b>	<b>03/01/2006</b>	<b>338</b>	<b>0*</b>	<b>(338)</b>
<b>Transportation Industry WC Trust (TRANSPORTATION)</b>	<b>09/08/2008</b>	<b>604</b>	<b>0*</b>	<b>(604)</b>
<b>Auto Service and Repair Self Insurance Trust (AUTO)</b>	<b>10/15/2010</b>	<b>21</b>	<b>0*</b>	<b>(21)</b>
<b>Elite Contractors Trust of New York (ELITE)</b>	<b>04/01/2010</b>	<b>501</b>	<b>0*</b>	<b>(501)</b>
<b>Manufacturing Self Insurance Trust (MSIT)</b>	<b>06/01/2007</b>	<b>256</b>	<b>0*</b>	<b>(256)</b>
<b>Wholesale and Retail WC Trust of New York (WRWCT)</b>	<b>08/11/2008</b>	<b>390</b>	<b>0*</b>	<b>(390)</b>
<b>Builders Self Insurance Trust (BUILDERS)</b>	<b>05/01/2009</b>	<b>63</b>	<b>31</b>	<b>(32)</b>
<b>Trade Industry WC Trust for Manufacturers (TRADE)</b>	<b>05/16/2008</b>	<b>182</b>	<b>44</b>	<b>(138)</b>
<b>Real Estate Management Trust of New York (REMTNY)</b>	<b>07/07/2008</b>	<b>57</b>	<b>14</b>	<b>(43)</b>
<b>New York State Cemeteries Trust (NYSCT)</b>	<b>07/07/2008</b>	<b>24</b>	<b>7</b>	<b>(17)</b>
<b>OHI Workers' Compensation Self-Insurance Trust(OHI)</b>	<b>07/01/2011</b>	<b>38</b>	<b>20</b>	<b>(18)</b>
<b>Public Entity Trust of New York (PETNY)</b>	<b>01/15/2008</b>	<b>116</b>	<b>10</b>	<b>(106)</b>
<b>Retail and Wholesale Industry WC Self Insurance Trust (RWWCT)</b>	<b>10/15/2008</b>	<b>29</b>	<b>11</b>	<b>(18)</b>
<b>Community Residence Insurance Savings Plan Self-Insurance Trust for Workers Compensation(CRISP)</b>	<b>08/08/2011</b>	<b>574</b>	<b>266</b>	<b>(308)</b>
<b>Selective Safety Trust (SELECTIVE)</b>	<b>03/18/2011</b>	<b>92</b>	<b>58</b>	<b>(34)</b>
<b>Empire State Transportation WC Trust(EMPIRE)</b>	<b>01/01/2012</b>	<b>464</b>	<b>267</b>	<b>(197)</b>
<b>Team Transportation Workers' Comp Trust(Team)</b>	<b>02/01/2012</b>	<b>193</b>	<b>105</b>	<b>(88)</b>
<b>Total of GSIT's with completed Deficit Reconstructions</b>		<b>7,204</b>	<b>833</b>	<b>(6,371)</b>
<b>Long Term Care Risk Management Group (LONG TERM CARE)</b>	<b>04/14/2011</b>	<b>263</b>	<b>146</b>	<b>(117)</b>
<b>New York McDonalds Operators' Workers' Compensation Trust(McDONALDS)</b>	<b>07/15/2011</b>	<b>48</b>	<b>29</b>	<b>(19)</b>

<b>Total of GSIT's prior to completed Deficit Reconstructions</b>		<b>311</b>	<b>175</b>	<b>(136)</b>
<b>Total All Trusts</b>		<b>7,515</b>	<b>1,008</b>	<b>(6,507)</b>
<b>*The Claims Liability has been transferred via an Assumption Liability Policy.</b>				

### **C. Qualified Non-Municipal Self-Insurer Groups**

- A.** Pursuant to Chapter 57 of Laws of 2011, only certain group trusts were allowed to provide coverage effective 1/1/12. As a result, each self-insured group must post an annual security deposit as calculated by the Board. The following trusts have posted the requisite security for the period beginning November 1, 2014:

<b>Trust Name</b>
Electrical Employers Self-Insurance Safety Plan
New York College & University Risk Management Group
New York Lumbermen's Insurance Trust Fund

- B.** There are an additional 33 inactive trusts as of December 31, 2014. Groups have been issued guidelines on successfully managing their groups' obligations in run off. A significant component of this is ensuring sufficient cash is available to pay outstanding claims obligations. Specifically, groups that have 18 months of cash or less are required to levy an assessment to their members. Groups that fail to maintain cash in excess of 9 months of payouts will be transitioned to the Board for liquidation. At this time, there is 1 trust that has between 6 and 18 months of cash. The Board continues to work with the trusts to ensure amounts are levied against their former members. To the extent such levies are successful, the Board will allow a trust to continue to administer its own run off. In addition, there are 12 groups with cash balances sufficient to cover 18 to 36 months of claims and another 20 groups whose cash is sufficient for 36 months or more. It is important to note, however, that the inability of these groups to maintain successful cash balances may result in the number of insolvent trusts increasing.

## **D. Current NYS Workers Compensation Board Efforts to Extinguish Outstanding Liabilities**

One of the primary objectives of the Board's Litigation Division is to facilitate the extinguishment of the liabilities of insolvent GSITs. The Litigation Division employs a variety of methods to accomplish this goal including: 1) the collection of funds from the former employer members of the insolvent GSIT; 2) recoupment of damages from the former management of the insolvent GSIT; and 3) transfer of the liabilities to a commercial insurer by way of an assumption of liability policy (ALP).

### **COLLECTIONS FROM MEMBERS**

There are number of different avenues by which the Board seeks to collect funds from the former employer members of insolvent GSITs. Some employer members of insolvent GSITs have acknowledged their liabilities. For those employers that refuse to acknowledge any liability in connection with their participation in a GSIT the Board employs a variety of enforcement mechanisms including: 1) filing default judgments<sup>1</sup>, restraining notices and information subpoenas; 2) the issuance of stop work orders; and 3) the commencement of a civil collection action. With respect to judgments and judgment enforcement, the Board has obtained approximately \$8.4 million in contractual recoveries. Additional judgments, information subpoenas and restraining notices may be filed against any employer who refuses to enter into a repayment arrangement. With respect to stop work orders, five have been issued, resulting in the recovery of approximately \$332,000.

For those employers that are in agreement with the Board's assessment of their pro rata share of the liabilities, the Board initially offers two types of agreements. For those employers that are in complete agreement, the Board enters into a Deficit Assessment Contractual Agreement (DACA) where the employer agrees to repay its pro rata share of the deficit over a specific time period. For those employers that acknowledge some amount of liability in connection with their participation in a GSIT, but dispute the amount alleged owed by the Board, the Board enters into an interim repayment agreement (MOU) with those employers. The employers participating in the MOU collectively pay sufficient funds so as to meet the insolvent GSIT's claims liability during the period of the MOU in exchange for the opportunity to engage in informal discovery relative to the accuracy of the Board's deficit calculations, with each party reserving all of their rights. Finally, where the Board is in possession of sufficient information the Board will issue a final settlement offer. In light of the bonding authority discussed below, the Board is now able to issue settlement offers to any individual employer(s) that wishes to settle their liability associated with participation in the GSIT for their pro rata allocation of the GSITs deficit. Upon completion of their repayment obligations, such settling member is provided a full and complete release from their liability associated with participation in the GSIT. To date, the Board has issued final settlement offers in sixteen GSITs and has entered into settlements with approximately one thousand seven hundred members.

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By decision rendered on April 30, 2012, in Riccelli Enterprises Inc., et al v. State of New York Workers' Compensation Board, et al (Onondaga County, Index No. 10-6901) (Riccelli), a court preliminarily enjoined the Board from filing proposed judgments and taking any other enforcement action with respect to the plaintiffs in that case. By decision filed May 2, 2014, the Appellate Division Fourth Department affirmed the finding of the lower court. The plaintiffs in this action have moved for summary judgment on one of their causes of action and the Board has cross moved. The motions are fully submitted. To the extent that the Court grants plaintiffs motion, there is the possibility that the Board's collection activity could be negatively affected. Further, Riccelli is also the subject of competing consolidation motions that could venue the consolidated actions in Albany County (i.e. the situs of the Board's collection action relative to the underlying insolvent GSIT).



To date, the approximate cash and contracted recoveries from members of insolvent GSITs are as follows:

HITNY:	\$155,884,000
HCP:	\$71,100,000
NYMIT:	\$7,852,000
HCF:	\$31,494,000
PATH:	\$17,842,000
TIWCT:	\$19,172,000
MSIT:	\$21,807,000
ELITE:	\$23,830,000
WRWCT:	\$24,218,000
ASR:	\$1,812,000
<b>ALP Subtotal:</b>	<b>\$375,011,000</b>
NYSCT:	\$2,033,000
PETNY:	\$4,910,000
REMTNY:	\$2,569,000
RWWCT:	\$5,584,000
TRADE:	\$8,197,000
BUILDERS:	\$7,650,000
PREFERRED:	\$7,925,000
OHI:	\$2,757,000
CRISP:	\$16,670,000
LTC	\$2,735,000
SELECTIVE	\$1,307,000
EST	\$9,573,000
TEAM	\$4,334,000
<b>Subtotal</b>	<b>\$76,244,000</b>
<b>Grand Total</b>	<b>\$451,255,000</b>

Finally, to date, the Board has commenced collection actions against the members of insolvent GSITs who have refused the Board's settlement offers. A summary of the collection actions is as follows:

	<b>GSIT(S)</b>	<b>CAPTION</b>	<b>Number of Defendants</b>	<b>Damages Sought</b>	<b>Status</b>
1	HITNY	WCB v. A.A.A. Ambulette Service, Inc. et al.  WCB v. Any Time Home Care Inc., et al.  WCB v. New Sans Souci Nursing Home, LLC, et al.	203	\$134,800,000	Judgments have been entered in the first HITNY action against 31 defaulting defendants. Motions for default judgment in the second and third actions will be filed in 2015.
2	WRWCT	WCB v. 1&3 On Fifth Corp., et al.  WCB v. 208 Braco Food Corp., et al.	375	\$33,800,000	Motions for default judgment against defaulting defendants have been filed and are pending with the Court.
3	TRADE	WCB v. A&L Sheet Metal Fabrications Corp., et al.  WCB v. Armstrong Brands, Inc., et al.	85	\$17,900,000	Motions for default judgment have been granted and judgments are currently pending entry.
4	REAL ESTATE	WCB v. 10 Ellicott Square, et al.  WCB v. Cavco Services, Inc., et al.	257	\$3,800,000	Motions for default judgment have been filed and are currently pending with the Court.

5	RETAIL	WCB v. 524 Cayuga St. Food Stores, Inc., et al.	56	\$4,800,000	Motion for default judgment has been filed and is currently pending with the Court.
6	NYSCT	WCB v. Chestnut Hill Cemetery Association, et al.	30	\$2,137,000	The Board has settled with the majority of the defendants. The remaining defaulting defendants have been deemed uncollectible. Settlement with the remaining answering defendant is pending.
7	TIWCT	WCB v. A. Morrison Trucking, Inc.	625	\$68,108,000	Motions for default judgment and consolidation of Ricelli action have been filed and are currently pending with the Court.
8	BUILDERS	WCB v. Battista Construction, Inc., et al.	213	\$11,979,000	Motion for default judgment has been filed and is currently pending with the Court.
9	PREFERRED	WCB v. Advanced Turnkey Systems, Inc.	125	\$9,946,000	Motion for default judgment due to be filed in 2015.

10	HCPSIT	WCB v. A&T Healthcare, Inc. WCB v. Barksdale Management Corp., et al.	70	\$132,500,000	Motions for default judgment due to be filed in 2015.
11	ELITE	WCB v. 21 <sup>st</sup> Century Construction Corp., et al.	2322	\$57,634,038	Motion for default judgment due to be filed in 2015.
12	NYMIT	WCB v. Ace Canvas & Tent Corp., et al.	14	\$5,406,008.47	All but two remaining defendants have settled. Note of Issue to be filed March 31, 2015.
13	ASR	WCB v. 10473 Enterprises, Inc. WCB v. Brian Horn's Auto Repair, Inc., et al.	314	\$3,835,536.00	Motions for default judgment due to be filed in 2015.

### **THIRD PARTY ACTIONS**

Upon the Board's assumption of the assets and liabilities of a GSIT, the Board commissions a forensic accounting of the GSIT. In connection therewith a performance and operational report is generated which identifies the causes, if any, that contributed to the insolvency of the GSIT. In the event the performance and operational report identifies actionable conduct the Board will commence a civil action to recoup damages against such parties. Any funds received from such actions will be used to extinguish the liabilities of the respective GSIT. To date the Board has commenced twelve such actions. The affected GSIT, the defendants, damages sought, recoveries obtained to date and status is reflected in the chart below.

	<b>GSIT(S)</b>	<b>DEFENDANTS</b>	<b>DAMAGES SOUGHT</b>	<b>STATUS</b>
1	HCF	Group Administrator (Hamilton Wharton Group and Walter Taylor)	\$33 Million	Discovery
2	HCF	Accountant (Berenson and Co, James McGarrity, and Lorette Belgrier), Attorney (Steven Glaser) and Trustees	\$33 Million	Discovery; Settlement Discussions with Accountants and Attorney
3	HITNY, ELITE, WRWCT,	Actuary (SGRisk, LLC) and Accountant (UHY, LLP)	\$557 Million	Settlement in principle reached with actuary, pending Court approval;

	TIWCT, TRADE, CEMETERIES, PETNY, REMTNY			proposed Amended Complaint filed; Discovery
4	RETAIL, NYMIT, and PATH	Group Administrator and affiliates (Consolidated Risk Services, Inc., et al.); Trust Broker (Hickey Finn & Co); Actuary (Regnier Consulting Group); Trustees	\$42 Million	Discovery
5	MSIT	Group Administrator and affiliates(New York Compensation Managers, Inc. et al); Trustees	\$21 Million	Settlement in principle reached with actuary, pending Court approval; Recovery of \$150,000 from one trustee.
	HCP	Group Administrator and affiliates (Program Risk Management et al); Actuary (SGRisk); Accountants (DeChants Fugelin and Johnson); Trustees	\$188 Million	Motion Practice
7	HITNY, ELITE, WRWCT, TIWCT, TRADE, CEMETERIES, PETNY, REMTNY	Group Administrator and affiliates (Compensation Risk Managers, LLC, et al); (Matter has been coordinated with other suits against Compensation Risk Managers, LLC arising out of its management of GSITs)	\$472 Million	Settlement Discussions; Discovery; proposed Amended Complaint filed; Approximately \$2 million in severance funds recovered along with assigned shares of bankruptcy estates
8	BUILDERS	Group Administrator ( Marsh U.S.A., Inc.); Trustees	\$20 Million	Discovery; Appeal Pending; proposed Amended Complaint to be filed
9	ASR	Group Administrator and affiliates(New York Compensation Managers, Inc., et al.) and Trustees	Approximately \$4 million	Motion Practice
10	OHI	Group Administrator (Cody Management, Inc.), Accountant (Fuller & LaFliura); Trustees	Approximately \$8 million	Motion Practice
11	CRISP	Group Administrator and affiliates (Program Risk Management et al); Third Party Administrator and affiliates (PMA Management Corp et al)RM),Trust Marketing Agent and affiliates (MP Agency et al), Actuary (SGRisk); Accountant and affiliates (DeChants, Fugelin and	Approximately \$60 million	Motion Practice

		Johnson et al); Auditors and affiliates (Towers Watson Risk Consulting et al); Trustees		
12	TEAM	Group Administrator (Program Risk Management, Inc.) and affiliates (PRM Claims Services) and officers, Accountants (Regnier Consulting Group, Inc., Dorfman-Robbie Certified Public Accountants, P.C. and Bonadio & Co. LLP); Trustees	Approximately \$32 million	Motion Practice

### ALP's

Part R of Chapter 56 of the Laws of 2010 allows self-insurers to transfer future and contingent claim liabilities by executing an assumption of workers' compensation liability insurance policy (ALP). As of December 1, 2013 (prior to the implementation of the bonding program provided for by the Business Relief Act) the Board effectuated an ALP for PATH, NYMIT, HCF and TIWCT thereby effectively capping all claims liabilities. In addition, ALPs have been executed by 3 inactive self- insurers.

As alluded to above, Legislation passed as part of the 2013-14 New York State Executive Budget (the Business Relief Act) established a \$900 million bonding program to assist in the resolution of insolvent group self-insured trusts liabilities. The bill created statutory authority to issue bonds backed by assessments levied pursuant to the WCL to provide financing for the purchase of ALPs for unmet self- insurance obligations including the claims liabilities of the insolvent GSITs being administered by the Board. This bonding ability has three significant, and very positive, effects on the Board's intended course of conduct with respect to the settlements with members of insolvent GSITs. First, this bonding, and more specifically the concomitant ability of the Board itself to procure an ALP, allows the Board to eliminate the risk of future adverse development of the underlying workers' compensation claims liability. Accordingly, the Board will no longer employ the "Tender Offer" model which required a minimum member participation level (equated to the cost of the ALP and certain other ancillary costs) before the settlement became binding on both the Board and the settling members. Rather, the Board's ability to itself purchase an ALP policy for an insolvent GSIT will permit the Board to enter into a settlement with any member that is so desirous, regardless of any other member's decision to settle. Each member that executes a settlement agreement will be provided with a full and final release from the Board upon receipt of the member's final payment(s). With the bonding in place, the Board is in position to procure multiple ALP quotes since it will be able to fund the ALP directly through the bonding process, rather than relying on the receipt of payments from the members of insolvent GSITs. Second, the Board will reduce each settling member's amount owed, by a pro rata share of estimated recoveries from the Board's third party litigation referenced above, thereby reducing the amount on money sought from settling members. Third, as a result of the extended period in which to repay the bonds, the Board is now able to provide extended repayment terms of up to ten years and very favorable interest rates. Bonds were issued in December 2013 and ALPs for the following trusts have been executed:

Healthcare Industry Trust of New York (HITNY)  
Health Care Providers Self Insurance Trust (HCP)  
Elite Contractors of New York (ELITE)  
Manufacturing Self-Insurance Trust (MSIT)  
Wholesale and Retail WC Trust of New York (WRWCT)  
Auto Service and Repair Self Insurance Trust (AUTO)  
Mercantile Self-Insurance Trust (MERC)

The Board anticipates additional ALPs will be effectuated throughout the course of 2015.

#### **IV. Status of Individual Self-Insured Employers Requisite Security Deposit Posted**

Currently the NYS Workers' Compensation Board has 741 active individual (large corporate) self-insured employers. This number consists of 125 parent companies (accounts) and 616 subsidiary companies which are self-insured on a consolidated basis<sup>2</sup>.

There are three self-insured accounts that are not fully secured at this time: The Great Atlantic & Pacific Tea Company, Pathmark Stores, Inc. and Shopwell, Inc. The Board continues to work with these self-insurers to establish adequate security.

A listing of the 125 self-insured accounts is attached herein:

##### Self-Insured Employers

ABA Transportation Holding Co. Inc.  
ABF Freight System, Inc.  
Arnot Ogden Medical Center  
Ascension Health  
Aspire of Western New York, Inc.  
Ball Corporation  
BJ's Wholesale Club, Inc.  
Bon Secours Health System, Inc.  
Brookdale Hospital Medical Center  
Brooklyn Bureau of Community Service  
Bush Industries, Inc.  
Carillon Nursing and Rehabilitation Center, LLC  
Cayuga Medical Center at Ithaca, Inc.  
CBS Corporation  
CH Energy Group, Inc.  
Champlain Valley Physicians Hospital Medical Center  
Child and Family Services of Erie County, Inc.  
Columbia University in the City of New York Trustees of  
Consolidated Edison Company of New York, Inc.  
Cornell University  
Costco Wholesale Corporation  
Crouse Health Hospital, Inc.  
Cummins Inc.  
Curtis Niagara LLC

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<sup>2</sup> The increase in the total number of self insurers as compared to the June 30, 2014 report is the result of additional subsidiaries of the four Roman Catholic Dioceses.



DCH Auto Group (USA) Inc.  
Delhaize America, LLC  
DePaul Group, Inc.  
Dolgencorp of New York, Inc.  
E. I. du Pont de Nemours and Company  
Eastman Kodak Company (NJ)  
Entergy Nuclear Operations, Inc.  
Federal Express Corporation  
FedEx Freight, Inc.  
FedEx Ground Package System, Inc.  
Finger Lakes Regional Health System, Inc.  
Ford Motor Company  
Fulton Boiler Works, Inc.  
Fulton Group N.A., Inc.  
Gannett Co., Inc.  
General Motors LLC  
Gleason Works  
Golub Corporation  
Great Atlantic & Pacific Tea Company, Inc.  
Harden Furniture, Inc.  
Herr Foods Incorporated  
Highland Hospital of Rochester  
Hillside Family of Agencies  
International Paper Company  
John D. Brush & Co., Inc.  
KeyCorp  
Kistner Concrete Products Inc  
Klein Cutlery, LLC  
Krasdale Foods, Inc.  
L Brands, Inc.  
L. & J.G. Stickley, Inc.  
Leprino Foods Co.  
Lifetime HealthCare, Inc.  
Lowe's Home Centers, LLC  
Macy's, Inc.  
Marriott International, Inc.  
McWane Inc.  
MeadWestvaco Corporation  
Memorial Sloan-Kettering Cancer Center

Metropolitan Museum of Art  
National Fuel Gas Company  
National Grid USA  
New Era Cap Co., Inc.  
New York Black Car Operators Injury Comp. Fund Inc.  
Nordstrom, Inc.  
NYSARC, Inc. Chautauqua County Chapter dba The Resource Center  
NYU Hospitals Center  
O-AT-KA Milk Products Cooperative, Incorporated  
Oldcastle, Inc.  
Orange and Rockland Utilities, Inc.  
Oswego Hospital  
Our Lady of Lourdes Memorial Hospital  
Our Lady of Victory Homes of Charity  
Owens Corning  
Owens-Illinois Inc. (1987)  
Parker Hannifin Corporation  
Pathmark Stores, Inc.  
People, Inc.  
Queens Borough Public Library  
Quick Chek Corporation  
Raymond Corporation  
Rochester General Health System  
Rochester Institute of Technology  
Rockefeller University  
Roman Catholic Diocese of Albany, NY  
Roman Catholic Diocese of Buffalo  
Roman Catholic Diocese of Ogdensburg  
Roman Catholic Diocese of Syracuse  
Rosina Food Products, Inc.  
Roswell Park Cancer Institute Corporation  
Saint-Gobain Abrasives, Inc.  
Samaritan Medical Center  
Samaritan-Keep Nursing Home, Inc.  
Sherwin-Williams Company  
Shop Vac Corporation  
Shopwell, Inc.  
SKF USA Inc.  
St Barnabas Community Enterprises, Inc

St. Elizabeth Medical Center  
St. Joseph's Hospital  
St. Joseph's Hospital Health Center  
St. Mary's Healthcare  
Stanley Black & Decker, Inc.  
Starbucks Corporation  
Stewart's Shops Corp.  
Swift Transportation Co., LLC  
Syracuse University  
Target Corporation  
Tessy Plastics Corp.  
Unifrax I LLC  
United Airlines Inc.  
University of Rochester  
Upstate Niagara Cooperative Inc  
Viacom Inc.  
Visiting Nurse Service of New York  
Wal-Mart Associates, Inc.  
Washington Mills Electro Minerals Corporation  
Wegmans Food Markets, Inc.  
Wendy's International, LLC  
White Castle System, Inc.  
Yeshiva University