



February 25, 2011

NEW JERSEY REVISES LIST OF SPECIAL RISKS

BACKGROUND

The Department of Banking and Insurance (DOBI) recently issued a Public Notice which promulgated the list of special risks. This list is revised from the last list issued in 2005. Rates and forms are not required to be filed for these risks.

In the Insurance Code in section 17:29AA-3k, “special risks” are defined. Item (1) applies to those risks included in the list promulgated by the Department in this Public Notice. Item (2) of the definition provides that risks which produce minimum annual premiums in excess of \$10,000 are considered a “special risk.” However, while rates do not have to be filed for the risks defined in Item (2), forms are required to be filed.

CHANGES

On page 5 of the Special Risks Notice, there is a new section (part II A) describing large commercial risks. These are risks that develop at least \$25,000 in premium or have at least 25 full-time employees and that either employ a risk manager or use a retained qualified insurance consultant. Insurers do not have to file either rates or forms for risks meeting the criteria set forth in the Notice. Therefore insurers will have the additional flexibility of not filing forms for these defined large commercial risks.

Filed forms are still required for those risks which produce at least \$10,000 in premium but do not meet the other criteria under part II A of the Notice.

AVAILABILITY

The Public Notice may be accessed on the Department’s website at:
<http://www.state.nj.us/dobi/notices/specialrisks2011.pdf>

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900.