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### Origins

“They did not die in vain, and we will never forget them.”

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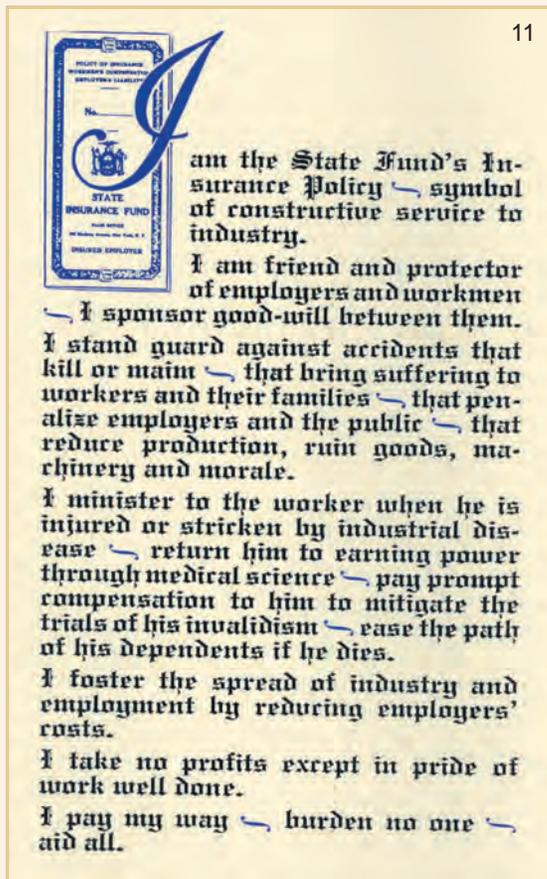
### The NYSIF Century

“The spirit of the State Insurance Fund always has been and always will be the Spirit of Service.”

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### NYSIF People

“Like all great institutions, it’s the people who make NYSIF special.”



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## From the Governor

Congratulations to the New York State Insurance Fund on its 100<sup>th</sup> anniversary.

Since 1914, the Fund has been a pioneer in workers' compensation insurance in America and has supplied uninterrupted insurance for more employers, claimants and beneficiaries than any other workers' compensation carrier in New York State. Today, the Fund maintains its remarkable record of consistency as a leading writer of workers' compensation insurance.

For 100 years, NYSIF has served as a safety net for employers to cover workers against the unexpected hardship of on-the-job injury and illness. More than a century ago, the Triangle Shirtwaist fire graphically illustrated the harsh reality of workplace accidents. Voters responded by passing a constitutional amendment establishing the New York Workers' Compensation Law and the State Insurance Fund.

NYSIF issued its first policy on July 1, 1914, the day the law took effect. Since then, it has fulfilled its mission as a guaranteed source of insurance for any employer seeking coverage in New York. Over the years, NYSIF has covered hundreds of thousands of New York businesses and provided security for millions of workers and their families.

In 1949, the safety net was extended with the passage the New York State Disability Benefits Law to cover off-the-job accidents and sickness. Again, NYSIF began writing disability benefits insurance policies from the day the law took effect on July 1, 1950.

During all this time, NYSIF has provided the guaranteed security of a just benefit for workers while focusing on the needs of employers and employees. This helps strengthen local economies by leading to smarter, safer, healthier and more productive workplaces.

NYSIF has sustained this record of success with strong leadership, sound fiscal management and a pioneering spirit. As a not-for-profit New York State agency operating in the open market, it has met New York's needs for workers' compensation and disability benefits insurance without fail.

Congratulations again, NYSIF. Long may you serve the needs of future generations of New Yorkers.



*The State Insurance Fund has operated continuously since 1914, covering more employers, claimants and beneficiaries than any other workers' compensation insurance carrier in New York State – a remarkable record of consistency.*

Sincerely,  
**Andrew M. Cuomo**  
Governor



*NYSIF was created as a not-for-profit agency and, equally important, as a competitive carrier to provide a stable market for any business in New York.*

## From the Chairman

**B**efore July 1, 1914, injured workers and their families had little recourse against the ravages of workplace accidents that led to lost wages and livelihoods. While the 1909 Commission on Employers' Liability made this abundantly clear, the grim events of March 25, 1911, and the fate that befell victims of the Triangle Shirtwaist Company fire and their survivors made it painfully obvious.

The Workmen's Compensation Act of 1914 established the State Insurance Fund to ensure that the compensatory pitfalls which followed the Triangle Shirtwaist fire were never repeated. The Fund wrote its first policy on July 1, 1914, and has written many others throughout its 100-year history.

Originally limited to specific hazardous occupations, the New York Workers' Compensation Law now covers virtually every job and every worker in the state. The New York State Legislature created the State Insurance Fund as a not-for-profit state agency to offer insurance rates at the lowest possible cost. Equally important, NYSIF was established as a competitive insurance carrier to provide a stable market, which allows it to fulfill its mandate to write insurance any time for any business in New York, regardless of risk.

That blueprint has stood the test of time. As a result, the workers' compensation and disability benefits insurance market remains highly competitive today, which benefits all employers and employees in New York State.

This enables NYSIF to issue discounts and dividends for policyholders even in the most dire of economic conditions. At the same time, NYSIF has provided insurance for industries unable to find adequate coverage elsewhere, risks that include construction, building demolition, asbestos abatement, window cleaning operations, roofing, scrap metal companies, thoroughbred racing, livery drivers, and a variety of exposures to airborne dust diseases and occupational hearing loss.

We have come a long way in 100 years. Through two world wars, the Great Depression, multiple recessions and the nation's worst terrorist attack, our commitment to serving employers and the people of New York State has never wavered. I would like to thank Governor Cuomo, the Board of Commissioners, NYSIF Executive Management and the entire staff of the State Insurance Fund for their support. Best wishes to NYSIF on a momentous anniversary.

Sincerely,  
**Kenneth R. Theobalds**  
Chairman



## From the Executive Director

The New York State Insurance Fund observes its 100<sup>th</sup> anniversary of continuous service to New York businesses and their employees in 2014.

Borne from a galvanizing moment in American labor history – the Triangle Shirtwaist Company fire in New York City – the State Insurance Fund began as an integral part of one of the first workers’ compensation statutes in the United States. In the years following the devastating fire, almost every jurisdiction in the nation followed New York’s pioneering lead, patterning their legislations after the New York model.

NYSIF is the sixth largest writer of workers’ compensation insurance in America and is the leading workers’ compensation carrier in New York with more than \$2.2 billion in earned premiums in 2013. NYSIF covers approximately 166,000 policyholders and their employees against injuries and illnesses sustained on and off the job by providing a stable source of workers’ compensation and disability benefits insurance for New York employers.

Five businesses that took policies with the Fund in 1914 remain policyholders today and thousands have been customers for 50 years or more. NYSIF is not merely the residual carrier for New York, but is a competitive carrier that offers quality products and services, and a choice for insurance for many businesses.

The Fund continues to keep up with changing times while staying true to a mission and a commitment that began 100 years ago. NYSIF makes timely and appropriate claims payments, helps claimants return to work when possible, and works with policyholders to maintain safe, healthy workplaces in which employees and employers can thrive.

We dedicate this 100<sup>th</sup> anniversary commemorative to everyone who has had a stake in the success of this organization. This list includes our leadership in the state of New York – past and present – Governor Cuomo, the Board of Commissioners, executives and managers who have nurtured and led this agency, the dedicated men and women who have staffed it, and the employers and employees for whom NYSIF was created.



*We have stayed faithful to our mandate and a commitment that began 100 years ago. We dedicate this 100th anniversary commemorative to everyone who has had a stake in the success of this organization.*

Sincerely,  
**Eric Madoff**  
Executive Director

# Board of Commissioners

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## New York State Insurance Fund Board of Commissioners 2014

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Chairman

**Kenneth R. Theobalds**

Vice President, Government & Regulatory Affairs  
Entergy *(second from left)*

Vice Chairman

**Barry Swidler**

Chief Executive Officer,  
Long Island Carpet Cleaners, Inc. *(left)*

**Eileen A. Frank**

President,  
J.P. West, Inc. *(center)*

**David E. Ourlicht**

Managing Director  
GAMCO Asset Management *(second from right)*

**Joseph Canovas**

New York AFL-CIO *(right)*

**Peter M. Rivera** (ex-officio)  
Commissioner  
New York State Department  
of Labor





*The Workmen's Compensation Commission had oversight for NYSIF in 1914. From 1915-1937, the New York Industrial Commission had oversight for NYSIF. In 1938, NYSIF was reorganized under a separate, independent Board of Commissioners.*

## Commission Chairs

Robert E. Dowling 1914–1915

John Mitchell 1916–1919

Edward F. Boyle 1920

Henry D. Sayer 1921–1922

Bernard L. Shientag 1923–1924

James A. Hamilton 1924-1927

Frances Perkins 1929–1933

Elmer F. Andrews 1933–1937

John E. Connelly 1938–1944

William F. Fanning 1945–1955  
1959–1973

Thomas P. Lynch 1955–1959

Harold V. Gleason 1973–1977

Martin A. Fischer 1977–1995

Charles G. Moerdler 1995–1997

Terence L. Morris 1997–2006

Robert H. Hurlbut 2006–2012

Donald T. DeCarlo 2012

H. Sidney Holmes, III (acting) 2012–2013

Kenneth R. Theobalds 2014



## Chief Executives

F. Spencer Baldwin 1914–1920

L.W. Hatch 1920–1924

C. Gordon Smith 1925–1938

Lt. Col. Nicholas W. Muller 1938–1943

Edward J. Powers 1945–1949

William B. Folger 1950–1967

James J. Carroll 1967–1972

Albert J. Millus 1972–1978

Arnold Kideckel 1978–1987

Salvatore Curiale 1987–1990

Cecilia E. Norat 1990–1996

H. Neal Conolly 1997–2001

Kenneth J. Ross 2001–2005

David P. Wehner 2006–2009

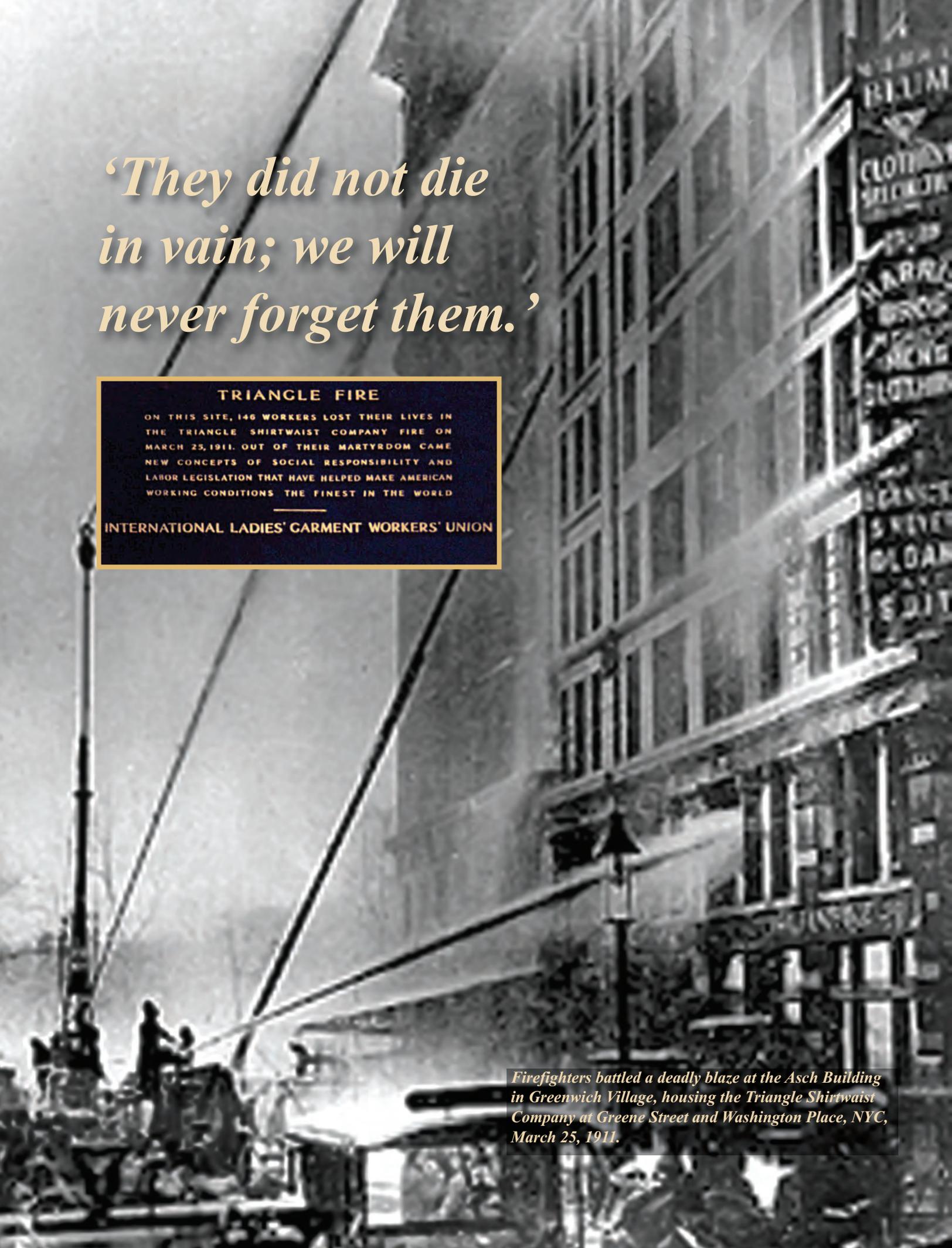
James J. Wrynn 2009

Francine James 2009–2011

Dennis J. Hayes 2011–2013

Eric Madoff 2014





*‘They did not die  
in vain; we will  
never forget them.’*

**TRIANGLE FIRE**

ON THIS SITE, 146 WORKERS LOST THEIR LIVES IN THE TRIANGLE SHIRTTWAIST COMPANY FIRE ON MARCH 25, 1911. OUT OF THEIR MARTYRDOM CAME NEW CONCEPTS OF SOCIAL RESPONSIBILITY AND LABOR LEGISLATION THAT HAVE HELPED MAKE AMERICAN WORKING CONDITIONS THE FINEST IN THE WORLD

**INTERNATIONAL LADIES' GARMENT WORKERS' UNION**

*Firefighters battled a deadly blaze at the Asch Building in Greenwich Village, housing the Triangle Shirtwaist Company at Greene Street and Washington Place, NYC, March 25, 1911.*

# Labor Icon, NYSIF Chair



*Frances Perkins' portrait at the U.S. Department of Labor, where she served longer than any other Labor Secretary, 1933-1945.*

When Gov. Franklin D. Roosevelt named Frances Perkins as New York's first woman industrial commissioner in 1929, she also became the top state official of the New York State Insurance Fund. She remained in that role until 1933 when then-President Roosevelt picked her to become the nation's first woman cabinet member as Labor Secretary.

Ms. Perkins developed an interest in social change at an early age, beginning in 1898 at Mt. Holyoke College. After observing factory life during field trips to nearby mills she concluded, "Avoiding poverty was not a question simply of liquor or laziness, but also of safety devices on machines."

Among her first assignments as a volunteer for the settlement house Chicago Commons in 1904, she collected overdue wages for "bundle women" who worked in tenement houses for the clothing industry. On March 25, 1911, fate placed her one block from the scene of the Triangle Shirtwaist fire. She rushed to the site to witness the carnage, an image that influenced all of her subsequent labor reforms.

The fire led to the creation of the Factory Investigation Commission three months later. Ms. Perkins and the committee of legislators and reformers – chaired by Senator Robert F. Wagner, Sr., and co-chaired by Assemblyman Alfred E. Smith – toured factories across the state. Ms. Perkins recounted how, at one site, "We made sure Robert Wagner personally crawled through the tiny hole in the wall that gave exit to a step ladder covered with ice and ending 12 feet from the ground, which was euphemistically labeled *Fire Escape*."

As industrial commissioner, Ms. Perkins had administrative control over the Advisory Committee of the New York State Insurance Fund and took an avid interest in its operation and its staff. Her dedication never faltered, as the relationship continued even after her appointment to Washington. She received updates about the Fund's progress and took the time to write back.

She also never let go of the memory of the 146 Triangle victims who perished in the blaze. At the fire's 50<sup>th</sup> memorial observance in 1961, Ms. Perkins said, "They did not die in vain, and we will never forget them."



## A Fire at Quitting Time

Most of us are aware that the Triangle Shirtwaist fire served as a catalyst for numerous reforms and the eventual creation of NYSIF. For me, the connection is more personal.

In 1911, my grandfather, Lawrence Golden, was a 27-year-old NYC firefighter with four years on the job. He was assigned to a firehouse on 13<sup>th</sup> Street in lower Manhattan. On Saturday, March 25, he responded to a fire in a loft building on the corner of Greene Street and Washington Place.

The fire was reported at 4:45 p.m. The blaze started in a pile of discarded fabric and spread rapidly, as 500 employees of the Triangle Shirtwaist Company were about to leave for the day. When my grandfather arrived, employees on the eighth floor had already begun jumping to the street to avoid being burned to death. The fire was under control in approximately 18 minutes and was all but out in under half an hour, but there was still a great deal of devastation. On that day 146 employees died and scores were injured. Most were young, foreign born and female and 65 victims opted to jump to try to save themselves. The rest were trapped inside due to blocked exits, locked doors and an inadequate fire escape.

My grandfather was the kind of man who enjoyed telling a good story. Many of his accounts involved his 20 years as a firefighter but he had difficulty talking about this fire. He described the falling bodies – some already afire – or how he worked late into the night searching for victims in the rubble on the eighth, ninth and 10<sup>th</sup> floors.

Unsafe conditions and unfair labor practices had a profound effect on my grandfather. Later in his career, he became a founding member of the NYC Firefighters Association. He taught us about fire safety, and since then, I always look for exits in unfamiliar buildings.

Any time anyone needs a little dose of history, or a reminder of why NYSIF came into existence, go to the NYU campus. The Asch Building (now the Brown Building) is still there. The outside is essentially unchanged since 1911. Every March 25<sup>th</sup>, a ceremony honors those who lost their lives and, in turn, made working conditions safer for all of us. I would like to think that men like my grandfather made a difference, too.

– Martha Golden, NYSIF Claims Manager

# FIRE TRAP VICTIMS BURIED

## DRAFT NEW LAW TO SAVE SHOP WORKERS.

THE WEATHER

NEW YORK EVENING JOURNAL

8TH EDITION  
EXTRA

No. 11117 P. M. PRICE 5c NEW YORK, TUESDAY, MARCH 28, 1911. SPECIAL DELIVERY ONE CENT

Voters remembered shocking headlines, as in the Evening Journal of Tuesday, March 28, 1911, and grim images (below) when, on November 4, 1913, they passed a referendum to amend the state constitution, ratifying enactment of a compulsory workers' compensation law in New York. Three years earlier, the New York State

Legislature enacted the first compulsory workers' compensation law in the nation, only to have it declared unconstitutional by the state Court of Appeals. Described in a book about workers' compensation law by former State Fund Executive Director Albert Millus, "the judicial, if not judicious, invalidation of the act" came one day before the Triangle Shirtwaist fire.

## WOMAN TELLS OF FIGHT FOR LIFE AT BARRED DOORS!

### 'I don't pretend. I feel it. Still.'

The Triangle Shirtwaist Company fire in NYC is often cited as a defining moment in labor history, modern industrial safety and progressive insurance legislation, leading to the workers' compensation system in New York and the creation of NYSIF. The tragedy remains one of the most deadly workplace accidents in North America – 146 workers died and many were injured.

The New York State Department of Labor's Apparel Industry Task Force annually dedicates their enforcement efforts in memory of the Triangle fire. A plaque commemorates the victims at the site, where the building still stands and a memorial observance takes place each year.

From Kate Leone, 14, to Provindenza Panno, 43, the roster of Triangle's dead is comprised of mostly young women and men who toiled to eke out a life for themselves. Instead, their burned bodies were laid to rest decades too soon.



Mournful scenes such as this, labeled 'Bodies from Washington Place Fire 3/25/11,' led to a constitutional amendment, Article 1 §19, that established the Workmen's Compensation Act of 1914.

On March 25, 1911, a combination of labor and social conditions, managerial mindset and building design coalesced into a brief, deadly inferno on a late Saturday afternoon. The factory in the Asch Building at Greene Street and Washington Place had a high concentration of flammables, narrow aisles and locked exits – barring union organizers and detaining distrusted workers – in a structure built to withstand fire, but lacking adequate fire escapes.

Triangle employees worked on the eighth, ninth and 10<sup>th</sup> floors of the building. Rescue ladders that did not reach beyond six stories forced agonizing decisions – face the fire or jump. Some vainly hoped that the plunge was survivable but within minutes, scores of innocent workers perished.

Graphic descriptions of the carnage were recounted in news stories and interviews with survivors and witnesses. Newspaper reporter William Shepard wrote, "I learned...a more horrible sound than description can picture. It was the thud of a speeding, living body on a stone sidewalk."

The ensuing shock and sympathy reached across New York and the nation, leading to investigations and reforms, new building and labor laws, and work safety rules and regulations. Remembering the fire before her death in 2001 at age 107, Rose Freedman, the last survivor, told an interviewer: "I don't pretend. I feel it. Still." She had become a lifelong crusader for labor reform, recounting the fate of her Triangle co-workers at every opportunity.

Injured survivors and families of the victims received no workers' compensation benefits. Just one day earlier, a court had found New York State's first workers' compensation law unconstitutional. However, that decision, in *Ives vs. South Buffalo Railway*, could not withstand the energies of the progressive movement, coupled with practical politicians and

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the public's outrage at hazardous, substandard working conditions.

The awful fire opened eyes to the substandard working conditions and safety issues prevalent in New York's sweatshops. A Factory Investigation Commission made numerous visits to work sites, held hearings, and in 1912, issued a scathing preliminary report. The chief investigator – the zealous labor reformer Frances Perkins – was an eyewitness to the fire and dedicated herself to meeting the demands for meaningful answers for victims and enforcing means of accident prevention. One key witness, NYFD Chief Edward Croker, stated that building codes perpetuated structures that would not burn, but provided inadequate protection for occupants. Croker's book, *Fire Prevention*, advocated drills and emergency preparation as a means to prevent such tragedies.

Ultimately, the Triangle legacy included improved working conditions, wage and child labor laws, and fireproof buildings that protect life as well as property. One reform: "panic bar" locks on outward-swinging exit doors are now cornerstones of building and life safety codes. This lock, available since about 1904, could have limited the tragedy and saved many lives.

In three years, public opinion and political wrangling led to an amended state constitution and acceptance of no-fault workers' compensation insurance. Even after 100 years, workplace injuries or fatalities sometimes evoke the memory of the Triangle fire.

– Gary Dombroff, *NYSIF Principal Field Services Rep*

### Need to Be Ever Watchful

Unfortunately, the 21<sup>st</sup> Century still has its share of unsafe working conditions, wage violations and uninsured workers.

On November 24, 2012, a devastating fire swept through a Bangladesh garment factory, killing more than 100 workers and injuring many more, and evoking comparisons to the Shirtwaist tragedy.

Federal standards require that employees be able to open an exit route door from inside at all times, without keys, tools or special knowledge. Yet, recent examples of basic safety violations exist, including:

- A women's apparel chain cited for exit access, electrical hazards and un-mounted fire extinguishers at a Brooklyn store;
- A Brooklyn supermarket cited for allegedly locking night shift workers inside the building and not allowing them to leave without permission;
- Locked and unmarked exit doors, obstructed exit routes and non-functioning emergency lighting among alleged violations by an upstate firearms manufacturer; and
- One investigation that found garment manufacturers owing more than \$5 million in workers' wages, including extensive violations by a Long Island City garment contractor.

## History of New York Workers' Comp. Law

*Adapted from NYS Workers' Compensation Board archives.*

Before enactment of the Workers' Compensation Law, an injured worker's only remedy was to sue in court. To win, a worker had to overcome three defenses used by employers: the worker knew the risk of the job; the injury resulted from the worker's negligence; or the injury was caused by the negligence of a co-worker.



*State Senator J. Mayhew Wainwright*

Crowded court calendars delayed hearings for years. Once a case began, the injured worker paid all court costs. Of the compensation recovered, if any, up to 50% could go to legal fees in addition to medical costs.

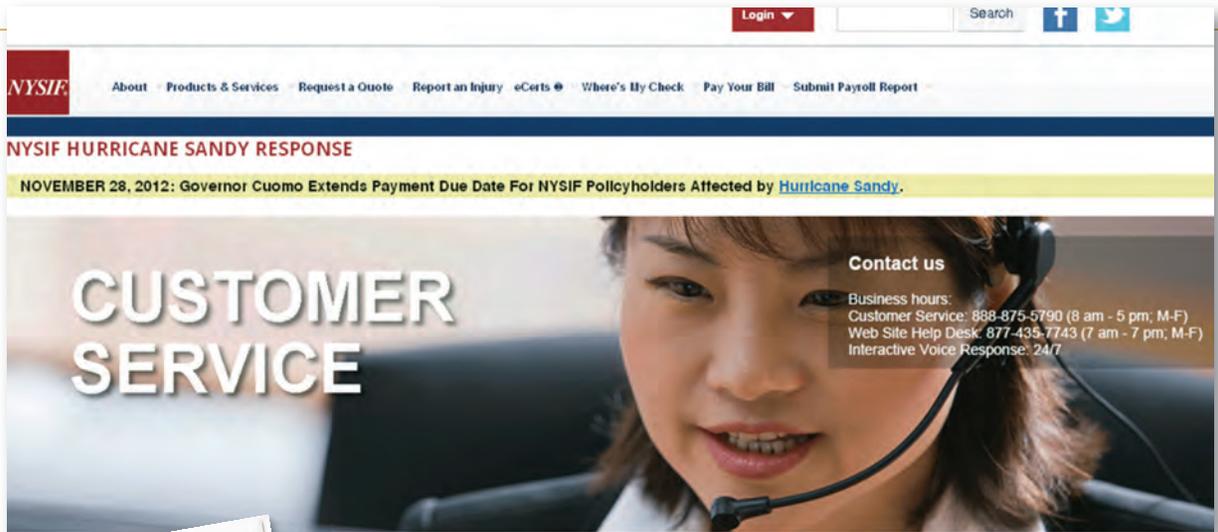
In 1909, the State Legislature created a Commission on Employers' Liability (commonly called the Wainwright Commission after its chair) to examine the law regarding employers' liability and the system of compensation for industrial accidents in New York State. Finding the current law dreadfully inadequate and completely unsatisfactory, the commission's investigation was a defining event in the American workers' compensation movement.

These findings led to two statutes enacted on June 25, 1910, a compulsory act fixing liability upon the employer in eight "especially dangerous" employments and a voluntary act covering other occupations. Both failed. The compulsory act was declared unconstitutional on March 24, 1911, and the voluntary one proved inconsequential. Twenty-four hours later, everything changed. The Triangle Shirtwaist tragedy was a harsh awakening, and on November 4, 1913, voters adopted a compulsory workers' compensation act by popular referendum. The act, effective July 1, 1914, created a new system, including the Workers' Compensation Board and the State Insurance Fund.

Later expanded, the act applied to specific hazardous occupations, listing 42 groups and several hundred employments. The first claim came on the law's first day when William Althen fell from the Equitable Building in Manhattan. His widow collected compensation benefits until her death 81 years later.



*New York's first compensation claim was not a NYSIF case.*



nysif.com

## NYSIF Today

The days when NYSIF field staff set out in horse and buggy to visit policyholders in the outer reaches of New York State have long since passed.

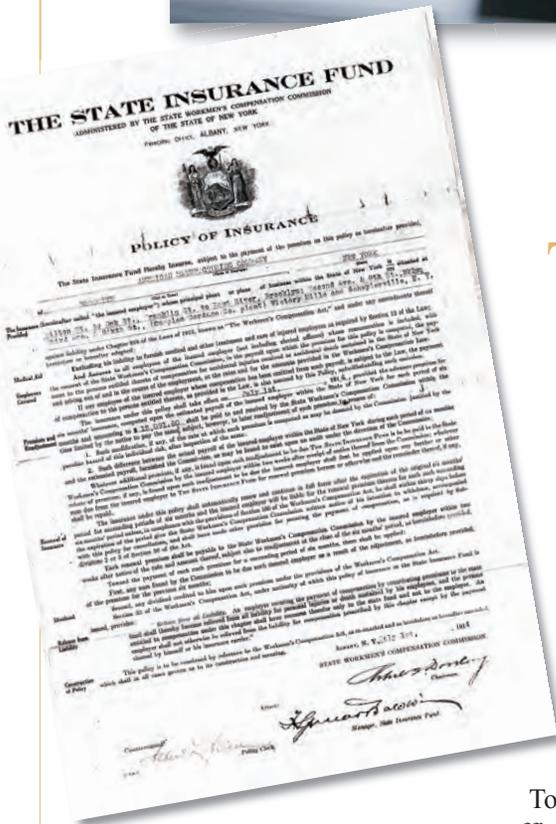
In 1914, payroll auditors were the State Insurance Fund's first representatives, traveling from New York City to wherever NYSIF sent them. They stayed on the road for months at a time, auditing payrolls, writing new business, handling claims and providing any other service required. A historical account of NYSIF's organization during its early years refers to "branch offices" as consisting of one stenographer and one other staff member.

Much has changed since then. In the ensuing years, NYSIF grew to become a full-service workers' compensation insurance carrier, adding disability benefits insurance to its product line in 1950. NYSIF became the number one writer of workers' compensation insurance in New York State by 1928 and annually insures one-third or more of the market. Yearly premium exceeded \$1 billion by the 21<sup>st</sup> Century. In 2013, with more than \$2 billion in premium, NYSIF was the sixth largest workers' compensation insurance writer in the nation.

Today, NYSIF's staff of approximately 2,500 full-time employees operates 12 business offices covering every region of the state. The workforce is made up of claims and field services reps, underwriters, hearing reps, actuaries and payroll auditors. Departments including Customer Service, Information Technology, Investments, Budget and Finance, Internal Audit, Confidential Investigations, Legal, and Communications complement a team of workers' compensation and disability benefits specialists that draws on 100 years of cumulative knowledge and experience.

In 2014, most policyholders can report their own payroll to NYSIF using our website developed and designed entirely by NYSIF staff. In addition to payroll reporting, nysif.com features online services that allow customers to obtain insurance quotes, report and track claims, submit medical reports, check the status of a benefit check or medical payment, receive benefit payments electronically, access hundreds of safety and risk management resources, pay their premiums, and create, validate and print certificates of insurance.

The concept of "state insurance" was a foreign idea when NYSIF set out to be a self-sufficient insurance carrier serving employers and employees across the cities and towns of New York. Along the way, NYSIF emerged as a reliable, stable and service-oriented insurer, and presently covers hundreds of thousands of businesses and millions of workers.



*NYSIF wrote many policies for New York businesses on July 1, 1914. This one was recorded as the first, written for the former American Manufacturing Company of Brooklyn, established as a manufacturer of rope and bagging in 1890. Workers turned hemp, jute and other fibers into miles of rope and twine, essential at the time in almost all aspects of shipping and critically important to the American economy. NYSIF provided them, their families and employers a guaranteed source of workers' compensation insurance protection against the hardship of workplace injuries.*



*There is an enduring spirit, born of an ideal, that vitalizes every successful organization... That spirit, in the State Insurance Fund, always has been, is, and always will be, the Spirit of Service... The history of the State Fund and its continued success can be interpreted best in the light of that spirit. It was in this spirit of service that employees worked day and night when the Fund was young... regardless of hours, often not seeing their homes for days at a time. They kept faith with policyholders, their employees and the public. In the same spirit, the State Fund today keeps the faith.*

Major Nicholas W. Muller, 1939 NYSIF annual report

## The NYSIF Century

Workmen's compensation legislation was first enacted in Germany in the late 19<sup>th</sup> Century. The majority of industrialized Europe would soon emulate those efforts by the turn of the century. The industrial revolution began earlier in Western Europe than it did in the United States. America's early attempts at limited workmen's compensation statutes, including those of Maryland (1902) and Montana (1909), were deemed unconstitutional. Attempts by Maryland again (1908) and Massachusetts (1910) to enable voluntary arrangements between employers and employees were largely ineffective. Wisconsin, meanwhile, enacted the first comprehensive workers' compensation law in America on May 3, 1911.

In 1909, the New York State Legislature organized a Commission on Employers' Liability chaired by State Senator J. Mayhew Wainwright to investigate employers' liability laws regarding industrial accidents in New York. The Wainwright commission was asked to compare the "efficiency, cost, justice, merits and defects of the laws in other industrial states and countries relative to the same subject, and as to the causes of accidents to employees."

### Commission Findings

It took 11 public hearings and many investigations of cases involving work related injuries or deaths in Erie and New York counties for the commission to determine that New York State employer liability laws were entirely insufficient and compensation woefully inadequate.

In Erie County, the findings showed that when a married worker died on the job, the family of the deceased received less than five hundred dollars 71% of the time and in 37% of such cases, they received nothing. Manhattan cases



showed similar findings. Average annual earnings for workers in the study were \$791, and a large part of the amount recovered would have been used for legal fees. The findings regarding serious work-related injuries were no more encouraging.

Delays and wastefulness in the legal process were another issue. A long and expensive lawsuit placed an incredible strain on the families of workers who could not afford such expenses, often resulting in injured workers settling out of court for far less than they deserved. The report also found the existing process resulted in tremendous animosity between employers and their workers, which benefitted no one. The Wainwright Commission made it clear that serious legislative changes were necessary.

### First Act

On June 25, 1910, New York passed the first comprehensive Workmen's Compensation Act in the nation. The act provided for two statutes. The first, a compulsory law, required that in eight especially dangerous jobs employers provide coverage to their workers for injuries "arising out of and in the course of employment." The second statute attempted to provide coverage for workers outside these eight job classifications by sanctioning voluntary agreements between employers and employees, similar in nature to the arrangements provided by the compulsory statute.

Predictably, many employers were unwilling to incur an unnecessary expense, making the voluntary statute entirely ineffective. The compulsory statute was declared unconstitutional in *Ives vs. South Buffalo Railway*. Essentially, the court ruled that the statute took capital and property from employers while denying them due process of law.

»  
Above: State Insurance Fund shield (199 Church St., NY, NY).

# 1911



*An inspector points to a locked exit contributing to the deaths of 146 workers in the Triangle Shirtwaist factory fire in NYC, now a national landmark. The blaze led to the Workmen's Compensation Act of 1914, creating NYSIF.*



## Twist of Fate

The events of the following day, Saturday, March 25, 1911, proved to be a cruel and ironic twist of fate. That afternoon, a spark in a heap of scrap cloth escalated into one of the most deadly and significant fires in American history. The blaze claimed the lives of 146 employees of the Triangle Shirtwaist Company in NYC, mostly young immigrant women. The fire occurred on the top three floors of the Asch Building. Fire truck ladders extended only to the sixth floor and could not reach the victims. The building's fire escape ladder was not adequate to handle the crisis and collapsed during the fire. Only one exit on each of the floors was left unlocked, a commonplace practice intended to prevent theft by employees and for which owners Max Blank and Isaac Harris were eventually brought to trial. Both were acquitted. In 1913, they settled 23 individual civil suits, paying \$75 for each life lost to the families of the victims.

The tragedy shocked people in New York State and the nation, focusing new attention on the plight of American workers toiling under unsafe and inhumane working conditions. Public outrage over the fire and the acquittal of the owners allowed New York lawmakers to remake the case for workers' compensation, despite the fact that the workers who died in the fire would not have been covered by the 1910 Workmen's Compensation Act.

## New Legislation

The State Legislature proposed a public referendum for an amendment to the state constitution in order to avoid further problems regarding the constitutionality of a new statute. The amendment passed on November 4, 1913, and the Legislature enacted the compulsory Workmen's Compensation Act of 1914, effective July 1. The new act was similar to the 1910 act in that it covered specific hazardous occupations but was significantly broader than its predecessor. Under the new law, employers could insure with private carriers, self-insure or obtain coverage from the newly created State Insurance Fund. The Legislature justified the creation of the Fund on the grounds that the cost of insurance would ultimately be borne by consumers, so the not-for-profit State Fund would provide this coverage at the lowest possible

cost. The Legislature also foresaw that the act's compulsory nature required a state carrier that would always make coverage available to employers.

## Early Challenge

Dr. Foy Spencer Baldwin, who served as the State Fund's first manager, oversaw the Fund's formative years. In June 1914, a small group of people assembled in the Metropolitan Life Insurance Company at 24<sup>th</sup> Street and Madison Avenue, headed by Dr. Baldwin. These first State Fund employees realized they would be carefully scrutinized to find out whether or not civil service employees could run an insurance company. They lived up to the task, offering their wholehearted support to the success of the Fund. Within six months of its creation, the Fund had 7,125 policyholders and premiums of \$645,154.02.

*'If NYSIF is to [serve] policyholders and ... the people of the state, it must do a sufficiently large business to guarantee its safety and serve as a useful check upon rates demanded by the stock companies.'*

**1915 Industrial Commission Annual Report**

The Workmen's Compensation Commission originally controlled the Fund, giving way to the Industrial Commission in 1915. An amendment to the Workmen's Compensation Law the same year provided improvements in the claims process, including allowing for direct payments to injured workers from employers or their insurers.

NYSIF provided insurance to employers who were denied coverage due to the nature of their risk by the private sector. However, it was not conceived simply to take up the slack left by private insurers, but rather to be a competitive fund that would provide market stability. In its first year, the Fund faced spirited opposition from private competitors. The Aetna Life Insurance Company challenged NYSIF's right to compete in a letter to Governor Charles S. Whitman in 1915. Confident in a rebuttal supplied by Dr. Baldwin, Gov. Whitman dismissed the challenge and reaffirmed the Fund's status as a competitive carrier. The Industrial Commission reiterated his decision in its 1915 annual report. Through the years, similar challenges to the Fund's right to compete have been unsuccessful.

Several amendments to the law in 1916 directly affected the Fund. Coverage was broadened to encompass employ-

*Continued on page 15*

# 1913



Voters pass a public referendum on the New York Workmen's Compensation Law, November 4, 1913.

# 1914

NYSIF writes its first policy, July 1, 1914.



## Spurred by an Inspiring Talk and Horse Sense

Fortunate, indeed, are we who were born during the so-called “Gay Nineties.” It was our good luck to be born just about the time things started to happen in this old world.

In 1914, with the inception of the Workmen’s Compensation Law, the State Insurance Fund was created. About the same time, the great World War started and we entered a period of industrial activity never equaled in the history of our country. The Great Depression followed this period, so that we who have gone through the last 20 years have lived a lifetime.

During December 1914, I received a telegram from the secretary of the old Workmen’s Compensation Commission asking me if I would accept a position as payroll auditor with the State Insurance Fund. When I sent word that I would accept, I was notified to report for duty on January 4, 1915. I was introduced to the Fund manager, Dr. F. Spencer Baldwin, a man of dynamic personality and a leader in a new field. After giving me an inspiring talk, he turned me over to Assistant Manager Mr. Muller and I was assigned to the Payroll Audit division. The division at that time consisted of about 10 payroll auditors who were called upon not only to audit payrolls, but also made up the entire Billing Department in connection with our accounting.

*I left in August for the Syracuse district and returned on Dec. 24.*

At that time, our Accounting Department consisted of a chief accountant and two bookkeepers. The field men now may think they have cause for complaint if their expense checks are not received within two weeks after the close of the month. On my first trip upstate for the Fund, I left New York in August to cover the Syracuse district. All payroll auditors at that time were assigned to the NYC office and sent upstate when necessary. After spending five months in the Syracuse district, from August 1<sup>st</sup> to Christmas Eve, I received my first expense check upon my return to New York on December 24<sup>th</sup>. Not only that, but when the State Workmen’s Compensation Commission was reorganized during

1915 as the State Industrial Commission, State Fund employees did not receive any salary checks for two months.

Payroll auditing in those days was rather romantic. We were the first representatives of the State Fund to visit policyholders as practically all of our business in the first year was written by mail. We were the missionaries sent out to spread the gospel of a new thought – “State Insurance.” We were not only expected to audit payrolls, but write new business, handle claims, or any other job that needed to be done. Branch offices at that time consisted of one service rep and a stenographer.

*I knew of no one in the Fund who was able to maintain an automobile.*

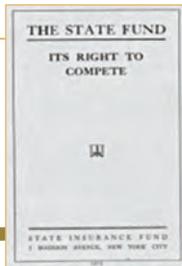
In those days, the state was not honeycombed by motor bus systems and I knew of no one in the Fund who was able to maintain an automobile. Practically all travel was by railroad and in order to reach the towns off the railroad, a horse and buggy was hired. I recall one risk I audited in 1915, which was known as Benson Mines Company, located in the town of Benson Mines, St. Lawrence County. In order to reach this plant, I arose at five in the morning at Carthage to get a six o’clock train on the Cranberry Lake Division. It took about two hours to reach Benson Mines, 40 miles away. This was the only train scheduled in the morning and after reaching the plant and auditing the payroll, I had to remain around the town until six o’clock at night to wait for the return train.

Another amusing incident comes to mind when I found it necessary to hire a rig from a livery stable in a town called Wolcott in Wayne County. After calling on a number of policyholders in the vicinity, I found myself in the evening around Sodus Bay. Not knowing how to get back to Wolcott, I inquired the direction from one of our policyholders, and he said, “Did you hire the rig in Wolcott?” When I answered yes, he said “Just point the horse’s head east and he will take you home.” Much to my surprise he did, for I guess he was thinking of the feedbag at the end of the trail.

– T.G. Gorman, 1934

# 1915

NYSIF publishes, *The State Fund - Its Right to Compete*, in response to private carriers that contend the Fund should be non-competitive. The booklet includes a rebuttal letter by Gov. Charles S. Whitman.



John Forest, who serves as district manager for approximately 50 years, opens the first Albany office, hiring one secretary, some time prior to 1920 in one room under the steps of the State Capitol.

## The Fathers of State Fund

In the beginning, two men earned respect and admiration as “Fathers of State Fund” from the staff they helped guide to success against incredible odds.

*The New York Times* reported the appointment of Dr. Foy Spencer Baldwin as manager of the State Fund on Friday, May 8, 1914. Widely held by state officials as the most-qualified man for the job, Dr. Baldwin accepted the \$6,000-a-year position after resigning as professor of political economy and dean of the College of Business Administration at Boston University. Former Secretary of the Casualty Company of America, Major Nicholas W. Muller, who served in the Spanish-American War, accepted appointment as Fund assistant manager on May 11, 1914.

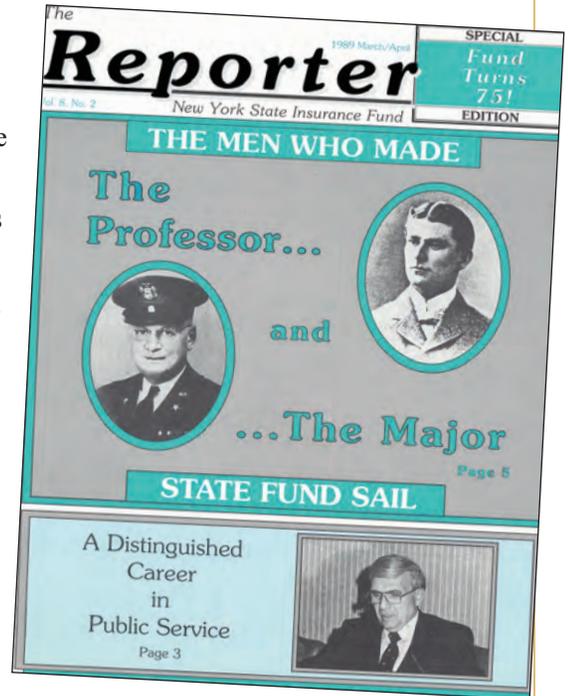
These men are credited with NYSIF’s early success as it faced challenges to obtain business and uphold its right to compete. An excerpt from Major Muller’s article, “1914 - The Embattled State Fund” writing on NYSIF’s 20<sup>th</sup> anniversary in 1934, recounts Dr. Baldwin’s legacy and that of those who worked alongside him:



Dr. Baldwin

On or about June 1, 1914, the Fund was rapidly organizing itself to do business without knowing where the business was coming from or how it was to be secured. The manager was extremely active from the moment he assumed his duties in securing publicity for the State Fund through newspaper articles and letters and circulars sent to such lists of employers as were obtainable... The manager, too, promptly arranged with leading businessmen to organize meetings to discuss the new insurance problem. He made it a point to attend and speak at all of the conferences organized independently by employers, chambers of commerce and industrial associations. In this manner he so impressed his personality upon leaders of industry that they decided to place their insurance with the Fund solely on his account. It is this business, almost exclusively secured by the manager, which laid the foundation for the Fund.

However, this would not have been sufficient to establish the Fund as anything other than a small mutual insurance company. He foresaw that the time would quickly arrive when the Fund would be obliged to write a large amount of business unacceptable to other insurance carriers and that to enable the Fund to deal with this business successfully, it would be necessary to secure a larger volume of desirable business than could be secured through his personal effort. He and the consulting actuary conceived of having a questionnaire sent to all employers listed by the Department of Labor, requesting class of operations and payroll amounts for the previous six months. By law at the time, the Fund could only issue insurance for periods of six months. As a result of this hasty circular, we received approximately 15,000 returns. These, however, together with the rates, were not available until nearly mid-June. It is remarkable that out of approximately 15,000 policies issued, employers accepted 5,011. These risks, with an annual premium of over \$1 million, started the Fund on its career.



NYSIF’s newsletter, *The Reporter*, has printed hundreds of articles about employees since publication began in 1982. In 1989, it covered the careers of Dr. Baldwin and Major Muller.

Obviously, rating these questionnaires and issuing these policies created a herculean task that was successfully carried out through a united effort and demonstrated enthusiasm for the Fund that prevailed among Fund employees. Dr. Baldwin’s personality had so impressed itself upon staff that an *esprit de corps* made the Fund stand out as an exemplary unit from among the several units under the original Workmen’s Compensation Commission. These were hectic days. Employees worked without consideration of time. It was not unusual for 10 or more employees to work all night. They worked until they were exhausted, then stretched out on desktops to secure such rest as was possible under the circumstances.

The Fund’s successful effort to launch itself as a real competitor in the field of compensation insurance in spite of all handicaps naturally surprised the stock insurance companies, which had believed themselves free to select their business and leave the Fund only that business which they did not want. A great effort was made to place the Fund in a non-competitive position. Mr. J. Scofield Rowe, at the time vice president of the Aetna Indemnity Company, was designated spokesman for the challengers. He launched an attack upon the Fund’s audacity to compete actively, appealing to the governor for the immediate cessation of the Fund’s activities. Unfortunately, for the challengers, they underestimated the resourcefulness of Dr. Baldwin. He so thoroughly answered them with sound reasoning and logic, pointing out that the Fund could not exist except by active and effective competition, that Gov. Charles S. Whitman dismissed the complaint and promulgated the state’s policy in favor of an effective, competitive State Insurance Fund.

# 1920s

*Edwin Carr serves as the first Syracuse district manager for approximately 30 years.*

*The first Buffalo office opens with John Keating serving as district manager from May 1, 1923 to January 31, 1956.*

*NYSIF establishes its Safety Group Program on July 1, 1923, with the Launderers and Cleaners Group 34.*

*After sharing space with the Dept. of Labor for 10 years at three Manhattan addresses, NYSIF opens its own office at 432 Fourth Avenue in 1924.*

## NYSIF Century from page 12

ments that were previously excluded. In addition, the Fund was now deemed totally self-sufficient. A turnover of Fund expenses from the state to the Fund itself was not originally planned until 1917. The fact that it occurred a year early was a testament to the ability of the Fund's management and staff.

The last amendment placed the Fund's reserves and investments under the supervision of the Superintendent of Insurance, giving the Insurance Department the same level of control over the Fund as it had over private insurers. The superintendent had no control over the rates the Fund could charge, though. The Fund decided to adopt the New York Compensation Insurance Rating Board Manual the same year, placing NYSIF on uniform footing with private insurance carriers regarding risk classifications.

The New York State Supreme Court upheld the Fund's constitutionality in 1917. It also removed maritime employments and injuries that occurred during interstate commerce from coverage under the law, placing these under the federal Employer's Liability Act.

## 1920s

Dr. Baldwin resigned as manager in 1920. His assistant Nicholas W. Muller served as interim manager. Dr. Baldwin's eventual successor was L.W. Hatch. The focus that year, and for much of the ensuing decade, involved further refining the Fund's operation and management.

In 1921, an amendment separated the judicial and admin-

istrative branches of the Labor Department. Now administered solely by the Industrial Commissioner, NYSIF no longer operated under the same body that decided cases against it.

Maritime workers came back under coverage of the compensation law in 1922. The same year an amendment allowed for creation of an advisory committee of policyholders, leading to several benefits for the Fund. It fostered greater understanding between the agency and its assureds, instilling greater confidence in Fund management by policyholders.

NYSIF insured its first safety group in 1923, beginning a program for groups of similar employers who focus on safety and claims management to realize premium savings and yearly dividends. More than 110 safety groups are part of the Fund in 2014, including the first group, Launderers and Cleaners Group 34.

In 1924, NYSIF moved to its own office at 432 Fourth Avenue. Until that time, NYSIF shared office space with the Department of Labor, first at One Madison Avenue, next at 230 Fifth Avenue, and then at 124 East 28th Street. With the



Competition in the Public Interest, an abridged version of the original 1915 booklet *The State Fund – Its Right to Compete*, remains available on the internet at [nysif.com](http://nysif.com).

*After 20 years of courageous battling, he can look back with satisfaction on the results of his labors. He is a major in the United States Army but he has been and is of major importance to the State Fund. He has grown gray in its service...like an anxious father, he has watched over the Fund...he has fought by Professor Baldwin's side and has carried on after he left...The record justifies Major Muller's 20 years with us and makes us proud to have had him guiding the State Fund to its destined greatness.*

### 1934 testimonial to Nicholas Muller, then NYSIF's longest active employee, on its 20<sup>th</sup> anniversary

*(In 1938, Mr. Muller became executive director until his death in 1943. Although an obituary reported he attained the military rank of lieutenant colonel, apparently to staff he was forever "The Major.")*

# 1928

Despite competition from 66 private carriers, NYSIF, with 22,954 policies, is the largest writer of workers' comp. in New York State.



# 1929



Frances Perkins, named as industrial commissioner by Gov. Franklin D. Roosevelt, becomes the Fund's top official a year after Jean Moscicki (far l.) starts at NYSIF.



Jean Moscicki

## Ms. 'State Fund'

Although no one ever bestowed the official designation upon her, if anyone can lay claim to the title, "Ms. State Fund," it certainly had to be Jean Moscicki of the Buffalo office.

Buffalo staff and management, however, did commemorate her legacy with a plaque at the entrance of a conference room named in her honor.

The iconic run of New York State's longest tenured employee, after all, did not end until her death at 83 on June 12, 1992. By then, Ms. Moscicki was in her 65<sup>th</sup> year of service to NYSIF.

*New York State's longest tenured employee.*

Until then, her career almost paralleled the whole of NYSIF's existence, which began a mere 14 years before she arrived at the Fund and five years after she was born. An 18-year-old Ms. Moscicki first came to work as a State Fund stenographer on May 10, 1928.

She became a personal administrator, assisting six different Buffalo office managers and served under 10 NYSIF executive directors.

move, the administrative separation from the Workman's Compensation Commission now became a physical separation as well.

Mr. Hatch resigned as manager, replaced a year later by C. Gordon Smith. Meanwhile, 1928 became a hallmark year for the Fund as it surpassed all of its competitors, becoming the largest workers' compensation insurance carrier in New York.

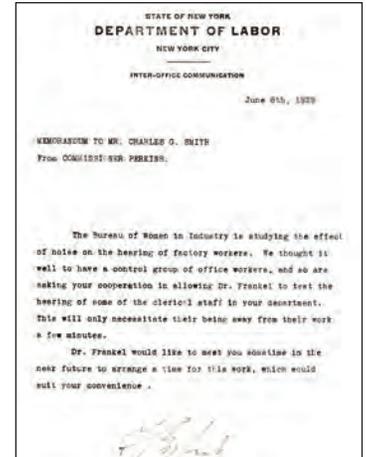
### 1930s

The Great Depression defined the tumultuous decade and NYSIF faced tremendous challenges. With a drastic change in the economic landscape, the Fund experienced a decrease in premium of 8% in 1930 from the previous year. Despite the loss in premium, the Fund decided to write insurance at a 21% advance discount from board rates.

The Fund moved again in 1931, this time to 625 Madison Avenue between 58<sup>th</sup> and 59<sup>th</sup> streets. It also increased the discount it offered from 21% to 25%. Premiums collected by the Fund continued to drop during the year while the number of policyholders grew from 20,892 to 22,043.

NYSIF provided insurance protection to many thousands of workers on unemployment relief projects in various municipalities of the state during the Depression years. In 1933, a number of private insurers dropped out of the workmen's compensation market. True to form, the State Fund fulfilled its obligation by filling the void.

In 1935, an amendment to the law made all occupational diseases compensable. Private insurance companies turned down many risks, particularly involving the hazard of silicosis, unwilling to assume this liability. These employers turned to NYSIF, which was prepared to provide coverage under its safety group plans. By the end of 1935, the Fund also insured more than 400 state municipalities and political subdivisions. The Fund continued to grow throughout the decade, employing 1,061 workers by the end of 1936.



A 1929 memo signed by Industrial Commissioner Frances Perkins asked Fund Manager C. Gordon Smith for help in studying the effects of noise on factory workers.

Continued on page 18

# \$30,219,966,096

(As of 3/31/2014, includes value entered in first NYSIF computer, 1960.)

*Workers' compensation claims and medical expenses paid, including benefits to dependents, since 1914.*



## The Insurer That Cares

It is quite possible the State Insurance Fund's most enduring image overlooks a NYC side street from an exterior wall of NYSIF's office building in lower Manhattan. The marble likeness of mother, father and child, (profiled in a 1977 volume of *National Sculpture Review*) is the allegorical sculpture *Unity of the Family* by Oronzio Maldarelli.

NYSIF was created in response to the type of workplace accident that could demote families to lives of destitution, if not tear them apart. More than a century ago, the Triangle Shirtwaist fire was one such incident that could render that kind of impact. Frances Perkins succinctly grasped the indignant hardships caused by industrial accidents during her tour of factory working conditions.

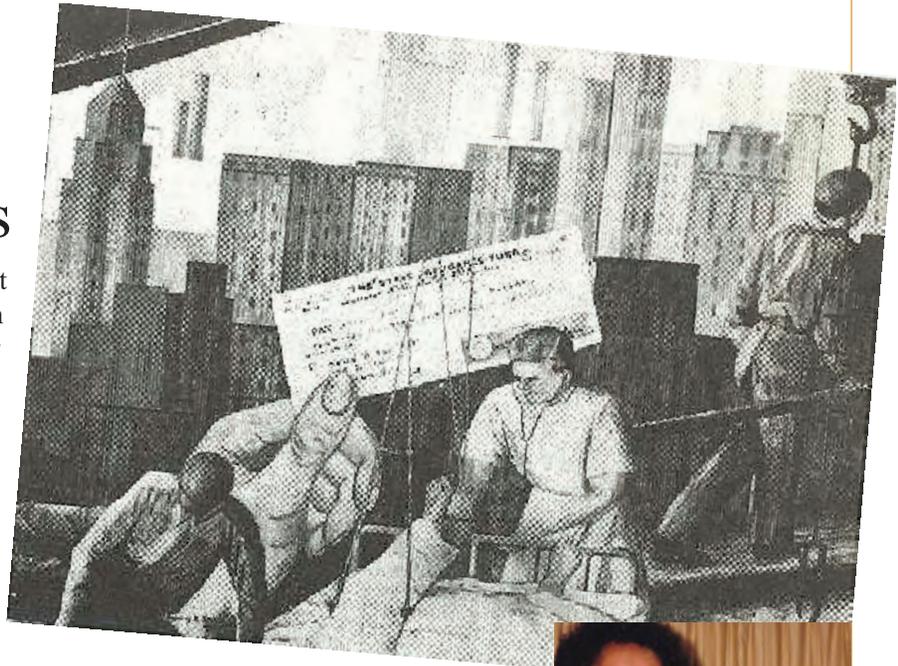
*'Avoiding poverty was not a question simply of liquor or laziness, but also of safety devices on machines.'*

**Frances Perkins**

Making timely and appropriate indemnity and medical payments to claimants, as well as benefits for dependent survivors, is a vital part of NYSIF's core mission. As NYSIF observes the century mark, that commitment has led to workers' compensation and medical payments of more than \$30.2 billion since its inception. Those payments have helped numerous families weather the sometimes-crippling aftermath of workplace injury and illness over the years.

"Claims staff focus on professional and competent performance, always keeping in mind NYSIF's mission," Director of Claims Marilyn Carretta says.

*Unity of the Family* is a symbol of which NYSIF Claims employees never lose sight, the reason why they faithfully tend to the needs of NYSIF claimants every day. NYSIF assigns a case manager and team responsible for handling each claim with care. The benefits for NYSIF claimants include



*Artwork by Dorothy Smith depicts NYSIF's mission on behalf of injured workers: prompt payment of benefits, early treatment, and rehabilitation. Oronzio Maldarelli's sculpture (top), mounted on the Duane Street side of NYSIF's home office, summons the Fund's responsibility to claimants.*

*Former Claims directors Morris Jacobs (far r., 52 years) and Constance Cabell (41 years) both started as clerks.*



more than wage replacement. They benefit from proactive case management by medical care representatives who authorize needed services and equipment to restore function, dignity and a productive lifestyle, and vocational counselors who help identify suitable return-to-work opportunities.

Managing risk and claim costs means more than simply reducing the claim life cycle. It means sparing physical and emotional pain for claimants, as well as economic hardship. It rebuilds lives, repairs self-esteem and lifts the spirit. As the workers' compensation and disability benefits specialist, NYSIF has always been "The Insurer That Cares."

On a past NYSIF anniversary, former Governor Nelson A. Rockefeller noted, "The men and women who continue to carry out the tasks of this great agency may look back with pride and satisfaction upon its accomplishments, and forward with a renewed spirit of dedication and purpose."

Those words are as true today as they were then.

# 1930

NYSIF safety groups insure whole industries left exposed by the private sector, including window cleaning, building demolition and summer hotel workers.

Rochester office opens. Earl Pattison serves as district manager until 1960.

# 1931

NYSIF relocates to 625 Madison Avenue in NYC, its home through 1954.

## NYSIF Century from page 16

NYSIF underwent a significant reorganization in 1938. On the recommendation of Governor Herbert Lehman, a NYSIF Board of Commissioners was created consisting of eight members, who were employers insuring with the Fund. The Industrial Commissioner (now the New York State Commissioner of Labor), by virtue of the office, would also serve as a commissioner, ex-officio. The Fund's internal administration changed as well. These changes resulted in the creation of executive director, deputy executive director, general at-

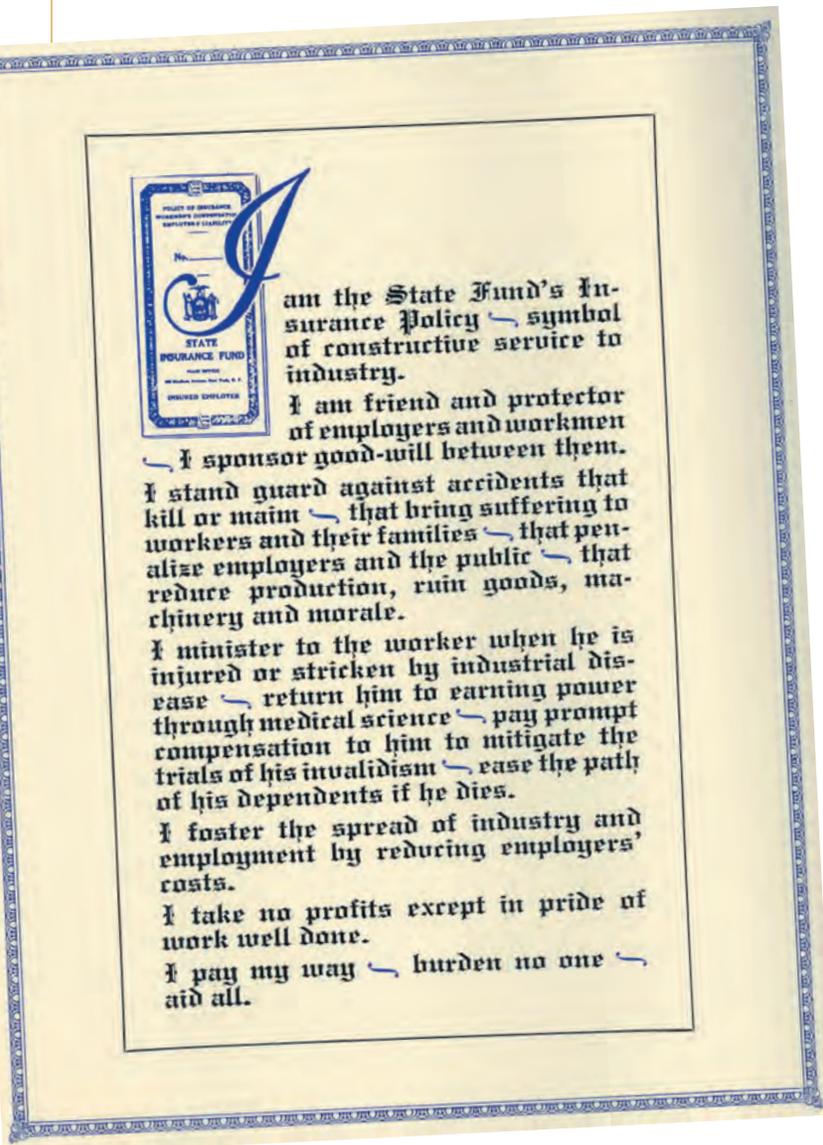
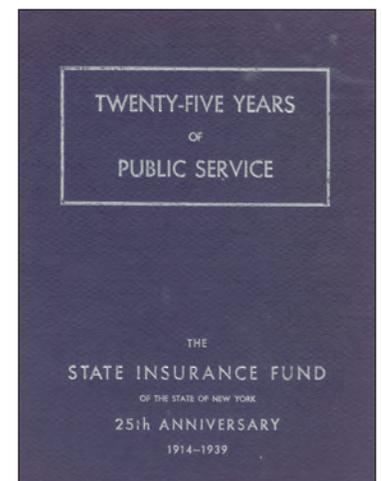
torney, medical director and actuary positions. All other employees were civil service. Manager Smith passed away during the year and his successor, Mr. Muller, was the first to hold the title of executive director.

*Industrial diseases common when NYSIF began: "Hatter's shake," contracted by breathing fumes from making felt hats; radium poisoning, caused by wetting paintbrushes with lips before painting luminous dials on clocks and watches.*

## 1940s

The Fund faced a variety of new challenges and responsibilities during the early to mid-1940s, one of which was to meet the demand created by a steady increase in industrial activity resulting from the war effort. War emergency conditions for businesses throughout 1942 created serious problems for the Fund, mainly coping with the rising frequency of industrial accidents. This compelled NYSIF to expand and intensify its safety services.

While greatly increased wage scales during the war were reflected in Fund premiums, many thousands of small organizations that could not adapt their work or services to the war effort were forced out of business, resulting in a loss of many NYSIF policyholders. However, the



NYSIF declaration appearing in the 25th anniversary report in 1939 (r), author unknown.

»



*In the throes of the Great Depression, NYSIF writes policies at a discount of 25% below board rates, increasing the discount from 21% a year earlier.*

# 1935

*The Compensation Law is amended to make all occupational illnesses compensable.*

increase in industrial activity brought new business to NYSIF, as well as a resurgence of private insurers seeking to compete with the Fund.

Like most organizations, NYSIF faced difficult personnel problems caused by the induction of employees into the armed services. In 1942, 120 men and two women left the Fund to serve. NYSIF employees on the home front patriotically applied themselves to war activities by organizing a War Drive Committee to send gifts to employees in service and keeping them updated on news from home. They also contributed to blood drives and the purchase of War Bonds among other activities. As many as 93% of NYSIF employees participated in a War Bond purchase campaign. The U.S. Treasury awarded the Fund its “Minute Man” banner, recognizing the percentage of systematic purchases of War Bonds by employees.

During 1943, the Fund maintained its level of War Bonds purchased as its ranks shrunk. The induction of an additional 75 men and five women brought NYSIF's total employees in service to the country to 202. The Fund won the American Red Cross Blood Donor Award and its Merit Award for generous financial contributions.

Limiting workplace accidents became the major emphasis during these years. The Fund routinely visited workplaces of its policyholders and assisted them in dealing with new challenges presented by the wartime production effort. That year, there was a decrease in injuries of 5.4% from the previous year, as well as fewer injuries than reported in 1941. Similar numbers were reported in 1944. Many NYSIF policyholders received the Army-Navy “E” Award for Excellence in Wartime Production. These awards indicated that Fund efforts to limit time lost to injury were successful. NYSIF received numerous awards for its efforts in reducing workplace injuries.

The Fund's Executive Director Lt. Col. Muller passed away in 1943, and William O'Rourke, the general attorney, assumed duties as acting executive director. Edward J. Powers became the Fund's executive director in 1945, the fifth chief executive in NYSIF's 31 years.

NYSIF's safety record received recognition for a segment of New York State industry in July 1945 by Superintendent of Insurance Robert E. Dineen and Workmen's Compensation Board Chairwoman Mary Donlon. They reported to the New York Joint Legislative Committee on Interstate Cooperation that, “The State Insurance Fund has in a very large measure



*Attorney Jerome Lieberman, System Development's George Helberg, Sr. Underwriter Jules Linefsky and Underwriter Harvey Hoodoff (l.-r.), four WWII veterans employed by NYSIF in a 1990s photo.*

been responsible for the reduction in premium rates in logging, lumbering and allied operations by its encouragement and effort in safety work with a special group in this industry.”

The National Bureau for Industrial Protection also cited the Fund for its contribution toward accident prevention, specifically for its active safety campaign that resulted in a steady decrease in industrial accidents.

The Fund's War Drive Committee disbanded in 1946. By the time the war ended, employees had contributed over \$10,000 in donations and purchased \$650,000 in bonds.

In 1948, NYSIF established a working relationship with New York University Medical Center Institute of Rehabilitation and Physical Medicine to select appropriate claims for study and training at the clinic. The initiative was in line with a drive to promote employment of people with physical disabilities and the importance of rehabilitation in the field of workers' compensation.

An amendment to the law made 1949 another landmark year for NYSIF, now authorized to write insurance under the New York State Disability Benefits Law. The new law, requiring covered employers to provide insurance to employees for lost wages resulting from off-the-job injury or illness, took effect on July 1, 1950. William O'Rourke became acting director again in 1949, after the resignation of Mr. Powers.

*Continued on page 21*

# 1937

NYSIF insures more than 44,000 employers, including the biggest projects of the day: Midtown Tunnel, Sixth Avenue Subway, West Side Highway, New York approach to the Lincoln Tunnel, Delaware Water Supply System, filling and grading of Flushing Meadows for the 1939 World's Fair.

# 1938

The Syracuse office opens a branch in Binghamton at the end of the decade, one of several NYSIF district office branches operated until 1953.



**Prelude:** NYSIF more than doubled in policyholders by the end of the 1930s, representing a cross-section of big and small businesses – from the owner of a one-chair barbershop, to contractors on some of the greatest engineering projects of the time.

**1941:** NYSIF writes almost one third of all workers' compensation in the state, insuring over 47,000 employers with more than 1,000,000 employees. Wartime conditions, particularly the increased number of accidents resulting from the drive for maximum production, bring grave new responsibilities. Accident prevention services, augmented and expanded in 1940, intensified. NYSIF's slogan, "Conserve men and materials through accident prevention," gains greater significance. NYSIF distributes thousands of copies of President Roosevelt's proclamation calling for all-out efforts in accident prevention. Industrial accidents in the state reach an all-time high, increasing 20.3% over 1940 while NYSIF policyholders report a 19.8% increase in accidents.

**1942:** The stress of wartime production demands, along with a chaotic employment situation, prompts further expansion of NYSIF safety services. Daily and weekly visits to war contractors replace monthly and quarterly visits. Safety services fit the needs of increased employment, two- and three-shift working days, and the employment of thousands of women in place of men. Fund policyholders report an increase of only 5.6% in injuries, while other employers in the state report a 14.1% increase. Workplace fatalities among NYSIF assureds decrease 1.5%, while other employers report a 3% increase. More than 20 policyholders win the Army-Navy "E" Award for Excellence in Wartime Production, a tribute to Fund efforts to reduce loss time accidents. Several hundred assureds in the Fund's Victory Safety Contest report lower injury frequency than in 1941.

**1943:** Policyholders report 5.4% fewer injuries than in 1942, and a total number of injuries below that of 1941. Other employers report a 15% increase over 1941. Assureds report nearly 9% less fatalities in the workplace than other employers, who again experience an increase of nearly 3%. Of the 218 state plants to win the Army-Navy "E" award, 51 are Fund policyholders. NYSIF distributes the 24-page illustrated booklet *Supervising Safety in Machine Shops* for the benefit of many employers in that industry largely engaged in the war effort. The Fund wins the American Red

## The War Years

*NYSIF rallying cry:  
Conserve men and  
materials through  
accident prevention.*



Cross Blood Donor Award and Merit Award for generous financial contributions. Almost 90% of employees purchase War Bonds through payroll deduction. Additional bonds purchased individually by employees total \$31,500. An employees' War Drive Committee sends Christmas gifts, letters and *The Roll Call*, a State Fund magazine, to employees in service. NYSIF's chapter of American Women's Voluntary Services, Inc., contributes knitted goods to service organizations.

**1944:** Despite wartime employment and production difficulties, policyholders report a 4.4% decrease in injuries from the previous year, and a 4.5% decrease from 1941. Injury severity shows similar decreases. Good accident prevention records help 69 policyholders win the Army-Navy "E" award, of some 288 won by employers statewide. Since 1942, employee purchases of War Bonds and stamps total \$505,036, not including bonds bought outside NYSIF. With the induction of 11 men and three women, 194 NYSIF employees continue to serve in the armed forces, including nine women. Two NYSIF men die in action.

**1945:** Reported accidents by policyholders are 5.3% less than in 1944. Of approximately 370 employers who win the Army-Navy "E" award, 100 have coverage with NYSIF. Cited by the National Bureau for Industrial Protection for assisting industry in accident prevention, NYSIF

receives official recognition for safety services from the Superintendent of Insurance and the Workmen's Compensation Board in a report to the New York Joint Legislative Committee on Interstate Cooperation, showing large financial savings for NYSIF assureds in the logging and lumbering industry. The report notes the important influence of NYSIF policyholders' experience on lowering workers' compensation rates for all New York employers in these operations. Entries in the Victory Safety Contest assure the largest safety campaign ever conducted in the state by any organization. The Fund's accident prevention activities, conserving manpower, production time and materials are cited for playing a "most important part in the nation's war program."

**1946:** NYSIF's War Drive Committee disbands after approximately \$10,000 in contributions to various patriotic and charitable causes and purchases of more than \$650,000 in War Bonds over the past four years. More than 49,800 employers now have workers' compensation insurance with NYSIF, whose assets have reached \$109,662,953. The Fund insures construction workers on the Brooklyn-Battery Tunnel.

# 1941-45 *NYSIF accident prevention activities in conserving manpower, production time and materials are cited for “a most important part in the nation’s war program.”* National Bureau for Industrial Protection



*Veterans of WWII, Korea and Vietnam showed their colors at a meeting of the group Vets for Vets at NYSIF in the 1990s. Bi-yearly meetings of the group beginning in 1986 continued through 2014 with new generations of NYSIF veterans.*

## NYSIF Century from page 19

### 1950s

The Fund wrote approximately 13,000 policies under the Disability Benefits Law in the first year, many for policyholders with NYSIF workers’ compensation coverage.

Mr. O’Rourke, who joined the Fund in 1940 as general attorney, served as acting director until his death in 1950. Shortly thereafter, William B. Folger, the longest serving chief executive of the NYSIF century, became executive director.

The 1951 Legislature extended workers’ compensation benefits to cover, at cost to the state and on limited basis, civil defense volunteers injured in the line of duty if an attack occurred. Public employees assigned to civil defense were also covered whether or not they had workers’ compensation coverage at their regular jobs. In the first year that NYSIF began reporting results of its disability benefits fund, premiums in the course of collection were \$3,261.96.

The Fund continued to grow and in January 1955, NYSIF moved from 625 Madison Avenue, where it conducted business for a quarter century, to a new building at 199 Church Street in lower Manhattan. The move went smoothly. Workers

left their Madison Avenue offices on a Friday afternoon and reported to Church Street on Monday morning. In 2014, NYSIF continues to own the property that serves as home for its NYC and statewide services operations.



*Mr. Folger*

State Fund underwriters developed the necessary forms and procedures to begin offering coverage for volunteer firefighters under the new Volunteer Firefighters Benefits Law, effective January 1, 1957. Also in January of that year, the Moreland Commission, convened to study the costs and operation of the Workers’ Compensation Law, recommended excluding NYSIF’s loss experience in determining workers’ compensation rates in New York State. The Superintendent of Insurance accepted the suggestion beginning in 1958. The Appellate Division upheld the decision unanimously in 1959.

However, initiatives to convince the State Legislature to enact legislation restricting the Funds’ operations were unsuccessful. It was necessary for NYSIF to write each legislator clarifying its position on solicitation of business.

To better serve policyholders, NYSIF merged the Policyholder Service Department and the Inspection and Safety

*Continued on page 29*

# 1949

NYSIF is authorized to write insurance under the state's new Disability Benefits Law, effective July 1, 1950, requiring coverage of off-the-job injury or illness for workers.

# 1950

NYSIF writes its first disability benefits insurance policy, one of approximately 13,000 it writes during the law's first year; many for policyholders who hold NYSIF workers' compensation policies.



## New Law, Old Reliable

A relative newcomer in compulsory insurance legislation, the New York Disability Benefits Law, enacted in 1949, became effective July 1, 1950. Unlike workers' compensation, disability benefits provide partial wage replacement to employees for injuries and illnesses sustained off the job.

As at the outset of workers' compensation legislation in New York, private carriers were again at odds with having NYSIF in the market. In a May 25, 1949 bulletin, "Necessity for the State Fund," then Superintendent of Insurance Robert E. Dineen quelled the debate, rejecting the notion that disability benefits coverage for undesirable risks could be served by private carriers through an assigned risk plan.

"It might do the employees...a grave disservice to compel them to deal with an assigned insurer that did not want to carry the risk," he wrote. "The Fund should not be subject to needless handicaps in discharging its responsibilities and in furnishing coverage under the new law."

Indeed, NYSIF has furnished a much-needed service through a low cost disability benefits insurance program providing statutory coverage for thousands of businesses and employees since 1950. In the 21<sup>st</sup> Century, the program has only become stronger, offering the lowest disability benefits rates in New York. NYSIF introduced premium credit incentives in 2006 and enriched coverage options in 2010, plus online services including a premium calculator and quote system, payroll reporting and certificates of insurance.

In 2013, NYSIF disability benefits had more than 61,500 policies and its largest net premium increase since the century began, a record \$1.43 million.



Disability Benefits staff, 2006.

## NYSIF Edifice

In 1955, NYSIF staff eagerly anticipated leaving behind office space at 625 Madison Avenue and moving to its new headquarters in lower Manhattan at 199 Church Street.

During the post WWII boom, as President Dwight Eisenhower occupied the White House, the suburbs expanded and Milton Berle ruled Tuesday night television, NYSIF had grown to 73,000 workers' compensation policies and \$70 million in annual premiums. It needed a building suitable for a large insurer.

The building, still owned by NYSIF, had innovations that were ahead of other office buildings at the time. *Our New Home Office Building*, a pamphlet, introduced employees to the premises.

### *Fluorescent lighting, acoustic tile and self-serve elevators.*

It said the building was constructed to meet current and future needs of the Fund. Sixty years later, that declaration and the building have held up to their promise. The pamphlet's author described the structure as "an edifice worthy of our pride; truly a landmark of lasting beauty" including "special features which make this building a pioneer today and a modern one tomorrow."

The Fund's 15-story home office was state-of-the-art when it opened. It included built-in fluorescent lighting, sound-dampening acoustic tile, self-operating elevators and central air. The architect's experience in designing post offices may have led to the inclusion of a mail-shoot conveyor system on each floor and pneumatic tubes that sped documents between floors – the networks of their time.

In 1955, Room 107 was a bank, Room 108 housed claimant services, and the top three floors were leased to the Public Service



As occupational hearing loss takes a toll, NYSIF provides coverage where other carriers refuse, resulting in markedly improved industry safety records.

# 1954

Workers complete construction of 199 Church Street. Among the most technically advanced buildings of its time, it includes an in-floor duct system for telephone lines, still in use for NYSIF data lines.



Commission (PSC). Until the late 1990s, the PSC's wood-paneled hearing room on the top floor occupied the renovated space dedicated as the Terence L. Morris Conference and Training Center in 2006.

The landscape of Lower Manhattan has changed quite a bit since then, but NYSIF's art deco office between Duane and Thomas streets remains a local fixture. Its mosaic canopy, brick exterior and sculptures are unique among high-rise office and apartment buildings and million-dollar residential conversions that used to be factories and warehouses.



The Church Street cornerstone box, sealed 11/23/1954, included NY Times and Herald Tribune (reporting GM's 50 millionth car) newspapers, original policies for the American Manufacturing Co. of Brooklyn and Everett & Treadwell of Kingston, and a summary of business since 1914. Accidentally unearthed during a renovation, the box contained a hand written note: E.J. Brandt sealed this without charge. A second box sealed with original and new contents was restored to the cornerstone on 11/23/2004.

## About the Architect

Born in Camden, NY, architect Lorimer Rich studied at Syracuse University, served in World War I, and practiced in NYC in the 1920s after leaving the prestigious McKim, Mead and White architectural firm. He designed many government buildings and monuments, notably the Tomb of the Unknown Soldier at the Arlington National Cemetery. Sid Dombroff, father of NYSIF Principal Field Services Rep Gary Dombroff, was a draftsman in Mr. Rich's firm during the 1950s.

## About the Sculptors

Oronzio Maldarelli (*Unity of the Family*), born in Naples, Italy, in 1892, studied at the National Academy of Design, Cooper Union and Beaux-Arts Institute. Recipient of the Logan Prize and Widener Gold Medal, his works include: the *Madonna* in Lady Chapel at St. Patrick's Cathedral. C.P. Jennewein (*Dedicated to the Service of the People of the State of New York*), born in Stuttgart, Germany, in 1890, studied at the Arts Student League. Recipient of the Prix de Rome, his works include: stone reliefs at the Federal Office Building and the AT&T and RCA buildings in New York City.

## History of the Site

The foundation for New York's first hospital was poured atop a small hill west of Broadway, between where Worth and Duane streets are now and the current site of 199 Church Street, on July 27, 1773. The three-story New York Hospital served as a treating facility and barracks for troops during the American Revolution and set the scene for one of the more ugly episodes in New York history – the Doctors' Riot of 1788.

Only two rooms of the hospital, left in shambles by occupying British forces during the war, were in use as a dissecting laboratory by medical professors and students from nearby Columbia College. It was illegal to possess body parts, but students acquired cadavers of the newly deceased by robbing graves at the cemeteries of the poor. Townspeople were so alarmed, many hired guards to protect their loved ones' remains the first few nights after burial.

The hysteria was such that the sight of a dangling human arm through a laboratory window set off a chain reaction. An enraged mob broke in, and, finding human organs and limbs everywhere, tore the laboratory apart, attacking doctors and students. Only the arrival of Mayor James Duane spared them from the mob.

The following day a mob descended on City Hall jail, where the doctors and students were being held. The mayor called for the militia, reinforcements and, finally, a troop of soldiers. Alexander Hamilton tried to reason with the mob. Secretary of Foreign Affairs John Jay was struck on the head with a rock. Hit in the skull by a brick, Army Inspector General Friedrich Von Steuben, who served under George Washington, fell to the ground. Mayor Duane gave the order to fire. Muskets flashed, smoke rose, five people died, and about eight were wounded. Finally, the crowd dispersed.

The first American law regulating the practice of anatomy was passed the following year. Executed murderers, arsonists and burglars were fair game while law-abiding citizens were off-limits.

The hospital opened to its first patients in 1791. In 1803, it added a surgical amphitheater. Five years later, it added a two-story building on the south side called the "Lunatic Asylum." The first nurses' training school also opened in 1808. In 1869, the main building was torn down.

Earliest records show that between 1829 and 1869, the hospital treated about 100,000 patients, including 3,000 soldiers during the Civil War. New York Hospital-Cornell Medical Center eventually relocated along the East River between 68<sup>th</sup> and 70<sup>th</sup> streets. In 1950, Sophie G. Kernis of Brooklyn granted the property of the old hospital, now 199 Church Street, to NYSIF in 1950.

The site came full circle on September 11, 2001, as it again served as a bunker for emergency personnel in the first 24 hours after the terrorist attacks on the World Trade Center.



Artists' renderings: 199 Church Street (top), and original New York Hospital (above). Opposite page: the building today.

DEDICATED TO THE SE  
OF THE STATE OF



SERVICE OF THE PEOPLE

NEW YORK



*Sculptor C.P. Jennewein's bas relief, "Dedicated to the Service of the People of the State of New York," at the entrance to NYSIF office at 199 Church Street, NYC.*



*‘Safety first is first  
with us at the State  
Insurance Fund.’*

*NYSIF insured contractors and sub-contractors for construction of the World Trade Center’s Twin Towers from day one, placing Field Services reps Nick Mell (photo, circa 1967) and Henry Balkus on permanent duty at the site, starting with the demolition of existing buildings and remaining through topping out.*



## Partners in Safety

Accident-free workdays are the goal of every business. Some businesses effectively minimize on-the-job injury and illness, while others need help. Most, however, have a healthier appreciation for safety after a visit from a NYSIF field services rep.

When it comes to safety, NYSIF makes a conscious effort not to lose sight of the value of personal contact. That’s why the Fund often hears comments like these... “Our field services rep is terrific. It’s good for our employees to see him in the shop. He does a walk-through and gives me a list of things we should be looking at. We follow up on his recommendations...” or “Your expertise in so many areas is crucial to our operation, and our staff sees that you are involved and concerned about our success.”

All NYSIF field services reps receive a 30-hour Occupational Safety and Health Administration (OSHA) training course, and then complete an additional 15-hour OSHA course as part of their ongoing training. However, their expertise does not come from a classroom alone. It doesn’t happen overnight, within weeks or even months. It comes from years of experience in the field, going back to when field reps traveled for months at a time – by rail and, when needed, by rig – to visit policyholders.

The Field Services Department has built successful relationships with generations of business owners from one end of the state to the other based on a simple, yet critical best practice: face-to-face contact.

“We always believed that safety is a partnership [between NYSIF and the customer],” Director of Field Services Armin Holdorf says.

Field services reps routinely make thousands of visits to policyholders yearly. In 2013, reps completed 17,128 on-site safety surveys, 3,768 action plans and 4,506 safety training and video presentations. They help employers take control of workers compensation costs and reduce injuries and illnesses (sometimes even averting disaster; see page 28), by working with them to:

- Foster a management commitment to safety;
- Establish effective safety programs;



- Conduct accident investigations, loss assessment analysis, and address perilous behaviors; and
- Use hundreds of free safety resources at nysif.com to augment safety meetings and download packaged safety materials tailored for specific industries from automotive sales to warehousing.



*From top: T-shirt message signifies the importance of NYSIF Field Services; Field Services conference in Albany in 1988 included the first female NYSIF field representatives; Marketing in 1969 promoted NYSIF’s specialty as a workers’ compensation and disability benefits insurer.*



Policy data and analytic tools allow Field Services to identify policies for intervention. Field reps design customized loss prevention programs. Other policyholders invite Field Services to conduct training on an array of safety topics that affect big and small businesses. Dedicated field reps arrive to share their expertise and impart the importance of safety.

As a former executive director, James J. Carroll, once put it, “Safety first is first with us at the State Insurance Fund.”



# Brick-by-Brick Demolition Spares a Radioactive Wreck

The following letter written by a retired field services rep in the early 1980s offers a classic account of NYSIF's public service.

As the occupational disease team for the Field Services Department in the mid-1950s, Chris Broms and I had a variety of challenging assignments: measuring concentrations of asbestos fibers affecting insulation workers, exposure to lead fumes for plumbers and linotypers, silica-bearing dust in foundries, granite shops and rock quarries, and NYC water tunnels under construction near Hancock and Ellenville, NY.

The New York Dept. of Labor codes were standardizing exposure limits for ionizing radiation. Many problems and techniques were new. We were learning from each other and, at times, from those we monitored, which was typical of the industry.

In May 1959, one assignment had ramifications beyond exposures to industrial workers. Senior Field Rep Rudy Burkhardt made an initial inspection of 535 Pearl Street, an address that no longer exists. His report stated that the 10-story building occupied by an envelope manufacturer had been vacated by the U.S. Radium Company, which painted watch dials and panel boards with luminescent radium-based paint.

We surveyed all 10 floors and found the heaviest contamination on the top two levels. Wood floors covered with deteriorating linoleum had readily absorbed spills. We found contaminated areas near the elevator, under and adjacent to radiators, on window ledges and other spots. Wood chairs, cots and plumbing traps in the restrooms showed considerable radioactivity.

***We surveyed all floors; top levels showed heavy radioactivity.***

Before we proceeded with a list of recommendations, an officer of the company advised us that the firm had a little over two years remaining at this location. The property had been leased from the federal General Services Administration (GSA), which had scheduled the building for demolition to make room for a projected federal office building.

The energy, range and types of radioactive contaminants, ratio of alpha, beta and gamma beams, and remaining time of occupancy, factored into our recommendations, including:

- Contaminated areas were to be painted over with at least three layers of high quality varnish or shellac to prevent release of airborne dust containing alpha particles and radon gas.
- Painted lines would mark spaces safely separated from the beta and gamma emissions, which diminish by the square of the distance.

- Contaminated cots, chairs, plumbing and linoleum were to be removed by a certified carrier to an approved waste site.
- We would receive advanced notice from the company when it planned to vacate the building prior to demolition.

A follow-up indicated acceptable compliance. Three years later, I learned that demolition was scheduled for July 1962. My wife and I were leaving for a trip abroad so I immediately called the wrecking contractor and was surprised to hear that his men were ready to proceed in

***No one at first seemed to grasp the urgency of the situation.***

the usual fashion with a steel ball battering the walls. No one had warned them there was a problem requiring special precautions because of radioactive contamination.

I promptly contacted the NYC Board of Health and local GSA office. The Atomic Energy Commission had no legal jurisdiction. No one seemed to grasp the urgency of the potential consequences of releasing radioactive dust particles into the streets and surrounding buildings. The consequence would be the inhalation of dust-borne alpha particles that are very powerfully reactive with living tissue. My first positive response came from the head of a newly created unit for Radiological Protection within the NY State Division of Industrial Hygiene. He promptly arranged for a joint survey of the abandoned building by a team from the initial agencies. Their recently generated spirit of concern was somewhat dampened by the power shut-off before demolition, which necessitated climbing 10 floors by foot.

I was relieved to learn the demolition was done under the close supervision of a health physicist. It was virtually taken down by hand, brick by brick, under a continuous flow of water to prevent radioactive dust from becoming airborne.

*– Abraham D. Wiener, retired June 1974*

Excerpt from the July 13, 1962 *New York Times* story, 'Radiation Danger Halts Wrecking of Building Here' by Charles G. Bennett:

City and state officials ordered yesterday that the demolition of a 10-story building at 535 Pearl Street be halted because of "significant radioactive contamination..."

Saul J. Harris, radiological consultant of the Public Health Service, said the inspections had found about 20 "hot spots of exceptional radioactivity..."

At the direction of health officials, areas including the hot spots have been walled off. When the structure is demolished the radioactive materials will be broken up separately and put into sealed barrels. These barrels will probably be dropped in the ocean.

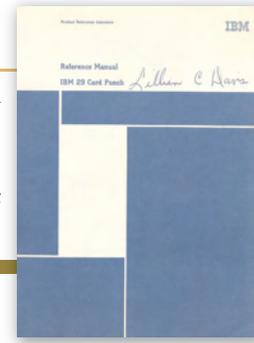


# 1959

A two-story construction in Rochester, 24 Plymouth Ave. North, is the first district office built for and owned by NYSIF, which previously leased space at 65 Broad Street.

# 1960

NYSIF installs its first computer, an IBM 7070, and creates a new department, Data and Systems Control.



An early IBM manual, personalized by a NYSIF employee.

## NYSIF Century from page 21

Service Department in 1959, forming a new department called Field Services.

### 1960s

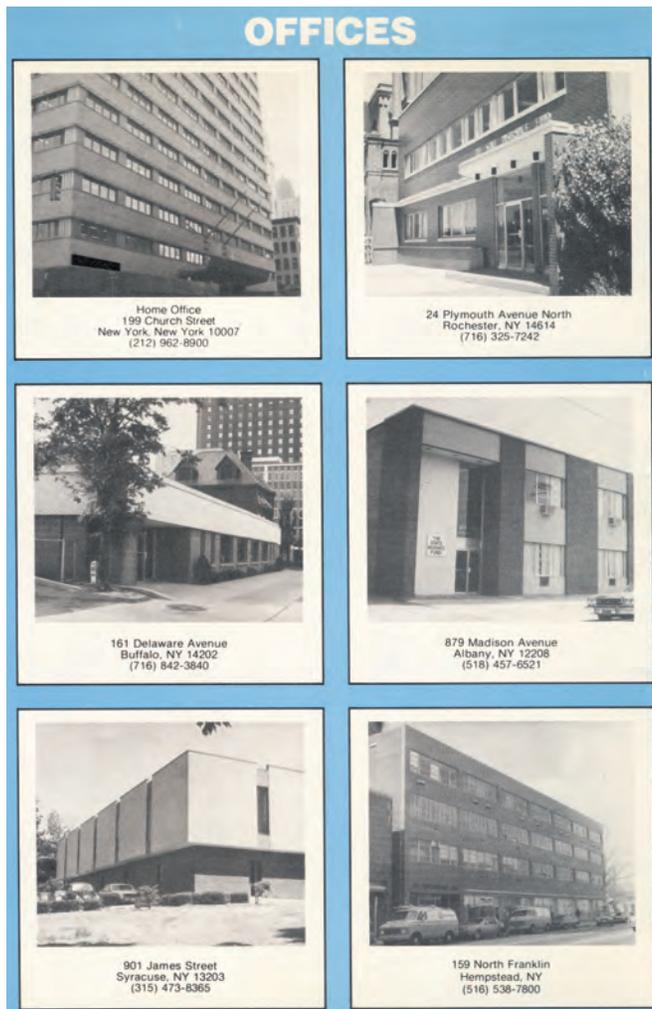
The Fund installed its first electronic computer in 1960 and created a new Data and Systems Control Department to handle computer operations. Two amendments to the Disability Benefits Law between 1960 and 1962 brought non-profit

philanthropic and voluntary organizations under the law and required employers with at least one employee to obtain coverage.

Against a backdrop of rapidly changing social and economic conditions, the Fund continued to strengthen its position as the largest workers' compensation carrier in the state in 1964, as it completed its 50<sup>th</sup> year of service with \$5.8 million in workers' compensation premiums. Combined assets for the workers' compensation and disability benefits funds were \$325 million. The mid-1960s brought increased prosperity to NYSIF, a climb that continued into the next decade and allowed the Fund to play an important role in the fiscal well being of New York State during the financially turbulent 1970s. James J. Carroll became NYSIF executive director in 1967, ending a 17-year run by William Folger.



Mr. Carroll

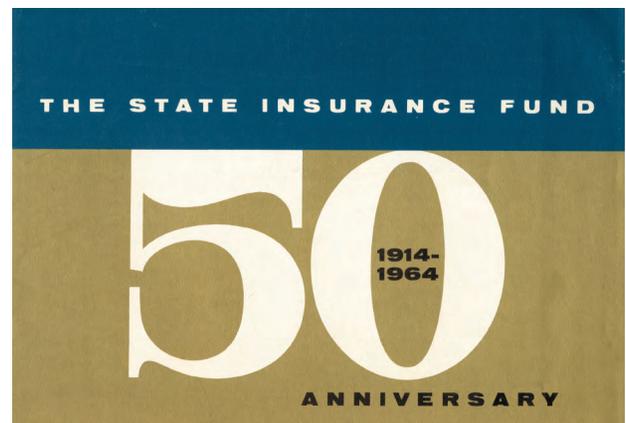


Photos show NYSIF offices, circa 1981, including (clockwise from top, r.) 24 Plymouth Avenue North, Rochester; 879 Madison Avenue, Albany; 159 North Franklin Street, Hempstead; 901 James Street, Syracuse; 161 Delaware Avenue, Buffalo, and 199 Church Street, NYC. NYSIF retains only the Church Street office building today. Other offices have replaced the rest. At the time of this photo, the newly opened Hempstead facility was NYSIF's first Long Island office. It was later used as a NYSIF warehouse until its sale in 2014.

### 1970s

The Federal Occupational Safety and Health Act of 1970 established federal standards and programs that advanced workplace safety methods similar to those practiced by the State Insurance Fund since inception as effective in reducing workers' compensation insurance costs: periodic inspections, accident prevention programs, employee training sessions, and noise and industrial hygiene surveys. Field services representatives made more than 50,000 visits to policyholders. Albert S. Milles replaced James Carroll as executive director during that same year.

Continued on page 32



NYSIF 50th anniversary annual report, 1964.



## Information Technology

Technology at NYSIF spans a century of innovation – from writing ink and ballpoint pens, typewriters and adding machines, to mainframes and web-based systems – fostering the transition from typists, stenographers and data entry machine operators to information technology specialists and a department now known as Information Technology Services (ITS).



NYSIF employs computer programmers and system service aides who design, build and troubleshoot customized

systems that enable a 2,500-strong workforce to execute thousands of transactions statewide on behalf of many thousands of policyholders and claimants on a daily basis. Systems designed by ITS allow NYSIF staff to share policy and claims data instantaneously from one end of the state to the other. This functionality and flexibility has proven critically important to the Fund's continuity of business operations during states of emergency that have forced business interruption in one locale or another.

From the first generation IBM 7070 computer in 1960, Burroughs desktop terminals in 1980, state-of-the-art personal computers at every NYSIF office, to smart phones and tablets used in the field today, technology has been a key component of NYSIF's long-range plan.

This includes a proprietary Claims Handling System (CHS) and a Diary Assignment Work Network to distribute assignments, control workflow and facilitate data sharing across the organization. It includes automated systems for a host of NYSIF internal and external functions and a variety of online services that allow



*From top: A partially-used bottle of writing ink and two variations of early adding machines are part of NYSIF physical archives housed at 199 Church Street; An IT staff photo in Albany, circa 1990; Data Entry Machine Operator Renita Waison in the 1980s.*



customers to obtain workers' compensation and disability benefits quotes, file claims and payroll reports, pay premium bills, obtain certificates of insurance, track claims and check on the status of benefit payments. Medical providers also submit medical bills, monitor payments and retrieve explanations of benefits online.

IDG's *Computerworld* magazine honored NYSIF's Chief Information Officer Linda Zafonte for exceptional technology leadership in 2012 as one of its Premier 100 IT Leaders. Ms. Zafonte, ITS managers, and staff continue to transform and modernize the Fund's IT environment. Recent improvements include implementation of a state-of-the-art data warehouse that facilitates predictive analytics models to aid in underwriting, premium audit and field services decision-making. A new, secure e-Business platform allows authenticated online transactions, a key to future IT innovations benefiting both NYSIF staff and customers.



*NYSIF Commissioner Rivka Chatman (24 years) and members of NYSIF Data & Systems Department look at computer-generated reports at 199 Church Street, 1989.*



*Information Technology Services staff in 2014 at NYSIF Computer Center, 8 Computer Drive, Albany, which opened in 1990 as the base of NYSIF computer operations.*

# 1973-75

Despite unemployment, rising inflation and a drop in NYSIF operating income, the Fund's successful management over the past decade makes it one of the most stable insurance carriers in New York.

# 1976

With the city and state in the depths of fiscal crisis, NYSIF invests \$715M over two years in MAC bonds and other state obligations; Gov. Hugh Carey proclaims that NYSIF "has reached a peak in public service."

## NYSIF Century from page 29



Mr. Millus

Inflation, recession and unemployment caused a decrease of \$7.5 million in operating income for the Fund in 1974, although earned workers' compensation premium increased by 6.6% to \$124 million. Despite having 23% of the workers' compensation market, the Fund experienced another decrease in operating income in 1975. The stable management of the previous decade, however, cemented NYSIF as one of the soundest insurance carriers in the state, and it was able to weather a financial crisis that hit New York hard in the mid-1970s. Not only did the Fund withstand the crisis, but it also assisted the city and state when both teetered on the edge of bankruptcy.

Directed to invest a portion of its resources in the Municipal Assistance Corporation, the Fund planned a commitment of \$100 million, beginning with an initial purchase of \$15 million of NYC tax anticipatory notes. In December 1975,



NYSIF purchased an additional \$100 million of various New York State agency obligations, helping to stave off their possible default. The following year, the Fund invested another \$100 million in the municipal assistance corporations of NYC and Yonkers, and \$400 million for state agencies in need of assistance. Governor Hugh Carey stated, "the Fund had reached a peak in public service by public institutions during the past year."

In 1978, Arnold Kideckel succeeded Mr. Millus as executive director. The term workmen's compensation was officially changed to workers' compensation in the law, recognizing the increased number of women in the workforce. As the state's economy began to recover, the Fund experienced a period of unprecedented growth. Workers' compensation policyholders reached 140,000 by 1979, while earned premium

had increased 40% from 1978 to \$420 million and workers' compensation fund assets increased 30% to

***'NYSIF has reached a peak in public service by public institutions.'***

**Former Governor Hugh L. Carey**

\$1.2 billion. As the Fund made plans to open a new office in Hempstead, Long Island, it installed a fourth generation 6811 Burroughs computer. It also renewed its membership in the American Association of State Compensation Insurance Funds (AASCIF).

## 1980s

By 1980, the Fund was writing over 32% of the workers' compensation market in New York, an amount that more than doubled that of its closest competitor. It upgraded to a fifth generation computer system in 1981 to increase efficiency for processing and managing information. Offices throughout the state were provided immediate access to centrally stored policy and claims information, eliminating thousands of daily manual transactions. The Fund opened a Long Island district office in Hempstead, Nassau County, its fifth, in 1982. A newsletter for employees, *The Reporter*, made its debut, continuing bi-monthly editions in print for 27 years through 2009. It continued uninterrupted publishing electronically in 2014.

Workers' compensation fund assets exceeded \$2 billion and policyholders increased to 148,000 by the end of 1983. A review by the State Legislature determined that the Fund

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Mr. Millus returned to NYSIF for its 90th anniversary in 2004, posing behind his old desk, which is preserved as part of the Fund's archives; Top center: State Fund logo first appearing in 1975.

# 1980

*NYSIF installs its first Burroughs computer, with 32 terminals, replacing a first-generation, limited capacity IBM computer.*



# 1989

*Computer upgrades throughout the '80s streamline operations, eliminate thousands of manual transactions and allow distributed mainframe printing of forms and reports at all offices.*



*Mr. Kideckel*

had successfully met its mandate to provide coverage at the lowest possible cost while guaranteeing coverage would be available to all New York employers.

Computer upgrades allowed NYSIF to streamline operations in several areas as it now insured 1.26 million workers. Among other improvements, billing processing was reduced from 26 days to only eight,

while new claims and new accounts were opened in two days.

More upgrades were made to keep pace with NYSIF's growth. In 1984, it installed a state-of-the-art phone system and a Burroughs A-3 7900H mainframe computer that increased processing power without reprogramming. It added a laser printer that computed, coded, printed, collated and packaged some 2,000 bills a day. NYSIF also published its first newsletter for policyholders, *Workers' Comp. Advisor*. It remains in publication today as an award winner for coverage of occupational safety issues.

In 1985, NYSIF purchased its office building in Hempstead. The following year, workers' compensation policies grew to 181,781 while earned premium increased 35%. A special dividend approved by the Board of Commissioners returned \$48 million to policyholders. The year marked Martin Fischer's 10<sup>th</sup> as chairman of NYSIF's Board of Commissioners, under whom the board developed many policies instrumental to the Fund's continued success. These included



*NYSIF's computer room (above and top), circa 1989, occupied almost the entire 7<sup>th</sup> floor at 199 Church Street.*



*District managers of NYSIF's first five district offices, circa 1984 (l.-r.): Robert MacEwan (Rochester), Robert Sammons (Albany), Norman Greene (Hempstead), John Place (Syracuse), William Cribbs (Buffalo). A sixth district office, at 701 Westchester Avenue, opened in White Plains in 1988 with Grace Wilson (r.) serving as the first female district manager. NYSIF relocated from 879 Madison Avenue in Albany to 15 Computer Drive West the same year. A seventh district office opened in Hauppauge, Suffolk County, in 1989. It closed in 1999 when the Hempstead and Hauppauge offices consolidated in a modern facility in Melville, LI, and were renamed the Nassau and Suffolk offices, respectfully.*



annual independent auditing by one of the "Big Eight" accounting firms, an annual independent actuarial review of reserves and the establishment of an internal audit division.

Renovations were completed in the Rochester district office in 1987 and neared completion in the Albany and Hempstead offices. Salvatore R. Curiale succeeded Arnold Kideckel as executive director.

»

# 1991

NYSIF's one-millionth policy is a Lexington Avenue bar and grill in NYC.



# 1993

NYSIF insures the NY Jockey Injury Fund, covering jockeys and exercise riders – and some 32,000 starts a year at four thoroughbred racetracks – when they're priced out of the private market.



Mr. Curiale

The number of workers' compensation policies grew to 193,061 in 1988, representing almost 40% of the market. Employees grew in number to 2,500 as NYSIF opened its sixth district office in White Plains. Internal systems increased efficiency and productivity in many departments. Installation of an A-17 UNISYS dual processor mainframe streamlined operations. The Fund increased payroll audits and implemented automated systems to assist actuarial estimating and Field Services staff assignments.

After three years in development, tests began for an automated compensation payment system in 1989, with a medical bill payment system soon to follow. NYSIF began offering coverage for volunteer ambulance workers under the new Volunteer Ambulance Workers' Benefit Law, effective January 1, 1989.

## 1990s

Cecilia E. Norat became the first female executive director of the Fund in August 1990. NYSIF was writing almost 45% of the workers' compensation market in New York State with earned premium of \$1.13 billion.

In 1990, NYSIF implemented its automated compensation payment and its automated medical bill payment system two years later. It opened a new computer center at 8 Computer Drive in the Albany suburb of Colonie, while its Syracuse office relocated from 901 James Street to a new building at 1045 7th North Street in Liverpool, NY.

In February 1991, NYSIF wrote its one-millionth workers' compensation policy for Reins Restaurant and Bar in NYC.

The Fund began putting more resources into combating insurance fraud in 1993, an effort that became increasingly important throughout the decade and into the new century. NYSIF expanded its Division of Confidential Investigations (DCI) to include teams of investigators in New York, Buffalo and Albany, working closely with other NYSIF departments, government agencies, and local and national law enforcement to identify and prosecute workers' compensation fraud.

The Fund reached a high in workers' compensation policyholders in 1993 with more than 199,000. Earned premium for the workers' compensation fund was \$1.6 billion, while the disability benefits fund had earned premium of \$22.6 million. Combined assets were \$7.8 billion. A year later, the disability benefits fund reached a record premium of \$25.9 million.



Ms. Norat

Changing economic conditions and a hardening market saw a drop in policyholders and earned premium in 1995, a decline that continued through the end of the decade as NYSIF renewed its focus on customer service and anti-fraud efforts. DCI referred close to 100 cases to the New York State Insurance Department Frauds Bureau. NYSIF recognized the hardship of premium fraud for honest businesses and the enormous cost carried by the industry. Some \$2.5 million in policyholder fraud brought before U.S. and state attorneys general and a \$13 million civil action under the Racketeer Influenced and Corrupt Organizations Act (RICO) were among its first cases.

In 1996, a watershed event occurred for New York workers' compensation as businesses pressured legislators to take action against rising insurance costs. As it happens with big issues, a

small event with which everyone could identify prompted action. In this case, it was Albany's Arena Football League team, the Firebirds, forced to practice in Vermont so the team could afford workers' compensation coverage.

Lawmakers finally passed landmark legislation signed by Governor George Pataki to reform the workers' compensation system. The 1996 reforms led to an average 26% reduction in rates over two years. Known as the New York State Employment, Safety and Security Act, the reforms repealed so-called *Dole vs. Dow* third party lawsuits for all but the most serious injuries and established Section 32 waiver agreements for negotiating final claims settlements. The act also mandated workplace safety programs and strengthened penal laws making workers' compensation fraud a felony, an area where NYSIF played a lead role.

*'The Legislature's intent in establishing a State Fund for workers' compensation insurance was to minimize the impact of a mandated cost of doing business and to guarantee a source of insurance to every employer regardless of risk. The State Insurance Fund has fulfilled its legislative mandate in both respects.'*

### 1983 Legislative Commission on Expenditure Review



Workers' compensation policies in the Fund number more than 199,000, a high for the NYSIF century.

# 1996

Workers' compensation reform passed by the State Legislature mandates workplace safety programs and makes fraud a felony.

NYSIF Customer Service Call Center opens in Glendale Technology Park, Endicott, NY.

Henry Neal Conolly became NYSIF executive director in April 1997, taking over for Marsha Orndorff, who had served as acting director following Ms. Norat's departure in 1996. The opening of NYSIF's Customer Call Center in Glendale Technology Park in Endicott, NY, a Binghamton suburb, was the highlight of 1996. Besides resolving issues for customers and medical providers, the center served as a testing ground for new programs and systems. Several initiatives had their piloting phase at the center, including a criteria-based automated bill paying system and a Provider Inquiry Project to reduce a medical bill backlog. In addition, the center's toll-free phone number for first report of injuries helped facilitate NYSIF's early intervention program for claims handling.

That same month, NYSIF's Board of Commissioners elected NYSIF Commissioner Terence L. Morris as chairman. Mr. Morris, a well-respected Albany auto dealer whose NYSIF mantra was, "We don't have to be the biggest, but we will be the best," reinforced the business-minded approach to NYSIF operations shared by Mr. Conolly. Customer service, technology, loss control, fraud prevention, competitive pricing, cross-functional training, teamwork, flexibility, accountability and responsibility became the Fund's buzz words. Working with NYSIF, a consulting firm helped implement a major reorganization of business operations.

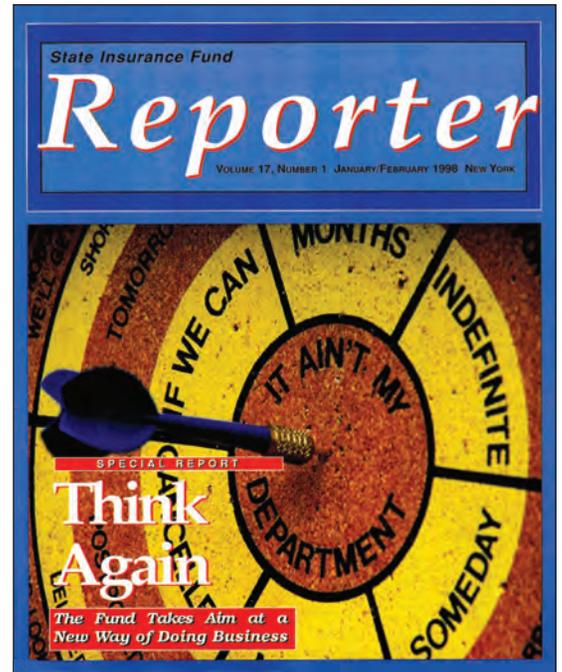


Mr. Conolly

Armed with new legislation making fraud a felony and a new DCI director in former prosecutor Laurence LaPointe, the Fund increased DCI staff and became more aggressive, establishing NYSIF as a state and national leader in the fight against fraud. In 1998, nearly half of all New York State workers' compensation fraud prosecutions resulted from NYSIF investigations.

The same year, NYSIF completed programming and implementation of a simplified billing system and statement, a multi-departmental project in response to policyholders' recommendations for an easier-to-read bill. It also instituted a team approach for "cradle-to-grave" claims and policyholder services. Other developments included "paperless" processing systems for automated medical bill paying and no-lost-time claims, and an automated safety group accounting system. These were followed by the creation of NYSIF's first website, a Marketing Department and a new logo.

Near the end of the century, NYSIF added new computers and software to accommodate proprietary systems including a Claims Handling System (CHS) and Loss Control Information System (LCIS). At 199 Church Street, NYSIF established four district offices to handle NYC policies and claims as part of a re-engineering effort, and updated an investment center for Investment staff.



The first full-color Reporter newsletter prepared staff for big changes in 1998. A new logo (center) ushered a new era of NYSIF marketing. Simplified billing statement (below).

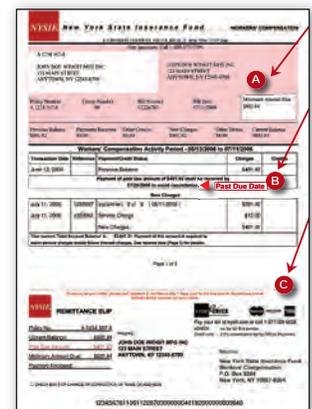


In 1999, NYSIF had combined workers' compensation and disability benefits premium of \$840 million and combined assets of \$8.7 billion. It also had completed testing to ensure that all Fund systems were ready for Year 2000 (Y2K) compliance.

## The New Millennium

On New Year's Eve 1999, some 75 employees throughout the State Insurance Fund reported to work to keep the notorious Y2K "bug" in check. Overnight, they monitored a smooth transition into the new millennium, implementing procedures to assure computer and building systems operated properly. A state task force had ranked NYSIF workers' compensation, disability benefits and medical payment systems a number two priority among 21 groups of essential services affected by Y2K compliance.

The successful Y2K conversion began in earnest in 1997 with the promotion of Robert Sammons, Albany district manager since 1995, to Y2K project director. NYSIF retained a



Continued on page 37

# \$230,000,000

(Restitution, additional billed premium and estimated future savings.)

*Anti-fraud efforts since 1995: more than 10,000 investigations, 1,780 arrests, and \$230M in recoveries and estimated savings.*

**Nobody Does More to Fight Fraud**

**Nobody**

SAVINGS/RECOVERIES\* FROM NYSIF FRAUD ARRESTS (\$10.7)

| Year | Savings/Recoveries (\$10.7) | Arrests |
|------|-----------------------------|---------|
| 2006 | \$17.9                      | 148     |
| 2007 | \$17.43                     | 158     |
| 2008 | \$16.4                      | 128     |
| 2009 | \$13.2                      | 107     |
| 2010 | \$12.8                      | 141     |

Keep New York Open For Business

**Report workers' compensation fraud**

**1-877-WCNYSIF**

nysif.com

NYSIF

NY WORKS

## Confidential Investigations

Over a span of 20 years, the Division of Confidential (DCI) has a record that makes NYSIF a state and national leader in pursuing arrests and convictions of dishonest businesses, claimants and medical providers who cheat the workers' compensation system.



DCI receives critical assistance from NYSIF Claims, Underwriting, Premium Audit and ITS staffs, and works in cooperation with the Department of Financial Services, the Workers' Compensation Board, regional and national law enforcement authorities, and state and federal agencies to fight workers' compensation and disability benefits fraud.

These efforts lead to millions in savings that help NYSIF fulfill its mandate and have prompted major felony investigations of insurance fraud. Among them is the largest premium fraud case in New York State history – more than \$25 million – in 2010, and a \$35 million medical provider fraud case in 2013. Investigations have also led to hundreds of arrests across the state for NYSIF claimant fraud.



*From top: NYSIF fraud public awareness ads appeared in media outlets statewide in 2013; Larry LaPointe (DCI director, 1998 - 2010) at one of many press conferences he attended to announce arrests as a deterrent to fraud; Directors and supervising investigators on DCI staff in 2002.*

# 1997

NYSIF's website at [www.nysif.com](http://www.nysif.com) makes its debut.



# 1998

The Binghamton district office opens in the same building as the call center at 2001 Perimeter Road East in Endicott.

## NYSIF Offices 2014



15 Computer Drive West



8 Computer Drive



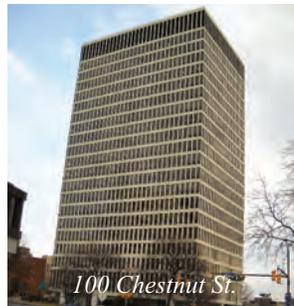
1045 7th North Street



225 Oak Street



8 Corporate Center Drive



100 Chestnut St.



105 Corporate Center Drive

NYSIF office succession from 1988 (historical notes by former Rochester District Manager Robert MacEwan from a 1986 memo): **1988:** Albany office moves from 879 Madison Ave. to 15 Computer Dr. West. **1990:** Computer Center opens at 8 Computer Dr., Albany. **1991:** After most of two decades, Syracuse office moves from 901 James St. to 1045 7th North St. (Prior to James Street, the office was located at 501 Erie Blvd. West. Branch office managed by D.E. Foley opened in Binghamton in 1938 or '39.) **1994:** With over 20 years at 161 Delaware Ave., the Buffalo office moves to 225 Oak Street. (Branch office managed by J.V. Smith opened in Olean in 1941 or '42.) **1992:** After 33 years at 24 Plymouth Ave. North, the Rochester office leases space at 100 Chestnut St. (Branch office managed by Edward W. Brown opened in Elmira in 1940.) **1996:** NYSIF expands operations in NYC to 111 8th Ave., closing in 2000. **1998:** Binghamton office opens at 2001 Perimeter Rd. East (top); Administrative office opens at 1 Watervliet Ave. Ext., Albany (r). **1999:** LI offices (Nassau/Suffolk) move to 8 Corporate Center Dr., Melville. **2002:** White Plains office moves from 701 Westchester Ave. to 105 Corporate Center Dr.



Albany and Administrative offices swapped buildings in 2006

### NYSIF Century from page 35

project consultant and contracted programmers to help ITS staff review and rewrite data fields. User testing and full compliance had occurred months before the stroke of midnight on December 31, 1999.

The project – involving six million lines of code and approximately 3,000 programs that interacted with 23 databases – required “an enormous team effort,” according to Mr. Sammons. Dozens of NYSIF employees from Albany and NYC ITS took an active role, among them: then-Data & Systems Director Rama Eleswarapu, William Waage, Robert Suozzo, Judy Dearstyne, Sharon Tate, Eric Tapper, Tony Scipione, Laurie Endries, Craig Endries, Pam Talkovsky, Jianliang Tan and David Brandt.

### 2000

The Legislature unanimously passed an important bill in 2000, allowing NYSIF's Investment division to invest in a broader range of stocks and bonds. Policyholders saw some of the lowest workers' compensation rates in years, driven by the 1996 reforms. NYSIF replaced the title of district manager with business manager and, likewise, district office with business office.

NYSIF ITS developed internet-based programs giving policyholders 24/7 online access to new electronic systems – First Report of Injury (NYSIF eFROI®) for submitting claims, and eCERTS®, allowing them to create, print, e-mail and validate NYSIF certificates of insurance. Based on its experience with alternative return-to-work models, the Claims Department was selected by the Hospital for Joint Diseases Occupational and Industrial Orthopaedic Center Model Clinic for an international multi-disciplinary treatment study for claimants with non-specific lower back pain.

### 2001

NYSIF underwent a smooth transition of leadership in 2001. Chief Operating Officer Kenneth J. Ross, a deputy executive director since 1996, succeeded Mr. Conolly as executive director. To strengthen the disability benefits (DB) fund, NYSIF introduced criteria-based return of premium programs, dedicated policy and claims teams to improve customer service and bound most coverage within 24 hours. Earned DB premium almost doubled from the previous year to more than \$20 million. The Fund also introduced two services for workers' compensation claimants – Electronic Funds Transfer of weekly benefit payments, and a pharmacy benefits management program.

»

# 2000

*Black car livery drivers insure as a group for the first time, choosing NYSIF.*



**June 1, 2001**

# 2001

*Most NYSIF offices meet the target date of this internal poster (l.) and are "paperless" by June 1, 2001, a goal proving critical to operations in the aftermath of September 11<sup>th</sup>.*

Using the Claims Handling System, NYSIF began sharing claims information electronically with the Workers' Compensation Board's eCase File, leading to improved claims handling and a reduction of paperwork and phone calls between the two agencies. With CHS fully implemented, Claims staff had quick access to claims data on their computer screens, expediting case management and, more importantly, ushering the era of paperless claims processing at NYSIF offices statewide. With Mr. Sammons now heading Claims – joined by an 18-year NYSIF attorney, Edward Hiller, as co-director – the conversion to a paperless system was crucial to continuing critical operations in the aftermath of the terrorist attack on the World Trade Center on September 11, 2001, when the Fund lost use of its offices at 199 Church Street (seven blocks from the Twin Towers and Ground Zero) and did not return at full strength for 15 days.

NYSIF Church Street staff evacuated after the collapse of the trade center's south tower and before the collapse of the north tower. "We had everyone out within minutes," then-Director of Administration Albert DiMeglio said.



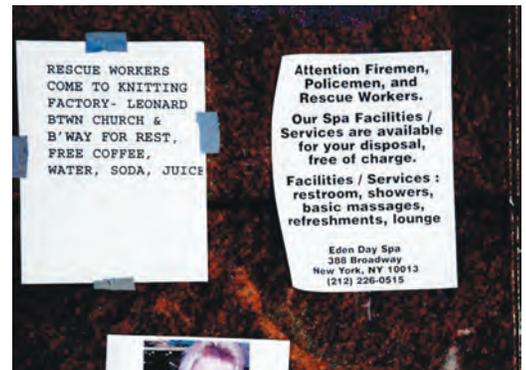
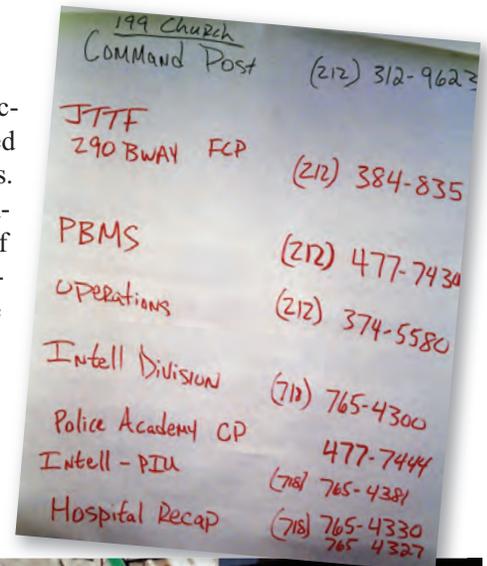
Mr. Ross

Soon after the attack, NYSIF's building became a temporary command post for first responders. When Mr. Ross turned the key over to a police captain, Mr. DiMeglio said he believed "that was the first time we ever totally closed the building since it opened in 1955." Later that day media crews began stationing their vans on Church between Duane and Thomas streets, directly in front of the State Fund. A television station reported an "Insurance Fund club" was serving sandwiches and coffee to emergency workers. In fact, local businesses and residents brought food to the lobby for emergency personnel.

With power shut down to most of lower Manhattan, 199 Church Street had no electricity or telephone service and, with building pumps inoperable, a rising flood in the engine room of the sub-basement the next day. On site that morning, Mr. DiMeglio and maintenance staff diverted water away from critical mechanical systems, using bags of gravel and reams of paper until arranging for a portable generator to pump water out.

In the ensuing days, Mr. Ross directed the transfer of personnel, equipment and case files to NYSIF district offices, ordered the establishment of special units and telephone hotlines to handle claims stemming from the attack and oversaw the safe accounting of each NYC staff member. Network computers and new electronic systems, specifically CHS and eCERTS®, made it possible to provide uninterrupted service to claimants, policyholders and medical providers. NYSIF emerged from the tragedy with the knowledge that its preparedness, thanks to industrious work by its staff, not only in the moment, but also in previous years, allowed it to continue to serve customers without disruption under the worst of circumstances.

From top, r.: First responders used NYSIF's lobby as a command post after the attacks; Like much of downtown, Church and Chambers streets were closed except for authorized vehicles and personnel (limited NYSIF staff showed work passes to enter the area); Notices on NYSIF exterior wall offered respite for rescue workers; Media camped outside 199 Church Street.



Continued on page 40

*'Words cannot describe the feeling of patriotism and pride we felt here in Arizona when we opened our mailbox and saw your icon...'*

SEPT. 17, 2001

DEAR PEOPLE OF N.Y.C. AND THIS GREAT NATION:

WORDS CANNOT EXPRESS THE FEELING OF PATRIOTISM AND PRIDE WE FELT HERE IN ARIZONA WHEN WE OPENED OUR MAILBOX TODAY AND SAW YOUR ICON ON THE WHITE ENVELOPE SITTING THERE....

WHEN WE FIRST HEARD OF OUR NATION'S TRAGEDY, OUR HEARTS WERE HEAVY WITH SADNESS FOR ALL OF THE PEOPLE, FAMILY AND BUSINESSES THAT HAD TO ACCEPT SUCH GREAT LOSSES. IT WASN'T UNTIL THE EVENING OF THE FIRST DAY THAT WE SAW CHURCH STREET ON THE MAP VIEW OF THE WTC / AT THAT POINT WE WONDERED JUST HOW CLOSE YOUR OFFICE WAS TO GROUND ZERO. WE TRIED THE MAIN OFFICE'S PHONE NUMBER ON WEDNESDAY ONLY TO HEAR A RECORDING TELLING US THAT "ALL CIRCUITS WERE BUSY; TO TRY AGAIN LATER". WE CHECKED INTERNET MAPS ONLY TO FIND YOU WERE, IN FACT, BELOW 14<sup>TH</sup> STREET - THE CUT OFF POINT FOR NORMAL CITY ACTIVITY. WE CHECKED THE PHONE SYSTEM REGULARLY OVER THE WEEK ONLY TO HEAR THE SAME RECORDING.

THE SUN ROSE ON MONDAY MORNING... WITH GREAT HOPES OF SEEING SOME SEMBLANCE OF NORMALCY IN OUR COUNTRY. WALL STREET WAS UP AND RUNNING; TV HAD GONE BACK TO REGULAR PROGRAMMING AND WE FOUND A NEW RECORDING THAT ANSWERED WHEN WE DIALED YOUR OFFICE, "THE AREA THAT YOU ARE CALLING IS IN CRISIS. PLEASE TRY AGAIN AT A LATER DATE."

WE HAD ALREADY EXPECTED AND ACCEPTED A DISRUPTION IN THE ARRIVAL OF OUR CHECK THAT WE WERE TO RECEIVE KNOWING BUSINESS WOULD CATCH UP IN A TIMELY MANNER. BUT WE FOUND <sup>OUR</sup> CONCERN WAS NOT FOR THE CHECK, IT WAS FOR ALL THE FACELESS VOICES AND NAMES THAT WE TALK TO WHENEVER WE CALL YOUR OFFICE... VOICES ALSO NAMES THAT HAVE BECOME A PART OF OUR LIFE OVER A GOOD NUMBER OF YEARS... VOICES AND NAMES THAT HAVE HELPED US THROUGH OUR CONFUSIONS AND QUESTIONS. THEN WE FOUND THE CHECK FROM YOUR OFFICES IN OUR MAIL-BOX TODAY: ON SCHEDULE!! WE REALIZED IT HAD MARCHED THROUGH GREAT CHAOS; THROUGH A DISRUPTION OF DAILY LIFE! WE WERE THANKFUL AND WE WERE PROUD - THESE TERRORIST DID NOT DESTROY YOUR FOUNDATION OR AMERICA'S FOUNDATION! YOU MADE IT THROUGH!

WE TRULY HOPE THAT EVERYONE IN YOUR OFFICE IS SAFE AND WE HOPE THAT EVERYONE IN N.Y.C. REALIZES HOW MUCH THIS ENTIRE COUNTRY IS WITH YOU! YOU MAKE US PROUD!!! GOD BLESS!

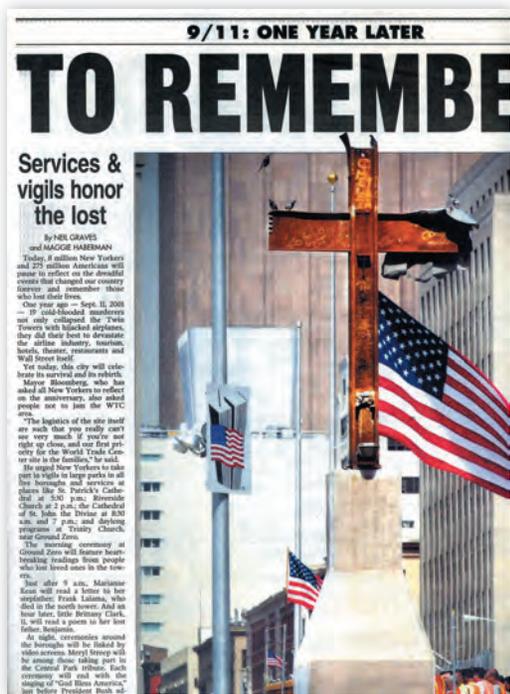
SINCERELY,  
CARL + CHERYL KRANTZ  
ATF # 3823-001  
OUR CONTACT: MS. P. HOGGARD



*In 2001, our logo was a welcome icon for claimants in Arizona in the chaotic days after 9/11. The State Insurance Fund has received countless letters thanking staff for customer service over 100 years, but none more poignant than this one, dated September 17, 2001.*



*Against an altered skyline where the Twin Towers once stood, this rooftop photo at 199 Church Street in 2004 included staff whose efforts helped NYSIF sustain operations, assist victims' families and account for evacuated staff after 9/11 (from left): Customer Service Rep II James Jaeger, Security Captain John Caiafa, Building Superintendent Dave Thomas, receptionist Maria Rivera, Executive Director Ken Ross, Data Processing Systems Manager Chris Glorius, Director of Administration Albert DiMeglio and Director of Financial Services Joseph Mullen. Messrs. DiMeglio, Glorius, Jaeger and Mullen received commendations from NYSIF's Board of Commissioners.*



*A New York Post photo, published 9/11/02, showed the proximity of Ground Zero to NYSIF's Church Street location (white building, rear left).*

### NYSIF Century from page 38

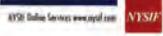
September 11<sup>th</sup> marked the single worst workplace disaster in American history. The attacks at the World Trade Center claimed 2,753 victims. Five NYSIF employees lost family members.

### 2002-2003

In 2002, NYSIF devoted more time and resources to staff development. Statewide staff training totaled more than 3,000 hours in 80 different courses. Renovations to 199 Church Street's 15<sup>th</sup> floor turned the old Public Service Commission hearing room into a new Conference and Training Center, featuring a state-of-the-art auditorium with conference and classroom space. The Fund named three regional directors, John Massetti (NYC), Christopher Barclay (upstate) and Michael Bart (Long Island), to work with business managers to develop strategies addressing the needs of businesses in each region. The following year, NYSIF introduced eQUOTE, an automated quote and application system, and other systems allowing customers to view premium statements, review account activity and make credit card payments online. Online claims monitoring through CONNECTS (Clients on Net NYSIF Electronic Claims Tracking System) became available to all policyholders, and for the first time NYSIF eFROI® allowed policyholders to file claims electronically with the Workers' Compensation Board.



**NOW with NYSIF Online**  
Get Certificates of Insurance  
Anytime, Day or Night,  
from Home... the Office... Anywhere!



In 2001, NYSIF eFROI® and eCERTS® contribute greatly to uninterrupted customer service in the wake of the terror attacks.

# 2002

NYSIF goes forward with plans to host the American Association of State Compensation Insurance Funds (AASCIF) annual conference just 11 months after 9/11, with the theme "Open for Business – Against All Odds."

Claims and Policyholder Services teams received cross-training in a NYSIF course titled, "Life of a Claim," designed to reduce the claims life cycle and promote accurate case reserves through coordinated early claims resolution.

## 2004

NYSIF observed its 90<sup>th</sup> anniversary in 2004, ending the year with combined premium of \$1.65 billion and combined assets of \$10.9 billion. NYSIF also established the first

Legal Compliance Committee among state funds in the nation to ensure procedures and employees adhered to all



Then...Now...Always

sions to provide safety training to assureds. All NYSIF field reps enhanced their credentials as safety and loss control specialists by completing a 30-hour OSHA general industry training course. Several also completed a training program to become OSHA-authorized outreach trainers qualified to conduct OSHA courses on standards and compliance for business owners, supervisors and

workers. Keeping the focus on safety, NYSIF expanded safety resources on nysif.com and utilized training tools such as PowerPoint presentations and DVDs to help employers establish and maintain a safety culture and successful safety programs. Reflecting its successful loss control efforts, NYSIF's loss experience was re-included in New York workers' compensation rates for the first time in 47 years starting with the October 1, 2005 rate filing.

NYSIF's Legal Department had a strong voice in winning a successful extension of the Terrorism Risk Insurance Act (TRIA), federal backstop insurance for catastrophic acts of foreign terrorism that was set to expire at year's end. The department also issued a comprehensive policy statement governing internal fraud, waste and abuse, and re-emphasizing compliance issues, corporate governance and integrity. In December, former Workers' Compensation Board Chairman David P. Wehner succeeded Ken Ross as executive director. Christopher Barclay and Douglas Hayden served as interim co-directors for a brief period.

## 2006

Customer service and anti-fraud initiatives made significant strides in 2006. NYSIF's website offered safety resources and publications in Spanish for the first time and automated printing of C-105 Certificates of Compliance. The website also offered an expanded medical bill inquiry system, contact information for case managers and underwriters, and improved vendor access for investigations, independent medical exams and procurement opportunities.

DCI totaled 148 fraud arrests and \$17 million in restitution and estimated savings, an amount commonly including pre-

»

**NYSIF In 1914, The New York State Insurance Fund created a new business model for the workers' compensation insurance market.**




**Today, NYSIF brings the workers' compensation market a new way of doing business.**




NYSIF Online Services www.nysif.com

NYSIF marketing piece (top and left) announced eCERTS® in 2000, one of the systems that provided essential services after 9/11. Above, right: NYSIF created and trademarked this logo and slogan as host fund for the AASCIF '02 annual conference including workers' compensation funds and boards from the US, Canada and Puerto Rico.

applicable local, state and federal rules and regulations. New features on the website included a self-starter kit for all employers interested in implementing Return-to-Work programs.

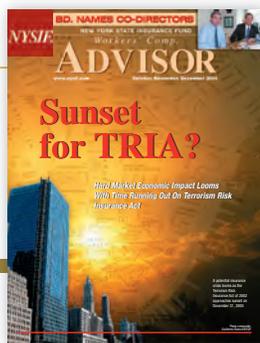
The Claims Department began using a new system for recording accidents and injuries to help identify claim trends, ensure proper treatment, process medical bills more accurately, fight fraud and assist policyholders with federal injury reporting requirements. Claims automation at this point included electronic systems to process medical bills, schedule independent medical examinations, initiate investigations, image important documents into appropriate case files and link unmatched correspondence to the correct electronic file. An online paperless Fiscal Management Information System replaced the old accounting system, offering superior internal accounting and auditing for cash management, purchasing and accounts payable and receivable.

## 2005

NYSIF increased outreach efforts focusing on workplace safety. Specifically, the Fund teamed with the Occupational Safety and Health Administration (OSHA) on several occa-

# 2004

*NYSIF leads state funds in anti-terrorism by crosschecking data with the Office of Foreign Assets Control, yielding one OFAC match. Other funds follow suit.*



# 2005

*Joining a chorus of insurance industry supporters, NYSIF urges Congress for an 11<sup>th</sup> hour extension of the Terrorism Risk Insurance Act, illustrated in NYSIF's Workers' Comp. Advisor.*

mium billed after identifying businesses that underreport payroll or the nature of their operations. A *New York Times* article quoted industry observers who agreed NYSIF set a standard for audits that uncovered payroll gaps of this type.

NYSIF had an important role in three new laws extending workers' compensation benefits to Ground Zero cleanup and rescue workers and accidental death benefits for 9/11-related illnesses to families of uniformed services personal. "We could not have crafted this legislation without the partnership of NYSIF and the Work-

ers' Compensation Board," Governor Pataki's chief of staff said.



*Mr. Wehner*

Following a long illness, Chairman Morris died at age 62. Vice Chairman Robert H. Hurlbut, a NYSIF commissioner since 1989, succeeded him as chairman.

## 2007

Historic workers' compensation reforms adopted by the New York State Legislature in March raised benefit levels for injured workers for the first time in more than a decade. They also capped weekly benefit payments based on loss of wage earning capacity for new cases of permanent partial disability and addressed several issues to ease premium rates for employers. New York enacted the single largest average workers' compensation rate decrease since 1975.

NYSIF announced an average 18.4% rate decrease for workers' compensation policyholders, effective October 1, 2007. Approximately 116,000 NYSIF policyholders received a total of \$80 million in rate reductions directed by the New York State Insurance Department, including advanced premium adjustments of approximately \$75.5 million for 72,000 policyholders.

NYSIF also implemented a 20% decrease in disability benefits rates, effective January 1, issued total premium credits in excess of \$4 million for qualifying smaller DB policyholders and a 50% credit based on claims performance for DB policies over \$1,000 in premium. For the fifth straight year, the average dividend for workers' compensation safety groups increased to 27.7%.

DCI cases resulted in a record year for NYSIF fraud ar-

*'I thank NYSIF for taking a lead role to help stop individuals who support terrorists.'*

**2004 letter from State Senate  
Homeland Security Chair  
Michael Balboni to NYSIF  
General Attorney Doug Hayden**

rests, 158, with restitution and estimated savings of \$17.4 million. NYSIF's anti-fraud program surpassed the 1,000 mark in total arrests since 1996.

An electronic new business system and policy file for processing, imaging, indexing and assigning all policy-related work led to increased efficiency and further reduction of paper files. Hundreds of policyholders across the state attended NYSIF educational forums on cost-effective ways to maintain a safe workplace, minimize injuries and expedite claims resolution for the good of both employers

and employees.

NYSIF dedicated its conference and training center to former Chairman Terence L. Morris.

## 2008

Fraud investigations led to 148 arrests and a record \$20.7 million in restitution and estimated savings. NYSIF introduced eCHECK, an online service giving workers' compensation and disability benefits policyholders a quick, easy option to make premium payments electronically. With more than 300 safety resources and other educational materials available to any visitor, nysif.com won an AASCIF Communications Award as a top industry website.

Joined by the Department of Civil Service, NYSIF hosted forums in Albany, Binghamton, Buffalo, Long Island, Rochester and Syracuse for New York State employees from 36 agencies encompassing 89 regional offices to address

»



*Chairman Morris, here with Legal Secretary Jacqueline Stanford (36 years), visited employees in 2001 to wish them happy holidays.*

# 2006

*Taking a lead role, the Fund is cited for helping to draft three laws extending benefits for 9/11 recovery workers.*

# 2007-08

*NYSIF's anti-fraud program has back-to-back record-setting years – 158 arrests in 2007, and \$20.7 million in restitution, additional billed premium and estimated savings in 2008.*

claims issues including new legislative requirements, hearings, return-to-work programs and the Civil Service Accident Reporting System. The forums were held in response to a New York State initiative for more inter-agency cooperation. The Fund also held a seminar for safety group managers, representing thousands of employers, on new Workers' Compensation Board adjudication procedures known as the "rocket docket," aimed at streamlining the claims process.



NYSIF emphasized its safety message to employers, urging cooperative claims and risk management. NYSIF lowered minimum annual premium for statutory disability benefits policies to \$60 – its lowest level in 20 years.



*Ms. James*

## 2009



*Mr. Wrynn*

NYSIF celebrated its 95<sup>th</sup> anniversary in a year that saw two changes in executive leadership when James J. Wrynn, who replaced Mr. Wehner as executive director in April, left to become Superintendent of Insurance. In

July, Francine James succeeded Mr. Wrynn as NYSIF's chief executive. Governor David A. Paterson and NYSIF's Board of Commissioners honored Chairman Robert H. Hurlbut for 20 years of service to the board.

NYSIF began a five-year, enterprise-wide technology modernization project of NYSIF hardware and software systems. Led by a strategic Information Technology Services team, the project entailed switching from outdated mainframes to web-based servers in an effort to provide more interactive and cost-effective ways of doing business for NYSIF and customers. A claims module upgrade in the first year improved automation of electronic claims filing, record creation and management.

Cost containment remained the underlying theme as

*'We could not have crafted this legislation without the partnership of NYSIF.'*

**Statement from the Executive Chamber regarding laws helping 9/11 recovery workers, 2006**

## 2010-2014

New York had been faced with one of its more challenging economies in decades when new leadership in Albany under Governor Andrew M. Cuomo began to stabilize state finances, stimulate economic growth and provide a more responsive government. New York passed four successive on-time budgets, tax relief for property owners and businesses, and implemented an economic development package creating thousands of jobs.

NYSIF was ready to support the governor's "New York Works" agenda of economic policies leading to billions in investments for the state, including high tech private sector jobs and a new Tappan Zee Bridge, which began construction in 2013.

In 2010, as industry loss costs rose, NYSIF introduced a Preferred Risk Participation Plan for safety-minded employers. For many years, NYSIF guaranteed cost plans offered workers' compensation policyholders tiered, experience-based discounts. Under the new plan qualified employers could receive an advanced discount of 20% and potential return of 49% of discounted premium calculated 12 months after the policy period.

NYSIF also lowered its statutory disability benefits insurance rate to a gender neutral \$0.14 per \$100 of payroll. Since 1950, NYSIF had offered statutory disability benefits insurance and now introduced enriched disability benefits offering a range of increased benefit levels to insure employees for off-the-job injuries at the same low rate. NYSIF DB policies reached a record 61,857 in 2010.

The Fund hosted insurance brokers at 199 Church Street to discuss underwriting criteria, audit preparation and other ways for employers to limit liability. NYSIF implemented a voluntary Recommendation of Care (ROC) program through a medical provider network offering up to 15% savings on cost-driving claims medical expenses. Claims personnel, meanwhile, completed training to implement Workers' Com-

NEW YORK STATE INSURANCE FUND  
NYSIF

Now, select the coverage to fit your organization!

**Low-Cost Disability Benefits Insurance**

**Enriched Disability Benefits Insurance from NYSIFDB**

Employers in New York State can offer enriched disability benefits to their workers at low-cost NYSIF disability benefits insurance rates.

**NYSIF Statutory Disability Insurance Premium**

New or existing NYSIFDB policyholders can opt for enriched disability benefits insurance from NYSIF at 1.5 times the statutory weekly benefit, or select any increment level of NYSIFDB coverage at up to five times the statutory weekly benefit – all at the same, affordable cost.

myself.com  
NEW YORK STATE INSURANCE FUND  
Member Companies: Liberty Mutual Insurance Company

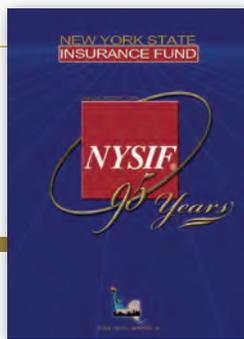
*Leading the industry, NYSIF cut minimum statutory disability benefits insurance rates to a 20-year low in 2009; In 2010 NYSIF introduced enriched DB coverage, lowering rates to \$0.14 per \$100 of payroll. A record 61,857 employers had NYSIF DB policies.*



# 2008

NYSIF introduces eCHECK, allowing customers to pay their policy premiums electronically.

# 2009



NYSIF's 2009 annual report marks the Fund's 95th anniversary and wins an AASCIF Communications Award.

pensation Board Medical Treatment Guidelines, effective December 1, 2010, that established treatment standards for knee, shoulder, neck, and mid- and lower-back injuries.

An indictment was returned in a \$25 million premium fraud case initiated by NYSIF, which remains the largest workers' compensation fraud case in New York State to date. The case ended in conviction, a reparation order of \$5 million and five years' probation for the defendant.

"The New York State Insurance Fund has faced many challenges to deliver consistently on a mandate to make workers' compensation and disability benefits insurance available to any employer doing business in New York," Governor Cuomo noted in NYSIF's 2010 annual report. "Even in our state's most difficult times, the Fund has remained a reliable and trusted source in the workers' compensation market as a self-sufficient, competitive insurance carrier."

Governor Cuomo named Dennis J. Hayes as NYSIF's chief executive on July 1, 2011. Ms. James continued with the Fund as secretary to the Board of Commissioners. Dozens of safety group managers and their claims staffs participated in NYSIF's first webinar, a step-by-step demonstration of filing an electronic First Report of Injury/Illness, followed by a Q&A session. Claims-based programs returned a combined \$5.44 million in disability benefits premium credits to approximately 67% of DB policyholders, and 12,133 DB poli-

cyholders received a total of \$1.18 million in premium credits to reconcile payroll report adjustments. Another \$2.6 million in disability benefits insurance refunds and credits were issued to more than 37,000 employers in 2012, the 13th straight year of DB premium credits for qualified policyholders. Average dividends to workers' compensation safety group policyholders grew for an eighth straight year to 30.5%.



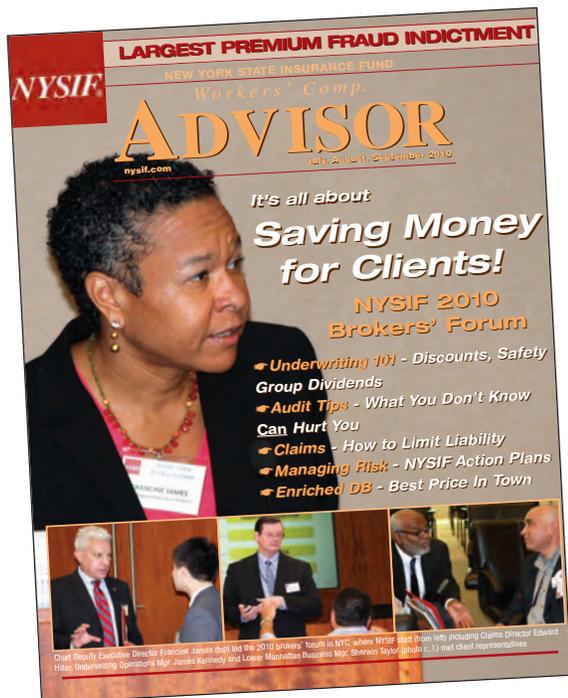
Mr. Hayes

As part of its modernization project, NYSIF implemented a state-of-the-art Business Intelligence Platform for enterprise information and performance metrics to enable predictive analysis in NYSIF underwriting, premium audit and claims functions. The platform supported a secure authentication and e-signature process that expanded online payroll reporting for policyholders, representing a milestone for future secured online transactions. The Fund completed successful replacement of the legacy mainframe systems with server web-based systems along several project tracks that, by 2014, included compensation payments, medical bill audit and payments, policy administration, and disability benefits payments. The conversion of documents to electronic files at NYSIF's Document Control Center in Albany led to annual cost savings by capturing policy and claims data, and making storage and access more efficient.

The technology-driven focus on customer service led to the launch of NYSIF Facebook and Twitter sites in 2012. This enabled a stream of notifications for staff and customers about office closings, redeployment, payment extensions and suspension of policy cancellations in the aftermath of Superstorm Sandy. Similar courtesies were extended a year earlier to farms and businesses affected by Hurricane Irene and Tropical Storm Lee. During Sandy, the Fund lost power at its NYC and Long Island offices for one week, prompting activation of its Continuity of Operations Plan. Using its computer network and dedicated and redeployed staff at other locations, the Fund continued critical account services and payments unabated, much as it had after 9/11.

Governor Cuomo introduced major reforms to the workers' compensation system with the Business Relief Act of 2013, projecting \$800 million in savings for New York employers. Among other provisions, the law changed the methodology for Workers'

*Emphasizing cost containment, Chief Executive Francine James led a 2010 brokers' forum on limiting employers' liability, as covered in the Workers' Comp. Advisor newsletter (l).*



# 2012

Newly established Facebook and Twitter accounts aid the flow of information for NYSIF staff and customers during Superstorm Sandy.

# 2013



The Business Relief Act of 2013 brings major reforms to workers' compensation, part of a series of initiatives by Governor Cuomo.

Compensation Board assessments, resulting in one unified assessment for all businesses. It also provided for the closure of the Fund for Reopened Cases and Special Disability Fund, transferring liability to individual insurance carriers and employers, respectively. It eased limits on NYSIF to invest a percentage of surplus in American institutions regardless of debt rating, and increased minimum weekly benefits from \$100 to \$150 for injury claims.

New York State Police and DCI began a Drug Diversion Task Force, leading to arrests of claimants and medical providers for illegal sales of opioids prescribed for workers' compensation injuries. NYSIF rolled out a new automated process to request a quote, submit a completed application with an electronic signature, pay deposit premium and bind disability benefits insurance online. Claims staff prepared for mandatory electronic reporting for workers' compensation claims in 2014, as required by the Workers' Compensation Board.

NYSIF lost three active members in 2013: Commissioner and former Chairman Robert H. Hurlbut in March, Vice Chairman and Acting Chair H. Sidney Holmes, III, in April, and Executive Director Dennis J. Hayes in December.



Mr. Madoff

Earned workers' compensation premium set a NYSIF record of more than \$2.2 billion. Combined assets for the workers' compensation fund and disability benefits fund were \$16.5 billion as of December 31, 2013.

The Fund began 2014 with new leadership. In January, the Board of Commissioners elected Kenneth R. Theobalds, a board member since 2008 and a former NYSIF deputy executive director, as chairman. Governor Cuomo named Eric Madoff, former chief of staff of the Department of Financial Services, as executive director.

On March 5, 2014, The National Association of Insurance Commissioners ranked NYSIF the sixth largest workers'

***'NYSIF has faced many challenges to deliver consistently on a mandate to make workers' compensation and disability benefits insurance available to any employer in New York. Even in our state's most difficult times, the Fund remained a reliable, trusted source in the workers' comp. market as a self-sufficient, competitive insurance carrier.'***

**Governor Andrew M. Cuomo, 2010  
NYSIF Annual Report**

compensation carrier in America. With a 36% market share, NYSIF remained number one in New York, well positioned to serve future generations.

Today, NYSIF maintains its commitment to provide timely, appropriate benefits to claimants, and ensure a stable, fair market for workers' compensation and disability benefits insurance – backed by the cumulative expertise acquired over 100 years of public service.



100th anniversary banner



The Remember the Triangle Fire Coalition's 103<sup>rd</sup> memorial on March 25, 2014 recalls the victims. An effort is underway for a permanent memorial at the site, which is now part of New York University.

# \$3,776,050,759

(Estimate)

*NYSIF dividends paid to its workers' compensation safety groups since 1923, averaging 25% over 80 years.*

## Safety Groups

Since workers' compensation law placed the responsibility for insurance to cover workplace injuries and illnesses on employers, businesses essentially have been responsible for the safety of their workers. It was this responsibility and the cost of maintaining insurance that made employers more conscious of safety in reducing the hazards of industrial accidents. In 1923, NYSIF introduced an innovative program – safety groups – for safety conscious employers. Safety groups allow employers in the same industry to pool their insurance premiums in groups that focus on workplace safety and claims management. Many employers have saved considerable costs through NYSIF safety groups since then.

In the past two years, NYSIF paid nearly \$270 million in dividends to safety groups. That number climbs over \$3.7 billion since 1923. In 2014, NYSIF insured 110 safety groups. Qualifying policyholders also receive up-front discounts. Many groups have remained with the Fund for decades and have consistent dividend histories. Group managers, chosen by group members, include insurance brokers, risk managers and trade associations. Lovell Safety Management manages the longest active group, Launderers and Cleaners Group 34. Here is a brief history of several group managers.

### Lovell Safety Management

For over seven decades, Lovell Safety Management Co., LLC, has provided secure, comprehensive workers' compensation solutions for New York employers. Lovell Safety is the oldest and largest group manager in the State Insurance Fund, with cumulative savings of more than \$1 billion for members.

Jac M. Lovell, an attorney for the Cleaners and Dyers Board of Trade, founded Lovell Safety in 1936. Since his retirement in 1970, it has successfully continued under his son, Stephen, and now, his grandson, Barry. The company handles the workers' compensation needs of more than 3,600 companies and tens of thousands of employees. A range of underwriting, claims, accounting and safety services has enabled members to control workers' compensation costs and directly improve their bottom lines.



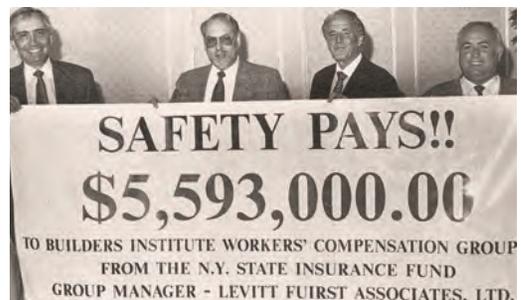
### NY Farm Bureau Safety Group 486

A group of farmers who were members of the New York Farm Bureau established Safety Group 486 in 1967. Their goal was to offer the members of the New York Farm Bureau access to affordable workers' compensation coverage that also provided the tools to promote the importance of safety to those in the agricultural industry.

Since its inception, Safety Group 486 has grown to cover over 2,600 agricultural operations. From dairy operations to fruit and vegetable farms, it now covers almost every type of agricultural operation, including wineries, farm brewers and distillers. We look forward to sustained growth as the agricultural industry in New York continues to diver-



*From top: Earliest known NYSIF logo, circa 1972; Farm Bureau Safety Group 486 member at work; Launderers and Cleaners Group 34 at an annual dividend meeting, circa 1994; Safety paid big dividends for a Levitt-Fuirst Associates' safety group, circa 1988.*



sify. Members of the New York Farm Bureau Safety Group 486 value the expertise and guidance of those within the New York State Insurance Fund. We wish NYSIF a happy 100<sup>th</sup> anniversary and continued growth over the next 100 years.

### Hamond Safety Management

Hamond Safety Management has had the pleasure to be associated with NYSIF for over 23 years and had the privilege of working with some very talented people during this time. We originally began our workers' compensation business 56 years ago before we began our relationship with NYSIF. We knew from our first meeting with State Fund management that NYSIF was the best place for our clients.

Paul Garritan, our executive vice president, began his career at NYSIF some 35 years ago. He often regaled us with fond memories of people he worked with during his tenure at the Fund. During that time, Herbert Jacobs was director of Underwriting and Morris Jacobs was director of Claims Administration. Computers were boxy terminals used by the underwriters to look up policies while claims employees documented all compensation payments in writing on the actual claim file. Separate color-coded cards were sent to the Audit Department for approval. The final step, recording the payment on a 3x5 index card, allowed the claims examiner to "keep tabs" on payments made on each case. There have been improvements and challenges through the years, and we have been proud to be a part of the NYSIF family all along.

– Saul B. Hamond, Hamond Safety Management President

### The Flanders Group

Founded by Chris McVicker in 1981, the Flanders Group name comes from Flanders, Belgium, where commercial insurance originated. Flanders' logo is a rampant lion on the shield of the Count of Flanders. This is the basis for the company's motto, "A Pride of Insurance Experts."

The agency focuses on six markets that started in real estate with the creation of the Real Estate Owners and Managers



Top, l: NYSIF's Mary L. Angarano presented a 75<sup>th</sup> anniversary plaque to G.C.G. Scrap Iron and Steel Safety Group 88 Chair Steve Kowalsky, joined by the late-George Stanton of Roth Steel in 2012; Flanders Group presented NYSIF dividend checks to Rudin Management Co. (above) and Grenadier Real Estate Corp. (left) in 1996.

**NYSIF Top 10  
Safety Group Managers**

- Lovell Safety Management
- Keevily-Spero-Whitelaw, Inc.
- The Durnan Group
- The Flanders Group
- Hamond Safety Management
- Friedlander Group
- Auto Dealers Association Group 430
- Levitt-Fuirst Associates
- New York Farm Bureau Group 486
- G.C.G. Risk Management

Safety Group 512 in 1987. In 1989, it added Marinas and Recreational Boat Sales/Service Safety Group 517, with an endorsement by the Empire State Marine Trades Association. The New York State Automobile and Recreational Vehicle Dealers Safety Group 563 followed in 1994.

New York State Horticulture/Floriculture Industries Safety Group 453, with an endorsement by the New York State Nursery Landscape Association, came about in April 1998. In May of that year, Flanders entered the machine shop and metal working industries with Select Manufacturers' Association of New York, Inc., Safety Group 572. Its latest group, Select Waste Industry Association of New York Safety Group

579 began in 2006 and focuses on refuse haulers and recyclers.

Congratulations to NYSIF on 100 years of service to the business owners of New York State.

### Friedlander Group

Friedlander Group President Adam Friedlander and his team, including Executive Vice President Cosmo Preiato, formed the first of seven safety groups in 1992. Since then, their members have saved more than \$300 million in discounts and averaged dividends of 32% in the retail, wholesale, restaurant, hotel, oil dealers, home healthcare and residential care industries.

# *NYSIF People*



*Retirement photo at 199 Church Street, 2004.*



*25th annual breakfast gathering, 1963.*

STANDARD  
75189 N.Y.



## Executive Staff

From left: Executive Director Eric Madoff, Chief Fiscal Officer Nancy Reuss, General Attorney William O'Brien, Deputy Director Shirley Stark, Deputy Director and Chief of Staff Dorothy Carey, Assistant Deputy Director Robert Sammons, Secretary to the Board of Commissioners Francine James

2014

## Indelible Marks

Soon after graduating from SUNY Oswego with a degree in accounting in August 1980 I started working at NYSIF. My mother, who worked for Tax and Finance, encouraged me to take civil service exams while in college. I remember coming in for the interview on Madison Avenue in Albany, NY. There were two openings, one in Premium Audit and the other in Audit & Review. I listened to both supervisors and Walt Webster asked, "Which one do you want?" Being a kid and not knowing much about either, I opted for the one that would take me on the road.

Joe Silio was my first supervisor. All premium audit supervisors were located in NYC and rotated every 18 months. The Fund began placing supervisors in local offices in the mid-80s. In 1987, I was the first audit supervisor in Albany. After nine years, Bob Sammons selected me for a project team designing the call center in Endicott. In 1997, I became the first call center manager. What an exciting time! We were building a state-of-the-art call center, providing help and solutions for NYSIF operations.

I left the Southern Tier for roles in Albany and NYC: managing collections from the Special Funds Conservation Committee as special assistant to the CFO (Susan Sharp); statewide coordinator of End User Testing with Joel Clair (for the Payroll Audit System and laptops for auditors); director of Receivable Management, working with Jeff Epstein and Randy Johnson; director of Internal Audit, and back to upstate supervisor of Premium Audit.

Like all great institutions, it's the people who make NYSIF special. I have mentioned a few, but there were many who, in my opinion, left an indelible mark on the Fund. To name a few more: Director of Administration Albert DiMeglio, Buffalo Busi-

ness Manager Bill Cribbs, Albany Premium Auditor Eugene Clark, Premium Auditor III James Rollo and, probably the greatest during my time, Chairman Terry Morris.

– Robert Verhayden, Albany Premium Auditor III



Stalwarts: Buffalo Secretary Florence McNerney (57 years state service/54 at NYSIF) and Business Manager Bill Cribbs (33 years, near 1.) both retired in 2003. Mr. Cribbs served 25 years as manager. Commissioner Robert Hurlbut (24 years, 1.), served six years as NYSIF chairman and always took time to thank staff for their service.

Diversity is more of what makes NYSIF special: Underwriter II Minu Roy (30 years), Deputy Director and Chief of Staff Dorothy Carey, Underwriter Sudhaben Parikh (30 years) and Deputy Director Shirley Stark (l.-r.) celebrated Diwali in 2013.





## Department Heads

*Seated (l.-r.): Marilyn Carretta (Claims), Kerry Kirwan (Customer Service), Miriam Martinez (Investments), Linda Zafonte (ITS); Standing: Armin Holdorf (Field Services), Jeff Digman (Internal Controls), Ken Shulman (Internal Audit), John DeFazio (Premium Audit), Joseph Masi (Disability Benefits), George Tidona (DCI), Sherwin Taylor (Underwriting), Joseph Mullen (Administration), Richard Morrison (Policyholder Services), Reuben Epstein (Actuarial)*

2014



*ACTUARIAL - Seated (l.-r.): John Crotty, Donna Femenella, Shari Lerner; Standing Edward Raguso, Bhikhabhai Patel, Lewis Berman, Erik Samarija, Carey Simmons, Joshua Carlsen*



*ADMINISTRATION - Seated (l.-r.): Victoria DeJesus, Susan Lefkowitz, Daisy Soto; Standing: Heather Woolfolk, Alyce Siegel, Denise Miller, John Murdaugh, Carol Filkins, Gail Bussman, Patricia Carroll*



*CLAIMS - Seated (l.-r.): Lorraine Mirabella, Michele Armato, Tracie Wang; Standing: Karen Anderson, Charles Tedaldi, Karen Yu, Judy Mostowitz, Suzan Kornbluth, Alfred Lagstrom, Lisa Gombas, Ryan McGrath, Vivian Griepenbarg*



*PREMIUM AUDIT - Seated (l.-r.): Corrine Morrison, Mary Curran, Christine Patterson; Standing: Harris Drusin, John DeFazio, Morry Honig, Carl Franklin, Tom Girgis, Wisdom Asamoah, Robert Verhayden*



*FIELD SERVICES - Seated (l.-r.): Lynn Sklamberg, Eugene McCarthy, Patricia Ryan; Standing: Gary Dombroff, John McCarthy, Armin Holdorf, Alvin Cooley, Shelford John, Norman Bumgardner*



*INFORMATION TECHNOLOGY SERVICES - Seated (l.-r.): David F. Moses, Lori Hitchcock, Slawomir Wysocky; Standing: Jean E. Alphee, Chris Glorius, Ashraf Elsayed, David Kroening, Ron G. Dawson*



*INVESTMENTS (l.-r.): Bernie Sonenberg, David Lau, John O'Donnell, Mary Rumberg, Wayne Wong, Lisa Devlin, Jonathan Stephens, Joseph Sayegh, Wen Stephens; absent from photo: Harold Bachman, Miriam Legrand, Sam Worrell*



*UNDERWRITING - Seated (l.-r.): Ophelia Ma, Roslyn Archibald, Harsha Bhatt, Nancy Scalzo, Nancy Loy, Denise Cole; Standing: Gino Carlay, Benyam Haile, Ming-Sun Chung, Kishan Jethnandani, Joseph Trombello, Zhanna Manzon, Daryl Bowen, Phyllis Martin, John Parinello, Carlos McKenzie, Ana Collado, James Kennedy, Lisa Miceli*



FINANCE - Photo left, seated (l.-r.): Lisa Li, Mary Ellen Martin, Nancy Misener; Standing: Allan Simpson, Jeff Epstein, Christopher Rampe, Nathan Ehrenreich; Photo right, seated (l.-r.): Nancy Reuss, Fadia Ghobrial, Sharon DeMars; Standing: Sean O'Brien, Stanley Duda, Matthew Smith, James Heffernan

## Lessons



I started working for SIF – as it was called back then – on April 9, 1981. I started in Credit & Collections as a clerk. A time before computers, we only had two Cathode Ray Tube (CRT) machines for about 40 people. CRTs had very limited information: the policyholder's name, address and balance due. This was also way before our monthly statements were created. Those days, we had Dunning notices, trial balances and Statements of Account that were created manually. We accepted cash payments and policyholders came to our office to conduct business. There wasn't a need for visitor passes or security guards.

The décor was green. Desks, file cabinets, baskets, floors, everything. Renovations brought about fake wood laminate on the desktops and beige spray-paint on the rest of the furniture. We were told that if we wanted anything painted, just leave it on our desk and, viola, upon arrival on Monday the "in" and "out" baskets, staplers, hole punchers, garbage cans and chairs were all painted. But, the floor remained green.

There was paper and folders everywhere, phones ringing, people talking, working. There were no computers or Internet. You used a phone, your brain, manuals, memos and your State Fund buddies when you had to figure something out. NYSIF taught me about being a family, working side-by-side, laughing, crying, celebrating. The people were great. I was very young when I started and each one of them taught me something about SIF and life.

– Patricia O'Keefe, Statewide Services Underwriter

## Flashback



Herbert Jacobs (53 years), Catherine Taverna (37 years), Vincent Troianiello (33 years). Each served as director of Underwriting during their long careers.



The New York Claims Association (NYCA) recognizes an industry leader each year with its Excellence in Service Award, having honored several NYSIF managers including Edward Hiller (top) in 2008 and Thomas Gleason (bottom) in 2009. In a 30-year NYSIF career, Mr. Hiller became claims director in 2000, serving until his retirement in 2012, and was chiefly responsible for the Fund's transition to paperless claims files. Mr. Gleason joined NYSIF in 2007 as deputy executive director in a career spanning 37 years in the industry, including executive director of the Workers' Comp. Board. NYCA began in 1914 to foster professional ethics and education in the field of insurance claims.





## Paper Trail

In August 1980, I started as a claims examiner. The Buffalo office was located at 161 Delaware Avenue, a 10,000 square foot building, half of which was occupied by a dentist's office. The Fund was heavily dependent on paper. Mail was received daily, numbered and moved to the appropriate claim file, then to the appropriate case handler for review. No payment could be made without the paper folder. Examiners were entirely reliant on clerical staff to insure they received the most current report in a timely manner.

Claims folders were imprinted with numbers in our home office, and each day we received a shipment of new claims folders. If a payment had to be made prior to receiving a folder a "temp folder" was created. To make a timely first payment it was inevitable that the claims examiner would need to make a temp folder. Each examiner also had a large accordion-type folder called a Suspense File, a repository of all documents received on claims that had not been indexed. Documents were maintained in alphabetical order.



*Paper, paper everywhere; NYSIF office, circa 1990*

To make a payment, the claims examiner needed to fill out a paper voucher that, once approved by Audit & Review, was sent overnight to our home office to be printed and mailed. Claims tasks were divided. Claims examiners made first C-6 payments, filed C-9s and C-7 controversies. The senior clerk made all continuing payments and awards. The bill payer paid medical providers and filed A-1 objections. The unit hearing representative was also the unit supervisor. There was only one associate examiner for the office.

The entire office had five phone lines. Each phone had five light buttons. If you needed to make a call, you waited until there was an open line. In our 5,000 square feet, we had over 60 employees, no cubicles. Desks were abutted next to one another in rows, one after another. Smoking was allowed. In 1982, we doubled our office size by taking over the space previously occupied by the dentist. A modern phone system gave each examiner a phone with a direct number.

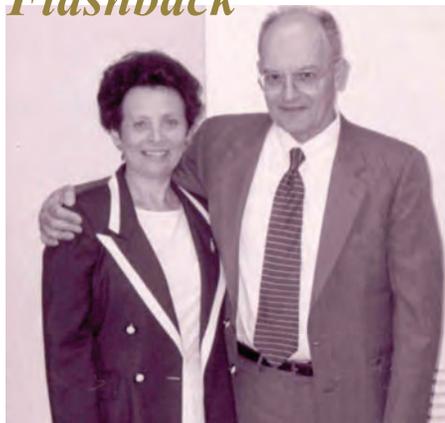
The department started using computer terminals in 1990 with the introduction of the CompPay System. There was no need for paper vouchers to pay claimants' lost time. MedPay followed two years later, putting an end to paper vouchers. In 1999, CHS eliminated dependence on the paper file. Claims' workflow changed to its current cradle-to-grave configuration in 2001, with the inception of the claims service representative (CSR) position.

*– Edward Fries, Buffalo Claims Manager*



*LEGAL - Seated (l.-r.): Melissa Saren, Patricia Barry, Lynn Goodman, Michael Coyle; Standing: Howard Feldman, Peter Cusick, James Fiedler, Jeffrey Ritter, Daniel Becker, Abib Tejan Conteh, Marc Silver, Mike Miliano*

## Flashback



*In 1952, Ray Green, (near l. with Cecilia Norat) joined NYSIF as a clerk out of law school. He retired 44 years later as one of NYSIF's longest serving general attorneys during which time he headed the Legal Department for 16 years. Upon his retirement, congratulatory letters and accolades came from allies and adversaries alike,*

*including this from one of the latter: "If I had to name the top five individuals in the insurance/legal industry, as to knowledge, integrity and decency... you would for certain be in that group."*



*A department fixture for 54 years, Legal Appeals Secretary Evelyn Joseph retired from NYSIF in 2003. On her 50<sup>th</sup> anniversary with the Fund, in a career that began in 1948, she was joined by (from left) Mr. Green's successor James O'Connor, Chairman Terry Morris and Executive Director Neal Conolly.*



## Business Managers

*Seated (l.-r.): Lisa Ellsworth (Rochester), Catherin Carillo (Suffolk), Patti Albert (Syracuse), Lorna Morris (Bklyn/SI); Standing: Assistant Director of Business Operations Joseph Nolte, Ron Reed (Buffalo), Tom Racko (Binghamton), John Zenkewich (Upper Manhattan), Augusto Bortoloni (Albany), Michael Rachek (Bx/Queens), Les Javorsky (Lower Manhattan), Cliff Meister (Nassau), Carl Heitner (White Plains), Director of Business Operations John Massetti*

2014



## Carbon Copies

I began at NYSIF on July 19, 1982, shortly after graduating from high school. Eugene McCaffrey was the upstate field services supervisor in the Albany office at that time. Betty Kirchoff served as underwriting supervisor and Vera Bates and Carol Ryan were the underwriters.

We had one computer used only by underwriters and supervisors to view policy statements. We had old, 3x5 index card file cabinets. Field reps telephoned the office twice a day. In the old days of no cell phones, they called from the road, wherever they could find pay phones. They would let me know in which county or city they were working. I kept a log in the old, red diary books, noting the rep's name, county and time of call. Reports were written by hand daily. All forms used by these reps came with carbon paper. I remember often trying to find extra carbon paper for them to complete their daily reports and letters.

Through the years, I've seen many changes in customer service. I had the opportunity to be a part of training in telephone etiquette. NYSIF introduced workplace safety training videos on topics ranging from slips, trips and falls to bloodborne pathogens. I also remember Mr. Lifty, a wood model used for training workers to lift properly.

I'm amazed at all the experience I've gained working here. I've learned to have a sense of humor to get through the difficult days, to be calm and patient, and to help my NYSIF family, tools I use when I come home to my own family.

— Michele LaFortune, Albany Asst. Claims Services Rep



*ALBANY (l.-r.): Tom Gavin, Betsy Crawford, Chris Rattazzi, Nancy Wood, Robert Kinkead, Tom Phillips, Julie Turgeon, Judy Bellinger, John McCann*



*BROOKLYN/STATEN ISLAND - Seated (l.-r.): Sasikala Vridhachalam, Pauline Josephs, Santy Thalappillil; Standing: Minu Roy, Elo Onwujekwe, Samindra Sil, Douglas van Putten, Charles Holodak, Chermayne Campbell, Shenqi Liu, Ye Xu, Aeon Mitchell, Lee Lockwood, Linda Watson*



*BINGHAMTON (l.-r.): Anthony Miller, Richard Libous, Thomas Strazik, James Fehrer, Joseph Pavlovich, Tina Christiano, Amy Reynolds, Robert Tronovitch, Robert Hubbard*



*BUFFALO - Seated (l.-r.): Renee Ferbet, Kathleen Ward, Kristine Edbauer, Kathy Puzan; Standing: Joseph Kielb, Rocco Brindisi, Ronald Carey, Edward Fries, Ralph Visano*



*BRONX/QUEENS - Seated (l.-r.): Sadhna Gujral, Doris Lewis, Lorraine Hope-Thompson; Standing: Ken Cho, Lynda Laurent, Shanette Welch, Anita Booker, Minerva Rivera, Samuel Obeng-Ahwireng*



*LOWER MANHATTAN - Seated (l.-r.): Patricia Braswell, Helen Roberts, Supty Haldar; Standing: Louis Vassallo, Denham Spence, Narissa Riviere, Ken Joe, Hal Isak*



*SYRACUSE (l.-r.): Nancy Snyder, Susan Marris, Kathleen DePasquale, Deborah Yager, Daniel Hanley, Michelle VanCamp, Deborah Justian, Steve Earley, Maureen McNamara-Wood, David VanCamp, Suellen Leonik*



*UPPER MANHATTAN - Seated (l.-r.): Harpreet Kaur, Shannon Harvey, Denise Hunte; Standing: Arif Malik, Leonard Ogontz, Aniyam Panavelil, Robert Arnold, Rita Fenton, David Tooker, Sase Misir, David Sweeney*



*SUFFOLK (l.-r.): Richard Shelley, Catherin Carillo, Joseph Montalbano, Janet Katz, Andrew Schwartz, Sapna Lalwani, Prashant Singapura, Diane Strong, Charles McKay, Gerald Howell.*



*ROCHESTER - Seated (l.-r.): Susan Roy, Christina Parker; Standing: Nancy Sweeney, Diann Jones, David Lane, Dan Barber, Joseph DeMaria, Beth Taylor-Stern, Lynn Baxter, Rudolph Klash*



*NASSAU (l.-r.): Judi Westenberger, Eric Parsons, George Moongamakal, William Carillo, Janet McNamara, Flower Jacob, Mary Chirayath, Larry Katzman, Annette Duffy, Barry Green, Pat Fippinger, Steve Jacobs, Jane Ehlers, Akm Ahmed*



*WHITE PLAINS (l.-r.): Thomas Eng, Murray Shore, Shirley Audige Barnette, Karen Hart, Trevor Jackson, Adele Allen, Joseph Cimino Jr., Kelly O'Neill, Chacko Varughese, Haresh Modi, Arnold Fortune*

# \$2,276,303

(Estimate as of 2012-2013 SEFA campaign)

*NYSIF employees' contribution to local, national and worldwide charities through the State Employees Federated Appeal (SEFA) since 1980.*

## Vouching for NYSIF

When I first began my career at NYSIF as a claims examiner on July 26, 1982, there were piles of paper files everywhere. The volume of new claims and policies was so high, training classes for dozens of new claims examiners formed continuously. On the claims side, we used to handwrite payment vouchers on various colored cards (blue for initial payment, salmon for continuing payment, etc.). We counted days, weeks, months and years on perpetual calendars and manually filed all forms and letters to our stakeholders. We became "paperless" in 2001 when Claims Director Ed Hiller made Executive Director Neal Conolly's vision a reality. Mr. Hiller called the established target date "Ground Zero," not knowing what was to come.

It would prove to be perfect timing in the aftermath of 9/11. Our paperless environment enabled NYSIF to continue transactions following the terrorist attack without interruption. I remember finding a letter amidst thousands of pieces of mail routed from 199 Church Street to our Melville office. It was from a husband and wife in Arizona who empathized with New Yorkers and expected a delay in their claimant benefits in the wake of the tragedy. To their surprise, the check appeared in their mailbox as scheduled, despite the devastation to lower Manhattan.

I am proud to be a NYSIF employee, having the opportunity to lead the Suffolk office for the past four years and working with the most dedicated individuals in the industry. We've come a long way since handwritten vouchers.

— Catherin Carillo, Suffolk Business Manager



*Upholding tradition: Staff (above) awarded for the annual SEFA drive, 2013; Below, with canned goods for Hurricane Gilbert relief, 1988.*



## 2014



### *Disability Benefits*

*Sitting (l.-r.): Cosmo Scalesci, Christie Greene, Barbara Davis, Jacqueline Leo, Casey Rauenzahn, Kristen Raup; Standing (middle row): Laura Brothers, Britta Hogue, Kim Brown, Dawn Edwardsen, Melissa Moore, Colleen McClary, Joe Masi; Standing (back row): Tami Popielarz, Tawana Moore, Amy Murauskas, Susan Henriksson, Megan Murphy, Donna Silvera, Mary Gogan, Bruce Allen, Andrew Belden, Robert Haskins, Michael Golden*



## Customer Service Call Center

Seated (l.-r.): Paula Koranka, Maria Donato, Regina Garbarino, Customer Service Manager Amy Reynolds, Anthony R. Martone, Loretta Hale, Frances Fortin; Standing: Cheryl Russell, Kathleen Tronovitch, Karen Yannuzzi, Talesha Fike, Ryan Cole, Kathleen Hanifin, Mary Beth Schofield, Lynn Matthews, Josephine Stepanik, Thomas Tedino, Catherine Kozlowski, Robert Grassi, Sheena Hale, Michelle Wunderlich, Amanda Baronowski, Karen Lavelle, Leslie Briscoe

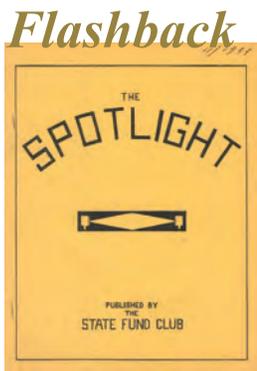
2014



MARKETING, MEDIA & COMMUNICATIONS (l.-r.): Emanuel Terrell, Michele Sisak, Lee Harris, Gayle Fullerton, Linda Grant, John Mesagno, Guillermo Blanco



CUSTOMER SERVICE (l.-r.): Lori Kodadar, Betsy McCormack, Lisa Hanifan, Jodie Nowak



Clockwise from left: Early history for The NYSIF Century came from The Spotlight newsletter, published by a long-ago State Fund Club; several 1930s issues survived intact. It was a predecessor of NYSIF's latter day Reporter, which printed continuously from 1982 - 2009, beginning under (l.-r.) Deputy Executive Director Stan Franzcyk, NYSIF's first Public Information Officer Maria Van Hoy and Executive Director Arnold Kideckel; it continues today in electronic format. Two of its longest staff stringers, Accounts Payable Clerk Carol Rosenberg (34 years, still active) and Actuarial Secretary Nancy Ferrante (45 years) had long careers; NYSIF staff

shared in a 2001 AASCIF communications award (l.-r.) Richard Morrison, Cheryl Kratochvil, Marketing Director Ann Formel, Dennis Incitti, Public Information Officer Bob Lawson, Anne Murdock and Anthony Tranelli.





New York State Insurance Fund

# Reporter

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## A VIEW FROM THE 20<sup>th</sup> CENTURY

NYSIF

NEW YORK  
PURPLE  
HEART  
551



## Why Like NYSIF?

# 100 Reasons

We asked staff for 100 reasons. Here are some responses.

Because we care!

– Lorna Morris, Brooklyn/Staten Island Business Manager

By giving businesses a competitive choice among multiple carriers in which to place their workers' compensation coverage, we realize an important part of our mission. We succeed whether or not we secure a customer's business.

– Jim McLaughlin, Buffalo Field Services Rep

Nobody knows workers' compensation and disability benefits insurance better. It's not a side business; it's our only focus.

– Bruce Allen, Disability Claims

Unlike commercial carriers, NYSIF does not cancel policies because we no longer wish to cover a particular business or classification code. NYSIF is in the business of workers' compensation and disability benefits insurance exclusively with no other line of insurance. We have been and will always be here for all our customers.

– Tony Prokopowicz, White Plains Underwriter

NYSIF has your back.

– Jackie Mae McKune, Brooklyn/SI Keyboard Specialist

Certified RNs as medical care representatives... Caring caseworkers... Knowledgeable and hard working hearing representatives... Longevity, stability, experience... 100 years and still going... We STARTED the business!

– Thomas Kling, Buffalo Keyboard Specialist

One claimant commented: Whether the accident is one day old or over 20 years old, you can expect to receive courteous, efficient and caring treatment.

– Theresa Ramos, RN, Suffolk Medical Care Rep

Through the storms of life (Irene, Sandy and Lee) and through the disasters that befall us (9/11) NYSIF is there – for its policyholders and claimants – with reliable, consistent and professional service.

– Michele T. Sisak, NYC Associate Public Info Specialist

We are the original and still the best.

– Timothy Haefner, Buffalo Claims Services Rep

At the time I was offered this position, I was also offered a position closer to home. During the interview process, I was quite taken by the professionalism and friendliness of the staff. I had a good feeling about working here... I am very pleased to know I made the right decision.

– Linda Yahm, Personnel

It's about hard working people and protecting their welfare.

– Patricia O'Keefe, Statewide Services Underwriter



## Lucky Break

I started work with NYS at the Dept. of Labor Employment Service in 1977. Due to a layoff, I was hired at NYSIF in October 1984. Between my hire date and start date I broke my leg playing football. My first day at NYSIF on Church Street required me to travel through the NYC subway system, with my crutches, on the No. 7 train from Main Street, Flushing, to Church Street.

I had no prior experience with workers' compensation and wasn't even sure what it was. When I arrived at NYSIF I was greeted with puzzled looks as they thought I was a claimant who made it up to the office. I waited while a group of six staff discussed what to do with me. After some intense discussion I guess they decided I was a risk to have at work. I pleaded my case, describing what I just went through navigating the subway, and I was allowed to stay. I made it to work on my crutches for the entire period of Special Projects Division training.

I then transferred to the Hempstead office. I stayed there for six years, enduring many cold winters and hot summers. Through it all I worked with some of the greatest people you could ever hope to work with, who are still good friends.

In 1990, I moved to Albany due to a promotion to hearing rep I have raised my family here and worked with many great people through the years.

All in all, the move to NYSIF in 1984 has been one of the best things to happen to me in my life. I have many fond memories that will always be with me.

– Frank Saragaglia, Albany Sr. Hearing Rep

As a NYSIF employee, a former policyholder and a claimant, I have been on both sides of the fence and can confidently say that during any critical point in each capacity NYSIF came through. In my experience, NYSIF has the most informative staff. NYSIF has been and always will be the best carrier for workers' compensation and disability benefits insurance.

– JoAnn Deal, Suffolk Claims Investigator

We work to build good relationships with our policyholders and their valued employees.

– Tom McKinney, Rochester Policyholder Services Rep

It's very easy for assureds and claimants to speak directly with a live person.

– Ann Smith, Disability Claims

NYSIF's excellence will continue with technological advances for future generations.

– Roy Lester, Statewide Services Sr. Underwriting Clerk



*E.P. Chrystie, noted for his charcoal sketches of New York City historical sites, particularly in lower Manhattan, did this watercolor of NYSIF's home office at 199 Church Street sometime after its 1955 opening. The artist, a World War I veteran, died in 1960, placing this work near the end of his career.*



*Then... Now... Always*™