

1 Lauren Hill

2 have been our policyholder service manager.

3 At the time, I think that was Mr. Dave.

4 Q Do you have any idea how he
5 arrived at the decision to modify?

6 A No.

7 Q Generally speaking, do you see
8 modifications often?

9 A Yes.

10 Q And do you have any idea why they
11 occur?

12 A Sometimes to work with the
13 policyholder, to give them relief. It -- it's
14 done on a case-to-case basis.

15 MR. BAILEY: Just bear with me for
16 another second. I've got one more to
17 go through.

18 I'd like to mark this as B,
19 Defendant's B, please.

20 (Whereupon, the reporter marked
21 Defendant's Exhibit B for identification,
22 State Insurance Fund Renewal Policy
23 document dated 12/20/06, as of this
24 date.)

25 MR. BAILEY: Thank you.

1 Lauren Hill

2 Q Can you take a look at this,
3 please.

4 A Okay.

5 Q Is this document familiar?

6 A Yes.

7 Q Starting from the top page, what
8 is this?

9 A This is the renewal. The top page
10 is a -- a page from the renewal, the policy
11 renewal for the period February 7th, 2007 to
12 February 7th, 2008.

13 Q Is it fair to say that this is
14 before any modification based on line 8?

15 A Yes.

16 Q If you turn to the next page.

17 A Okay.

18 Q I apologize. The top is cut off,
19 but can you make out what this is?

20 A I believe it's the -- it's the
21 statement of account.

22 MR. BAILEY: If you don't mind,
23 I'm going to match it up --

24 MR. FLORIO: Oh, sure.

25 MR. BAILEY: -- with yours --

1 Lauren Hill

2 MR. FLORIO: Take your time.

3 MR. BAILEY: -- to make sure it's
4 the same here.

5 Q You said before this is the
6 statement of account. What does that reflect?

7 A It reflects the transactions for
8 the policy from the inception to the end.

9 Q So this would be from the very
10 beginning of any policy with State Insurance
11 Fund on a continuing basis to when it was
12 cancelled --

13 A Yes.

14 Q -- correct?

15 A Yes.

16 Q If you look down at May 30th, what
17 does that line reflect?

18 A It reflects the cancellation. The
19 cancellation notice would have gone out on
20 that day.

21 Q Okay.

22 A Meaning that we initiated
23 cancellation.

24 Q The line above it, June 19th, what
25 does that reflect?

1 Lauren Hill

2 A That's a rescind. We're backing
3 out what we previously billed so that we can
4 put in a new bill.

5 Q What bill are you rescinding
6 there?

7 A This would be the renewal for
8 2007.

9 Q For 2007.

10 A Yes.

11 Q What was the bill for 2007 before
12 rescinding that portion?

13 A When you say -- that was the
14 renewal bill.

15 Q Right. This is, if I'm correct, a
16 rescinding of a portion of the renewal bill.

17 A Mm-hmm.

18 Q What was it originally?

19 A What do you mean? The amount?

20 Q Yes.

21 A I wouldn't know the amount. Well,
22 if --

23 Q Usually, it's --

24 A It would be --

25 Q I'm sorry.

1 Lauren Hill

2 A Okay. It would be -- we billed
3 \$195,689.58. Oh, I'm sorry. That's the wrong
4 year.

5 Let's see. For me it's difficult
6 because I need the actual transaction, but we
7 did a rebill of 2007 on 12/21/06, which was an
8 adjustment from the renewal that went out on
9 12/20, and --

10 Q So the renewal of December 20th --

11 A Yes.

12 Q -- that is a bill in essence to
13 renew the policy --

14 A Yes.

15 Q -- for the coming year, correct?

16 A Yes.

17 Q The rebill listed as December
18 21st, what is that reflecting?

19 A That we -- for some reason, we
20 were making a -- a change, which goes back to
21 the documents that we were previously looking
22 at. We made a change that probably was a mod
23 change, and then we came forward again and
24 made another change.

25 Q Okay.

1 Lauren Hill

2 A But without seeing the individual
3 bills in conjunction with this, I can't tell
4 you why each one.

5 Q I see.

6 Now, turning back to the second
7 page where we've previously spoken about the
8 June 19th, 2007, the rescind --

9 A Yes.

10 Q -- date, the EP rescind --

11 A Yes.

12 Q -- turning back to that, those
13 credits when applied, are they always for a
14 modification?

15 A No.

16 Q What else would they be applied
17 for?

18 A The rescind can be for any reason.
19 It's -- the rescind is us removing a prior
20 bill, which is the rescind; and it's coupled
21 with going forward with a new bill.

22 Q And would only the bill reflect
23 the reason for the rescind?

24 A Yes.

25 I'd like to revise that statement.

1 Lauren Hill

2 Q Okay.

3 A The individual rescind may not
4 necessarily tell why it's being rescinded; but
5 the bill that supersedes it, that comes after
6 it, should give you a reason why the change
7 has been put in.

8 Q Okay, but that wouldn't be found
9 anywhere else but the bills.

10 A Exactly.

11 MR. BAILEY: Off the record for a
12 second.

13 (A brief discussion was held off the
14 record.)

15 MR. BAILEY: I'd like to mark this
16 as Defendant's C, please.

17 (Whereupon, the reporter marked
18 Defendant's Exhibit C for identification,
19 monthly worker's compensation statements,
20 as of this date.)

21 MR. BAILEY: Thank you.

22 Q One question before we get there,
23 turning to the second page of Defendant's B,
24 the first page of the statement of accounts --

25 A Okay.

1 Lauren Hill

2 Q -- the line May 7th, 2007

3 provisional --

4 A Yes.

5 Q -- what does that reflect?

6 A That's an installment payment for
7 the February 2007 renewal period.

8 Q Is it fair to say that every bill
9 amount marked provisional is an installment
10 payment?

11 A Yes.

12 Q Thank you.

13 I'm handing you now what's been
14 marked as Defendant's Exhibit C. Could you
15 tell me what that is, please.

16 A This is the monthly statements
17 that were -- a copy of the monthly statements
18 that were mailed out to the policyholder.

19 Q And would these reflect why a
20 rescind would occur?

21 A No, not necessarily. The
22 actual -- the actual reasons that we do
23 rescinds are printed on the -- the individual
24 billings that go out that are actually those.
25 (Indicating.)

1 Lauren Hill

2 Q Okay.

3 Just going back to C for a second,
4 you said that was a monthly statement,
5 correct?

6 A Yes.

7 Q What does that reflect?

8 A When we send out the monthly
9 statement, it shows all the transactions that
10 went on within that particular month.

11 Q Fair enough.

12 MR. BAILEY: I'd like to mark this
13 Defendant's D, please.

14 (Whereupon, the reporter marked
15 Defendant's Exhibit D for identification,
16 various transactions sent to
17 policyholder, as of this date.)

18 Q I'm handing you what's been marked
19 as Defendant's Exhibit D. Can you tell me
20 what that is, please.

21 A Okay. It's a packet of different
22 transactions that went out to the
23 policyholder. Copies of these transactions
24 that went out to the policyholder.

25 Q Would this reflect why a bill has

1 Lauren Hill

2 been rescinded?

3 A Yes, it should. Yes.

4 Q If you can, can you locate June
5 19th, 2007. And these were in reverse
6 chronological order as well?

7 MR. FLORIO: I think they were,
8 right?

9 THE WITNESS: Yes.

10 MR. BAILEY: Okay.

11 Q I didn't want to make you --

12 A Yes.

13 Q -- do that if --

14 A Okay.

15 Q So what does that reflect as the
16 reason for the June 19th rescind?

17 A Okay. This one states that based
18 on Section 92 of Worker's Comp Law, this
19 policy was rebilled for the February 2007 year
20 because the earned premium from 2006, meaning
21 the period in 2006 that was audited, had a
22 higher payroll, so it required that we rebill
23 the '07 year to match what we found in 2006.

24 Q If you can locate February 5th,
25 2007. It would be the next rescind date.

1 Lauren Hill

2 A February 5th?

3 Q Yes, ma'am.

4 A Okay.

5 Q The statement of accounts reflects
6 a rescind of roughly \$250,000.

7 A Okay.

8 Q Does that reflect that as well?

9 A Yes.

10 Q And what was the reason for the
11 rescind?

12 A Because we -- we revised the State
13 Fund mod at that point.

14 Q Okay, and that was revising the
15 mod for?

16 A We revised the mod/differential
17 for the -- for the 2006 period.

18 Q Just a few remaining questions.

19 A Okay.

20 Q Turning to your time as the
21 underwriter for Harry's Nurses Registry, have
22 you been the underwriter the entire time?

23 A Yes.

24 Q About how many communications have
25 you had with Harry's Nurses?

1 Lauren Hill

2 A I couldn't begin to say.

3 Q Could you do it by in any given
4 month?

5 A I don't know.

6 Q All right.

7 Have you had any?

8 A I know that I've had some. In the
9 beginning when it -- it -- the policy started
10 in 2006, so it's very difficult for me to come
11 up with a number from that point. As -- as of
12 now, within the last year, I've had -- I've
13 had correspondence from their broker, but I
14 don't know that I've actually spoken to
15 anyone.

16 Q That leads to my next question,
17 which is what kind of communications would you
18 have had? For example, would it have been
19 simply correspondence through letters, email,
20 phone conversations?

21 A It could have been all of the
22 above.

23 Q All of the above. Okay.

24 Just going back so that I
25 understand, revising the State Insurance mod

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Lauren Hill

or differential was up to a Mr. Dave who is a supervisor? What is his position? I'm sorry.

A His position was policyholder services manager.

MR. BAILEY: That's all I have.

Thank you very much.

THE WITNESS: Thank you.

(Time noted: 3:36 p.m.)

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I N D E X

WITNESS PAGE
LAUREN HILL

Examination by:

Mr. Bailey 5

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E X H I B I T S

DEFENDANT'S	DESCRIPTION	PAGE
A	NYSIF Audit document	7
B	State Insurance Fund Renewal Policy	26
C	Monthly Worker's Compensation statements	32
D	Various transactions sent to policyholder	34

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