GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

"ORIGINAL"

RFP No. 5719 Z1

State of Nebraska

Request For Proposal For Contractual Services

Table of Contents

Form A
Bidder Contact Sheet
Request for Proposal Number 5719Z1

Form A should be completed and submitted with each response to this RFP. This is intended to provide the State with information on the bidder's name and address, and the specific person(s) who are responsible for preparation of the bidder's response.

Preparation of Response Contact Information	
Bidder Name:	Gallagher Bassett Services, Inc.
Bidder Address:	2850 Golf Road Rolling Meadows, IL 60008
Contact Person & Title:	Allen Butler, National Practice Leader - Public Entity Sales
E-mail Address:	allen_butler@gbtpa.com
Telephone Number (Office):	(630) 285-3597
Telephone Number (Cellular):	(312) 371-7015
Fax Number:	866-947-2395

Each bidder should also designate a specific contact person who will be responsible for responding to the State if any clarifications of the bidder's response should become necessary. This will also be the person who the State contacts to set up a presentation/demonstration, if required.

Communication with the State Contact Information	
Bidder Name:	Gallagher Bassett Services, Inc.
Bidder Address:	2850 Golf Road Rolling Meadows, IL 60008
Contact Person & Title:	Allen Butler, National Practice Leader - Public Entity Sales
E-mail Address:	allen_butler@gbtpa.com
Telephone Number (Office):	(630) 285-3597
Telephone Number (Cellular):	(312) 371-7015
Fax Number:	866-947-2395

REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES FORM

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request for Proposal for Contractual Services form, the bidder guarantees compliance with the procedures stated in this Request for Proposal, and agrees to the terms and conditions unless otherwise indicated in writing and certifies that bidder maintains a drug free work place.

Per Nebraska's Transparency in Government Procurement Act, Neb. Rev Stat § 73-603 DAS is required to collect statistical information regarding the number of contracts awarded to Nebraska Contractors. This information is for statistical purposes only and will not be considered for contract award purposes.

__X__ NEBRASKA CONTRACTOR AFFIDAVIT: Bidder hereby attests that bidder is a Nebraska Contractor. "Nebraska Contractor" shall mean any bidder who has maintained a bona fide place of business and at least one employee within this state for at least the six (6) months immediately preceding the posting date of this RFP.

______I hereby certify that I am a Resident disabled veteran or business located in a designated enterprise zone in accordance with Neb. Rev. Stat. § 73-107 and wish to have preference, if applicable, considered in the award of this contract.

_____ I hereby certify that I am a blind person licensed by the Commission for the Blind & Visually Impaired in accordance with Neb. Rev. Stat. §71-8611 and wish to have preference considered in the award of this contract.

FORM MUST BE SIGNED USING AN INDELIBLE METHOD (NOT ELECTRONICALLY)

FIRM:	Gallagher Bassett Services, Inc.
COMPLETE ADDRESS:	2850 Golf Road, Rolling Meadows, IL 60008
TELEPHONE NUMBER:	(630) 773-3800 Main
FAX NUMBER:	
DATE:	12/21/2017
SIGNATURE:	Scott R Hudson
TYPED NAME & TITLE OF SIGNER:	Scott R. Hudson, President and CEO

II. TERMS AND CONDITIONS

Bidders should complete Sections II through VI as part of their proposal. Bidder is expected to read the Terms and Conditions and should initial either accept, reject, or reject and provide alternative language for each clause. The bidder should also provide an explanation of why the bidder rejected the clause or rejected the clause and provided alternate language. By signing the RFP, bidder is agreeing to be legally bound by all the accepted terms and conditions, and any proposed alternative terms and conditions submitted with the proposal. The State reserves the right to negotiate rejected or proposed alternative language. If the State and bidder fail to agree on the final Terms and Conditions, the State reserves the right to reject the proposal. The State of Nebraska is soliciting proposals in response to this RFP. The State of Nebraska reserves the right to reject proposals that attempt to substitute the bidder's commercial contracts and/or documents for this RFP.

The bidders should submit with their proposal any license, user agreement, service level agreement, or similar documents that the bidder wants incorporated in the Contract. The State will not consider incorporation of any document not submitted with the bidder's proposal as the document will not have been included in the evaluation process. These documents shall be subject to negotiation and will be incorporated as addendums if agreed to by the Parties.

If a conflict or ambiguity arises after the Addendum to Contract Award have been negotiated and agreed to, the Addendum to Contract Award shall be interpreted as follows:

1. If only one Party has a particular clause then that clause shall control;
2. If both Parties have a similar clause, but the clauses do not conflict, the clauses shall be read together;
3. If both Parties have a similar clause, but the clauses conflict, the State's clause shall control.

A. GENERAL

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The contract resulting from this RFP shall incorporate the following documents:

1. Request for Proposal and Addenda;
2. Amendments to the RFP;
3. Questions and Answers;
4. Contractor's proposal (RFP and properly submitted documents);
5. The executed Contract and Addendum One to Contract, if applicable ; and,
6. Amendments/Addendums to the Contract.

These documents constitute the entirety of the contract.

Unless otherwise specifically stated in a future contract amendment, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) Amendment to the executed Contract with the most recent dated amendment having the highest priority, 2) executed Contract and any attached Addenda, 3) Amendments to RFP and any Questions and Answers, 4) the original RFP document and any Addenda, and 5) the Contractor's submitted Proposal.

Any ambiguity or conflict in the contract discovered after its execution, not otherwise addressed herein, shall be resolved in accordance with the rules of contract interpretation as established in the State of Nebraska.

B. NOTIFICATION

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Contractor and State shall identify the contract manager who shall serve as the point of contact for the executed contract.

Communications regarding the executed contract shall be in writing and shall be deemed to have been given if delivered personally or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth below, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or three (3) calendar days following deposit in the mail.

Vendor Contract Manager	**Allen Butler**
Vendor	**Gallagher Bassett Services, Inc.**
Vendor Street Address	**2850 Golf Road**
Vendor City, State, Zip	**Rolling Meadows, IL 60008**

C. GOVERNING LAW (Statutory)

Notwithstanding any other provision of this contract, or any amendment or addendum(s) entered into contemporaneously or at a later time, the parties understand and agree that, (1) the State of Nebraska is a sovereign state and its authority to contract is therefore subject to limitation by the State's Constitution, statutes, common law, and regulation; (2) this contract will be interpreted and enforced under the laws of the State of Nebraska; (3) any action to enforce the provisions of this agreement must be brought in the State of Nebraska per state law; (4) the person signing this contract on behalf of the State of Nebraska does not have the authority to waive the State's sovereign immunity, statutes, common law, or regulations; (5) the indemnity, limitation of liability, remedy, and other similar provisions of the final contract, if any, are entered into subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity; and, (6) all terms and conditions of the final contract, including but not limited to the clauses concerning third party use, licenses, warranties, limitations of liability, governing law and venue, usage verification, indemnity, liability, remedy or other similar provisions of the final contract are entered into specifically subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity.

The Parties must comply with all applicable local, state and federal laws, ordinances, rules, orders, and regulations.

D. BEGINNING OF WORK

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The bidder shall not commence any billable work until a valid contract has been fully executed by the State and the successful Contractor. The Contractor will be notified in writing when work may begin.

E. CHANGE ORDERS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The State and the Contractor, upon the written agreement, may make changes to the contract within the general scope of the RFP. Changes may involve specifications, the quantity of work, or such other items as the State may find necessary or desirable. Corrections of any deliverable, service, or work required pursuant to the contract shall not be deemed a change. The Contractor may not claim forfeiture of the contract by reasons of such changes.

The Contractor shall prepare a written description of the work required due to the change and an itemized cost sheet for the change. Changes in work and the amount of compensation to be paid to the Contractor shall be determined in accordance with applicable unit prices if any, a pro-rated value, or through negotiations. The State shall not incur a price increase for changes that should have been included in the Contractor's proposal, were foreseeable, or result from difficulties with or failure of the Contractor's proposal or performance.

No change shall be implemented by the Contractor until approved by the State, and the Contract is amended to reflect the change and associated costs, if any. If there is a dispute regarding the cost, but both parties agree that immediate implementation is necessary, the change may be implemented, and cost negotiations may continue with both Parties retaining all remedies under the contract and law.

F. NOTICE OF POTENTIAL CONTRACTOR BREACH

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

If Contractor breaches the contract or anticipates breaching the contract, the Contractor shall immediately give written notice to the State. The notice shall explain the breach or potential breach, a proposed cure, and may include a request for a waiver of the breach if so desired. The State may, in its discretion, temporarily or permanently waive the breach. By granting a waiver, the State does not forfeit any rights or remedies to which the State is entitled by law or equity, or pursuant to the provisions of the contract. Failure to give immediate notice, however, may be grounds for denial of any request for a waiver of a breach.

G. BREACH

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**Gallagher Bassett (GB) requests that this provision be made mutual, such that in the event that the State breaches the agreement, for example by failing to fund claims or pay fees owed to GB, GB may terminate the agreement subject to a 30 day cure period.** **GB requests that the final sentence be modified to include a commercially reasonability standard to any excess costs for which GB may be held responsible in the event of GB's breach of the contract. GB cannot agree to pay any and all excess costs if such incurred costs are not commercially reasonable.**

Either Party may terminate the contract, in whole or in part, if the other Party breaches its duty to perform its obligations under the contract in a timely and proper manner. Termination requires written notice of default and a thirty (30) calendar day (or longer at the non-breaching Party's discretion considering the gravity and nature of the default) cure period. Said notice shall be delivered by Certified Mail, Return Receipt Requested, or in person with proof of delivery. Allowing time to cure a failure or breach of contract does not waive the right to immediately terminate the contract for the same or different contract breach which may occur at a different time. In case of default of the Contractor, the State may contract the service from other sources and hold the Contractor responsible for any excess cost occasioned thereby.

The State's failure to make payment shall not be a breach, and the Contractor shall retain all available statutory remedies and protections.

H. NON-WAIVER OF BREACH

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The acceptance of late performance with or without objection or reservation by a Party shall not waive any rights of the Party nor constitute a waiver of the requirement of timely performance of any obligations remaining to be performed.

I. SEVERABILITY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the provision held to be invalid or illegal.

J. INDEMNIFICATION

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**The term "Licensed Software" is not defined anywhere in the RFP. To the extent that it is referring to GB's RMIS system or any other software to which GB will provide the State access, GB cannot agree that any settlement of an infringement claim is subject to the State's consent, which may be withheld for any reason.** **GB's RMIS system and any other software to which GB may provide access are utilized across GB's thousands of clients, and GB must have full authority to settle any infringement claim or take any other action with respect to such system or software.** **Further, GB requests that the remedies available in the second paragraph of this section be modified to be at the discretion of GB. As mentioned above, GB must retain control over its products that are offered to thousands of clients. To the extent that none of the remedies are commercially reasonable, GB requests the addition of the option of terminating the agreement and refunding unearned fees.**

1. **GENERAL**
The Contractor agrees to defend, indemnify, and hold harmless the State and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all third party claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State for personal injury, death, or property loss or damage, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Contractor, its employees, Subcontractors, consultants, representatives, and agents, resulting from this contract, except to the extent such Contractor liability is attenuated by any action of the State which directly and proximately contributed to the claims.

2. **INTELLECTUAL PROPERTY**
The Contractor agrees it will, at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to, the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Contractor or its employees, Subcontractors, consultants, representatives, and agents; provided, however, the State gives the Contractor prompt notice in writing of the claim. The Contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.
If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the Contractor has indemnified the State, the Contractor shall, at the Contractor's sole cost and expense, promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the Contractor, and the State may receive the remedies provided under this RFP.

3. **PERSONNEL**
The Contractor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel, including subcontractor's and their employees, provided by the Contractor.

4. **SELF-INSURANCE**
The State of Nebraska is self-insured for any loss and purchases excess insurance coverage pursuant to Neb. Rev. Stat. § 81-8,239.01 (Reissue 2008). If there is a presumed loss under the provisions of this agreement, Contractor may file a claim with the Office of Risk Management pursuant to Neb. Rev. Stat. §§ 81-8,829 – 81-8,306 for review by the State Claims Board. The State retains all rights and immunities under the State Miscellaneous (Section 81-8,294), Tort (Section 81-8,209), and Contract Claim Acts (Section 81-8,302), as outlined in Neb. Rev. Stat. § 81-8,209 et seq. and under any other provisions of law and accepts liability under this agreement to the extent provided by law.

5. The Parties acknowledge that Attorney General for the State of Nebraska is required by statute to represent the legal interests of the State, and that any provision of this indemnity clause is subject to the statutory authority of the Attorney General.

K. ATTORNEY'S FEES

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**GB requests that the requirement be limited to "reasonable expenses" of such action.**

In the event of any litigation, appeal, or other legal action to enforce any provision of the contract, the Parties agree to pay all expenses of such action, as permitted by law and if order by the court, including attorney's fees and costs, if the other Party prevails.

L. PERFORMANCE BOND

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The Contractor will be required to supply a bond executed by a corporation authorized to contract surety in the State of Nebraska, payable to the State of Nebraska, which shall be valid for the life of the contract to include any renewal and/or extension periods. The amount of the bond must be $60,000.00. The bond will guarantee that the Contractor will faithfully perform all requirements, terms and conditions of the contract. Failure to comply shall be grounds for forfeiture of the bond as liquidated damages. Amount of forfeiture will be determined by the agency based on loss to the State. The bond will be returned when the service has been satisfactorily completed as solely determined by the State, after termination or expiration of the contract.

M. ASSIGNMENT, SALE, OR MERGER

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Either Party may assign the contract upon mutual written agreement of the other Party. Such agreement shall not be unreasonably withheld.

The Contractor retains the right to enter into a sale, merger, acquisition, internal reorganization, or similar transaction involving Contractor's business. Contractor agrees to cooperate with the State in executing amendments to the contract to allow for the transaction. If a third party or entity is involved in the transaction, the Contractor will remain responsible for performance of the contract until such time as the person or entity involved in the transaction agrees in writing to be contractually bound by this contract and perform all obligations of the contract.

N. CONTRACTING WITH OTHER NEBRASKA POLITICAL SUB-DIVISIONS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**Depending on the timing, requirements, and nature of program required by other Nebraska state agencies, some of the terms, including pricing, may be affected.**

The Contractor may, but shall not be required to, allow agencies, as defined in Neb. Rev. Stat. §81-145, to use this contract. The terms and conditions, including price, of the contract may not be amended. The State shall not be contractually obligated or liable for any contract entered into pursuant to this clause. A listing of Nebraska political subdivisions may be found at the website of the Nebraska Auditor of Public Accounts.

O. FORCE MAJEURE

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Neither Party shall be liable for any costs or damages, or for default resulting from its inability to perform any of its obligations under the contract due to a natural or manmade event outside the control and not the fault of the affected Party ("Force Majeure Event"). The Party so affected shall immediately make a written request for relief to the other Party, and shall have the burden of proof to justify the request. The other Party may grant the relief requested; relief may not be unreasonably withheld. Labor disputes with the impacted Party's own employees will not be considered a Force Majeure Event.

P. CONFIDENTIALITY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

All materials and information provided by the Parties or acquired by a Party on behalf of the other Party shall be regarded as confidential information. All materials and information provided or acquired shall be handled in accordance with federal and state law, and ethical standards. Should said confidentiality be breached by a Party, the Party shall notify the other Party immediately of said breach and take immediate corrective action.

It is incumbent upon the Parties to inform their officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable by 5 U.S.C. 552a (m)(1), provides that any officer or employee, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than $5,000.

Q. EARLY TERMINATION

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**The Contractor, in its sole discretion, may terminate the contract for any reason upon one-hundred twenty (120) days written notice to the State. Such termination shall not relieve the Contractor of warranty or other service obligations incurred under the terms of the contract. In the event of termination the Contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.**

The contract may be terminated as follows:

1. The State and the Contractor, by mutual written agreement, may terminate the contract at any time.

2. The State, in its sole discretion, may terminate the contract for any reason upon thirty (30) calendar day's written notice to the Contractor. Such termination shall not relieve the Contractor of warranty or other service obligations incurred under the terms of the contract. In the event of termination the Contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.

3. The State may terminate the contract immediately for the following reasons:

a. if directed to do so by statute;

b. Contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;
c. a trustee or receiver of the Contractor or of any substantial part of the Contractor's assets has been appointed by a court;
d. fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the contract by its Contractor, its employees, officers, directors, or shareholders;
e. an involuntary proceeding has been commenced by any Party against the Contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) calendar days; or (ii) the Contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the Contractor has been decreed or adjudged a debtor;
f. a voluntary petition has been filed by the Contractor under any of the chapters of Title 11 of the United States Code;
g. Contractor intentionally discloses confidential information;
h. Contractor has or announces it will discontinue support of the deliverable; and,
i. In the event funding is no longer available.

R. CONTRACT CLOSEOUT

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Upon contract closeout for any reason the Contractor shall within 30 days, unless stated otherwise herein:

1. Transfer all completed or partially completed deliverables to the State;
2. Transfer ownership and title to all completed or partially completed deliverables to the State;
3. Return to the State all information and data, unless the Contractor is permitted to keep the information or data by contract or rule of law. Contractor may retain one copy of any information or data as required to comply with applicable work product documentation standards or as are automatically retained in the course of Contractor's routine back up procedures;
4. Cooperate with any successor Contactor, person or entity in the assumption of any or all of the obligations of this contract;
5. Cooperate with any successor Contactor, person or entity with the transfer of information or data related to this contract;
6. Return or vacate any state owned real or personal property; and,
7. Return all data in a mutually acceptable format and manner.

Nothing in this Section should be construed to require the Contractor to surrender intellectual property, real or personal property, or information or data owned by the Contractor for which the State has no legal claim.

III. CONTRACTOR DUTIES

A. INDEPENDENT CONTRACTOR / OBLIGATIONS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**GB warrants that all persons assigned to the project shall be employees of GB or specified Subcontractors, and shall be fully qualified to perform the work; all personnel shall remain under the sole direction and control of GB.** **However, many of GB's contracts with vendors concern services to be provided across much of GB's book of business and have been in place for some time. GB is unable to amend those contracts to specifically reference an agreement with the State of Nebraska or requirements of this RFP. Nonetheless, GB can assure the State that GB requires of all vendors that all persons performing work under a contract with GB be employees of such vendor and that those persons remain under the sole direction and control of that vendor. GB will remain responsible for the acts or omissions of its vendors.** **To the extent that a Subcontract is entered into by GB and a vendor specific to services under a resulting contract with the State, GB will agree to insert a similar provision into such a Subcontract.**

It is agreed that the Contractor is an independent contractor and that nothing contained herein is intended or should be construed as creating or establishing a relationship of employment, agency, or a partnership.

The Contractor is solely responsible for fulfilling the contract. The Contractor or the Contractor's representative shall be the sole point of contact regarding all contractual matters.

The Contractor shall secure, at its own expense, all personnel required to perform the services under the contract. The personnel the Contractor uses to fulfill the contract shall have no contractual or other legal relationship with the State; they shall not be considered employees of the State and shall not be entitled to any compensation, rights or benefits from the State, including but not limited to, tenure rights, medical and hospital care, sick and vacation leave, severance pay, or retirement benefits.

By-name personnel commitments made in the Contractor's proposal shall not be changed without the prior written approval of the State. Replacement of these personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

All personnel assigned by the Contractor to the contract shall be employees of the Contractor or a subcontractor, and shall be fully qualified to perform the work required herein. Personnel employed by the Contractor or a subcontractor to fulfill the terms of the contract shall remain under the sole direction and control of the Contractor or the subcontractor respectively.

With respect to its employees, the Contractor agrees to be solely responsible for the following:

1. Any and all pay, benefits, and employment taxes and/or other payroll withholding;
2. Any and all vehicles used by the Contractor's employees, including all insurance required by state law;
3. Damages incurred by Contractor's employees within the scope of their duties under the contract;
4. Maintaining Workers' Compensation and health insurance that complies with state and federal law and submitting any reports on such insurance to the extent required by governing law; and
5. Determining the hours to be worked and the duties to be performed by the Contractor's employees.
6. All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination alleged against the Contractor, its officers, agents, or subcontractors or subcontractor's employees)

If the Contractor intends to utilize any subcontractor, the subcontractor's level of effort, tasks, and time allocation should be clearly defined in the bidder's proposal. The Contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal in the performance of the contract without the prior written authorization of the State.

The State reserves the right to require the Contractor to reassign or remove from the project any Contractor or subcontractor employee.

Contractor shall insure that the terms and conditions contained in any contract with a subcontractor does not conflict with the terms and conditions of this contract.

The Contractor shall include a similar provision, for the protection of the State, in the contract with any Subcontractor engaged to perform work on this contract.

B. EMPLOYEE WORK ELIGIBILITY STATUS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of an employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at http://das.nebraska.gov/materiel/purchasing.html

   The completed United States Attestation Form should be submitted with the RFP response.

2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.

3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION (Statutory)

The Contractor shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits Contractors of the State of Nebraska, and their Subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensation, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin (Neb. Rev. Stat. §48-1101 to 48-1125). The Contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of contract. The Contractor shall insert a similar provision in all Subcontracts for services to be covered by any contract resulting from this RFP.

GB agrees to comply with all applicable laws as required by this section, including compliance with the Nebraska Fair Employment Practice Act. GB will likewise assure that any subcontractor similarly complies with applicable law.

However, many of GB's contracts with vendors concern services to be provided across much of GB's book of business and have been in place for some time. GB is unable to amend those contracts to specifically

reference an agreement with the State of Nebraska or requirements of this RFP. Nonetheless, GB can assure the State that GB requires similar compliance as that requested under this RFP from all vendors, and GB will remain responsible for the acts or omissions of its vendors.

To the extent that a Subcontract is entered into by GB and a vendor specific to services under a resulting contract with the State, GB will agree to insert a similar provision into such a Subcontract.

D. COOPERATION WITH OTHER CONTRACTORS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Contractor may be required to work with or in close proximity to other contractors or individuals that may be working on same or different projects. The Contractor shall agree to cooperate with such other contractors or individuals, and shall not commit or permit any act which may interfere with the performance of work by any other contractor or individual. Contractor is not required to compromise Contractor's intellectual property or proprietary information unless expressly required to do so by this contract.

E. PERMITS, REGULATIONS, LAWS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The contract price shall include the cost of all royalties, licenses, permits, and approvals, whether arising from patents, trademarks, copyrights or otherwise, that are in any way involved in the contract. The Contractor shall obtain and pay for all royalties, licenses, and permits, and approvals necessary for the execution of the contract. The Contractor must guarantee that it has the full legal right to the materials, supplies, equipment, software, and other items used to execute this contract.

F. OWNERSHIP OF INFORMATION AND DATA / DELIVERABLES

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The State shall have the unlimited right to publish, duplicate, use, and disclose all information and data developed or obtained by the Contractor on behalf of the State pursuant to this contract.

The State shall own and hold exclusive title to any deliverable developed as a result of this contract. Contractor shall have no ownership interest or title, and shall not patent, license, or copyright, duplicate, transfer, sell, or exchange, the design, specifications, concept, or deliverable.

G. INSURANCE REQUIREMENTS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**GB's Professional Errors and Omissions policy limits are "each wrongful act."**

The Contractor shall throughout the term of the contract maintain insurance as specified herein and provide the State a current Certificate of Insurance/Acord Form (COI) verifying the coverage. The Contractor shall not commence work on the contract until the insurance is in place. If Contractor subcontracts any portion of the Contract the Contractor must, throughout the term of the contract, either:

1. Provide equivalent insurance for each subcontractor and provide a COI verifying the coverage for the subcontractor;
2. Require each subcontractor to have equivalent insurance and provide written notice to the State that the Contractor has verified that each subcontractor has the required coverage; or,
3. Provide the State with copies of each subcontractor's Certificate of Insurance evidencing the required coverage.

The Contractor shall not allow any Subcontractor to commence work until the Subcontractor has equivalent insurance. The failure of the State to require a COI, or the failure of the Contractor to provide a COI or require subcontractor insurance shall not limit, relieve, or decrease the liability of the Contractor hereunder.

In the event that any policy written on a claims-made basis terminates or is canceled during the term of the contract or within three (3) years of termination or expiration of the contract, the contractor shall obtain an extended discovery or reporting period, or a new insurance policy, providing coverage required by this contract for the term of the contract and three (3) years following termination or expiration of the contract.

If by the terms of any insurance a mandatory deductible is required, or if the Contractor elects to increase the mandatory deductible amount, the Contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

Notwithstanding any other clause in this Contract, the State may recover up to the liability limits of the insurance policies required herein.

1. WORKERS' COMPENSATION INSURANCE

The Contractor shall take out and maintain during the life of this contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the contactors' employees to be engaged in work on the project under this contract and, in case any such work is sublet, the Contractor shall require the Subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the Subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. **The policy shall include a waiver of subrogation in favor of the State. The COI shall contain the mandatory COI subrogation waiver language found hereinafter**. The amounts of such insurance shall not be less than the limits stated hereinafter. For employees working in the State of Nebraska, the policy must be written by an entity authorized by the State of Nebraska Department of Insurance to write Workers' Compensation and Employer's Liability Insurance for Nebraska employees.

2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The Contractor shall take out and maintain during the life of this contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect Contractor and any Subcontractor performing work covered by this contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this contract, whether such operation be by the Contractor or by any Subcontractor or by anyone directly or indirectly employed by either of them, end the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an **occurrence basis**, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury, and Contractual Liability coverage. **The policy shall include the State, and others as required by the contract documents, as Additional Insured(s). This policy shall be primary, and any insurance or**

self-insurance carried by the State shall be considered secondary and non-contributory. The COI shall contain the mandatory COI liability waiver language found hereinafter. The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned, and Hired vehicles.

REQUIRED INSURANCE COVERAGE	
COMMERCIAL GENERAL LIABILITY	
General Aggregate	$2,000,000
Products/Completed Operations Aggregate	$2,000,000
Personal/Advertising Injury	$1,000,000 per occurrence
Bodily Injury/Property Damage	$1,000,000 per occurrence
Medical Payments	$10,000 any one person
Damage to Rented Premises (Fire)	$300,000 each occurrence
Contractual	Included
Independent Contractors	Included
If higher limits are required, the Umbrella/Excess Liability limits are allowed to satisfy the higher limit.	
WORKER'S COMPENSATION	
Employers Liability Limits	$500K/$500K/$500K
Statutory Limits- All States	Statutory - State of Nebraska
Voluntary Compensation	Statutory
COMMERCIAL AUTOMOBILE LIABILITY	
Bodily Injury/Property Damage	$1,000,000 combined single limit
Include All Owned, Hired & Non-Owned Automobile liability	Included
Motor Carrier Act Endorsement	Where Applicable
UMBRELLA/EXCESS LIABILITY	
Over Primary Insurance	$5,000,000 per occurrence
PROFESSIONAL LIABILITY	
Professional liability (Medical Malpractice)	Limits consistent with Nebraska Medical Malpractice Cap
Qualification Under Nebraska Excess Fund	
All Other Professional Liability (Errors & Omissions)	$1,000,000 Per Claim / Aggregate
COMMERCIAL CRIME	
Crime/Employee Dishonesty Including 3rd Party Fidelity	$1,000,000
CYBER LIABILITY	
Breach of Privacy, Security Breach, Denial of Service, Remediation, Fines and Penalties	$3,000,000
MANDATORY COI SUBROGATION WAIVER LANGUAGE	
"Workers' Compensation policy shall include a waiver of subrogation in favor of the State of Nebraska."	
MANDATORY COI LIABILITY WAIVER LANGUAGE	
"Commercial General Liability & Commercial Automobile Liability policies shall name the State of Nebraska as an Additional Insured and the policies shall be primary and any insurance or self-insurance carried by the State shall be considered secondary and non-contributory as additionally insured."	

If the mandatory COI subrogation waiver language or mandatory COI liability waiver language on the COI states that the waiver is subject to, condition upon, or otherwise limit by the insurance policy, a copy of the relevant sections of the policy must be submitted with the COI so the State can review the limitations imposed by the insurance policy.

3. EVIDENCE OF COVERAGE

The Contractor shall furnish the Contract Manager, with a certificate of insurance coverage complying with the above requirements prior to beginning work at:

Department of Administrative Services – Risk Management Division
Attn: Risk Manager
1526 K Street, Suite 220
Lincoln, NE 68508

These certificates or the cover sheet shall reference the RFP number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration, and amounts and types of coverage afforded. If the State is damaged by the failure of the Contractor to maintain such insurance, then the Contractor shall be responsible for all reasonable costs properly attributable thereto.

Reasonable notice of cancellation of any required insurance policy must be submitted to the contract manager as listed above when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

4. DEVIATIONS

The insurance requirements are subject to limited negotiation. Negotiation typically includes, but is not necessarily limited to, the correct type of coverage, necessity for Workers' Compensation, and the type of automobile coverage carried by the Contractor.

H. ANTITRUST

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The Contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

I. CONFLICT OF INTEREST

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

By submitting a proposal, bidder certifies that there does not now exist a relationship between the bidder and any person or entity which is or gives the appearance of a conflict of interest related to this RFP or project.

The bidder certifies that it shall not take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder or which creates an actual or an appearance of conflict of interest.

The bidder certifies that it will not knowingly employ any individual known by bidder to have a conflict of interest.

The Parties shall not knowingly, for a period of two years after execution of the contract, recruit or employ any employee or agent of the other Party who has worked on the RFP or project, or who had any influence on decisions affecting the RFP or project.

J. STATE PROPERTY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The Contractor shall be responsible for the proper care and custody of any State-owned property which is furnished for the Contractor's use during the performance of the contract. The Contractor shall reimburse the State for any loss or damage of such property; normal wear and tear is expected.

K. SITE RULES AND REGULATIONS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The Contractor shall use its best efforts to ensure that its employees, agents, and Subcontractors comply with site rules and regulations while on State premises. If the Contractor must perform on-site work outside of the daily operational hours set forth by the State, it must make arrangements with the State to ensure access to the facility and the equipment has been arranged. No additional payment will be made by the State on the basis of lack of access, unless the State fails to provide access as agreed to in writing between the State and the Contractor.

L. ADVERTISING

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The Contractor agrees not to refer to the contract award in advertising in such a manner as to state or imply that the company or its services are endorsed or preferred by the State. Any publicity releases pertaining to the project shall not be issued without prior written approval from the State.

M. NEBRASKA TECHNOLOGY ACCESS STANDARDS (Statutory)

Contractor shall review the Nebraska Technology Access Standards, found at http://nitc.nebraska.gov/standards/2-201.html and ensure that products and/or services provided under the contract are in compliance or will comply with the applicable standards to the greatest degree possible. In the event such standards change during the Contractor's performance, the State may create an amendment to the contract to request the contract comply with the changed standard at a cost mutually acceptable to the parties.

N. DISASTER RECOVERY/BACK UP PLAN

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
		AB	**GB agrees to provide a copy of a summary of GB's disaster recovery and back-up plan. However, the terms of the plan itself are proprietary and confidential.**

The Contractor shall have a disaster recovery and back-up plan, of which a copy should be provided upon request to the State, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue services as specified under the specifications in the contract in the event of a disaster.

O. DRUG POLICY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Contractor certifies it maintains a drug free work place environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

5

IV. PAYMENT

A. PROHIBITION AGAINST ADVANCE PAYMENT (Statutory)

Payments shall not be made until contractual deliverable(s) are received and accepted by the State. Contractor may submit invoices on a quarterly basis.

B. TAXES (Statutory)

The State is not required to pay taxes and assumes no such liability as a result of this solicitation. Any property tax payable on the Contractor's equipment which may be installed in a state-owned facility is the responsibility of the Contractor.

C. INVOICES

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Invoices for payments must be submitted by the Contractor to the agency requesting the services with sufficient detail to support payment. Invoices shall be sent to: Department of Administrative Services, Risk Management Division, Attn: Shereece Dendy-Sanders, 1526 K Street, Suite 220, Lincoln, NE 68508. The terms and conditions included in the Contractor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the contract. Contractor may submit quarterly payments.

D. INSPECTION AND APPROVAL

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

Final inspection and approval of all work required under the contract shall be performed by the designated State officials.

E. PAYMENT

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

State will render payment to Contractor when the terms and conditions of the contract and specifications have been satisfactorily completed on the part of the Contractor as solely determined by the State. (Neb. Rev. Stat. Section 73-506(1)) Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2401 through 81-2408). The State may require the Contractor to accept payment by electronic means such as ACH deposit. In no event shall the State be responsible or liable to pay for any services provided by the Contractor prior to the Effective Date of the contract, and the Contractor hereby waives any claim or cause of action for any such services.

F. LATE PAYMENT (Statutory)

The Contractor may charge the responsible agency interest for late payment in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2401 through 81-2408).

G. SUBJECT TO FUNDING / FUNDING OUT CLAUSE FOR LOSS OF APPROPRIATIONS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The State's obligation to pay amounts due on the Contract for a fiscal years following the current fiscal year is contingent upon legislative appropriation of funds. Should said funds not be appropriated, the State may terminate the contract with respect to those payments for the fiscal year(s) for which such funds are not appropriated. The State will give the Contractor written notice thirty (30) calendar days prior to the effective date of termination. All obligations of the State to make payments after the termination date will cease. The Contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.

H. RIGHT TO AUDIT (First Paragraph is Statutory)

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within RFP Response (Initial)	NOTES/COMMENTS:
AB			

The State shall have the right to audit the Contractor's performance of this contract upon a 30 days' written notice. Contractor shall utilize generally accepted accounting principles, and shall maintain the accounting records, and other records and information relevant to the contract (Information) to enable the State to audit the contract. The State may audit and the Contractor shall maintain, the Information during the term of the contract and for a period of five (5) years after the completion of this contract or until all issues or litigation are resolved, whichever is later. The Contractor shall make the Information available to the State at Contractor's place of business or a location acceptable to both Parties during normal business hours. If this is not practical or the Contractor so elects, the Contractor may provide electronic or paper copies of the Information. The State reserves the right to examine, make copies of, and take notes on any Information relevant to this contract, regardless of the form or the Information, how it is stored, or who possesses the Information. Under no circumstance will the Contractor be required to create or maintain documents not kept in the ordinary course of contractor's business operations, nor will contractor be required to disclose any information, including but not limited to product cost data, which is confidential or proprietary to contractor.

The Parties shall pay their own costs of the audit unless the audit finds a previously undisclosed overpayment by the State. If a previously undisclosed overpayment exceeds one-half of one percent (.5%) of the total contract billings, or if fraud, material misrepresentations, or non-performance is discovered on the part of the Contractor, the Contractor shall reimburse the State for the total costs of the audit. Overpayments and audit costs owed to the State shall be paid within ninety days of written notice of the claim. The Contractor agrees to correct any material weaknesses or condition found as a result of the audit.

V. PROJECT DESCRIPTION AND SCOPE OF WORK

The bidder should provide the following information in response to this RFP.

A. INTRODUCTION

This is a Request for Proposal (RFP) for the services a third-party property and casualty claims administrator for the State of Nebraska (the State). The State of Nebraska, Department of Administrative Service, Risk Management Division (Risk Management) is responsible for the purchase of necessary insurance coverage and risk management services at the lowest costs and which are consistent with good underwriting practices and the overall Risk Management Program for the State. Risk Management is requesting proposal responses from qualified companies to assist Risk Management with the critical role of ensuring the proper protection of the State's assets and activities on behalf of the State's citizens and taxpayers. The Third Party Administrator (TPA) will adjust property and casualty claims in full compliance with applicable Federal and State laws and rules and regulations governing the administration of self-insurance. The TPA will be required to represent the State in all matters related to such administration and to fully perform all of the functions listed within this RFP.

B. PROJECT ENVIRONMENT

The State has a diverse government organization, comprised of over 80 agencies, performing a wide range of functions and operations, with approximately 29,000 employees, and serving 1.9 million residents of the State. State budget information may be found at: http://budget.nebraska.gov/index.html.

Authority for the State's insurance and risk management programs, covered by this RFP, is found in Neb. Rev. Stat. §81-8,239.01. http://nebraskalegislature.gov/laws/statutes.php?statute=81-8,239.01

C. PROJECT OBJECTIVES

It is a requirement the TPA has knowledge and ability to perform risk control/loss prevention and claims management services, as well as risk management consulting services at a minimum.

D. CURRENT PROGRAM

The State utilizes a combination of risk retention (self-insurance) and risk transfer (insurance, contractual agreements) arrangements to resource financial liabilities arising from third party tort suits and claims.

The State currently has an All-Lines Aggregate Policy covering real and personal property, automobile liability and physical damage, foster parent liability, and employee dishonesty. There are also excess policies for property, employee dishonesty, and automobile liability. There are additional policies covering specific needs, such as:

1. Property Liability;
2. Automobile Liability with Hot Pursuit;
3. Workers' Compensation and Employers Liability for certain active State volunteers;
4. Aircraft Coverage;
5. Airport Owners and Operators Liability;
6. Stand Alone Terrorism - Property;
7. Foster Parent Liability; and
8. Accident Coverage for certain active State volunteers.

The State is self-insured for General Liability and Workers' Compensation. The State has contracts with third-party administrators for insured claims and workers' compensation claims.

Link to workers' compensation contract: Gallagher Bassett Services Inc. 71618 O4

Link to current TPA contract: Nebraska Risk Management Association Inc.

The following information is current as of the 2016-2017 fiscal year, running from July 1, 2016 through June 30, 2017. Also, see Attachment 2, 2016 & 2017 Loss Run Report.

Automobiles: The State insured 7,190 vehicles. Vehicles are classified as passenger cars, vans, buses, trucks, tractors, trailer, or other drivable equipment. 420 are considered pursuit vehicles. Liability coverage is required on all vehicles, however, individual agencies determine whether to insure for physical damage. The All-Lines Aggregate Policy covers automobiles up to $1 million with a $200,000 self-insured retention (SIR). There is also an excess property policy of $400,000,000. Hot pursuit vehicles are covered up to $1 million, with a $300,000 SIR and $300,000 corridor retention. These vehicles are subject to an excess automobile liability policy up to $4 million. Pursuant to State Statutes, Nebraska has strict liability for vehicular pursuits resulting in injuries to innocent third parties.

Real Property: The State insured 2717 facilities with a replacement value of approximately $1.9 billion. The All-Lines Aggregate Policy covers real property up to $1 million with a $200,000 SIR. There is also an excess property policy with a $400,000,000 limit.

Contents/Inland Marine: Each agency has the option to purchase coverage for its contents and inland marine. Inland marine and contents account for $295,430,684. The All-Lines Aggregate Policy covers property up to $1 million with a $200,000 SIR. There is also an excess property policy with a $400,000,000 limit.

Foster Parent Liability: Foster parent liability is contained within the All-Lines Aggregate Policy, There is a $200,000 SIR and the policy limit is set at $400,000.

Employee Dishonesty: Employee dishonestly is also within the All-Lines Aggregate Policy. There is a $25,000 SIR and a $1 million limit. Excess coverage is also available with a limit of $30,000,000.

Current plans are to retain existing insurance liability insurance policies and limits. However, as market offerings are developed, existing coverage may be maintained, amended or eliminated at the discretion of the State.

E. PROJECT REQUIREMENTS

Bidders should provide a response to each of the following contractor requirements in the space provided below.

1.	It is the State's policy to pay only those claims where there is a legal liability to do so, or where it is deemed to the State's advantage to settle claims without an acceptance of liability. All liability claims investigation, handling, and adjustment will be conducted under the supervision of Risk Management. All payment, including settlements, will be made via procedures developed by Risk Management. Most of the claims adjusters work will be related to automobile, property, and foster parent liability claims and settlements. However, the claims adjuster shall have capabilities to provide services related to the following liability incidents: **a.** Comprehensive General Liability **b.** Public Officials Liability **c.** Aviation Liability **d.** Workers' Compensation **e.** Cyber Liability **f.** Commercial Crime/Third-Party Fidelity Liability **g.** Terrorism
	Response: **GB agrees and will comply.**
2.	During the term of the contract resulting from this RFP, the State's strategic direction and/or, adjustments of internal resources dedicated to claims functions may change. The claims adjuster working under this agreement should be prepared to administer a variable number of claims on an on-going basis, as well as to deal with surges of claims activity that might emerge from singular incidents.
	Response: **GB agrees and will comply.**
3.	The State requires a qualified TPA partner capable of: **a.** Aligning with the State client-specific claims administration policies; **b.** Impacting quality of claims management to reduce the State's cost of claims; **c.** Maintaining a continuous improvement philosophy with regard to both the claims management process and regulatory compliance; **d.** Demonstrating flexibility and commitment to consistently improving talent level of their employees; and **e.** Delivering an identifiable, measurable and improved Return on Investment (ROI) to the State of Nebraska.
	Response: **GB will be able to accommodate all the above qualifications.**

F. BUSINESS REQUIREMENTS

Bidders should provide a response to each of the following contractor requirements in the space provided below.

1. TPA General Information

a.	Describe the TPA's code of ethics or business conduct policy. (Gift giving, corporate responsibility, etc.)
	Response: **Gallagher Bassett (GB) has a conflict of interest policy along with a code of ethics booklet that is given to all employees to read and sign. Each manager is trained and responsible for monitoring the activities of their team members, including assessment of possible code of ethics violations. Our Operational Security Division provides tools to our branches to assist them.**
b.	Provide the name of the TPA's auditor.
	Response: **GB's outside auditor is Ernst & Young.**
c.	Specify any governmental regulations in which the TPA is subject to, indicate compliance, and the personnel responsible for each.
	Response: **Compliance at the federal, state, and local levels is a critical priority for GB in service to the State of Nebraska program. We rely on a number of teams to support this function. Federally, GB is an OHSA compliant and Equal Opportunity employer. We have dedicated team leads in our Corporate and Divisional Human Resources departments who can serve these functions. In addition, the Centers for Medicare and Medicaid Compliance govern our role as a primary payer of claims. We have dedicated resources with our Medicare Compliance Department to oversee these claim functions.** **At the state level, we are governed by State Departmente of Insurance and Workers' Compensation, each of which imposes various entity and individual licensure requirements upon GB. We take these requirements very seriously. We have two separate teams dedicated to our TPA and resolution manager licensing. In addition, more than half the states impose electronic data interface requirements upon us as trading partners with the state. We have a team dedicated to data compliance.** **At the claim level, State Departments of Insurance and Workers' Compensation impose quality standards upon us and confirm those standards through audit and claim level reporting. In many states, these audits are managed at the branch manager level and in various states we have dedicated experts who help us navigate these audits and quality assurance programs. For additional information about any of the compliance functions listed above, or other specific regulatory efforts not listed here, please contact Gregory J. McKenna, SVP and Counsel for Governmental Affairs, 2850 Golf Road | Rolling Meadows, IL 60008 D: 630/285-3751 e:gregory_mckenna@gbtpa.com.**
d.	What do you consider your biggest advantage(s) over your competitors? Please clarify, in detail, how your company's vision embodies this advantage. How will this benefit the State of Nebraska?
	Response: **We believe our most important differentiator is our true and honest commitment to partner with clients to build customized programs that meet their specific needs. GB is proud of our partnership with the Stats of Nebraska and looks forward to expanding this partnership to include the State's liability program.** **Gallagher Bassett is also proud of our investment and leadership in developing and fielding the**

	tools that make it easier to make the lives of others - clients and claimants alike - easier. Some of those investments include: • **Waypoint helps GB resolution teams take advantage of both advances in data analytics and our deep experience and history of superior claims management. Waypoint applies a sophisticated machine learning process to GB's data sets to derive a detailed understanding of how different claims develop, across many jurisdictions. Waypoint generates fact-based reserve advice for resolution managers to consider, and the reserve advice also identifies the main factors that influenced the proposed reserve, providing the resolution manager with an in-depth understanding of the basis of the reserve proposed. This information can also be viewed by clients through the Luminos portal to share critical information efficiently. If a resolution manager disagrees with the Waypoint reserve advice, he or she will note the rationale in the claim notebook.** • **Luminos is GB's client-facing RMIS which provides information ranging from dashboard overviews to detailed standard and customized reports and access to the claim file itself. Luminos is the client portal for all reporting and analytic tasks. Luminos is built around the award winning Origami RMIS platform and meets all client reporting and data visualization requirements for day-to-day tactical reporting through strategic analytics to support program management and C-suite summary reporting.** • **Analytic Power. We are the claims management leader in the use of data analytics to drive insight and improve program performance. GB's analytics are presented through Luminos and by the dedicated Account Management team to continuously provide actionable information to review performance and drive ongoing strategy. All analytics can be performed for as a whole or for individual units/jurisdictions/locations to identify meaningful trends, 'drilling down' to root cause, and deciding on a course of action to realize the opportunity surfaced by the analysis. The plan of action and key metrics are revisited regularly throughout the year to ensure progress toward objectives.**

2. Invoicing

a.	Indicate TPA's EDI and/or Internet capabilities for electronic invoicing and fund transfer.
	Response: **<u>Fund Transfer</u>** **Our Financial Operations Department is responsible for the implementation and management of client loss fund account process. Electronic replenishment of the State's loss fund account is a funding option offered by GB, and this is the current process we use for the management of the State's loss fund account for its workers' compensation program.** **<u>Electronic Invoicing</u>** **It's our preference to send service invoices and supporting information electronically. This is the process currently used to send invoices to the State for our management of its workers' compensation program.**
b.	Advance funding for the payment of claims will not be permitted. TPA must maintain an account with a bank authorized to conduct business in the State of Nebraska for ease of daily transfers and/or provide other arrangements such as a zero balance account.
	Response: **Agreed. GB can offer the State of Nebraska a zero balance account (ZBA) option where the client funds via Fed Wires.**
c.	Describe TPA's ability and/or strategy to provide for the daily and/or weekly payment of claims.

	Response: **GB assists will assist the State in establishing an escrow/imprest fund that can be funded daily, weekly, or monthly to include zero balance accounts.** **We generally base banking arrangements on cleared payments instead of issued payments. This type of funding tracks payments that have cleared the bank, rather than funding based on issued but not cleared payments, and permits greater use of client funds while decreasing the amount the client needs in escrow/imprest. A reconcilement package is sent to the client that outlines all items that have been issued, those that have cleared, and any outstanding items. It also lists items that have been stopped or voided. This package will balance exactly to GB's monthly loss runs.** **For payments, we offer two banking products: Citibank Self-Insured Money Management System (SIMMS) for processing claim payments, and Automated Payment and Control System (APACS).** **SIMMS consists of an omnibus (zero-balance master) account that GB mainteins at Citibank. All client checks are cleared through this account and sub-accounts are also established. As client checks clear through the omnibus account, Citibank utilizes funds in each client's sub-account to return the omnibus account to zero. Client funds are kept separate and only used for their claim payments. Sub-accounts help clients keep track of their money, offering all the features normally associated with a bank account. Sub-accounts are reconciled on a monthly basis and a summary of all activity is provided including a statement showing balances, issued checks, paid checks, and outstanding checks.** **Our APACS program is a critical part of SIMMS since it permits all payments and checks that are generated to be electronically transmitted to Citibank. This facilitates reconciliation with all related payment information. Both systems work synergistically and month-end cycles are completed at the same time allowing a client to use the Citibank Reconcilement and Luminos reports to balance their account. Luminos also provides the client with specific reports to reconcile statements and paymenta for accounting purposes.** **As our current client, we will continue to follow the State's specific loss fund management requirements.**

3. Customer Service / Support Services

a.	Describe TPA's customer service and support capabilities (e.g. toll free number, customer service staff, etc.). Would a dedicated customer service team be assigned to the State of Nebraska's account? Provide the hours/days that this customer service team would be available to the State of Nebraska.
	Response: **Shari Scherzer, Account Principal, will serve as the State of Nebraska's main point of contact for any service related issues. The State's designated Omaha service team will be available to answer any questions from 8:30am – 4:30pm, Monday – Friday, CST.** **Regarding Technical Support | Level One Call Center, a first level support group is available to answer system access questions, reset passwords, etc. GB Technical Support Call Center hours are from 7:00am – 6:00pm CST at 1-877-RISX-FACS®. Technical Support Level Two, a second level support group comprised of IT subject area experts and available as needed to consult as required on the investigation and resolution of difficult technical issues.** **Our Business Analyst Support group includes analysts available to assist in the definition and specification of specific client management information requirements and ensure RISX-FACS® is designed to meet client needs. The Client Services Computer Operations group is designated to work with clients on FTP/EDI transmission requirements, Implementation and subsequent completion tracking.**

	Describe the team that would work directly with the State of Nebraska during implementation and on an ongoing basis, indicate staff size, experience, turnover rates and licensing requirements.
b.	Response: **An interdisciplinary team led by the State's current account manager, Shari Scherzer, and Bryan Speckmann, Implementation Manager, would work directly with the State to successfully migrate the program.** **Once the implementation was complete Shari Scherzer, Account Principal and Allen Butler, Account Executive, would have ultimate responsibility for ensuring the State's satisfaction with our services and outcomes.** **With respect to the go-forward claim service team it would be comprised of:** • **Property supervisor** • **Liability supervisor** • **Experienced multi-line resolution manager (Omaha-based)** **Since the State's program doesn't start for another six (6) months we haven't nominated potential supervisors for the program as business situation can change and subsequently influence the availability of the candidate. In that context we've identified the two (2) branch managers to whom these supervisors would report and their bios have been included with our response.** **Turnover:** **Among our strategic priorities is ensuring that GB remains the best place to work and build a career within our industry. We work diligently to provide meaningful career experiences, including non-traditional career paths enabling professional growth and development. Given the importance we place on our team, turnover is a critical measure within our business.** **We define turnover as those who voluntarily leave GB for various reasons (e.g. new employer within our industry, career change, caring for dependents). Based on this definition our claim operation turnover rate was approximately 9% in 2016.** **Licensing Requirements** **All team members would hold the requisite licenses needed to adjudicate the State's claims.**
	Describe the knowledge and experience of TPA's typical service representatives. Describe the initial and ongoing training and certifications each employee completes. How will the TPA ensure service representatives stay current in the industry?
c.	Response: **GB hires only experienced claims resolution managers; our average claims resolution manager has eight to ten years of experience. Average supervisor has 15 years and the average branch manager has 15 to 20 years of experience. Our resolution managers are fully licensed, where required, and participate in internal and external training programs to meet ongoing licensing requirements** **Training begins with the new employee orientation combines in-person training by local management and a corporate orientation presentation. Following this is a self-facilitated training program covering client specific service instructions and GB best practices. Since employee training ensures the continued excellence of our product, we also require two half-day training sessions during the first 30 days of employment. For all resolution managers, our training department provides an hour-long session each month on a selected topic as new issues or changes arise (for updates to client service instructions, changes are communicated to the adjusting and management staff and followed by a webinar).** **We actively support and encourage employees' continuing education through internal programs, and through training courses available at educational facilities. We believe that these programs and professional designations enhance operational skills. For our experienced claims resolution**

	managers and supervisors, we recommend the following programs: Associate in Claims (AIC), Casualty Claim Law Associate (CCLA), Property Claim Law Associate (PCLA), Workers' Compensation Claim Law Associate (WCLA), and Senior Claim Law Associate (SCLA). For further enhancement of industry knowledge, and ultimately their job performance, we also offer full-time employees a tuition reimbursement program.
d.	Describe the TPA's commitment to quality and the philosophy/approach to client services.
	Response: **GB's claims handling processes and practices are continually evolving and improving to meet the changing needs of our clients and the unique challenges and opportunities in our industry. Our Total Quality Management (TQM) approach includes comprehensive qualitative reviews of claims handling performance, ongoing real-time tracking and reporting of transactional compliance, coaching and mentoring by supervisors and experienced claims professionals of our resolution managers, and constant evolution of our best practices.** **Three dimensions of our TQM approach reflect our commitment to continuous quality improvement:** • **<u>Evolving Best Practices</u>. The foundation of GB's quality approach is our claims handling best practices. We have baseline best practices for every sub-process of the claims cycle, from intake and assignment, to reserving, medical management, and settlements. These are based upon GB's 50 years of claims handling experience and informed by industry best practices as well. Beyond baseline best practices, we periodically review practices related to critical processes that impact outcomes, such as litigation management or narcotics management. These reviews are conducted by internal teams with input from external experts to evolve our practices as needed to maintain high quality, cost effective service.** • **<u>Capability Coaching</u>. Supervisors play a major role in assuring quality work. In addition to reviewing 100% of all new files on quality dimensions, GB supervisors focus on value-added activities like coaching and supporting their staff, and overcoming individual or organizational barriers to performance.** • **<u>Frequent, Comprehensive Audits</u>. Our audits are designed to produce insights that are actionable. Our auditing organization, the GB Service Center, ensures consistency across GB claims handling locations by rigorously auditing against our best practices and other standards. Our independent Quality Assurance Department conducts client-specific audits and compiles periodic cross-client performance scorecards that identify trends in our quality management.**
e.	Describe TPA's procedures for monitoring client satisfaction and participant satisfaction. How often will the TPA meet and/or conference call the State to review services?
	Response: **GB conducts a comprehensive client satisfaction survey utilizing Net Promoter Score (NPS) methodology to assess overall satisfaction. These surveys are performed internally by account management on an annual basis. Our clients are not notified of their results; however some retain their submitted responses and all can access these through their account manager. GB instituted its client satisfaction surveys in the second quarter of 2014. Since that time, when asked "On a scale from 0-10, how likely are you to recommend GB to a peer in the industry?" 91% of clients rate us a 7 or above.** **GB can also measure client satisfaction by examining retention. Here, we excel. GB's customer retention rate is 98% -- one of the highest in the industry - and we take great pride in adhering to customer confidentiality agreements. Consequently, we do not release proprietary account information without first obtaining permission from our customers.** **Client satisfaction surveys provide opportunities for improving client service and demonstrating to our clients the value GB places on their business relationship. The focus of this process is to understand both how GB is performing (quantitative score) and why a client believes that score is**

	appropriate (qualitative evaluation through written comments). **Surveys are delivered through in person interviews or electronic assessment, based on client size. Our surveys include questions regarding the service provided by our Account Management, Claims Operations, Managed Care, Finance and Information Technology functions. Client survey scores are analyzed on a monthly basis, with results compiled in a report distributed to our Account Management teams and GB Executive Management. This report includes average Net Promoter Score by month and trends illustrating overall satisfaction clients have with Gallagher Bassett. A summary of client satisfaction responses and YTD Net Promoter Score is a standing agenda item at GB Executive Management's monthly business review.** **GB utilizes several methods to monitor service performance. They include but are not limited to the following measures:** • **Customized reports generated by the account manager at client's desired frequency** • **Compliance supervisors audit claim files on behalf of the client's specific and industry standard requirements** • **Client Satisfaction Survey distributed annually** • **Internal best practice audits performed** • **Client and Broker audit scores are calculated based on individual client 's service instructions and audit requirements** • **Carrier audit scores calculated based on specific carrier data and quality assurance requirements** • **Stewardship reports performed** • **Claim Scorecards/Outcomes and Managed Care Scorecard/Outcomes noted;** • **Reserve Adequacy Reports calculated** • **SOC 1 Audit performed annually** **Meetings with the State** **We envision, and have priced for, quarterly meetings with the State. Moreover, the lead resolution manager will be based in Omaha so if more frequent meetings are needed they will be readily available.**
f.	What checks and balances are in place to assure integrity and accuracy of the data?
	Response: **At GB, quality is reflected in our data accuracy, timeliness, speed of transmission, and ease of retrieval. Our internal claims system and RMIS systems are on the same platform, and all financial records are balanced at the end of every month to ensure that data and funds are accurately recorded. We perform extensive auditing to ensure the highest levels of data accuracy for our clients, and have passed each annual SOC 1 audit conducted by Ernst & Young LLP. All material safeguards relative to GB control environment comply with the new SSAE 16 standard.** **Luminos include a set of controls to manage data quality and the proper registration and maintenance of claim information. Luminos' controls are an integral part of the GB claims management system, and include:** • **On-line data entry point validation** • **Positive claim setup verification (via the claim face sheet)** • **Edit error processing control** • **Database quality control and claim balancing** • **Automated claim diary control** • **Reconciliation of the "paper claim file" to "system file" (via diary)** • **Issued check verification (via bank)** • **Daily payment registers printed at the GB branch** • **Report processing data edits and consistency balancing** • **Proof-of-cash balancing (Luminos to bank reconciliation)** • **Monthly system and running book balancing**

	• **Payment status update and Excess warning reports.** **Additionally, our Information Services organization includes a separate Systems Integrity Group that maintains responsibility for Quality Assurance testing and analysis activities. Application programs, server configuration changes, operating system upgrades and network configuration modifications are all tested by our Systems Integrity Group. Testing strategies include unit testing system integration testing, and regression testing and beta group usage prior to production implementations.**
g.	Describe how the TPA's client services / quality assurance capabilities give the organization a competitive advantage.
	Response: **While optimal financial outcomes are why many organizations choose to do business with GB, many become long term partners because of our people. We believe our culture is our competitive advantage. Nowhere else in the claims service industry will you find an organization with over 50 years of claims experience, with the same stable ownership that continues to explore better ways to serve our clients.** **GB's approach to problems and challenges, as well as our commitment to excellence, sets us apart. The leaders of our organization are a mix of consultative talent from inside and outside the claims industry. Our team understands that the claims industry is not about creating the perfect "one size fits all" solution. It's about being ready for anything, in any situation, and creating simple solutions clients can experience immediately. This mix of talent gives us the unique perspective of looking at challenges in every possible way; we are not afraid to take something apart and start over, if we think it will be better for our employees and our customers. It's why we rebranded the adjuster to that of a "resolution manager." It's how we created the Transition Services Team, to help support cliente in times of resolution manager transition. While our competitors will say their technology or their systems or their process is what sets them apart, we say GB has all those too, but we will put our people, our culture, and our thinking up against theirs anytime.** **Strict adherence to our corporate best practices together with each client's specific instructions ensures that injured employees receive the highest degree of care; that no more unnecessary money is expended, and that supporting loss data is accurate and pristine.**
h.	Describe and attach a flowchart of the TPA's compliant resolution and escalation process.
	Response: **All service concerns are addressed to your Account Manager Shari Scherzer.** **GB's conflict resolution process starts with the branch manager who is empowered to resolve conflicts that pertain to the management of his/her office. If the problem cannot be resolved, the account manager is called upon to resolve the conflict. Each account manager has the authority to intervene and resolve conflicts within field operations. The account manager is typically able to resolve conflicts and problems but if not, it is escalated to the appropriate Zone Vice President or even the Claims Operations Executive Vice President if necessary.** **High severity or broad concerns are immediately escalated to executive management who engage to ensure appropriata resources are allocated to address the concern.** **A Complaint Resolution and Escalation Process flowchart may be found in Section A.**
i.	Describe how volume surges and/or high volume is handled (i.e. during holidays, large storms).
	Response: **Our branch offices, to include the State's designated Omaha-based service team, address these challenges by utilizing a team approach. Each team member has an assigned back up and they are utilized as the claim volumes warrant their intervention.** **If there's an extraordinary spike that has the possibility of continuing for a protracted period of time then we would engage the services of our proprietary Temporary Service Team (TST) personnel (as**

	opposed to using temporary staffing).

4. Service Level Guarantee

a.	What are the processes in place to ensure acceptable quality?
	Response: **As mentioned previously, GB's claims handling processes and practices are continually evolving and improving to meet the changing needs of our clients and the unique challenges and opportunities in our industry. Our Total Quality Management (TQM) approach includes comprehensive qualitative reviews of claims handling performance, ongoing real-time tracking and reporting of transactional compliance, coaching and mentoring by supervisors and experienced claims professionals of our resolution managers, and constant evolution of our best practices.** **Three dimensions of our TQM approach reflect our commitment to continuous quality improvement:** • **<u>Evolving Best Practices</u>. The foundation of GB's quality approach is our claims handling best practices. We have baseline best practices for every sub-process of the claims cycle, from intake and assignment, to reserving, medical management, and settlements. These are based upon GB's 50 years of claims handling experience and informed by industry best practices as well. Beyond baseline best practices, we periodically review practices related to critical processes that impact outcomes, such as litigation management or narcotics management. These reviews are conducted by internal teams with input from external experts to evolve our practices as needed to maintain high quality, cost effective service.** • **<u>Capability Coaching</u>. Supervisors play a major role in assuring quality work. In addition to reviewing 100% of all new files on quality dimensions, GB supervisors focus on value-added activities like coaching and supporting their staff, and overcoming individual or organizational barriers to performance.** • **<u>Frequent, Comprehensive Audits</u>. Our audits are designed to produce insights that are actionable. Our auditing organization, the GB Service Center, ensures consistency across GB claims handling locations by rigorously auditing against our best practices and other standards. Our independent Quality Assurance Department conducts client-specific audits and compiles periodic cross-client performance scorecards that identify trends in our quality management.**
b.	What are the typical metrics associated with service level guarantees in this industry? What metrics would the TPA recommend using with the State and how would the TPA report on those metrics?
	Response: **We believe that the most effective performance measures balance five areas across a claims management program:** **1. Frequency – we believe GB has an important role to play in assisting the State in the identification and management of frequency reduction opportunities. Hence, we believe measuring incidents on an exposure-adjusted basis, is an important KPI.** **2. Severity – measures of average cost per claim (closed) and optimal mix of indemnity, medical and expense are most common.** **3. Reserving – measuring reserve to incurred ratios, xx-month to ultimats (dependent on line of coverage and client industry) and consistency in LDF patterns are good indicators of a well-reserved program** **4. Productivity – maintaining high levels of claims closure (closure ratio.** **5. Client Satisfaction – we pride ourselves on marrying our performance to your goals. Accordingly, your satisfaction, as provided through our client satisfaction discussion process, is paramount to our self-evaluation of performance.**
c.	The State would like service level guarantees tied to implementation for both timeline and success. What metrics would the TPA recommend using and how would the TPA report on those metrics?

	Response: **There are precursor transition elements that must be completed timely to the extent that once they are, it permits attendant elements to be addressed and finalized. It's in this context that we recommend the following metrics as the benchmarks for measuring the successful implementation of the State's property & casualty claims administration program.** **The following completion target dates are predicated on our receiving 90 day notice of the contract award.**

Metric	Attending Timeline	Reporting Process
Team staffing	**Completed by June 3, 2018**	**Mutual agreement on action item closure by State and GB implementation manager.**
Location code structure set-up	**Completed by June 3, 2018**	**Mutual agreement on action item closure by State and GB implementation manager.**
New claim reporting set-up	**Completed by June 14, 2018**	**Mutual agreement on action item closure by State and GB implementation manager.**
Successful migration of historical claim data from NE Risk Mgt. Assoc.	**Completed by July 30, 2018**	**Mutual agreement on action item closure by State and GB implementation manager.**

G. SCOPE OF WORK

Bidders should provide a response to each of the following contractor requirements in the space provided below.

1. Describe the TPA's experience with governmental liability claims adjusting.

a.	The following coverages are required: i. Property Liability ii. Automobile Liability **a)** Automobile Liability with Hot Pursuit **iii.** Commercial Crime **iv.** Terrorism **v.** Aviation **vi.** Foster Parent Liability
	Response: **GB has been providing risk management services since 1962. Today, we offer a comprehensive menu of risk management services to a large and diverse client base, which includes public and private organizations from every sector of the economy.** **We have outstanding expertise within our claims management department. We believe that our branch managers, supervisors, and resolution managers have the highest average years of experience which in turn ensures clienta' claims are being handled quickly, efficiently and accurately.** **A detailed breakdown of our experience by line of coverage is provided in GB 2016 Claims Experience by Line of Coverage document may be found in Section C.**
b.	The following coverages may be added at the time of contract award or in the future. Describe TPA's experience with the following coverages:

	i. General Liability ii. Volunteer Liability iii. Workers' Compensation iv. Cyber Liability v. Experience in other lines of coverage not listed.
	Response: **GB has experience handling all of the foregoing lines of coverage. For cyber liability losses we'd us recommend engaging GB's wholly-owned subsidiary, Western Litigation, Inc. For more insight into their service offerings please go to www.westernlitigation.com**

2. Location

a.	Claims adjusters must be located in the State of Nebraska either in Lincoln, NE or Omaha, NE.
	Response: **The State's program will be serviced by designated team member(s) who will be co-located with the State's workers' compensation team in Omaha, NE.**
b.	Describe the dedicated Nebraska team for claims handling.
	Response: **GB will hire an experienced multi-line (liability and property) resolution manager to service the State's program. This team member will be supervised by, and report to, our St. Louis, MO branch claim office.** **Please see Section C, "biographies of keystone team members to include supporting organizational chart (Operations) for the biography of Kevin Paprocki, AVP, and St. Louis liability branch manager, and Steve Boyer, VP, National Property Practice Leader. Their bios may be found in Section C.**

3. Claim Intake and Set-Up Requirements

a.	Ability for 24/7 internet claim report capability.
	Response: **Yes, we can offer the State 24/7/365 internet claim report capability.**
b.	Ability for 24/7 Toll free telephone / E-mail / Fax claim reporting capability.
	Response: **Yes, our system allows for 24/7/365 toll free telephone, e-mail, fax, and online reporting.**
c.	Does TPA have an integrated system for intake and claims handling (system of record)?
	Response: **Yes, our intake system is fully integrated with our claims handling system.**
d.	Will TPA utilize a pre-agreed script / question-set supplied by the State to record required information for the report of any accidents/damages?
	Response: **GB agrees to use the pre-agreed script supplied by the State to record required information for all losses regardless of line of coverage.**
e.	The TPA must use the State's claim number as the primary claim number. TPA may utilize their claim number as the secondary claim number. Describe ability for TPA to utilize State claims numbers as the primary claim number.

	Response: **GB has the capability of using the State's claim number as the primary claim number. We currently have any number of clients for whom their internal claim number is primary.**
f.	Describe if the TPA has the ability for users at the agencies to submit claims directly with the TPA. Will Risk Management receive a notification?
	Response: **Yes, the individual state agencies have the ability to direct claims directly to GB. Acknowledgement of all state agencies' loss reports will be acknowledged back to the reporting agency as well as the NE Risk Management Division.**
g.	TPA needs to have Record Only capability. **i.** Describe any limitations for coding and reporting on an incident in the TPA system.
	Response: **There are no limitations for coding and/or reporting within our system for Record Only reports.**

4. Claims Handling Practices

a.	TPA must have robust, documented best practices for its liability programs.
	Response: **GB has baseline best practices for every sub-process of the claims cycle, from intake and assignment, to reserving, medical management, recovery, and settlements. These are based upon GB's 50 years of claims handling experience and informed by industry best practices as well. We would be happy to discuss each of these in detail with you, as well as the measures we use to assess and assure quality performance of them. Beyond baseline best practices, we periodically review practices related to critical processes that impact outcomes. These reviews are conducted by internal teams with input from external experts to evolve our practices as needed to maintain high quality, cost-effective service.** **Please see our Liability and Property Best Practices in Section A.**
b.	TPA must be able to provide reporting against compliance with TPA best practices claims handling.
	Response: **Yes, GB can provide reporting against compliance with our best practices. Enterprise wide, GB has a very rigorous and robust QA audit process in place to ensure adherence to our Best Practices and each client's specific service instructions; moreover, we use these same audit results to coach colleagues in the spirit of continuous improvement.**
c.	The State requires TPA will integrate the State's service instructions if there are any deviations from TPA best practices.
	Response: **Agreed, GB will integrate the State's service instructions if there are any deviations from TPA best practices.** **Your account manager, Shari Scherzer, will work with the State's risk manager to develop an excellent, useful service instruction document that acts as a resource and guide for the client and the GB team members. The key aspect of quality performance is the clear understanding of procedures, deliverables, and expectations, so we never disseminate service instructions until they have been reviewed and approved by the client. The client-specific instructions are maintained and updated online in Luminos.** **Within the claim handling process, GB also has an online service instruction system to ensure adherence to client-specific requirements. This automated enforcement of rules reminds the**

	resolution manager's through desktop prompts and pop-up tasks.
d.	TPA must provide a description of the TPA system functionality, capabilities and controls that support the TPA best practices.
	Response: **All GB branch offices use our proprietary Performance Toolkit to track compliance with our best practices.** **The Performance Toolkit is a powerful instrument for understanding the progress of tasks at a highly granular level. This management tools allows our management and supervisory team members to view the aggregate number of late and open tasks from the zone level down to the resolution manager level, and even links the user to individual claims in Luminos. The Performance Toolkit Dashboard includes Key Performance Indicators (KPIs) allowing team members to quickly recognize any tasks that may require attention or action. The aging bucket report allows them to view the number of tasks late and due within different time periods.** **Additional insight into the functionality and value of this tool can be discussed in more detail during the oral presentation.**
e.	TPA must provide loss investigation and claims adjustment services, pursue subrogation claims, and evaluate repair estimates involving claims.
	Response: **Yes, GB will provide loss investigation and claims adjustment services, pursue subrogation claims, and evaluate repair estimates involving claims.**
f.	All settlement authority must come from the State Risk Manager.
	Response: **GB will comply that all settlement authorities will come from the State Risk Manager. Stated another way, we understand we would have zero-dollar settlement authority.**
g.	TPA must be able to provide reporting against compliance with the State's service instruction requirements. **i.** The State will request a description of the ability of the TPA system to be customized around the State's service instructions and requirements as determined by the State.
	Response: **Yes, we can provide reporting against compliance with the State's service instructions. Specifically, your account manager, Shari Scherzer, with the support of the State's risk manager, would conduct audits of the State's claim files for compliance with those mutually agreed upon service instructions elements.** **There are certain service elements than can be systemically customized; moreover, the State's client specific instructions are available online for each team member to the extent they need to consult them.**
h.	TPA must be able to assign claim to a claim adjuster within 24 hours of reporting from the claimant. If the TPA response time is greater than 24 hours, describe policy for response time.
	Response: **It is GB's best practice to assign claims within 24 hours of reporting.**
i.	TPA must have the capability and willingness to vigorously pursue incident investigations, locate witnesses, and respond to the scene of an accident on a 24 hour basis is desired. If the TPA response time is greater than 24 hours, describe policy for response time.

	Response: **It is GB's best practice to initiate claim handling within 24 hours of reporting to include witness interviews and surveying the physical accident site.** **If we are unable to make contact with damaged/injured third parties within 24 hours it our best practices to continue to follow up with them daily until communication is made and to concurrently document the claim file with each and every contact attempt.**
j.	TPA should indicate the degree to which the adjustment staff will utilize "telephone" versus "field" adjustments.
	Response: **For auto physical damage and third party property damage only claims we would "desk adjust" or telephonically adjudicate these claims.** **Bodily injury claims are generally "field investigations," and we would use the services of an independent loss adjusting company to make contact with the injured third party and support the ongoing investigation of the claim until such time a liability determination was made.**
k.	TPA must have capability to obtain recorded statements from claimants.
	Response: **Yes, GB has the capability to obtain recorded statements as required by the State's service instructions. These statements would be converted to, .wav files and posted to the claim file so they may be reviewed on-demand.**
l.	TPA must not have limitations for saving and storing all types of media, including sound files, pictures, and video. Describe file saving policy, including purging of files.
	Response: **There are no limitations for saving and storing types of media, including sound files, pictures, and video.** **All claim file information is retained in strict accordance with prevailing state statutes and no information would be purged unless permitted by the state statute.**
m.	TPA must maintain a claims management information system capable of producing monthly and on-going annual reports of the State of Nebraska's claims activity to facilitate analysis of claims data for actuarial reporting and projections, operational and cost allocation and budget management issues. i. Claims data should be in a format that can be electronically transferred into Microsoft Excel application. It is desired that as a minimum the following data will be available in a singular report that allows data sort for analysis purposes: **a)** Claim type (i.e. Bodily Injury, Property Damage, Subrogation); **b)** Line of Coverage (i.e. Automobile Liability, General Liability); **c)** Date of incident, date received by claim adjuster, dates of payments, date claim closed; **d)** Claims status and adverse parties to claims; **e)** Summary of incurred and paid claims, including amounts of claims, based on year of incident, as well as date of adjudication; **f)** Summary of claims experience, by State Agency, as well as types and amounts of claims arising from incidents from each State Agency. **g)** Estimate reserves for all open claims.
	Response: **Yes, Luminos has the capability to accommodate all the above for the State. Please see Section B for a sampling of reports available through Luminos.**
n.	TPA must maintain a separate file for each reported claim, and shall be made available to the State for

	review and inspection on request.
	Response: **Yes, GB will maintain a separate file for each reported claim and will be available for the State for review.**
o.	All investigative photographs and videos must be able to be sent and received electronically.
	Response: **Yes, all photographs and videos can be sent and received electronically.**
p.	TPA must be able to utilize outside investigator/attorney representatives to investigate on catastrophic and serious claims, subject to the approval by the State.
	Response: **Yes, GB will utilize outside investigators and attorneys that are approved by the State. Guidelines for the investigation of catastrophic and serious claims would be memorialized in the State service instructions and this same information is available electronically to the State's team members.**
q.	TPA will allow the State to have approval authority for the selection, assignment, and management of any external investigator or vendor, on any given claim.
	Response: **Yes, GB will allow the State to have approval authority for the selection, assignment, and management of any external investigator or vendor on any given claim.**
r.	Arrange for expert services including but not limited to professional photography, independent medical examinations, professional engineering services, etc. only with prior approval by the State.
	Response: **Yes, GB will arrange for expert services for the State only with prior approval by the State.**
s.	Outside claim investigation costs must be billed as an allocated loss expense and coded to the specific claim file. The TPA must receive authorization from the State before services are provided.
	Response: **Yes, outside investigation will be billed against the claim file as an allocated expense.**
t.	Identify the standard financial categories used within the TPA's data set to track claim costs.

	Response:
	
	The following categories are used within the GB claim system to track claim costs.
	
	<u>Claim cost & severity</u>
	• **Paid, reserves, rehab, recoveries, total incurred by claim status (open and/or closed), as of point in time or triangle form**
	    ○ **For workers' compensation, this is segmented by medical, indemnity and expense components**
	    ○ **For liability (AL/GL/Property) this is segmented by loss and expense components**
	    ○ **Claim costs can also be segmented by specific pay codes (i.e. physician, hospital, attorney fees, etc.)**
	• **Claim complexity score (proprietary GB process for scoring individual claims)**
	<u>Claim Volume</u>
	• **New arising, open inventory**
	<u>Closure</u>

	• **Closure ratio, closure rate** • **Duration** **Reserving** • **Reserve to incurred ratio** • **Reserve adequacy and accuracy** **Claim Management** • **Reporting lag** • **Audit scores** **Litigated Claims** • **Attorney involvement, In-suit rate** • **Paid, incurred** • **Duration, closure rate**
u.	The State must be able to determine what claims will be reported to the Central Index Bureau and the re-indexing requirements and timeframe, on an as needed basis or once re-opened. **i.** All bodily injury claims must be reported to the Central Index Bureau. **ii.** Conduct Central Index Bureau searches for repeat claimants. **iii.** Conduct additional Central Index Bureau searches at the request of the State.
	Response: **Our best practices for indexing are in alignment with the State's expectation outlined in this question.** **In summary, the Index Bureau is a national clearinghouse where subscribers handling bodily injury claims can obtain information during the critical investigative period of a claim as to whether or not an injured party has filed a similar or duplicate claim with another claims administrator and/or insurance company. Within the GB's system, there are four different report types that assist with the process - initial, re-index, and supplement or special supplement.** **Initial reports are filed automatically in Luminos on all bodily injury claims meeting the established criteria. This is typically on all open claims based on our assigned coverage code. A re-index report researches the database automatically on open claims at the six month mark (as long as the index function within Luminos is present). A supplement or special supplement report would be completed when pertinent information on a claim changes. A resolution manager can also manually re-index a claim at any time throughout the life of a claim or if information is received that would require a re-index.** **GB has an electronic interface built with the Index Bureau so all information is contained within the electronic claims file and viewable within the Index specific note category. When a match is found, we receive an electronic notification that is placed in the claim file. The resolution manager then takes the appropriate action with the other subscribing member.**
v.	Assist the State in fulfilling its Medicare beneficiary reporting obligations under Medicare, Medicaid, and State Children's Health Insurance Program Extension Act of 2007 ("MMSEA") Section 111 as set forth in 42 U.S.C. §1395y(b)(7) and (8), by performing the following reporting services: **i.** Electronically interface with the Centers for Medicare and Medicaid Services ("CMS") to capture and report data in the format prescribed by the CMS Specifications. **ii.** Report directly to CMS on behalf of the State of Nebraska as an Account Designee (reporting agent), as such term is defined in the recently published CMS Non-Group Health Plans (NGHP) User Guide (currently January 2017). iii. The State will be considered a Responsible Reporting Entity ("RRE") as that term is defined in MMSEA Section 111 as set forth in 42 U.S.C. §1395y. The Claim Adjuster will assist the State as follows: **a)** As the custodian of the original claims information developed by the cases assigned to the Claim Adjuster, or upon receipt of claims information from the State, serve as an authorized Account Designee for the State. As an Account Designee, prepare and submit files to CMS in accordance with the requirements of the CMS Specifications. **b)** Prepare CMS Medicare beneficiary required data files and submit them to CMS or

	otherwise forward them as instructed by the State. **iv.** The TPA shall be responsible for payment of any and all fines assessed to the State in regards to compliance with the Medicare beneficiary reporting requirements of MMSEA and related Acts that result from the negligent acts or omissions of the claim adjuster except to the extent that: **a)** Such fines or penalties are the direct result of specific direction given by the State or the actions or omissions of the State; or **b)** The Claim Adjuster did not receive information from the State that is essential to the performance of the duties set forth herein in a timely manner so as to be able to comply with the terms of such reporting requirements.
	Response: **GB is fully compliant with the Centers for Medicare and Medicaid Services (CMS) requirement to report qualified claims to CMS as required by Section 111 of MMSEA. We have an internal reporting solution to facilitate direct communication with CMS, allowing us to efficiently send claims data and receive responses on a timely basis.** **We have successfully sent queries and received responses since January 1, 2010. For 2016, over 3.5 million claims have been successfully queried, resulting in 440,000+ claimants identified as Medicare eligible (or 12.57%). Those claimants found to meet the reporting requirement of accepted Ongoing Responsibility for Medical (ORM) or involving a TPOC have been reported successful each quarter since inception. All GB resolution managers have undergone extensive training in Medicare eligibility protocols, and Luminos proactively alerts resolution managers when a claimant has been identified as Medicare eligible.** **All MSA referrals are validated upon submission by our resolution managers to ensure they meet either the Class 1 or Class 2 submission and approval criteria outlined by CMS. All bodily injury claims are queried electronically on a monthly basis to determine eligibility. Once Medicare eligibility is established, qualifying claims are reported electronically every 90 days based on the CMS criteria, such as Ongoing Responsibility for Medical on workers' compensation and auto-no fault claims, and Total Payment Obligation to Claimant (TPOC) thresholds for both workers' compensation and liability claims.** **Our MMSEA system and MSP compliance program is fully integrated and is best in class among Third Party Administrators. GB also has an established SCHIP Committee that meets weekly to discuss CMS changes, resolution manager challenges, client feedback, and additional Luminos enhancements needed to meet all CMS requirements.**
w.	TPA must be available for meetings, at the State's discretion, in the analysis of claims to improve safety and loss control.
	Response: **GB agrees and will be available for meetings at the State's discretion in regards to improving safety and loss control analysis.**
x.	Identify the standard financial categories used within TPA's data set to track claim costs.

	Response:
	
	The following categories are used within the GB claim system to track claim costs.
	
	<u>Claim cost & severity</u>
	• **Paid, reserves, rehab, recoveries, total incurred by claim status (open and/or closed), as of point in time or triangle form**
	    o **For workers' compensation, this is segmented by medical, indemnity and expense components**
	    o **For liability (AL/GL/Property) this is segmented by loss and expense components**
	    o **Claim costs can also be segmented by specific pay codes (i.e. physician, hospital, attorney fees, etc.)**

	• **Claim complexity score (proprietary GB process for scoring individual claims)** **Claim Volume** • **New arising, open inventory** **Closure** • **Closure ratio, closure rate** • **Duration** **Reserving** • **Reserve to incurred ratio** • **Reserve adequacy and accuracy** **Claim Management** • **Reporting lag** • **Audit scores** **Litigated Claims** • **Attorney involvement, in-suit rate** • **Paid, incurred** • **Duration, closure rate**
y.	TPA must be able to present claims to the State Claims Board, whenever requested by the State.
	Response: **GB is able to present claims to the State Claims Board as requested by the State.**
z.	Recommend claims reserves for each claim and provide a continuous review and updating of reserves to reflect changes of conditions. Reserves shall be reviewed and updated on at least a monthly basis.
	Response: **GB's philosophy for setting reserves is to set aside only the money that our experience and analysis determines is necessary to resolve a claim. This prevents the need to increase reserves incrementally over the course of a claim while assuring that client capital can be used in more productive, revenue-generating ways. We arrive at an accurate reserve amount using a number of factors, including a critical reading of the accident report, a thorough investigation of the claim, and the use of our state-of-the-art Waypoint decision support tool.** **Waypoint helps GB resolution teams take advantage of both advances in data analytics and our deep experience and history of superior claims management. Waypoint applies a sophisticated machine learning (supervised and unsupervised) process to GB's data sets to derive a detailed understanding of how different claims develop, across many jurisdictions. Waypoint generates a fact-based reserve advice for resolution managers to consider, and the reserve advice also identifies the main factors that influenced the proposed reserve, providing the resolution manager with an in-depth understanding of the basis of the reserve proposed. This information can also be viewed by clients through Luminos, so critical information is shared efficiently. If a resolution manager disagrees with the Waypoint reserve advice, he or she will note the rationale in the claim notebook.** **We also recognize the need for skillful reserve management. There is mastery required in setting aside only those funds that will be needed to resolve a claim. We don't leave things to chance or estimation. The dollar reserve we recommend setting aside to cover your potential exposure on any given claim is determined using sophisticated GB tools and techniques. The exact amount of the reserve is based on the severity of the damages adjusted by the legal liability. Expressed mathematically, our liability reserving formula looks like this:** **Claim Value x Percent of Liability = Loss Reserve** **We consider all elements of the claim investigation and notify you as soon as possible of your**

	potential exposure on a given claim. Step reserving or making frequent changes in the reserve, up or down, is not acceptable. Because we are dealing with your money, reserves are constantly reviewed and scrutinized. **Expense reserving is another area we closely monitor. An expense reserve will be set initially, when an actual expense is anticipated and when new information is obtained concerning additional expenses needed on a claim. i.e. - litigation costs.** **At a minimum, the file is reviewed for reserve accuracy at each diary date. We constantly evaluate reserving practices against closed claims, using 6, 12 and 24 months as our benchmark development points. For the State's program we would diary each open claim file for a monthly reserve adequacy review.**
aa.	TPA will have system controls and safety mechanisms for reserve and settlement authority that can be tailored by claim adjuster, claim type, and specific claim criteria.
	Response: **It's the supervisor's day-to-day responsibility to ensure that reserves are made in accordance with the client's specific authority level; moreover, it's also their responsibility to ensure that the resolution manager complies with each client's settlement authority guidelines. We understand we'd have zero-dollar settlement authority for the State's program.** **With specific respect to claim reserving, our resolution managers are equipped with several tools that allow them to calculate and set reserves accurately and early. GB has invested in industry-leading analytics that support the reserving process, and that are embedded in our state-of-the-art reserving decision support system, Waypoint.** **We believe in setting reserves based upon what the probable total cost of the specific claim will be at its conclusion given all of the factors that could impact it, from severity and nature of injury, to jurisdiction, type of job, age of the employee, wage level, motivation of the employee, and legal involvement, as well as other factors. The Waypoint support tool identifies the primary drivers of the reserve advice, allowing our managers and client team members to see the underlying basis for the reserve. Additionally, our resolution managers know the tendencies of judges, attorneys, physicians, and other professionals in their area that have an impact on claim value, and that knowledge is also factored into reserves when appropriate.** **In a further effort to maintain consistent quality and processes in establishing accurate reserves, GB resolution managers complete a reserve worksheet for claims that will exceed $5,000. This provides an excellent tool for our staff in evaluating the status of reserves in four reserve categories (indemnity, medical, rehabilitation, and expense) and to document their reserve rationale.**

5. Litigation

a.	When requested by the State, pursue subrogation actions to collect State costs arising from claims against the other parties for damage to State properties; make recommendations regarding salvage matters.
	Response: **GB has invested in building capabilities and processes that allow our teams to actively pursue subrogation to mitigate clients' costs and losses. Our subrogation resolution managers have deep experience in handling a variety of claims, and know what to look for in an accident investigation to properly assess and pursue subrogation. You can expect our subrogation resolution managers to take the following steps (upon the State's request):** • **Review the accident details, statements, police report, photos, and any other relevant material.** • **Request additional investigation or documentation from the primary resolution manager if**

	needed to properly pursue subrogation. • **Send out the appropriate lien notices to all parties involved and actively pursue recovery once investigation is complete and a liable third party is identified.** **Once recovery is received, the subrogation resolution manager will remain on the claim diary until the recovery amount is posted to the file.** **Please see Section E, <u>Recovery Management</u>, for additional insight into our subrogation services.**
b.	Coordinate investigations on litigated claims with the Attorney General's Office and with claims adjusters and attorneys of excess insurance carriers, if any, as required. The Attorney General's Office will conduct all litigation and will coordinate activities with other attorneys retained by the Attorney General's Office to litigate on behalf of the State.
	Response: **Agreed. We understand that the State Attorney General's Office will conduct all litigation to include the coordination of activities with other attorneys. We will also coordinate our claim file investigation in coordination of the State's Attorney General's Office.**
c.	Coordinate with State's Workers' Compensation TPA in establishing liens and protecting the State's subrogation interests when an assigned liability claim involves injury to State employees.
	Response: **As GB is the State's current Workers' Compensation TPA, this process will be seamless.**
d.	TPA must have a process for coding claims with subrogation potential and provide reporting that identifies the status and recovery on subrogation efforts, regardless of who performs the services.
	Response: **Yes, GB codes claims with subrogation and will provide reports identifying the status and recovery on the subrogation efforts.**
e.	Subrogation expenses, regardless of who performs the services, is to be billed directly to the claim file. The use of outside counsel requires prior approval from the State.
	Response: **Agreed, all subrogation expenses will be billed directly to the claim file.**
f.	Serve, as needed, as a witness on behalf of the State in the course of litigation and/or, other legal processes for the adjudication of various liability claims.
	Response: **GB agrees to the foregoing condition.**
g.	The State requires TPA to utilize and adhere to the State's litigation management guidelines per Nebraska State Statutes.
	Response: **Agreed, GB will utilize and adhere to the State's litigation management guidelines per Nebraska State Statutes.**
h.	TPA must maintain an up-to-date litigation calendar that is made available to the State upon request.
	Response: **Agreed, GB will maintain an up-to-date litigation calendar that is made available to the State's upon request.**

i.	Litigation expenses reserves will be posted in claim file, and TPA must be able to provide payment detail reports on expenses paid on litigated and attorney representation matters.
	Response: **Agreed. Luminos produces a legal expense report to assist in litigation management. A detailed report identifies legal expense payments by claim period, provider number order, and by claim number, while the summary report provides totals for legal payments by coverage as well as by provider. Additionally, Luminos has a field within the electronic claim file to identify claims that are litigated.**
j.	TPA must have the ability to code on all aspects of litigation and attorney representation claims.
	Response: **GB will comply and is able to code all aspects of a litigated and attorney representation claims.**

6. Compliance / Caseloads

a.	TPA must have a diary process that supports multiple diaries and customization based on claim severity or action steps.
	Response: **Yes, GB has a diary process that supports multiple diaries and customization based on claim severity or action steps.** **Each claim set up in Luminos has a diary date and corresponding follow-up dates to manage the claim. Luminos also dockets significant events that take place over the course of the claim (such as medical appointments) to drive the claim towards conclusion. GB practices active file management to expedite resolution, and the combination of diary- and event-based management support our goal of resolving claims as early as possible. Our supervisors have complete transparency into each of their resolution manager's diaries, and have corresponding dates that prompt file reviews at intervals that reflect the claim file complexity. Our diary system automatically escalates resolution manager tasks that appear delayed.**
b.	TPA system should have system functionality that prompts action plan updates to the claims adjusters.
	Response: **Yes, our system has functionality that prompts action plan updates to the resolution managers. Specifically, we rely on our eDiary system to ensure action plans are updated timely.**
c.	TPA system should be able to be customized based on the State service instructions.
	Response: **Yes, GB can use the optional field codes to capture the State's specific variables that are not routinely captured in Luminos.**
d.	TPA must have controls where the claims adjuster is not able to modify supervisor diaries.
	Response: **Yes, GB resolution managers are not able to modify diaries that are set by the supervisor.**
e.	Supervisory reviews must be completed on every open file in accordance with the State's service instructions.
	Response: **Agreed, we agree to complete supervisory reviews on every claim in accordance with the State's service instruction.**

	With respect to our best practices, Supervisors conduct the initial review of each file and make an assignment to the appropriate resolution manager based on that review. The supervisor then reviews the file again within the first 30 days to ensure the file is on the right path. Subsequent to the initial 30-day review, the supervisor shall maintain a diary and document their reviews within a claim notebook entry on all claims. The level and frequency of the review will be determined by the nature and severity of the claim, the level of the resolution manager's experience, client service requirements, carrier reporting requirements, and performance guarantees.

7. Personnel

a.	TPA will consult with the State before assigning or making changes to key non-claim adjuster positions.
	Response: **Agreed, GB will consult with the State's prior to assigning or making changes to key non-resolution manager positions.**
b.	TPA must advise the State immediately of any change to assigned claim adjusters with a rationale for the change and a replacement solution.
	Response: **Agreed, GB will advise the State immediately of any change to assigned claim resolution managers with a rationale for the change and a replacement solution.**
c.	TPA must demonstrate a process for managing through turnover and transition.
	Response: **Gallagher Bassett actively focuses on maintaining a strong professional pipeline by continuously hiring, training, mentoring and preparing new resolution professionals to assume new roles as need or opportunities emerge.** **To lessen the impact of turnover, Gallagher Bassett has established our Transitional Services Team (TST). Unlike many TPAs that rely on outside, temporary contract employees, we have invested in developing this standing, internal team. This unique resource exists to make transitions into our system seamless for new customers; provide added, experienced staff to augment our teams in times of peak volume (such as during catastrophic events); or in the event a resolution manager is on leave. Our TST staff assignments can range from four weeks to six months or longer, depending on client need. Our TST staff is veteran, experienced claims professionals; as such they are familiar with and have applied our best practices, can use our internal systems, and are fully knowledgeable about requirements of claims handling such as the Detailed Status Reports (DSR) process; reserving philosophy; claim note documentation and claim codes; authority requests and authority levels per client; and service instruction compliance. We currently have more than 50 TST members, and they are available in all regions in the US.**
d.	TPA must demonstrate a process for managing volume surges and/or high volumes.
	Response: **When these situations arise we use entry level resolution managers to handle non-complex claims so the senior resolution manager can focus on claims of complexity, or if the resolution manager's back-up has a lower case load then they will be engaged until such time that the surge has rescinded.**
e.	The State requires TPA to have an onboarding and maintenance plan for claim adjusters that will include training to ensure familiarity with the State business.
	Response: **GB will provide onboarding and maintenance plan for all resolution managers that includes training to ensure familiarity with the State's program, and would welcome the State's active participation in**

	this process. This orientation process would be led by the State's GB account manager, Shari Scherzer.
f.	TPA is required to demonstrate an expertise around State regulatory and legal issues that may impact the State.
	Response: **GB appreciates the need to deliver expert legal, legislative and regulatory advice, and counsel to the State's on claims related issues. GB offers as part of its proposal here, the full resources of GB Governmental Affairs in support of your program.** **GB Governmental Affairs is a centralized unit that leads, amplifies and curates legislative and regulatory work performed throughout the entire GB organization at the state level. We use proprietary legislative tracking software to survey legislative and regulatory change daily. In addition, we leverage GB's leadership in state chambers of commerce and state claims coalitions, as well as our leadership and participation in national associations—(e.g. RIMS, AAICP, MARC, STRIMA and others) to capture, organize and advance legislative change. We analyze, cull and tailor this information and make it available to your program.**
g.	TPA must be efficient in communicating legal and regulatory changes in order to keep staff and the State current.
	Response: **GB Governmental Affairs publishes a weekly governmental briefing called, The Way, which captures leading state and federal issues affecting your program. Should you so choose the publication, it would be available weekly via email or other social media channels to your team on Wednesday mornings.** **The national and thematic issues addressed in The Way aim to inform your program at large. Focusing more directly on the State of Nebraska, your GB account manager will generate state specific legislative and regulatory reporting through our tracking software to provide you with such information at pre-set intervals. Both GB Governmental Affairs and your account manager coordinate with the claims operation to ensure that once a material change is imminent in Nebraska, that the dedicated branch is informed and prepared. Through early detection, and with collaborative effort, the State staff, GB Governmental Affairs, your account manager and the dedicated claims management will be conversant in the changes as they are introduced, passed and enacted. What's more, the sophistication in our claims management systems will provide your team with targeted claim data to help you evaluate and advance legislative proposals of particular import to your department as they arise.**
h.	TPA will provide on-site training to the State employees in coordination with Risk Management.
	Response: **Agreed, GB will provide on-site training to the State's employees in coordination with the State's Risk Management. This training will be led by the State's account manager, Shari Scherzer.**

8. Account Management and Stewardship

a.	The State requires a dedicated Account Manager who acts exclusively on the State account, is a single point of contact for the State of Nebraska, and is an advocate on any and all issues involving the State.
	Response: **Agreed. Shari Scherzer currently serves as the account manager on the State's Workers' Compensation program and would also serve as the State's dedicated account manager for the liability program.** **Shari's bio may be Section C, "biographies of keystone service team members to include**

	supporting organizational chart (Implementation and Account Management).
b.	The Account Manager must be able to travel per the request of the State Risk Manager at no additional cost to the State.
	Response: **Agreed, at no additional cost to the State, Shari has the ability to travel at the request of the State's Risk Manager.**
c.	The Account Manager must have ultimate responsibility within the TPA for execution of the program, regardless of their position within the TPA.
	Response: **Agreed, Shari has ultimate responsibility within GB for execution of the State's program.**
d.	Account Manager will meet with the State's Risk Manager at least quarterly to review and resolve open items, or upon request of the Risk Manager.
	Response: **Agreed, Shari will meet with the State of Nebraska's Risk Manager at least quarterly to review and resolve open items and to review all invoices prior to the State's approval of such invoices for payment.**
e.	Who would be the backup on the State's account when the account manager is unavailable?
	Response: **Our account managers are responsible for communicating their availability when their schedule takes them out of the office for any length of time. GB makes a point of equipping its account managers with technology that enables them to work remotely and be responsive when not in the office.** **Coverage for planned absences is provided by a peer account manager or the individual's manager if necessary. GB's account management department also employs technical assistants who serve as administrative support for account managers. These individuals are in the office five days a week for the sole purpose of providing assistance to their assigned account manager.** **Shari Scherzer has two designated account management backups: Alisha Fleming and Dan Foust.**

H. TECHNICAL REQUIREMENTS

Bidders should provide a response to each of the following contractor requirements in the space provided below.

1. Architecture

a.	Describe any other tools required to maintain and operate the software (include any additional hardware, software, monitoring tools, turning tools, version control tools, code libraries, etc.)
	Response: **Gallagher Bassett uses the following tools to maintain and operate our software:** **1. Integrated Development Environment (IDE) for Nonstop - The View from River Rock Software.** **2. IDE for development of core website components – Visual Studio 2013** **3. Database Management & Development Integrity NonStop – KLIST** **4. Database Management & Development Windows Platform – SQL Server Management Studio** **5. Functional Testing – HP Unified Functional Testing (Former Mercury WinRunner)** **Security Code Reviews – performed manually by consultants from RedLegg.com** **Security Penetration Testing – automated tests are performed throughout development using**

	Acunetix's web vulnerability scanner, and production releases are tested by RedLegg.com. GB monitors and tunes performance of its applications on a daily basis. Extensive performance tuning is undertaken with each major software release. Applications are also subject to various "spot checks". GB's primary performance tuning toolset consists of: • **Performance Testing load driving software: Visual Studio 2013 Ultimate** • **Performance Monitoring Integrity NonStop – Momi from Blackwood Systems and Measure** • **Performance Monitoring Windows Server – Performance Monitor feeding Microsoft Performance Analysis of Logs (PAL) Tool** • **Performance Monitoring Browser – Yslow open source tool sponsored byYahoo.com development community** • **Tracing/Tuning Microsoft C# code – Windows Performance Toolkit, a component of the Windows 10 SDK** • **Tracing/Tuning JavaScript – Fiddler from Telerik, a subsidiary of Progress Software** • **Tuning on SQL Server – Microsoft Database Tuning Advisor (DTA)** • **Tuning on Integrity NonStop – Idelji Remote Analyst is used daily, plus monthly analysis of Measure logs performed monthly by Transaction Design, Inc.** **Version Control/Bug Database/Continuous Integration and Release Management:** 1. **Microsoft Team Foundation Server 2012** **Monitoring Software** 1. **Integrity NonStop - Momi Software from Blackwood Systems Windows Server - Microsoft System Center Operations Manager**
b.	Describe any provisions in the software to accommodate failover, availability, scalability, disaster recovery and reliability.
	Response: **Our site, www.risxfacs.com, consists of four tiers: (a) a web tier (b) application tier (c) a SQL Server data tier; and (d) HP Integrity Nonstop system.** **Refreshed in September 2015, our web and application tiers each consist of multiple load-balanced nodes, capable of failover to any node within the tier, facilitating maintenance and highly resistant to hardware or operating system failures. To ensure scalability, the tiers are currently operating in our primary data center at N x 2, meaning twice as many servers are available to service peak 10am – 2pm peak load.** **The SQL Server tier (c) is clustered to ensure seamless failover within our primary data center.** **The HP Integrity NonStop system remains the backbone of many, if not most, bank ATM systems and is designed specifically to provide the very highest availability. According to the IDC Level 4 definition, the NonStop has 100% component (disk, CPU, network card, etc.) and functional resiliency, with the ability to switch to alternate resources, with no perceived performance degradation to the end user.** **In the case of a declared disaster, all tiers are failed over to our disaster recovery data center. All disaster recovery nodes can be described as "warm", as a modest degree of manual intervention is by design required at the network layer to resume service at the disaster recovery data center.**
c.	Define any open source software used in the platform. Also, please confirm that TPA provides indemnification and support.
	Response: **GB's RISX-FACS® website is built using HTML5/JavaScript technology. As with most JavaScript frameworks, GB's JavaScript framework, AngularJS, is an open source framework maintained by Google. AngularJS uses the MIT license. This license allows reuse within proprietary software, and**

	is GPL-compatible. According to JavaScript analytics service Libscore, AngularJS is used on the websites of Walgreens, US Bank, Intel, Sprint, ABC News, Lego, weather.com, and approximately 9,300 other sites, as of October 2015. **The RISX-FACS® web site's look and feel is constructed using a second open source framework, Bootstrap (Licenser: MIT License / Apache 2.0), which was initially developed at Twitter. The Bootstrap framework enables Gallagher Bassett to develop a single set of dynamic pages that adapt to various screen sizes across desktops, tablets, and phones.**

2. Desktop Access

a.	What types and levels of browsers are supported, and with what desktop operating systems?
	Response: **Luminos is HTML 5 compliant and works with any browser or device that fully conforms to the standard, including the following:** • **Internet Explorer IE9 through IE11 (IE11 preferred)** • **Firefox** • **Chrome** • **Safari** **In a limited set of situations where clients self-administer all or part of a claim, Internet Explorer is required. In many cases, only some client users will be required to use these screens and therefore are under the browser restriction, while other client users can use any browser, and/or other mobile devices.**
b.	Will TPA have unique technology requirements for the State's system access?
	Response: **Based on the information provided in the State's RFP we don't envision any unique technology requirements for its system access.**
c.	What types of tablets and mobile devices can access the software?
	Response: **GB resolution managers work with GB standard desktop or laptop configurations. Luminos is accessible to clients or resolution managers using HTML 5 compatible device, including common tablet computers and even mobile phones.**

3. Integration and Interfaces

a.	Describe any communication (e.g. ODBC) and data (e.g. XML, Edi) standards that are supported for the proposed product to interface with outside organizations/providers.
	Response: **EDI and file transfers using secure File Transfer Protocol.**
b.	What integration tools and technologies are provided to support conversions, interfaces and the transformation to data?
	Response: **GB maintains a set of proprietary tools to perform data mapping and ingestion of data to support conversions.**
c.	What email product (e.g. MS Outlook, Office 365) is the proposed software certified to support, especially as it relates to workflow?
	Response:

	Luminos is integrated with Microsoft Outlook. Workflows can be initiated and tasks can be sent via email, compatible with any email client. For performance and security reasons, large emails and emails or attachments containing sensitive information are securely sent via Citrix ShareFile.
d.	What integration does the proposed software provide to desktop productivity software applications (e.g. word processing, spreadsheets)?
	Response: **Luminos provides download capabilities for graphs, standard and ad hoc reports. Data can be downloaded into Microsoft Excel with other formats required taken into consideration. Presentation formats of Luminos dashboards, graphs and reports also include Microsoft Word and Adobe PDF.**
e.	Are there an EAI middleware / SOA approach to data integration? If so, describe?
	Response: **GB uses an SOA approach internally. For security reasons, we do not make this available to third parties. The SOA approach consists of REST services using JSON payloads. The web services are written in C# under Microsoft's Web API 2.0 framework.**
f.	Does the system integrate with typical call center functionality (ACDs, screen pop ups, etc.)?
	Response: **Luminos does not currently have this capability but could be modified to do so.**
g.	What connection methods does TPA support for data to and from the system?
	Response: **Our supported connection methods are secure FTP and/or bi-directional file drop locations using Citrix ShareFile.**
h.	Define how the State's data is secured when transmitted. Is encryption supported for transfer of data? What type?
	Response: **GB currently is sending data to State using a secure data transmission protocol. We utilize DMB's Data Express EPIC software to manage our FTP file transfer activities. We support SFTP (SSH) and FTPS (SSL) with PGP encryption of files. As a matter of policy, we encrypt all data in motion.**

4. Security and Access

a.	How is security addressed in the product (include menu and screen access, individual, role, or group based access, database vs. application access control, and standard security reports)?
	Response: **Users are granted rights to see and modify data based on security authorizations assigned per user. A user will not see a piece of data or function navigation if the user is not specifically secured for it. Authorizations are grouped into User Groups and users are assigned to User Groups, thereby receiving authorizations. User Groups are typically aligned to job functions or roles within the organization. In addition to the functional authorization noted above, Luminos has the capability to restrict user access by client, organizational unit within a client, by treaty (Carrier), or to specific claims. These restrictions will not limit access to functions beyond the authorization model, but rather restrict the data allowed to be viewed within a function.**
b.	How does the product support integration of authentication (single sign-on) and authorization (role-based)?
	Response: **Luminos does not support integrated single sign-on; a custom GB interface does exist. Luminos**

	authorizations are role based.
c.	Describe the product's access audit capabilities.
	Response: **SOC1/SSAE-16, SOX, and internal/external network audits are performed.**
d.	Does the system provide a complete audit trail of internal changes and traceability to individual users?
	Response: **Luminos audit trails are controlled by HP Nonstop TMF (Transaction Monitoring Facility). TMF ensures database consistency of Luminos audited files. Luminos TMF consistency is maintained by log serialization that requires interlocked transactions with a two-phase commit protocol for network commitment of transactions. GB Windows audit trails are managed via external SIEM.**
e.	Please provide the administrative, technical and physical safeguard certifications for hosted solution.
	Response: **Yes, the data centers utilize ITIL certified processes. Our data centers are Tier 3 locations, with SOC-1 and SOC-2 audits. Data center safeguards include Guards, Mantrap/Motions Detectors, Alarms, CCTV, Access Control, Perimeter Security, UPS, Backup Gen, Water Detection, Fire suppression. GB's maintains primary and hot backup data centers with real-time replication of Luminos data between data centers. We maintain a comprehensive Disaster Recovery plan detailing specific actions, activities, and responsibilities in the event of a disaster in either of these data centers. These are tested annually and updated quarterly to reflect changes in computing systems or business practices.**

5. Disaster Recovery (DR)

a.	Does TPA have a DR Plan?
	Response: **Yes. GB's Production Data Center is located in Illinois and the Disaster Recovery Data Center is located in Indiana. When Luminos data is updated on the production system there is a real-time data replication to the Disaster Recovery system to keep the data base in sync with the Production data base. GB maintains a comprehensive Disaster Recovery plan detailing specific actions, activities, and responsibilities in the event of a disaster in either of these data centers. These are tested annually and updated quarterly to reflect changes in computing systems or business practices. Additional detail is available upon request.**
b.	What are the Recovery Time Objective (RTO)/Recovery Point Objective (RPO) for the primary data center?
	Response: **There is real-time replication of data between GB data centers using HP's industrial strength RDF (Remote Database Facility) product. Services level is RTO – 12 hours, RPO – 24 hours.**
c.	Is TPA DR data center a co-location?
	Response: **Yes, it's a co-location.**
d.	Does TPA sub-contract the Data Center Services?
	Response: **GB contracts with Savvis, an acknowledged leader in the field, for data center services. Savvis is a subsidiary of CenturyLink.**

e.	How often does TPA test the DR plan? Response: **Disaster recovery testing is executed on an annual basis, with results subject to external audit review and validation. Scope includes the following:** • **Simulated systems failure** • **Engagement of key personnel** • **Critical path escalations** • **Vendor responses** • **Redirection of data communication to GB's DR site in South Bend** • **Application availability** **Additional detail is available upon request.**
f.	Describe the method in which data is backup up and whether secondary servers are used. Response: **HP NonStop mainframe and networked servers are backed-up nightly as well as replicated via Virtual Tape Systems to a secondary Data Center. Procedures to recover data (and critical software source code) are maintained as part of our Disaster Recovery processes.** **Perhaps most importantly, our DR system is synchronized on a near real-time basis with our Production system. Transactions committed to the Production database are applied to the DR database within milliseconds of the production database update. The DR system is a full duplicate of the Production system with communication load balancers, front end NT servers, and HP quad core NonStop platform.**
g.	Detail TPA's disaster recovery plan with regard to subcontractors. Please comment on TPA's process for subcontractor disaster recovery. Response: **Subcontractors are selected based on their abilities to manage all foremost aspects of business processing and security. These areas include compliance, security, and disaster recovery. GB's Master Service Agreements outline the requirements for security that must be met for these vendors.**

6. Data Management

a	How is archiving /purging of historical data addressed in this application? Response: **All client data stored and used by GB applications is fully qualified with client reference information and creation date. While our purging of historical data is not fully automated, this gives us the ability to purge data as and when necessary.**
b	What is the capability to extend attributes in the system through configuration and impacts to future upgrades? (e.g. additional fields) Response: **Luminos databases can be extended virtually without limit. Data fields can be uniquely defined by a client. Extensions made using the facility GB provides for that purpose are upgrade compatible.**
c	Describe the process by which TPA will monitor the ongoing provision of quality data. Response: **Daily Quality Control (QC) program data / file balancing activities are a built-in component of our nightly computing streams to ensure the accuracy of all claim data.**

	Explain the functionality within TPA system for the management of historic, current and future data for the State of Nebraska by location & organization structure.
d	Response: **In Luminos, we use the term "Pyramid" to refer to a client's claim reporting structure. It reflects the locations to which claims are reported into Luminos and how claims are summarized up through the client's organizational structure. Each client is assigned their own customized, flexible pyramid structure, which can be modified or expanded to reflect changes as they may occur within the organizational structure.** **Although the Pyramid structure can consist of up to 25 levels of vertical organization, most clients use between two and seven levels. Each level, starting with the lowest - the claim reporting level - reports to any level above it. This continues until the top level of the pyramid is reached. All claims in Luminos must be reported to a unit on the lowest tier of the pyramid. This lowest level is called the "reporting level." Reports, summary and detail, can be generated at any level of the pyramid and contain information rolled up from the reporting level.** **Each pyramid unit is distinguished by a unit identification, which can be up to 10 characters (alpha or numeric) long, and a unit name, which can be up to 31 characters long. A unit can either have an active or deactivated status. When a unit is added to the Pyramid, it is given an active status. If the client is no longer reporting claims to a particular unit, the unit status is changed to deactivated, with a deactivation date. If a claim is entered and coded to a unit that is deactivated, the claim will not be accepted if the accident date is greater than the deactivation date. For control purposes, a unit is never physically removed from the Pyramid. The Pyramid is used for input data verification as well as for reporting. Many standard Luminos reports use the pyramid to produce organization of loss information.**
	Is there any proprietary software in use that could make data obsolete if no longer supported?
e	Response: **GB applications are built to work with products supplied by well-known companies such as Microsoft, Hewlett Packard, and IBM. Were one of these companies to go out of business or withdraw its products from the market, it would be inconvenient for GB, as we would need to migrate data to a different platform(s). At no point would the data become unusable or obsolete. All our business partners have assured us repeatedly of their commitments to the products we use.**
	How are records destroyed and what assurances are given to the State from the TPA regarding complete destruction per the State's retention requirements?
f	Response: **Our policy is to adhere to client retention requirements, subject to applicable law. We do not yet have our process for destroying records fully automated but have successfully relied on procedural methods supported by tools (e.g. command scripts and programs developed for this purpose) without incident for many years. GB will gladly provide the State with a certificate of destruction should the need ever arise.**
	Does the destruction process include all backup systems?
g	Response: **As an additional safety measure, Luminos is backed up to virtual tape on a nightly basis in a manner that constrains our ability to destroy data on a client-specific basis. The media on which this data is backed up is kept on a five week rotation – i.e. overwritten every five weeks by the next set of backups. Thus, given our present capabilities, there may be as much as a five week delay before this data is completely destroyed.**

7. E-Discovery

a.	Are the State records kept separate from other company's production requests, subpoena's, etc.?
	Response: **Access to the State's claim records are restricted to permitted users only. Ethical walls are built into Luminos and GB branch protocols to ensure that GB employees handling claims on behalf of companies other than the State are unable to access the State's data. With respect to third party discovery requests targeting the State's claim data, such requests are handled on a case-by-case basis. Non-privileged medical documents and correspondence are generally produced in response to standard subpoenas for claims files in non-related litigation or claims. If there is related State of Nebraska litigation or if the subpoena seeks broader information, GB legal coordinates with State of Nebraska's defense counsel to ensure appropriate objections are raised to such subpoenas.**
b.	How are records retrieved for production requests (i.e. what format, what type of culling/searching is available, is metadata preserved)?
	Response: **Third party production requests directed to GB generally seek claim file materials. Unless the issuing party requests production in a different format, GB's production is generally in electronic format because GB's claim files are typically paperless. Metadata is preserved in GB's RMIS system and can be produced if requested. GB limits its production to responsive, non-privileged documents.**
c.	How is a "hold" order implemented on the TPA system to ensure that no deletion occurs while the hold is in effect?
	Response: **Data stored in Luminos is stored for the life of the claim to ensure all relevant materials are preserved. GB emails are likewise backed up to ensure preservation. When necessary, GB IT places a hold on individual custodian accounts to preserve email until the hold is lifted.**

8. Migrations/Conversion

a.	Does TPA provide a dedicated conversion team?
	Response: **Our Information Technology division includes a dedicated Data Run-In group that is responsible for managing the intake of claim data from prior TPA's, carriers and previously self-insured clients. Standard processes and procedures detail the requirement definition, data field mapping, test data file transmission generation, required data / file balancing activities and project completion timelines.**
b.	Describe TPA's process to ensure successful conversion and the on-going success. What documentation/communication will TPA use to ensure that the conversion runs smoothly?
	Response: **Our GBIT data run-in group initiates contact with prior client TPA to discuss pending data transfer / conversion project, GB data requirements and a tentative timeline for receipt of applicable test files. Once we are in receipt of the first test file, data mapping is completed and we review initial data for pyramid location / product line errors. Location error corrections are managed by our Client Services Group. Once final, claim counts /financial totals are available, they are reviewed / approved by client representstives. Upon client approval, production loading of data is completed in our computing application data tables and final total reports are sent to appropriate GB Account Management and client personnel.**
c.	What conversion audit reporting does TPA provide?

	Response: **The account manager and the implementation manager hold mutually agreed upon calls to update all stakeholders. In this context written follow up is provided to all parties to document progress to date and identify next steps in the process.**

9. Help Desk Support

a.	What are the hours of TPA Help Desk? What are the hours for application support? User support? What are the incident response times?
	Response: **The GB Help Desk is in place for all client support calls. All GB systems are monitored 24/7 utilizing SOC and NOC.**
b.	Describe any use of offshoring for application support.
	Response: **GB uses offshore technical resources to perform selected application maintenance tasks and intensive quality assurance testing of applications. Also, depending upon the project development effort, offshore resources will be used to supplement the project team.** **GB is a global company. Approximately 20% of our revenues stem from international operations. We have claim operations in Canada, the UK, New Zealand, and Australia. We also have a service center in India that provides centralized support for back and mid-office functions. The service center personnel simply provide support functions for our claims and support personnel including IT and do not have any direct client, claimant or provider contact.**
c.	What is TPA support model for user assistance for the deployed system?
	Response: **Technical Support Level One Call Center, a first level support group to answer system access questions, reset passwords, etc., is available from 7:00am - 6:00pm CST at 1-877-RISX-FACS®. Technical Support Level Two, a second level support group comprised of IT subject area experts, is available as needed to consult on the investigation and resolution of difficult technical issues.**
d.	What access will the State have to expert personnel at the TPA?
	Response: **The State will have access to their account manager as well as any other individuals that are necessary to ensure the successful migration of the State's program.**

10. Other/General Requirements

a.	TPA's Claim System should have open, scalable architecture.
	Response: **Luminos consists of a presentation tier constructed using HTML5/JavaScript technology. As with most JavaScript frameworks, GB's JavaScript framework, AngularJS, is an open source framework maintained by Google.** **The application tier consists of multiple load-balanced nodes, housing web services invoked by the presentation layer. To ensure scalability, the tiers are currently operating in our primary data center at N x 2, meaning twice as many servers are available to service peak load. The web services in turn invoke additional business logic residing on an HP Integrity NonStop system in order to maximize system availability.** **Data is stored on the HP Integrity NonStop system in HP's NonStop SQL database. Certain**

	Reference tables and error logs reside on SQL Server.
b.	Claim System must have cascading security functionality.
	Response: **GB security requires each user to have a unique id and password to access Luminos and all other applications as well. Users are granted rights to view and modify data based on security authorizations assigned, if necessary, down to the individual user level. A user will not be able to see data or access application functionality unless specifically granted that access. Luminos have the ability to restrict access by client, client location structure within client, carrier or to specific claims.**
c.	Claim System must be able to provide FTP feed for upload into future Risk Management Information System (RMIS) Daily/Weekly/Monthly.
	Response: **Agreed.**
d.	TPA must accept data quality performance metrics to be defined by the State.
	Response: **Agreed.**
e.	The State may require web-top access to the TPA system with no limitation on the number of users or access to the State claims data and information stored on the TPA system.
	Response: **Our quotation includes "no limitation" access for four (4) users. If the State requires additional users we can fulfill the request; however, depending on the number of users we reserve the right to potentially bill the State for the cost of these user IDs.**
f.	TPA claim system may be required to consolidate data from other Systems.
	Response: **Yes, GB has the ability to receive the State's specific information and can consolidate data with existing claim information. GB reserves the right to potentially charge for this service to the extent the State hasn't requested it to be quoted on the Cost Sheet.**
g.	All claim files must be in electronic format for potential download to the State's RMIS.
	Response: **Agreed, all claim files must be in electronic format for potential download to the State's RMIS.**
h.	Location coding up to 10+ hierarchical levels.
	Response: **In Luminos, we use the term "Pyramid" to refer to a client's claim reporting structure. The Pyramid structure can consist of up to 25 levels of vertical organization, most clients use between two and seven levels. Each Pyramid unit is distinguished by a unit identification, which can be up to 10 characters (alpha or numeric) long, and a unit name, which can be up to 31 characters long.**
i.	TPA must have dedicated TPA contact for data management (to the State), to fulfill system / user support and risk information analyst tasks.
	Response: **Agreed. Shari Scherzer will support the State's users.**
j.	TPA must be able to accept reports utilizing a tiered / hierarchical location structure, managed through

	unique identifiers at the location level. Text field for capturing specific areas within store preferred currently.
	Response: **Agreed, GB can accept reports utilizing a tiered or hierarchical location structure, managed through unique identifiers at the location level.**
k.	TPA must capture the name of any State employees involved in any claims.
	Response: **GB will be able to capture the name of any State employees involved with any of the State's claims.**
l.	TPA will arrange training for its employees to ensure the claims management system is used efficiently, effectively and to its fullest capabilities.
	Response: **GB offers several client training options for using our Luminos web portal:** • **<u>Classroom training</u> - Offered at our home office training facility in suburban Chicago, the training has been designed to ensure our clients get the most out of Luminos, and combines lecture and hands-on learning activities.** • **<u>Web Conference training</u> - Utilizing web conferencing facilities, the class provides an overview of Luminos including Dashboards, Incidents, ClaimView, Pyramid (locations hierarchy) and Reports and may consist of a few sessions.** • **<u>On-site location training</u> - Our Luminos instructor and account management personnel can also travel to client locations to provide in-person instruction for a nominal fee.** • **<u>On-line Video training</u> with over 100 two-four minute videos in Luminos Help section that provide visual and audio instruction on common features and functions.** **Our GB account managers are well acquainted with Luminos and provide assistance as needed to individual clients on a daily basis.**

11. Reporting

a	Indicate TPA's ability to provide customized reporting at no additional cost to the State.
	Response: **Luminos' reporting features are best-in-class. Luminos has over 127 default report types, for each report type users can save a version of the report with their own parameters. All users have the ability to create their own custom report template or ad hoc report and can select from all data stored in Luminos.** **There is no additional cost for customized reporting.**
b	Describe TPA's ability to respond immediately, when an ad-hoc report is requested.
	Response: **The State's account manager will be able to fulfill, on an immediate basis, all requests for ad hoc reports.**
c	Describe the State of Nebraska's ability for real-time, on-line reporting from the TPA's system.
	Response: **Luminos is real-time to the extent it can provide the State with up-to-the-minute loss and claim information. The State will have the ability to report claims, generate reports as needed, review status of a claim, view resolution manager notes, etc.** **The State's account manager, Shari Scherzer, will be available to support the State's user as needed.**

d	TPA must have the capability to provide canned reports and reports that are able to be queried.	
	Response: **Luminos has over 127 report templates to choose from and a robust ad hoc report builder to allow users to create custom reports and graphs. Luminos allows users to generate, store, and schedule ad hoc data queries. Further, Luminos includes an "As Of" date selection parameter. Our "As Of" reporting feature allows for the selection of unique date parameters, as well as commonly used dates such as month-end and quarter-end parameters.**	
e	Reports should be segregated either geographically or by business units as requested by the State.	
	Response: **GB can provide using either defining criteria.**	
f	TPA must demonstrate exception reporting validates standard and client defined codes.	
	Response: **GB can comply with this requirement. This is an "ask" of many of our current clients.**	
g	All transactions and claim fields must include all historical changes to allow for point-in-time (or Valued As Of) reporting.	
	Response: **GB system does provide "valued as of" reporting.**	
h.	TPA must prepare a quarterly report for presentation to the Risk Management staff that includes a managerial focus on the State's loss experience trends for each line of coverage for which adjustment services are being provided.	
	Response: **GB will prepare and provide a quarterly report for presentation to the Risk Management staff with a focus on the State's loss experience trends.**	
i.	TPA will be required to present a comprehensive, annual Stewardship report to the State of Nebraska, to include but not be limited to the following. The report will be due 60 days after each fiscal year. The State's fiscal year runs from July 1 to June 30. **i.** Statistical analysis of services provided. **ii.** Statistical analysis of savings realized as a result of TPA services. **iii.** Statistical analysis of claims and client exposures. **iv.** Recommendations to reduce claim expenses. **v.** Recommendations to reduce claim frequency. **vi.** Recommendations to improve quality of TPA services. **vii.** Other information, analysis and recommendations at the discretion of TPA.	
	Response: **GB agrees with this requirement.** **Through our interactive client stewardship process, GB works closely with our clients to measure, monitor, and improve claim outcomes. We will work with the client to establish available baselines and maximize results for key performance indicators such as a desired reduction in Lag Time, lowering average claim duration, and managing allocated loss expenses.** **Throughout the year benchmarking is completed to culminate with an annual stewardship meeting to review results and analysis. All of our robust stewardship reports are available through our iLink reporting suite via risxfacs.com. We are constantly looking for opportunities for savings to our clients by making recommendations based on the available analysis.** **We currently provide annual stewardship reporting for the State's workers' compensation program, and rolling in the liability program will be easily accomplished; moreover, having an enterprise-wide**	

	assessment of the respective program concurrently would undoubtedly add value to the State's overarching effort to minimize its total cost of risk.

I. IMPLEMENTATION PLAN

Bidders should provide a response to each of the following contractor requirements in the space provided below.

1.	Bidder must submit a complete Transition and Implementation plan for the contract for services to include: items to be addressed by the contractor, items to be addressed by the State, along with times.
	Response: **Our custom transition plan may be found in Section B, TPA Conversion Plan | Custom Implementation Plan.**
2.	Describe the process management and communication process by which TPA would ensure delivery of the implementation per the agreed upon plan.
	Response: **GB will use the aforementioned Implementation Timeline to manage the transition process. Timely and meaningful communication is ongoing to include weekly conference calls wherein all interested parties use the implementation plan to gauge success and identify next steps.**
3.	TPA to receive FTP feed from prior TPA. Fields to include (at a minimum) claimant name, address, amount paid, description of the claim, subrogation claims, and third parties. Describe FTP feed capabilities.
	Response: **GB uses secure FTP to accept new claim file data (such as photos, investigation forms, or police reports) 24/7/365 so file information is current.**

J. ADDITIONAL ITEMS TO BE SUBMITTED AS PART OF THE PROPOSAL RESPONSE

1. SSAE-16.

Our SSAE-16 report may be found in Section A.

2. TPA Fraud Report.

At GB, protecting our clients against false and misrepresented claims has always been, and will continue to be, one of our foremost concerns and bedrock competencies. Dealing with fraud effectively begins with the resolution manager. A team of investigative and fraud program specialists work closely with our resolution managers to provide ongoing consultative expertise, file reviews and, most important, continuing training. We look for both soft fraud (the claimant who doesn't want to go back to work) and hard fraud (the crooked doctors and lawyers who prey on benefit programs). To further aid in this mission, our resolution managers use a suite of advanced tools to identify and investigate fraud including a Claim Fraud Indicator Checklist. This checklist is an excellent tool for both GB staff and clients since it has application in all states. Together these efforts increase the opportunities for fraud prevention and improve the capabilities to uncover fraud.

GB Investigative Services (GBIS) employs a suite of professional services designed to provide resources that focus on the ability to be able to take every reasonable action necessary to verify the legitimacy of claims being made against our clients. The full scope of services includes; SIU - Special Fraud Investigations, Surveillance, Targeted Field Investigations, targeted data base searches and data intelligence searches. We also have a Social Media Internet Investigation capability which can be used by our SIU or by the resolution manager who has a hunch something is fishy.

GBIS' personnel are provided through partnerships with G4S and CoventBridge, two world class investigation companies. Combined, this partnership provides us with a team of over 1,000

investigative professionals. SIU services are available for service assignments made through GBIS. The combination of these resources gives our clients access to extraordinary capabilities, knowledge and expertise across a wide footprint to ensure high levels success. Our program leverages these advantages to deliver comprehensive, integrated solutions for the detection, investigation and prevention of claim fraud. GB will be adding a fraud and recovery detection function to its growing Waypoint decision support system in 2017. Waypoint now handles reserve advice and clinical intervention advice. The fraud/recovery functions will use the same extended database with additional analytic models.

Our program is structured to allow clients the flexibility to settle suspected fraudulent claims in the most financially expedient manner, or dispute the claim through litigation. We offer this flexibility while promoting and maintaining our legal duty to deal fairly and in good faith with claimants. We believe this position allows true prevention against false and fraudulent claims.

Additional information on our fraud prevention services please see Section A, Gallagher Bassett | Fraud Report.

3. Quality of Control Program.

Our Quality Control Program overview may be found in Section E.

4. Company Privacy Policy.

Our Privacy Plan may be found in Section A.

5. Company Claim "Best Practices."

Our Liability and Property best practices may be found in Section A.

6. Bidder's position on the client access to the claim notes and files.

Our response to this question may be found in Section A.

7. Outline Advantages and Benefits to the State of Nebraska in using TPA services over competition, specifically in the Public Sector, include data analytic capabilities.

The advantages and benefits of a Gallagher Bassett solution for the State's property and casualty claims administration program may be found in the Executive Summary.

8. Provide samples of standard reports.

Sample of our Luminos reports may be found in Section B.

9. Examples of customer service reports.

Throughout GB's history, client and employee satisfaction and retention have been the most important elements in our overall success. Additionally, through customer surveys, we have learned that reliability, consistency, flexibility, dedication, a high-level of communication, and a clear focus on our clients' needs have all been critical factors in our success.

We rely on client feedback to make sure we are on track and that the client is 100 percent satisfied. Most importantly, we use client feedback as a tool for continuous improvement. Each year we ask our clients to evaluate our performance by completing a client satisfaction survey. We consistently achieve 90%+ customer satisfaction across our book of business. It's also possible to measure satisfaction by examining client retention rates. Here, we excel. GB's client retention rate in 2014 was 96 percent.

GB utilizes several methods to monitor service performance. They include but are not limited to the following measures:

- **Customized reports generated by the national account manager at client's desired frequency**
- **Compliance supervisors audit claim files on behalf of the client's specific and industry standard requirements**
- **Client Satisfaction Survey distributed annually**

- **Internal best practice audits performed**
- **Client /Broker audit scores are calculated based on individual client 's service instructions and audit requirements**
- **Carrier audit scores calculated based on specific carrier data and quality assurance requirements**
- **Stewardship reports performed**
- **Claim Scorecards/Outcomes and Managed Care Scorecard/Outcomes noted**
- **Reserve Adequacy Reports calculated**
- **SOC 1 Audit performed annually**

A sample control request from our call intake center has been included in Section B, Sample | Customer Service Report. This report can be customized to the needs of the client. Any questions we ask at intake can be captured in this report. The control report can be sent to the client at their desired frequency (daily; weekly; monthly). We can also provide a lag report identifying the date of loss and the date of actual report.

10. Business Continuity (BC).

Our Business Continuity plan may be found in Section B.

11. Disaster Recovery (DR).

Our Disaster Recovery plan may be found in Section B.

12. Additional sample reports that may be beneficial.

Sample reports may be found in Section B.

13. Include a copy of TPA conversion plan, with timetables, including minimum amount of lead-time TPA will need to convert or set-up for these types of plans and file layouts.

Our conversion plan, to include a supporting timetable, may be found in Section B.

K. DELIVERABLES

See Attachment 1, Cost Sheet

Per the State's instructions the completed Cost Worksheet has been submitted in a separate sealed envelope.

VI. PROPOSAL INSTRUCTIONS

This section documents the requirements that should be met by bidders in preparing the Technical and Cost Proposal. Bidders should identify the subdivisions of "Project Description and Scope of Work" clearly in their proposals; failure to do so may result in disqualification. Failure to respond to a specific requirement may be the basis for elimination from consideration during the State's comparative evaluation.

Proposals are due by the date and time shown in the Schedule of Events. Content requirements for the Technical and Cost Proposal are presented separately in the following subdivisions; format and order:

A. PROPOSAL SUBMISSION

1. REQUEST FOR PROPOSAL FORM

By signing the "RFP for Contractual Services" form, the bidder guarantees compliance with the provisions stated in this RFP, agrees to the Terms and Conditions stated in this RFP unless otherwise agreed to, and certifies bidder maintains a drug free work place environment.

The RFP for Contractual Services form must be signed using an indelible method (not electronically) and returned per the schedule of events in order to be considered for an award.

Sealed proposals must be received in the State Purchasing Bureau by the date and time of the proposal opening per the Schedule of Events. No late proposals will be accepted. No electronic, e-mail, fax, voice, or telephone proposals will be accepted.

It is the responsibility of the bidder to check the website for all information relevant to this solicitation to include addenda and/or amendments issued prior to the opening date. Website address is as follows: http://das.nebraska.gov/materiel/purchasing.html

Further, Sections II through VII must be completed and returned with the proposal response.

2. CORPORATE OVERVIEW

The Corporate Overview section of the Technical Proposal should consist of the following subdivisions:

a. BIDDER IDENTIFICATION AND INFORMATION

The bidder should provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business and whether the name and form of organization has changed since first organized.

Gallagher Bassett Services, Inc.
2850 Gold Road
Rolling Meadows, IL 60008

Gallagher Bassett Services, Inc. (GB) is a wholly owned subsidiary of Arthur J. Gallagher (U.S.) LLC, which itself is a wholly owned subsidiary of Arthur J. Gallagher & Co., a publicly traded entity. Gallagher Bassett has had the same ownership since the company was founded in 1962.

GB is incorporated in the State of Nebraska (WC). The date of incorporation was May 18, 2016.

GB has always traded under the same name.

b. FINANCIAL STATEMENTS

The bidder should provide financial statements applicable to the firm. If publicly held, the bidder should provide a copy of the corporation's most recent audited financial reports and statements, and the name, address, and telephone number of the fiscally responsible representative of the bidder's financial or banking organization.

As noted previously, GB is a wholly-owned subsidiary of Arthur J. Gallagher & Co. A copy of AJG's 2016 annual report may be found in Section C.

Arthur J. Gallagher & Co. banking institution is Bank of Montreal (BMO).

Designated Account Manager is:

Ms. Anna Smith, Vice President
312.461.3001
Anna.smith@bmo.com

If the bidder is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information, should be submitted in such a manner that proposal evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm should provide a banking reference.

Not applicable, we are a publicly traded company on the NYSE under AJG.

The bidder must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or state that no such condition is known to exist.

No such condition is known to exist.

The State may elect to use a third party to conduct credit checks as part of the corporate overview evaluation.

We are agreeable to this condition.

c. **CHANGE OF OWNERSHIP**
If any change in ownership or control of the company is anticipated during the twelve (12) months following the proposal due date, the bidder should describe the circumstances of such change and indicate when the change will likely occur. Any change of ownership to an awarded vendor(s) will require notification to the State.

No change in ownership is expected.

d. **OFFICE LOCATION**
The bidder's office location responsible for performance pursuant to an award of a contract with the State of Nebraska should be identified.

GB will continue to utilize our office in Omaha, NE and it would be responsible for performance pursuant to an award of a contract with the State of Nebraska.

e. **RELATIONSHIPS WITH THE STATE**
The bidder should describe any dealings with the State over the previous ten (10) years. If the organization, its predecessor, or any Party named in the bidder's proposal response has contracted with the State, the bidder should identify the contract number(s) and/or any other information available to identify such contract(s). If no such contracts exist, so declare.

GB currently handles the State of Nebraska's workers' compensation program. The contract number is 71618 O4.

f. **BIDDER'S EMPLOYEE RELATIONS TO STATE**
If any Party named in the bidder's proposal response is or was an employee of the State within the past twenty-four (24) months, identify the individual(s) by name, State agency with whom employed, job title or position held with the State, and separation date. If no such relationship exists or has existed, so declare.

If any employee of any agency of the State of Nebraska is employed by the bidder or is a Subcontractor to the bidder, as of the due date for proposal submission, identify all such persons by name, position held with the bidder, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after review of this information by the State, it is determined that a conflict of interest exists or may exist, the bidder may be disqualified from further consideration in this proposal. If no such relationship exists, so declare.

To the best of GB's knowledge, no such relationship exists.

g. **CONTRACT PERFORMANCE**

If the bidder or any proposed Subcontractor has had a contract terminated for default during the past ten (10) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the bidder or litigated and such litigation determined the bidder to be in default.

It is mandatory that the bidder submit full details of all termination for default experienced during the past ten (10) years, including the other Party's name, address, and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's proposal accordingly. If no such termination for default has been experienced by the bidder in the past ten (10) years, so declare.

If at any time during the past ten (10) years, the bidder has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason, describe fully all circumstances surrounding such termination, including the name and address of the other contracting Party.

Like other companies of similar size in a similar industry, over the past 20 years GB has had clients terminate their relationship with GB. With thousands of active clients at any one time, termination by some clients is inevitable. However, GB does not track the reason provided by a client for termination (if any explanation or allegation is provided at the time of termination), and is not in a position to document each instance of termination.

GB cannot provide a list of all clients that have terminated their relationship, regardless of reason, for a 20 year period. GB's contracts and relationships with its clients are confidential and proprietary, and cannot be disclosed. GB is subject to contractual confidentiality obligations with former clients that prohibit disclosure of the terms of the agreement to third parties.

h. **SUMMARY OF BIDDER'S CORPORATE EXPERIENCE**

The bidder should provide a summary matrix listing the bidder's previous projects similar to this RFP in size, scope, and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the proposal.

The bidder should address the following:

i. Provide narrative descriptions to highlight the similarities between the bidder's experience and this RFP. These descriptions should include:

State of Connecticut

a) The time period of the project;
July 2008 –Present

b) The scheduled and actual completion dates;
July 2008 –Present

c) The Contractor's responsibilities;
Gallagher Bassett provides Workers' Compensation Claim Administration

d) For reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number, and e-mail address); and
Bob Giuditta
Phone: 860.713.5245
450 Columbus Boulevard, Suite 1401
Hartford, CT 06103
E-Mail: robert.guiditta@po.state.ct.us

e) Each project description should identify whether the work was performed as the prime Contractor or as a Subcontractor. If a bidder performed as the prime Contractor, the description should provide the originally scheduled completion

date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.
Gallagher Bassett is the prime contractor.

State of Minnesota

a) The time period of the project;
July 2011 –Present

b) The scheduled and actual completion dates;
July 2011 –Present

c) The Contractor's responsibilities;
Gallagher Bassett provides Auto Liability and Property Claim Administration.

d) For reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number, and e-mail address); and
Todd Christenson, Manager/Safety & Loss Control/Risk Mgmt Div.
Phone: 651.201.3005
310 Centennial Office Building 658 Cedar Street
St. Paul, MN 55155
E-Mail: todd.christenson@state.mn.us

e) Each project description should identify whether the work was performed as the prime Contractor or as a Subcontractor. If a bidder performed as the prime Contractor, the description should provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.
Gallagher Bassett is the prime contractor.

State of Oklahoma

a) The time period of the project;
July 2015 –Present

b) The scheduled and actual completion dates;
July 2015 –Present

c) The Contractor's responsibilities;
Gallagher Bassett provides Workers' Compensation Claim Administration

d) For reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number, and e-mail address); and
Gene Lidyard – Risk Manager
Phone: 305.995.7155
Will Roger Office Building
2401 North Lincoln, Suite 224
Oklahoma City, OK 73105
E-Mail: Gene.Lidyard@omes.ok.gov

e) Each project description should identify whether the work was performed as the prime Contractor or as a Subcontractor. If a bidder performed as the prime Contractor, the description should provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.
Gallagher Bassett is the prime contractor.

ii. Contractor and Subcontractor(s) experience should be listed separately. Narrative descriptions submitted for Subcontractors should be specifically identified as Subcontractor projects.

iii. If the work was performed as a Subcontractor, the narrative description should identify the same information as requested for the Contractors above. In addition, Subcontractors should identify what share of contract costs, project responsibilities, and time period were performed as a Subcontractor.

Responses for ii and iii

Our strategic partners (subcontractors) are not directly involved in the implementation process to the extent that their services are implemented through the efforts of the GB account manager and/or the GB implementation manager. While strategic partners such as Coventry Workers' Compensation Service are notified of new business through the aforementioned GB team members they are not actively involved in the on-boarding process to the extent they don't generally interact directly with the new client.

GB does not capture the percentage share of contract cost on an account-by-account basis. With respect to project responsibilities our strategic partners are charged with ensuring that services such as provider bill and PPO network re-pricing services are on-line prior to the program inception date and it's the responsibility of the GB service to ensure our strategic partners timely follow through.

i. **SUMMARY OF BIDDER'S PROPOSED PERSONNEL/MANAGEMENT APPROACH**

The bidder should present a detailed description of its proposed approach to the management of the project.

The bidder should identify the specific professionals who will work on the State's project if their company is awarded the contract resulting from this RFP. The names and titles of the team proposed for assignment to the State project should be identified in full, with a description of the team leadership, interface and support functions, and reporting relationships. The primary work assigned to each person should also be identified.

The bidder should provide resumes for all personnel proposed by the bidder to work on the project. The State will consider the resumes as a key indicator of the bidder's understanding of the skill mixes required to carry out the requirements of the RFP in addition to assessing the experience of specific individuals.

Resumes should not be longer than three (3) pages. Resumes should include, at a minimum, academic background and degrees, professional certifications, understanding of the process, and at least three (3) references (name, address, and telephone number) who can attest to the competence and skill level of the individual. Any changes in proposed personnel shall only be implemented after written approval from the State.

Organizational charts identifying key implementation and dedicated service team members are included with our response. With respect to an Omaha-based resolution manager (claim adjuster) Gallagher Bassett would be hiring an experienced property and casualty resolution manager. The remaining key members include:

- **Shari Scherzer, Account Manager**
- **Bryan Speckmann, Implementation Manager**
- **Steven Boyer, Vice President, Property Practice, St. Louis, MO**
- **Kevin Paprocki, Assistant Vice President, Liability branch manager, St. Louis, MO**
- **Allen Butler, Account Executive**

Shari, in tandem with Bryan's support team, would be responsible for all elements of the transition including:

- **Migration of historical loss data**
- **Service instructions**
- **Set-up on new claim reporting protocols**
- **Location code structure**
- **Banking**
- **Systems training**

j. **SUBCONTRACTORS**

If the bidder intends to Subcontract any part of its performance hereunder, the bidder should provide:

i. name, address, and telephone number of the Subcontractor(s);
ii. specific tasks for each Subcontractor(s);
iii. percentage of performance hours intended for each Subcontract; and
iv. total percentage of Subcontractor(s) performance hours.

GB utilizes strategic partners to provide certain services for our clients; however, with respect to core claims administration we don't intend to outsource any element of the process save those vendors identified below who will support the team's efforts.

Responses for i./ii.

We believe the following strategic partners for GB will provide additional value to the partnership with the State.

- **The Network – utilized by GB and clients for claim intake.**
- **GB Investigative Services – panel for surveillance/SIU, consists of G4S and Global Options.**
- **GB Litigation Management Program – we partner with TyMetrix, the industry's leading provider of legal bill review and litigation management software solutions.**

Responses for iii./iv.

The individual and total percentage of performance hours is difficult to assess over a protracted period of time.

3. TECHNICAL APPROACH

The technical approach section of the Technical Proposal should consist of the following subsections:

a. Understanding of the project requirements;
b. Proposed development approach;
c. Technical considerations;
d. Detailed project work plan; and
e. Deliverables and due dates.

a. We understand the project requirements. They are very similar to the requirements we fulfilled when starting up the State's dedicated workers' compensation claims unit.
b. GB's technical approach is detailed in its response to Sections II – V of this proposal. In summary, Gallagher Bassett currently services the State's workers' compensation claims administration program, and we'd use the available space at this branch office to house the State's designated multi-line resolution manager (claim adjuster).
c. We would also be leveraging existing IT infrastructure to support the claim adjudication system.
d. Our detailed project work plan may be found in Section B to include;
e. Deliverables and supporting due dates

VII. COST PROPOSAL REQUIREMENTS

This section describes the requirements to be addressed by bidders in preparing the State's Cost Sheet. The bidder must use the State's Cost Sheet. The bidder should submit the State's Cost Sheet in accordance with Section I Submission of Proposal.

THE STATE'S COST SHEET AND ANY OTHER COST DOCUMENT SUBMITTED WITH THE PROPOSAL SHALL NOT BE CONSIDERED CONFIDENTIAL OR PROPRIETARY AND IS CONSIDERED A PUBLIC RECORD IN THE STATE OF NEBRASKA AND WILL BE POSTED TO A PUBLIC WEBSITE.

A. COST SHEET

This summary shall present the total fixed price to perform all of the requirements of the RFP. The bidder must include details in the State's Cost Sheet supporting any and all costs.

The State reserves the right to review all aspects of cost for reasonableness and to request clarification of any proposal where the cost component shows significant and unsupported deviation from industry standards or in areas where detailed pricing is required.

Pricing has been constructed per the RFP specifications. We acknowledge that the State reserves the right to review all aspects of the Cost Proposal.

B. PRICES

Prices quoted shall be net, including transportation and delivery charges fully prepaid by the bidder, F.O.B. destination named in the RFP. No additional charges will be allowed for packing, packages, or partial delivery costs. When an arithmetic error has been made in the extended total, the unit price will govern.

GB agrees and will comply.

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Acknowledgement of Addenda
RFP Number 5719 Z1

We acknowledge receipt of the following addenda.

- Addendum 1 – Revised Schedule of Events; Dated 12/20/2017
- Addendum 2 – Exhibit 1 State AL- Loss Run Report; Dated 12/22/2017
- Addendum 2 – Questions and Answers; Dated 12/22/2017

A

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SOC 1 REPORT

Ernst & Young LLP, Gallagher Bassett's outside auditors, completes a SOC 1 (formerly the SAS 70 Type II) audit each year. The SOC 1 audit report provides information about controls, including those surrounding the RISX-FACS® system that may affect the processing of clients' claims transactions. The audit findings support the confidence we have in the internal controls and procedures currently in place. This audit is one example of how Gallagher Bassett is constantly looking for new ways to maintain and improve the quality and integrity of the services we offer.

If you would like to obtain a current copy of this report please email GBSOCReportDistribution@gbtpa.com.

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INSURANCE FRAUD PROTECTION: SPECIAL INVESTIGATIONS UNIT (SIU)

Insurance Fraud has been a looming threat since the early 1700's. It is estimated that over 80 billion dollars has been lost in the United States due to Insurance Fraud. This may account for about 10% of the property/casualty insurance industry's incurred losses and loss adjustment expense. Fraud is very pervasive. It occurs in all types of claims. Fraudulent activities range from simple to complex; from low to significant cost. Moreover, fraud is on the rise. The National Insurance Crime Bureau reports that questionable claims were up 19% since 2009.

Gallagher Bassett (GB) through our Gallagher Bassett Investigative Services (GBIS) program provides a suite of services designed to aid in the fight against fraud. To respond to this escalating problem, our Special Investigations Unit (SIU) is raising the bar on performance. Employing GBIS for SIU assignments will enable us to say with confidence that every reasonable action has been taken to verify the legitimacy of claims being made against our clients. We believe GBIS has the knowledge, resources and expertise necessary to ensure success.

Why Report Fraud?

- **It's the law.** Beginning in the 1990's, and now in most states, anti-fraud legislation defines fraud as a felony, requiring companies (including TPA's and self-insured's) to employ anti-fraud plans, SIU's, training and annual reporting geared toward deterring fraudulent acts.
- **Financial savings.** By allowing suspect claims to "slip through," insurers and self-insured lose money by paying more on claims than they ordinarily would pay. Insurers, TPA's and self-insured's who fail to report suspect claims also may be subject to Department of Insurance fines.
- **Ethics, security, and reputation.** By aggressively and thoroughly pursuing suspicious claims – to the fullest extent both civilly and criminally – GB provides you added value. SIU not only deters customers from fraudulent claims, but it adds to your assurance that GB is an honest player. Protecting you from losing money is simply "the right thing to do."
- **Cost driver.** Fraud drives up the overall cost of claims including premiums.
- **Other losses.** These acts are crimes that can create not only financial loss but can also cause property damage or personal injury.
- **Visibility** creates awareness that can help better manage and mitigate the risk of fraud.

Providing Value

GBIS provides an expansive approach to identify, investigate and control fraud risk:

- **Scope.** Our GBIS team is comprised of over 700 plus investigative specialists and consultants operating across our branch network who have unparalleled skills, professional knowledge and expertise.
- **Program.** Comprehensive integrated solutions for the detection, investigation and prevention of claim fraud.
- **Focus.** Commitment to provide value and drive outcomes. Measurable results with strong service level commitments.
- **Technology.** Robust platform of expanded solutions and tools that benefits our clients and claim professionals.

Taking Action

All of our branches are responsive participants in our SIU program:

- **Evaluation and Investigation** of suspected fraudulent claims are conducted to determine the best course of action
- **SIU specialists and consultants** provide valuable expert assessment and guidance on suspected claims.
- **SIU Prosecution Specialists and Senior SIU Specialists** prepare and present documented fraud referrals for unusual prosecution.
- **Closely work** with law enforcement agencies and prosecutor's offices for the pursuit and enforcement of these cases.
- **State Fraud Referrals** are completed and filed to be compliant with all regulatory issues.
- **Regulatory Compliance:** SIU regulatory and subject matter experts monitor legislation and litigation to ensure compliance with anti-fraud requirements.
- **All cases and prosecutions** are tracked and closely monitored every step in the process.

INSURANCE FRAUD PROTECTION: SPECIAL INVESTIGATIONS UNIT (SIU)

Probing Resources:
As part of its thorough aggressive approach, GBIS has tools in place to recognize potential fraud and expedite inquiries. Red flags and other possible fraud indicators, expert fraud consultants, case assignment and investigation through prosecutions all combine to a program that offers these advantages:

- **RISX-FACS®** - Access to this deep data file allows detailed information gathering for assessing fraudulent case viability. "Read only" access preserves the file so data cannot be inadvertently altered.
- **GBIS Trak** – A dynamic website that provides claims representative's access for on line electronic assignments and real time referrals. Along with this is additional information about investigative services, guidelines and resources.
- **Expert Network** – An expansive network of regional and local fraud and investigative services experts are partnered with all our branches to provide specialized expertise and support
- **Ongoing Education** - To comply with the stringent training requirements imposed by many states and to continually create fraud awareness, GBIS has a dedicated on line e-Trainer system. This resource provides extensive educational and training materials to assure new and existing staff have access to and participate in effective learning opportunities throughout the year.

Nationwide Coverage:
Our GBIS program has extensive investigative services aligned with our GB branch structure to assure every branch has access to our team of experts. Both regional and local investigators bolster our efforts to have informed eyes reviewing your claims. These highly trained and experienced investigators work with our branches and Resolution Managers to educate, communicate, support and strengthen our efforts to reduce the risk of fraud.

Quarterly newsletters, along with other communication, and compelling posters also help GB branches and our clients identify the signs of fraudulent claims and know the steps for pursuing action.

Standards of Excellence:
By law, many states require SIU's to evaluate questionable insurance claims, however, there are no set standards for the number of claims that should be referred. GBIS does not set a quota for its claims referrals, rather, it has developed a detailed protocol based on the following principles:

- **Investigations beyond the norm.** GB helps you look at any given claim through a new lens, seeking out suspicious elements and working with you to take the investigation to the next level.
  - Ask questions others are reluctant to ask; detailed, pointed and never accusatory.
  - Visit workplaces, accident sites, and medical facilities to take photos, seek witnesses and gather evidence.
  - Conduct clinic/office inspections and audits, confronting doctors and attorneys for information they're seldom asked to present or prove.
- **Performing a legal duty.** Under the Fair Claims Act, it is our duty and right to thoroughly investigate suspicious claims
  - If medical practitioners bill for certain medical procedures, we have a right to know if the equipment is certified, and if staff is licensed to conduct those procedures.
  - If a claimant receives treatment, we have a right to know if they in fact received such treatment. We will attempt to investigate the doctor's office, if the medications prescribed are suspect or when the validity of the treatment is in doubt.
  - If the attorney's letter of rep accompanies a claim, we expect that attorney to know his client.
- **Objective search.** We look at each case objectively, thoroughly and conscientiously seeking out relevant facts and details that aid in well-informed claims decisions.

Proactive Process:
Proper, responsible claims investigations begin with well-informed claims representatives who are trained intensively to "read between the lines" and understand individual state fraud law. With a list of specific fraud indicators at hand, our claims

representatives can identify "red flags" and decide if a case warrants further investigation.

A note about fair claims handling: Even as a case is referred for SIU review, the Claims Representative is clearly instructed to continue business and benefits as usual, until the case can be resolved. Every case is handled with extra caution to proceed judiciously, fairly and in good faith. Once "red flags" of suspected fraud are identified, the process follows a standard course, which ensures consistent, timely action.

The Right Thing to Do:
As state and corporate mandates evolve to take a strong stand against fraud, GBIS is at the forefront. With nationwide presence, resources in place, and a proven system for investigating claims, GB adds value to your claims management. At a time when fraud is an "unwelcome" given, GBIS's program is a necessary safeguard – not only for the law, but for the way we do business: Protecting you from losing money is simply "the right thing to do."

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Gallagher Bassett Services, Inc.

PRIVACY POLICY

Gallagher Bassett Services, Inc. ("we"/ "our"/ "our company") take our client's ("you"/ "your"/ "your company") privacy seriously. Because we value our customer relationships, we do not sell customer information. We will only share your information for the purposes of providing services which you have engaged us to perform on your behalf, such as handling your claims and/or providing you with insurance-related products and/or services, as applicable, and as otherwise permitted or required by law.

This Privacy Policy outlines our information sharing practices to help you understand how we protect your privacy, when we collect and use information about you and your employees and operations, and the measures we take to protect the confidentiality of that information.

Your Confidential Information

Your Confidential Information includes, but is not limited to, Protected Health Information, Non-Public Personal Financial Information, and/or Trade Secrets. We do not sell your Confidential Information to others under any circumstances. However, we may provide certain non-personally identifiable information to data clearinghouses in order to assist them in compiling broad based risk information for the benefit of the entire industry.

We collect only that amount of Confidential Information which you choose to provide to us and which we need to properly operate our business. If at any time this policy changes, those changes will be posted on this page of our Web site so that you are aware of our intent to better protect your privacy.

Confidentiality Practices

We support the concept of non-disclosure of your Confidential Information and protect it as we protect our own. We also hold our business associates and our affiliates to similar confidentiality standards. Your Confidential Information must be used and disclosed in a manner consistent with applicable laws and regulations, contractual obligations, and our company's policies and procedures.

Protected Health Information is defined as individually identifiable health information that is held or transmitted by our company in performance of our contractual obligations with clients. This type of information includes information in electronic, paper and oral form. Protected Health Information may be used and disclosed solely for our company's business activities related to health care operations.

Non-Public Personal Financial Information is defined as including confidential information of a financial nature that is shared by a current, prospective or prior client with us in the course of providing products and services to that client. This type of information is not otherwise available to the public and includes, but is not limited to, the following: credit history, financial benefits, business records, accounting information involving the client, contracts in which the client is a party, claims which the client is a party to, client's policy information, and any other data of the client that is financial in nature.

Trade Secrets are defined to include any proprietary information of our current, prospective or prior client that is obtained through the course of our business activities with that client, through the provision of products and services provided by us to the client. This information is not otherwise available to the public and includes, but is not limited to, the following: business records, contracts, claims, products, business methods, data processing procedures, marketing strategies, pending projects or proposals, mailing lists, and any other information related to a client's activities, products or services, which may or may not be protected by the United States Patent and Trademark Office.

Information We Collect

We know how important your privacy is to you and we appreciate you trusting us to handle your Confidential Information responsibly and with integrity. We collect Confidential Information about you and your employees and operations as required to operate our business, including, but not limited to, the following:

- Information we receive related to claim handling, such as your or your employee's occupation, employer, social security and driver's license numbers, Protected Health Information, Non-Public Personal Financial Information and Trade Secrets.
- Information about you or your employee's transactions with us, our affiliates, or previous insurers or employers, such as you or your employee's policy coverage, claim information, premiums and payment and claim history.

In the course of conducting our business, we may share information you or your employees provide to us strictly on an as-needed basis or otherwise required by law. In certain situations, and in no event contrary to applicable public policy, we would share information about you to: 1) our affiliated companies in order to provide a service to you; 2) a third party if reasonably necessary to enable them to perform services for us, such as claims inquiries, appraisals, or the detection of fraud or material misrepresentations; 3) governmental authorities only to the extent that we are required to disclose any such Confidential Information pursuant to the legal process we receive from such governmental authority; 4) persons or organizations conducting legitimate research.

Online Tracking

Click Streams

We may capture click streams to help us learn what parts of our Web site are most popular and among which audiences. We may also use them to help us optimize our user interface, to analyze site usage statistically, to improve content, and to customize our Web site's content and layout. In short, we use this information to allow us to tailor our Web site and to meet your needs better. We analyze click stream data to track trends and behaviors, not individuals. We are interested in our audience size, return visit rate, and similar data on an aggregate basis. We also capture date and time information of visits, pages visited, and the time you spend with us.

Cookies

Cookies are pieces of information that a Web site transfers to your computer's hard drive for record-keeping purposes. They can make the site more useful by storing information about your preferences at our Web site. It is almost standard for any interactive Web site to use cookies. Cookies do not identify a user, but they do identify a user's computer. Most browsers are set up to accept cookies. If you prefer, you can set your browser to refuse cookies, but some online services on our Web site will not function without them.

We do not use cookies to track or report on activity when you are not on our Web site or to provide such information to other parties. We do not use cookies to collect personal information such as your e-mail address, and we do not combine information collected through cookies with your Confidential Information. We make no attempt to look at or examine other cookies or information that may be stored on your computer.

Information We Share

We do not use, disclose, sell or transfer any Confidential Information without consent unless required or permitted by law or regulation. In cases of permitted disclosure, we will disclose information in compliance with applicable laws and regulations and will require the recipient to protect the information and use it only for the purpose provided.

Information Security

We restrict access to your Confidential Information to our employees who need to know such information in order to provide you with the insurance products or services which you have engaged us. We maintain physical, electronic, and procedural safeguards that comply with U.S. federal and state regulations to guard your Confidential Information.

Be aware that e-mail messages sent in clear text over the public Internet can be observed by an unintended third party. Non-encrypted Internet e-mail communications may be accessed and viewed by other Internet users without your knowledge and permission while in transit to us. If you wish to keep your information private, please do not use electronic mail to communicate information to us or request information from us that you consider to be Confidential and/or proprietary. If you wish, you may contact us instead via telephone at the phone number provided elsewhere in this Web site.

Links to Other Sites

We may provide links to other Web sites not owned or controlled by us that we think might be useful or of interest to you. We are not, however, responsible for the privacy practices used by other Web site owners or the content or accuracy contained on those other Web sites. Links to other Web sites do not constitute or imply endorsement by us of those Web sites, any products or services described on those Web sites or any other material contained in them. Contact those Web sites directly for their individual privacy policies.

Changes to Our Privacy Policy

We reserve the right to make changes to our Privacy Policy at any time. We encourage you to review the Web site and the Privacy Policy in particular periodically for any updates or changes. Your continued access or use of this Web site shall be deemed your acceptance of all terms and conditions contained in this Privacy Policy.

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LIABILITY BEST PRACTICES

Gallagher Bassett has grown into a national claims management organization through a dedication to service and a commitment to quality. As our client base has expanded over the years, we have continually recognized our responsibility to meet the ever-changing needs and expectations of our clients. Competition, customer sophistication and our own expansion have always challenged us in our efforts to provide a product of consistently high quality.

Our Liability Corporate Best Practices are designed to assist us in achieving our corporate goal of providing quality service to a satisfied client. These standards define the level of performance against which we measure the quality of the claims management we provide to our clients. Adherence to the guidance and instructions outlined in these Best Practices assures us of our continued success as the premier claims management service provider in the industry.

Explaining basic liability claim procedures

New claims

We set high standards for ourselves and the responsiveness of our service. Upon receipt of a first notice of claim by a branch office, claims are reviewed, reserved and coded into RISX-FACS®, our proprietary risk management information system.

Coverage verification

Verification of coverage, based on current information in the Client Service Instructions is documented in Claim Notebook. Supervisory review takes place to ensure coverage documentation is sufficient.

Maintaining the files

Files are maintained with strict rules to ensure that all pertinent information is filed properly and in chronological order. Everything is kept electronically as we are a paperless company. *** Remove this information as no longer applies. Multiple files will be numbered, damaged jackets replaced, duplicate file material discarded and descriptions will accompany photos or digital images. File jackets will be stamped or marked to indicate status, such as carrier report, suit, subro, lien filed, file cross-reference, etc.

Incoming mail

All incoming mail is received in our Centralized Unit and scanned and attached to the file. The Priority mail is addressed within 4 hrs. of receipt and the Non-Priority is addressed within 24 hrs. of receipt. * Recommend to remove this information. - We date-stamp all incoming mail and review it within 24 hours. Faxed documents must reflect the date and time received.

Use of diary management

All claims are entered into a RISX-FACS® diary and dated. Comments appear in our Claim Notebook. Initial diary reviews are between 14-30 days of receipt of the claim, with controlled loss claims and claims with coverage issues reviewed more frequently.

Use of our index system

All bodily injury (BI) claims reserved over $500 will be automatically indexed via RISX-FACS® and reindexed 6 months later. Additional filings can be initiated by the claim handler as warranted.

Contact—keeping communication flowing between parties

Client contact

You will always hear from us. Where any important communication is concerned, you will be contacted within 1 business day.

Claimant contact

All BI/PI injury claimants will be contacted within 1 business day of receipt of a claim. If initial contact cannot be made, a second attempt will be made the following day prior to sending a letter. (We believe in personal contact.) Property damage (PD) claimants must also be contacted within 1business day, but contact can be made by phone or mail. Exceptions must be documented in Claim Notebook.

Attorney contact

Claimant attorney contact will be made by telephone within 2 business days of receipt of a letter of representation or notice of claim. Written acknowledgment must follow within 5 business days. Exceptions must be documented in Claim Notebook.

Witness contact

Witnesses will be contacted on a timely basis on all (carrier reportable) controlled loss claims or cases involving questionable liability or damages. Exceptions must be documented in Claim Notebook.

Procedures for claim investigations

Taking statements

Statements must be taken from all BI/PI injury claimants. Statements from any witnesses should also be taken, especially where witnesses could affect assessments of liability or damages. Recorded statements are preferred, filed for reference, and summarized in Claim Notebook. If there is a reason for not securing a statement, it must be documented.

Obtaining police reports

Police reports will be obtained whenever a police report is filed.

Photograph/diagram requirements

Photos are required on all Property Damage claims exceeding $5,000, where auto physical damage results in bodily injury, and on all Premises Liability cases. We will utilize diagrams when case details cannot be effectively described by photographs or narrative.

Use of experts

At Gallagher Bassett, we constantly keep an eye on costs. For this reason, experts are used only when they are essential to the defense of a claim and their services can be cost justified. Prior approval for hiring of an expert must be given by you.

When surveillance is warranted

Surveillance is normally limited to cases where medical testimony doesn't support alleged injuries, or if fraud is suspected. Again, prior approval must be given.

Required authorizations

HIPAA compliant medical authorization is required in every BI case. If the claimant is represented, authorization should be requested from the attorney. If lost wages are alleged, a wage authorization should also be obtained.

Medicare SCHIP reporting

Medicare requires us to obtain mandatory information on each claimant such as legal first and last name, SSN, date of birth and gender. Missing information is actively sought through a variety of means. Appropriate action is taken once the claim is deemed Medicare Eligible. In the event the information is not provided and eligibility cannot be confirmed, there are a number of steps that may be undertaken, prior to settlement, to better protect both the Responsible Reporting Entity and injured party. It is our goal to follow CMS requirements, without needless delays to claim resolution and closure.

How reserves are established

Our reserving formula

At Gallagher Bassett, we try to establish loss reserves that are as accurate as possible. We use the following proven formula that relates reserve to value:

Claim value
<u>x % of liability</u>
= loss reserve

Setting up the initial loss reserve

We establish an initial loss reserve that takes into account all current data available at the time of setup.

Making reserve changes

If the situation shifts, or there are new developments, changes to the reserve should be made. They should reflect the current exposure on a file. Step reserving is unacceptable. Some factors that affect reserves include aggravated liability, catastrophic injuries, claimant (age, sex, etc.), type of defendant, special damages and venue. All reserve changes will be noted and fully explained in Claim Notebook.

Establishing initial expense reserves

Funds set aside for the reserve should also reflect expenses that are anticipated through the conclusion of the case. Funds to cover legal expenses will be placed in reserve only for cases actually in litigation, or where a legal opinion is sought.

LIABILITY BEST PRACTICES

File reporting—capturing thinking and tracking progress

Documentation

For the record and to ensure that everything proceeds smoothly, we will document all file activity in Claim Notebook. Any discussions that take place with you and/or the carrier is confirmed in writing. Entries are made as quickly as possible regarding activity that needs to be reported. A digital image of any pertinent file material will be entered into RISX-FACS® and referenced in Claim Notebook.

Indication where the file is headed and the plan of action

To lend insight and understanding, our files reflect the thought processes of the handler, and files also indicate the direction the claim is taking. This includes an analysis of completed work, as well as indications about future plans and recommendations about what is needed to bring the file to a proper conclusion. The initial plan of action will be completed within 30 days of file set up.

Indication of supervision

Evidence of supervision and claim handler compliance are required on all claim files. The initial review must be made within 30 days of file set up, with subsequent reviews at 90-day maximum intervals. Coverage denials will be approved by management and fully documented before issuance of any coverage denial letter.

Claims management—keeping control to lower your costs

We check coverage

A Gallagher Bassett branch office will confirm that the claim is covered and being handled under the appropriate policy. Both Carrier and Supervisor/Manager approval will be obtained prior to issuing any notice of coverage denial. Supervisors must also review and approve all acceptances of coverage and document it in Claim Notebook

Your liability expressed as a percentage

Claim handlers will indicate their assessments of liability in terms of a percentage figure, unless otherwise indicated by the client. Language supporting the assessment will be documented in Claim Notebook. While this assessment is subject to revision, the claim file will always reflect the most current view of your liability. Projections regarding the extent of your liability will range from 0 to 100 percent.

Verification of damages

We will seek a HIPAA compliant medical authorization in order to obtain copies of all medical bills and reports that are needed to properly evaluate a BI (Bodily Injury) claim. No medical information will be released without written authorization from the patient. All medical and hospital liens will be acknowledged.

When last wages are alleged, we will verify all the necessary employment information including; the claimant's job title, length of employment, rate of pay, time missed, reason for lost time, and reimbursement of wages. If a claimant is self-employed, we will secure tax returns, bank statements or an accountant review (if warranted).

Seeking multiple estimates

Auto PD claims under $5,000 require two estimates, or just one estimate along with the use of an estimate review company, while cases over $5,000 require a field inspection. Non-auto PD losses under $2,500 may be adjusted on the basis of a contractor's estimate, while those over $2,500 require a field inspection or competitive estimate from an approved contractor.

The rules of claim evaluation

Two factors affect the evaluation of a claim:

1) Liability
   - What is the percentage of liability? Is the figure firm or is there a range and why?

2) Damages
   - Have special damages (medicals and lost wages) been obtained and verified? Have factors that increase the value of the damages been considered?
   - Have general damages (pain and suffering) and jurisdictional tendencies been analyzed?

LIABILITY BEST PRACTICES

Subrogation/salvage/ contribution

Subrogation potential will be addressed whenever a possibility of recovery from a legally responsible party exists. When property can be salvaged, it will be. The salvage process will be clearly stated, with results and decisions thoroughly addressed in Claim Notebook.

In applicable cases, contribution from joint tortfeasors should be explored and documented. If concurrent coverage is uncovered, the client should be informed of its existence for notification purposes only.

Within seven days of receipt, all "non-excess" recoveries will be processed and documented in Claim Notebook. A detailed explanation will be provided if a recovery cannot be processed for any reason.

Protocols to transfer files

We have enhanced file transfer protocols in place that outlines specific responsibilities for resolution managers and supervisors for both the sending and receiving ends of the file transfer process.

Disposition of claims

Settlement authorization

Require authority to settle a case must come from you or the excess/primary carrier and that authorization must be in writing. If telephone authorization is extended, email, a letter or fax confirming the conversation and authority amount must be received by Gallagher Bassett. Carrier approval will be obtained through the direct reporting branch.

Negotiation records

All negotiations will be documented in Claim Notebook and will include all offers and demands.

Obtaining releases

It is our policy that a written release must be obtained on all BI/PI claims settled in excess of $1,000. Regardless of the settlement amount, releases must also be obtained on all controlled losses, attorney-represented cases, and claims involving minors.

Claims closed without pay

Claims closed without payment will be documented, and will include the reason for closure within the documentation.

Carrier Reporting

Carrier reportable losses

Claims which meet carrier reporting criteria are cases which may affect the excess/primary layers of coverage. The following categories of claims are claims that will be reported to the carrier(s)

▶ **Total Experience.** Any occurrence with total experience (T/E) equal to or greater than 50 percent of the Self-Insured Retention (SIR) or other established figure, per Service Instructions.

▶ **Serious Injury.** Regardless of T/E or liability the following cases will be reported:

- Fatalities
- Brain Damage
- Spinal Cord Injuries resulting in paralysis
- Severe Scarring/Burns
- Loss of Sight/Hearing
- Amputation
- Multiple Fractures
- Environmental Impairment or Toxic Tort
- Sexual Assault or Abuse/Misconduct
- Lawsuits Where Excess/Primary Carrier is Named as Defendant

▶ **Coverage issues.** Any questions regarding coverage will be brought to the immediate attention of the appropriate parties.

Carrier loss reporting

An initial Detailed Status Report (DSR), along with copies of all pertinent file material, will be sent to the carrier within 30 days of receipt of a claim meeting the reporting criteria.

Subsequent DSRs, along with supportive file material, will follow the initial report on a quarterly basis, or as otherwise required. Significant developments, such as trial dates, will be reported immediately.

Carrier reporting procedures

Carrier correspondence is conducted directly by the GB branch. Supervisors are responsible for making sure the carrier receives timely DSRs containing the current claim status. If the Client Service Instructions indicate, all excess recoveries that are obtained are sent to the client contact.

Litigation Management

Requesting time extensions

Whenever practical, we will seek extensions in cases where additional time is needed to answer the complaint, or where a quick settlement may be made without defense counsel involvement. Extensions will be confirmed in writing, email, via fax and/or certified mail.

Standards for counsel selection

Because excellent legal advice is so important, defense counsel will be selected from an approved client/carrier list.

Ensuring quick initial assignment

Suits are immediately assigned to counsel by phone. Written confirmation, along with a copy of the file, is issued within 5 business days with copies of all pertinent information sent to counsel.

We maintain active participation

We feel strongly that a case should never be abandoned to counsel. Responsibility for the management and control of a litigated claim remains with Gallagher Bassett. Counsel should not perform work that can be performed more cost-effectively by a Gallagher Bassett branch office.

Issuing of status reports

An initial opinion letter will be provided by counsel within 30 days of case receipt. Subsequent status reports will follow as needed to keep Gallagher Bassett aware of developments on a timely basis. Counsel will complete the Suit Status Report form within 90 days of case receipt, and at least every 6 months thereafter. A pre-trial report will be prepared by counsel 45 days prior to the trial date. The report will cover all significant aspects of the case.

Legal expense billing

Legal bills will be itemized by date, work completed, hourly rate and time, and reviewed for accuracy before payment. Quarterly billings are preferred.

Liability Claim Audit

The Liability Claim audit is to ensure uniformity in approach and consistency in result. The audit program is our assurance to you and carriers that GB has a quality control program in place which effectively measures our efforts in achieving that goal. The audit is an analysis of the claim office's performance against compliance with the corporate liability best practices.

Detailed file audits as well as Quality Assurance (QA) audits are conducted regularly by the Quality, Compliance, & Risk team. Randomly selected files from RISX-FACS® are used for the detailed file audits using the same audit criteria as the Quality, Compliance, & Risk team. Of those files, a subset of files are chosen for the QA audits and compared side by side to promote objective and consistent scoring. All audit results are shared with the branch management team.

Liability Detailed Status Report format

At a minimum, the DSR contains:

- Claimant Name
- Claim #
- Accident State
- Accident Date
- Date Reported
- Occupation
- Date of Birth
- Carrier Name & Claim #

The narrative portion contains:

A. Reporting Reason
B. Client/Insured
C. Coverage
D. Description of Loss
E. Liability
F. Injuries
G. Subrogation/Contribution
H. Reserves
I. Paid-to-Date
J. Litigation
K. Demands
L. Offers
M. Status / Plan of Action
N. General Comments

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PROPERTY CLAIMS HANDLING BEST PRACTICES

Gallagher Bassett maintains a strong, centrally managed claim network. Our Best Practices are established by our Product Support division, and carried out by our branches. These Best Practices are based on the foundation by which our services are delivered. Gallagher Bassett's Best Practices are devised to ensure companywide compliance and are the benchmark by which we judge the level of an office's performance. Our Property Practice Unit continually monitors claim files and trains employees to ensure that quality service and products are delivered to our clients coast to coast.

This important information on our Property Best Practices is delivered in unembellished form so you get a fast, straightforward presentation of the details—everything you need to know to stay informed about our procedures in the property area and what, if anything, is required of you or your organization. We are presenting the bare bones at this point and will be pleased to flesh out the details—personally and face to face if you wish—if you need more information or further explanation.

Responsibilities overview

Branch Resolution Manager

The branch Resolution Manager is responsible for prompt client contact, and offering assistance and direction as to what is required relative to expediting the claim, when applicable, completes a full inspection and handles the loss to completion as outlined in the Property Best Practices.

Branch manager

The branch manager is responsible for the quality and supervisory control of all property loss adjustments within the branch.

He or she is required to make all loss assignments for claims occurring within the branch's servicing territory.

Regional General Adjuster

The RGA's responsibilities include maintaining the quality of all controlled losses, and all other losses specifically assigned to him or her for supervision by Home Office. The RGA will direct claims handling activities on all controlled losses within his or her area of authority and will coordinate branch activities on referred files as directed by the Vice President (VP) of Property.

If assigned to a catastrophe office, the RGA will assist in surveys of claims, adjust major losses, and report to the excess carriers on the catastrophe. It is also the RGA's job to request excess reimbursements upon completion of the losses.

Vice President of Property

The VP of Property is responsible for files controlled by Home Office. The VP will also be responsible for directing and monitoring all activity performed by the RGA.

He will also be responsible for all activity involving the Property Practice, including the branch management, supervision and claims handling.

Catastrophe manager responsibilities

It's the job of the catastrophe manager to provide professional services to you and the excess carriers. The catastrophe manager will submit timely reports that keep the zone Vice President and the VP of Property up to date regarding the progress being made on the catastrophe claim. Yet another important role of the catastrophe manager is also to establish and keep constant contact with you in order to keep you informed and provide any support you may need.

If a catastrophe office is needed, the catastrophe manager is responsible for staffing the office with technical and clerical professionals, supervising these individuals, providing supplies, and supervising the office in general.

General file control

Processing new claims

All new losses will be reviewed and set up in RISX-FACS®, our proprietory risk management information system, within 6 calendar days of the loss assignment.

Incoming mail

All mail will be uploaded into the claim file on the day of receipt.

The diary system

All claims will be entered into the RISX-FACS® diary with an appropriate diary date predicated by file activity and size of loss. Our standard diary in property is 60 days unless an exception has been granted by the RGA or the excess carriers.

Rules for correspondence

Form letters or e-mails are encouraged for routine communications. Formal letters or captioned reports will be issued as needed.

Adjustment plan procedures

Contact/attempted contact

We will contact you, or attempt to contact you, within 24 hours of the loss assignment. This pertains to all losses.

Property losses over $5,000

With losses over the $5,000 amount, an inspection of the loss is required. The actual inspection or an attempt to inspect (an agreed date and time) will be completed within 48 hours of the loss assignment.

Adjustment plan

The file will reflect the Resolution Manager's plans and his or her thoughts regarding the eventual disposition of the adjustment. An action plan is required

Establishing the reserve

The claim file will reflect how the reserve was calculated, indicate that the reserve is adequate, and note that it was established within 30 days of the loss notice.

Details on investigation and reporting

Explaining cause of loss

Cause of loss will be fully explained, and coverage will be verified.

Suspicious fires

In the case of suspicious fire losses, we will contact fire authorities. The file will contain detailed notes covering any conversation with authorities and/or a copy of the fire department report. In most cases, a cause and origin (C&O) expert will be assigned to investigate.

Burglary/theft

On all burglary and/or theft losses, the Resolution Manager will obtain a copy of the police report to verify the damages and missing items. If criminals are not identified or known, the Resolution Manager will at least obtain a police department case number.

Subrogation procedures

Subrogation will be reviewed and either established or eliminated. Documentation of the facts is required. Obtaining police or fire reports is recommended if subrogation is being considered.

Rules for large losses

On any claim over $5,000, the use of diagrams and photos is required. Photos frequently eliminate the need for re-inspections, which saves time and speeds case and claim resolution.

Assessing the scope of damage

Complete assessment of damages is required, including measurements, listing of materials, quantity of items involved, brand names of appliances, age of products, etc. Following this procedure from the start helps us to control your loss and assist the Resolution Manager in establishing a proper reserve.

Assuming value in salvage

To help keep claim costs down, we will always consider salvage and establish its possible use when the adjustment is first considered.

The need for a statement of loss

Statements of loss are required on all property files regardless of the size of the loss.

Controlled loss procedures

These procedures are explained in detail under "Controlled Loss Reporting."

Examining claim details

Verification of damages

Repair estimates or claim details that are submitted are given close review and require full extensions of proposed numbers. We verify repair costs, including the specifics of material costs—labor, profit and overhead. To ensure accuracy and adherence to standards, we we utilize a computerized estimating system, which serve as an excellent tool to proper adjustments.

Chronological order

We will ensure that all file materials and correspondence are kept in chronological order.

PROPERTY CLAIMS HANDLING BEST PRACTICES

Use of proper property forms

We will use the appropriate forms to create a more professional file and help maintain control of the loss adjustment.

Loss report property form

This form is used for the initial file setup.

Property worksheet

This form will be used for many applications: listing the scope of damage when the loss is reported, establishing the reserve by listing and extending material as well as labor costs, verifying contractors' bids, and completing your statements of loss.

Property report short form

This form is used on losses under $50,000, and ensures that the appropriate claim information is well documented in your file.

Controlled loss/property alert form

This form is used for immediate notification to the general Resolution Manager on all controlled losses.

Controlled loss reporting

Reporting requirements

The RGA is immediately notified of any losses or occurrences (MLOs) that meet the controlled loss program. The criterion for notification is any loss that is reserved at $50,000 or greater. If this is the case, a report will be completed and submitted to the RGA. When smaller SIRs (Self-Insured Retensions) are involved, (under $100,000), the loss will be reported based on 50 percent of the SIR. In addition, any fidelity (FF), boiler and machinery (BM), earthquake (RQ), flood (RF) and/or time element (TE) loss of any size is considered to be a controlled loss requiring a report.

Telephone communication between the Resolution Manager and the RGA will take place within 24 hours.

Time frame for reporting

Controlled loss/property alert form

This form is used to expedite communication and ensure immediate notification to the carriers. The RGA must receive this typed report within 7 days from the date of Gallagher Bassett's initial notice of loss.

Captioned reports

The first captioned report is due within 30 days of receipt of the loss notice. All interim reports are due 60 days thereafter unless a different time frame is agreed upon by the RGA or the excess carriers.

NOTE: Gallagher Bassett Branch personnel only report directly to primary, excess or reinsurance carriers on national accounts as previously agreed. Also, any loss or occurrence in excess of $100,000 requires telephone contact with the RGA within 24 hours of loss assignment.

Excess controlled loss closure

Excess carrier recoveries are made by the RGA, who is responsible for entering the recoveries into the RISX- FACS® system. The Gallagher Bassett branch will not close excess claim files. Closing of the file is the responsibility of the Home Office Operations Department once proper documentation has been submitted by the RGA.

Supervisory controlled loss closure

Prior to a file closing, the assigned branch will contact the RGA and receive approval for closing. The branch normally submits a final report advising the RGA that the file is to be closed for less than the SIR.

Property captioned report formats

The following elements must be included in the captioned reports.

First report

- Questions submitted (optional, if applicable)
- Insured
- Cause of Loss
- Insurance
- Risk
- Adjustment
  - Reserve
  - Scope of damage
  - What has been done
  - Plan of action
- Salvage
- Subrogation
- General comments (optional, if applicable)
- Next report due
- Enclosures (optional, if applicable)

Interim reports

- Insured
- Adjustment
  - Reserve

  - What has been done
  - Plan of action
- Next Report Due

Final Report

- Insured
- Cause of Loss
- Insurance
- What has been done
- Salvage
- Subrogation
- Enclosures

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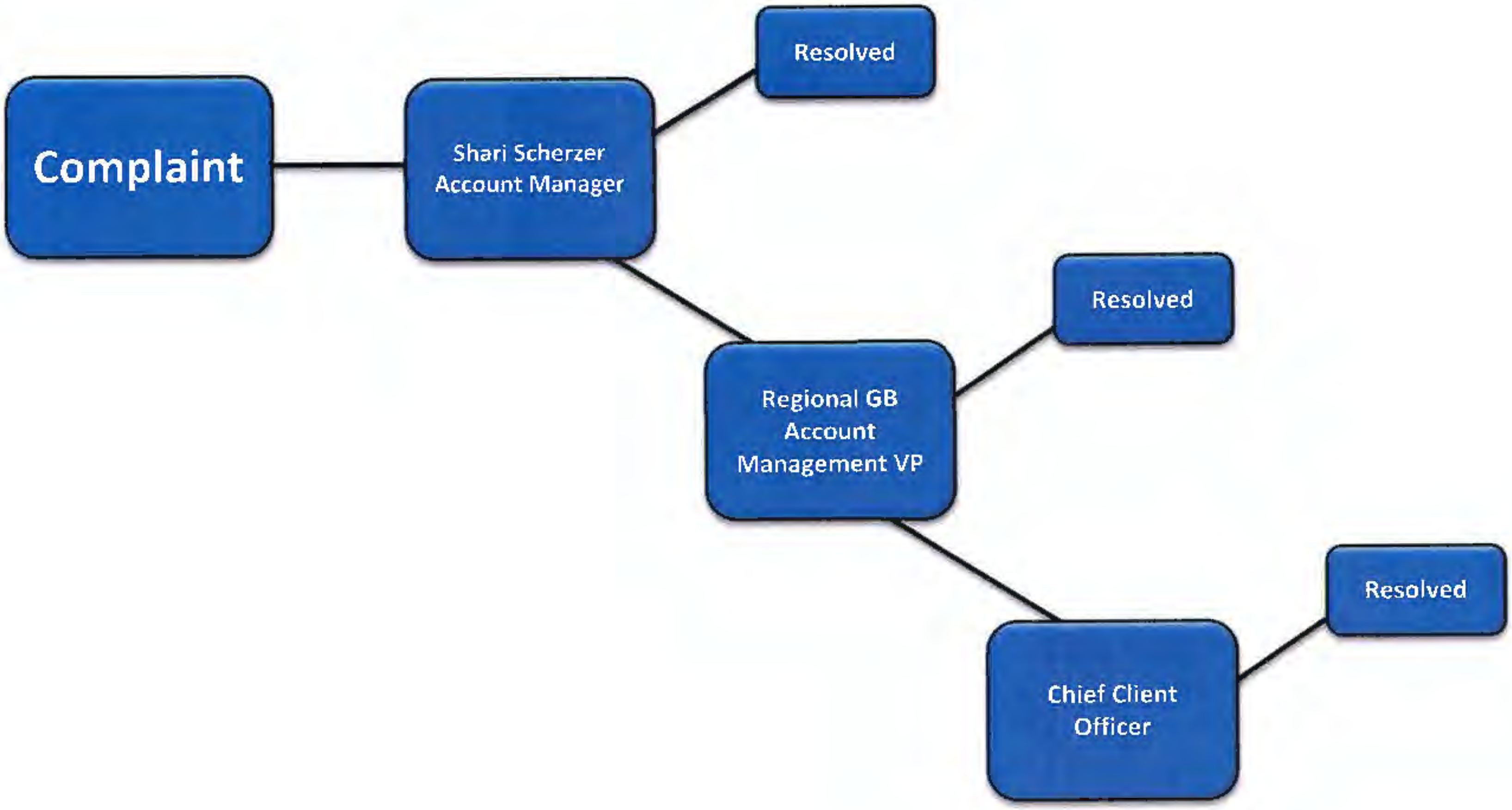
Complaint Resolution and Escalation Process



GALLAGHER BASSETT

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Statement Regarding Gallagher Bassett's Position on Client and Broker Access to Claims Notes and Files

Gallagher Bassett supports and encourages its clients and their brokers to access claim file notes and supporting documentation.

Timely and meaningful exchange of information is a key element of a successful business partnership, and the on-demand availability of claim file information supports the achievement of this goal.

We would expect the State's Risk Management team and individual state agencies to use our Luminos system to monitor their claims, and as a vehicle to communicate with State's dedicated, claim service team members.

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

Gallagher Bassett (GB) is an established leader in the claim handling industry because we have held true to our core values of customer service, quality, and innovation. We are fortunate to have the same strong and committed ownership team since our inception – that spans over 55 years. This stability is truly a differentiator, and the corresponding investment translates into the delivery of innovative risk management products, in a high quality manner, that positively and quantifiably impacts our clients' total cost of risk.

At GB, we believe one idea, one client, and the willingness to think differently can change everything. Not only do we strive to provide superior claims services, we aim to be a critical part of our clients' continued success. This idea is embodied in our tagline, "Guide. Guard. Go Beyond." We guide and guard the lives and financial future of our clients and their people, and we go beyond in the continuous pursuit of a better way. By combining the cutting edge qualitative and quantitative quality management tools, supervision, clerical support, decision support (predictive modeling), and continuous talent development processes – GB empowers our resolution managers to Go Beyond in partnership with our clients every day.

PROGRAM GOALS

We have been honored to serve as the State of Nebraska's Third Party Administrator for workers' compensation claims administration since 2016, and our time as business partners has given us clear insight into the State's risk management program, and subsequently the experience necessary to provide tailored claims service that align with your program objectives. An established and successful leader in both the Workers' Compensation and Liability TPA space, Gallagher Bassett stands ready to expand our support to include the State's property and casualty program.

At Gallagher Bassett, we use comprehensive strategies to achieve the greatest possible cost control and an active, event-driven management approach to resolve and close files without compromising the care and compassion required to satisfy clients and claimants. GB uses proactive claims management across the resolution process, from claim intake to recovery, to deliver the right resources at the right time to claimants to secure the best possible outcome. We are committed to helping the State meet their risk management goals and protect taxpayer's monies.

Our Liability Practice Group has the ability to centralize the liability program to create consistencies and efficiencies. A centralized program allows for a single point of contact on all program details and streamlined management and/or supervision of files. Centralization provides the highest quality of claims handling as we have the best ability to focus on claim metrics, claim resolution through active claim management, as well as claim quality though consistent coaching and development. In 2016, Gallagher Bassett handled 195,935 auto liability claims while having a closure rate (at 12 months) of 68.2% for auto liability, 32.4% for auto bodily injury, and 78% for auto property damage claims.

The State's property and casualty program will be serviced by an experienced, multi-line resolution manager who will co-locate with the State's workers' compensation team in Omaha with supervisory oversight provided by a designated supervisor in our St. Louis, MO service center.

SERVICE

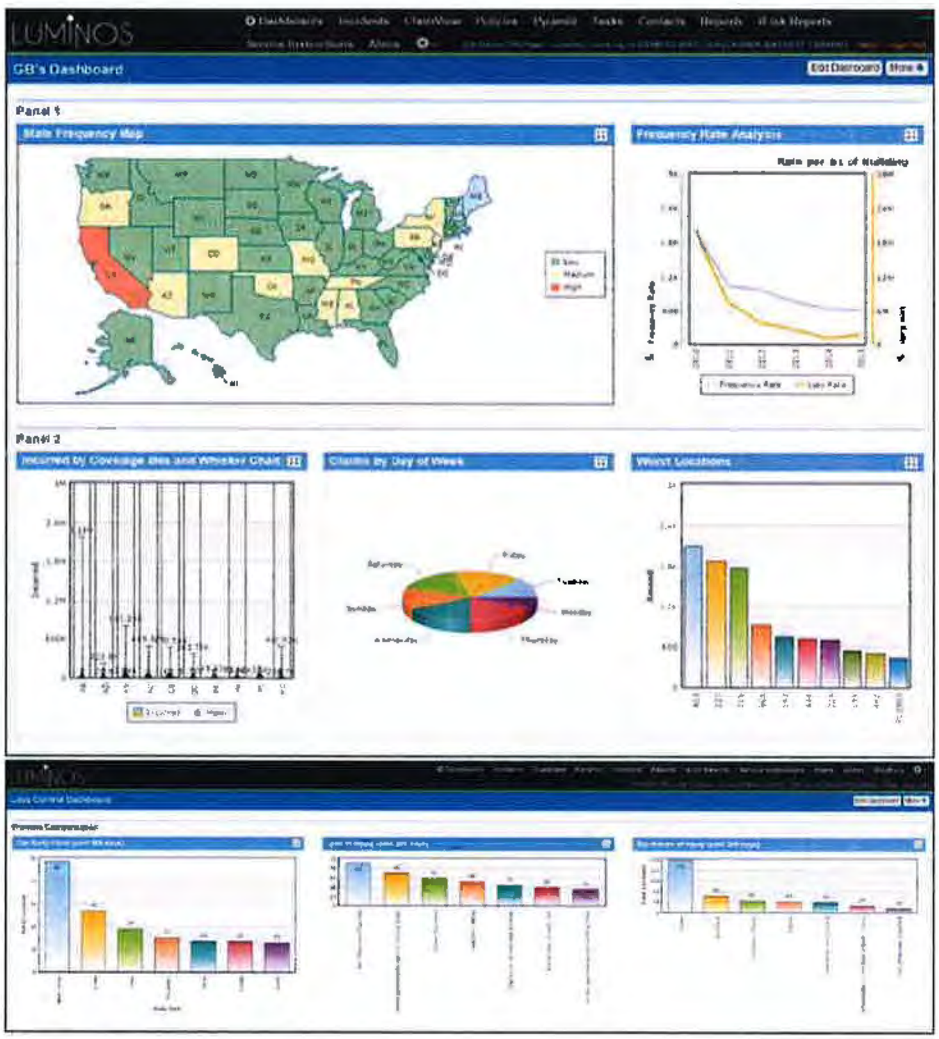
We help our clients unlock their best possible future when it comes to claims management. Personal service and partnership are vital in building long, trusted and mutually beneficial client relationships. This is what our account managers and resolution managers do best. They make sure there's a face, a voice, and personality attached to any task or service we perform. At Gallagher Bassett, we take pride in the fact that there's actually a person behind our "personalized" service.

Shari Scherzer currently serves as the State's Account Principal and leads the GB team supporting its Workers' Compensation program. Shari would also serve as the Account Principal for the property and casualty program and oversee a seamless transition. Shari has vast risk management experience and knowledge of every aspect of Gallagher Bassett's proprietary risk management tools and methodologies. This enables her to maximize the program, solutions, and benefits we provide. Shari is fully empowered to make the necessary decisions regarding the administration and implementation of the State's property and casualty program.

Analytic Power

Ours is one of the most human businesses of all, helping people unlock their best possible futures. To do it, we need to empower the best people with the best in technology. GB is proud of its investment and leadership in developing and fielding the tools that make it easier to make the lives of others - clients and claimants alike - easier.

GB is the claims management leader in the use of data analytics to drive insight and improve program performance. Luminos is our client-facing RMIS that provides information ranging from dashboard overviews to detailed standard and customized reports and access to the claim file itself. Powered by recognized industry RMIS leader, Origami Risk, Luminos offers an extensive suite of customizable dashboards, analysis of trends and identification of hot spots to enable rapid preventive and corrective action. In addition to the base platform included in the GB administration fee, additional Origami functionality such as a cost allocation module, OSHA module, and more will be made available to the State. We welcome the opportunity to provide a detailed demonstration of the Luminos tool for the State team.



Our analytics are presented proactively over time, both through Luminos and through our stewardship meeting to review performance and decide strategy for the coming year. All analytics can be performed for as a whole or for individual units/jurisdictions/locations to identify meaningful trends, 'drilling down' to root cause, and deciding on a course of action to realize the opportunity surfaced by the analysis. The plan of action and key metrics are revisited regularly throughout the year to ensure progress toward objectives.

GB IS THE CLEAR CHOICE

Gallagher Bassett believes in doing the right thing in the right way. From workers suffering a loss or damaged third parties, to organizations needing to move forward - people count on us. We're aware of it and ready to meet the challenge due to:

- **People.** Our ability to attract and retain top talent is unparalleled. GB's roster of high-profile thought leaders demonstrate our ability to attract strong leaders. Our commitment to the ongoing development of GB University and our truly unique culture will enable us to continue to attract and retain top professionals in claims, client service, analytics, and information technology.
- **Long-term financial stability.** GB's financial strength is unchallenged, and creates a consistent outcome focused environment for our clients as well as long term investment toward GB's continuous pursuit of a better way.
- **Commitment to Innovation.** GB has been a force for innovation throughout its history. The recent infusion of talent into our core claims, client services, analytics and IT organizations, as well as the ongoing investment into our decision support tools and technology – Waypoint and Luminos – clearly demonstrate both our willingness and ability to invest in our future.

On behalf of all of us in the Gallagher Bassett family, thank you for the opportunity to be your partner for the last year and a half. It has been a pleasure to support the State of Nebraska and we sincerely hope we earn the privilege to continue serving the State well into the future. As you review our proposal, we'd welcome you reaching out to us with any questions or thoughts. Allen Butler, our National Practice Leader for Public Entity Sales, can be reached anytime at allen_butler@gbtpa.com or by calling 630.285.3597.

Thank you!

B

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Location Level 2: DEPARTMENT OF INSURANCE - 02-22						
MANAGEMENT SERVICES DIV - 03-22070000	1.00	$26,360.00	$1,065.67	$25,294.33	$26,360.00	$26,360.00
Totals for **DEPARTMENT OF INSURANCE - 02-22** - 1 Claim	**1.00**	**$26,360.00**	**$1,065.67**	**$25,294.33**	**$26,360.00**	**$26,360.00**
Location Level 2: DEPARTMENT OF LABOR - 02-23						
DEPARTMENT OF LABOR - 03-23	2.00	$1,285.84	$1,285.84	$0.00	$642.92	$992.31
Totals for **DEPARTMENT OF LABOR - 02-23** - 2 Claim	**2.00**	**$1,285.84**	**$1,285.84**	**$0.00**	**$642.92**	**$992.31**
Location Level 2: DEPARTMENT OF MOTOR VEHICLES - 02-24						
EXAMININGCASH - 03-24333001	8.00	$117,671.49	$13,079.98	$104,591.51	$14,708.94	$64,340.00
FRCASH FUND - 03-24331001	2.00	$7,805.48	$7,805.48	$0.00	$3,902.74	$5,904.66
Totals for **DEPARTMENT OF MOTOR VEHICLES - 02-24** - 10 Claims	**10.00**	**$125,476.97**	**$20,885.46**	**$104,591.51**	**$9,305.84**	**$64,340.00**
Location Level 2: DEPARTMENT OF REVENUE - 02-16						
DEPARTMENT OF REVENUE - 03-16	1.00	$791.00	$791.00	$0.00	$791.00	$791.00
OAS - 03-16111001	1.00	$128.53	$128.53	$0.00	$128.53	$128.53
Totals for **DEPARTMENT OF REVENUE - 02-16** - 2 Claims	**2.00**	**$919.53**	**$919.53**	**$0.00**	**$459.77**	**$791.00**
Location Level 2: DEPARTMENT OF TRANSPORTATION - 02-27						
CONSTRUCTION - 03-27227050	1.00	$353.84	$353.84	$0.00	$353.84	$353.84
DEPARTMENT OF ROADS - 03-27	39.00	$649,475.08	$191,885.41	$457,589.67	$16,653.21	$216,555.00
ROADS CONTROLLER CENTRAL COM - 03-27131529	1.00	$6,630.23	$6,630.23	$0.00	$6,630.23	$6,630.23
ROADS DISTRICT 1 DAVID CITY - 03 -27613176	2.00	$24,315.67	$10,069.55	$14,246.12	$12,157.84	$22,480.00
ROADS DISTRICT 1 DIS 1 HGTR - 03 -27612531	1.00	$201.53	$201.53	$0.00	$201.53	$201.53
ROADS DISTRICT 1 DIS 1 MNT - 03-27613532	2.00	$11,591.35	$11,591.35	$0.00	$5,795.68	$9,604.43
ROADS DISTRICT 2 BLAIR - 03-27623128	1.00	$108,243.00	$31,482.15	$76,760.85	$108,243.00	$108,243.00
ROADS DISTRICT 2 ELKHORN - 03-27623193	2.00	$3,263.30	$3,263.30	$0.00	$1,631.65	$2,692.79
ROADS DISTRICT 2 FREMONT - 03-27622216	1.00	$260.83	$260.83	$0.00	$260.83	$260.83
ROADS DISTRICT 2 FREMONT - 03-27623216	1.00	$38,072.00	$22,702.38	$15,369.62	$38,072.00	$38,072.00
ROADS DISTRICT 2 OMAHA 180 - 03-27623490	3.00	$7,136.84	$7,136.84	$0.00	$2,378.95	$6,200.68

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
ROADS DISTRICT 2 OMAHA MOR B - 03-27623492	3.00	$5,543.33	$5,543.33	$0.00	$1,847.78	$5,217.09
ROADS DISTRICT 2 SOUTH OMAHA - 03-27622491	3.00	$144,916.50	$38,267.78	$106,648.72	$48,305.50	$139,722.00
ROADS DISTRICT 2 SOUTH OMAHA - 03-27623491	1.00	$845.83	$845.83	$0.00	$845.83	$845.83
ROADS DISTRICT 3 COLUMBUS - 03 -27633154	3.00	$10,312.58	$10,312.58	$0.00	$3,437.53	$7,287.03
ROADS DISTRICT 3 LAUREL - 03-27633291	1.00	$1,553.20	$1,553.20	$0.00	$1,553.20	$1,553.20
ROADS DISTRICT 3 NELIGH - 03-27633333	2.00	$1,650.46	$1,650.46	$0.00	$825.23	$1,370.59
ROADS DISTRICT 3 NORFOLK - 03-27633340	2.00	$95,686.17	$27,349.49	$68,336.68	$47,843.09	$95,566.00
ROADS DISTRICT 3 PLAINVIEW - 03 -27633380	1.00	$42,991.00	$29,038.01	$13,952.99	$42,991.00	$42,991.00
ROADS DISTRICT 3 SO SIOUX CITY - 03-27633421	1.00	$164.74	$164.74	$0.00	$164.74	$164.74
ROADS DISTRICT 3 WAYNE - 03-27632466	1.00	$2,579.65	$2,579.65	$0.00	$2,579.65	$2,579.65
ROADS DISTRICT 3 WAYNE - 03-27633466	3.00	$162,200.00	$60,210.15	$101,989.85	$54,066.67	$145,984.00
ROADS DISTRICT 3 WEST POINT - 03-27633467	1.00	$10,764.99	$10,764.99	$0.00	$10,764.99	$10,764.99
ROADS DISTRICT 4 AURORA - 03-27643116	2.00	$632.57	$632.57	$0.00	$316.29	$377.48
ROADS DISTRICT 4 CENTRAL CITY - 03-27643146	3.00	$111,623.00	$45,396.94	$66,226.06	$37,207.67	$110,461.00
ROADS DISTRICT 4 FULLERTON - 03-27643218	2.00	$188,128.00	$50,067.34	$138,060.66	$94,064.00	$115,050.00
ROADS DISTRICT 4 GENEVA - 03-27643231	2.00	$1,312.76	$1,312.76	$0.00	$656.38	$832.06
ROADS DISTRICT 4 GRAND ISLAND - 03-27642235	1.00	$120.17	$120.17	$0.00	$120.17	$120.17
ROADS DISTRICT 4 GRAND ISLAND - 03-27643235	5.00	$31,442.09	$5,007.00	$26,435.09	$6,288.42	$26,810.00
ROADS DISTRICT 4 HASTINGS - 03-27643255	2.00	$81,610.13	$12,250.15	$69,359.98	$40,805.07	$81,402.00
ROADS DISTRICT 4 HEBRON - 03-27643258	2.00	$2,379.00	$812.11	$1,566.89	$1,189.50	$2,300.00
ROADS DISTRICT 4 KEARNEY - 03-27643281	5.00	$59,753.56	$39,460.24	$20,293.32	$11,950.71	$40,092.00

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
ROADS DISTRICT 4 ORD - 03-27642355	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
ROADS DISTRICT 4 ORD - 03-27643355	2.00	$16,458.17	$1,618.24	$14,839.93	$8,229.09	$15,875.00
ROADS DISTRICT 4 ST PAUL - 03-27643422	1.00	$14,860.00	$0.00	$14,860.00	$14,860.00	$14,860.00
ROADS DISTRICT 5 ALLIANCE - 03-27653104	1.00	$713.01	$713.01	$0.00	$713.01	$713.01
ROADS DISTRICT 5 BRIDGEPORT - 03-27653133	1.00	$1,115.42	$1,115.42	$0.00	$1,115.42	$1,115.42
ROADS DISTRICT 5 CHAPPELL - 03-27653150	1.00	$12,583.29	$12,583.29	$0.00	$12,583.29	$12,583.29
ROADS DISTRICT 5 CRAWFORD - 03-27653157	1.00	$110.45	$110.45	$0.00	$110.45	$110.45
ROADS DISTRICT 5 GERING - 03-27653232	4.00	$25,038.03	$25,038.03	$0.00	$6,259.51	$17,418.47
ROADS DISTRICT 5 KIMBALL - 03-27653283	2.00	$34,161.89	$27,928.01	$6,233.88	$17,080.95	$33,103.00
ROADS DISTRICT 5 SIDNEY - 03-27653417	1.00	$834.73	$834.73	$0.00	$834.73	$834.73
ROADS DISTRICT 6 ANSLEY - 03-27663106	1.00	$154.88	$154.88	$0.00	$154.88	$154.88
ROADS DISTRICT 6 BIG SPRINGS - 03-27663080	2.00	$21,294.99	$583.37	$20,711.62	$10,647.50	$21,070.00
ROADS DISTRICT 6 BROKEN BOW - 03-27663134	3.00	$8,211.92	$311.92	$7,900.00	$2,737.31	$4,900.00
ROADS DISTRICT 6 LEXINGTON - 03-27663294	4.00	$18,316.56	$998.04	$17,318.52	$4,579.14	$17,436.00
ROADS DISTRICT 6 NORTH PLATTE - 03-27663342	5.00	$6,461.64	$6,461.64	$0.00	$1,292.33	$5,027.63
ROADS DISTRICT 6 WALLACE - 03-27663463	1.00	$57,028.00	$37,109.87	$19,918.13	$57,028.00	$57,028.00
ROADS DISTRICT 7 IMPERIAL - 03-27673271	1.00	$347.36	$347.36	$0.00	$347.36	$347.36
ROADS DISTRICT 7 MC COOK - 03-27673315	3.00	$141,831.00	$92,744.13	$49,086.87	$47,277.00	$48,531.00
ROADS DISTRICT 7 MINDEN - 03-27673319	2.00	$4,292.23	$2,548.16	$1,744.07	$2,146.12	$4,000.00
ROADS DISTRICT 8 NAPER - 03-27683331	1.00	$31,586.00	$14,856.57	$16,729.43	$31,586.00	$31,586.00
ROADS DISTRICT 8 AINSWORTH - 03-27683102	1.00	$49,147.00	$32,720.29	$16,426.71	$49,147.00	$49,147.00

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
ROADS DISTRICT 8 VALENTINE - 03 -27683455	1.00	$211,568.00	$142,604.25	$68,963.75	$211,568.00	$211,568.00
ROADS OFFICE OF OPERATIONS - 03-27500	1.00	$2,847.47	$2,847.47	$0.00	$2,847.47	$2,847.47
Totals for **DEPARTMENT OF TRANSPORTATION - 02-27** - 141 Claims	**141.00**	**$2,467,715.44**	**$1,033,156.03**	**$1,434,559.41**	**$19,751.76**	**$216,555.00**
Location Level 2: **DEPARTMENT OF VETERANS' AFFAIRS - 02-28**						
DEPARTMENT OF VETERANS' AFFAIRS - 03-28	10.00	$25,690.30	$3,165.16	$22,525.14	$2,569.03	$10,900.00
H H S VETERANS ADMINISTRATION - 03-28450003	5.00	$14,787.63	$5,549.82	$9,237.81	$2,957.53	$4,900.00
VETERAN HOMES ADMIN - 03-28450001	1.00	$282.83	$282.83	$0.00	$282.83	$282.83
VETS HOME DIR OFC PAY - 03-28017001	2.00	$3,355.93	$365.93	$2,990.00	$1,677.97	$3,000.00
Totals for **DEPARTMENT OF VETERANS' AFFAIRS - 02-28** - 18 Claims	**18.00**	**$44,116.69**	**$9,363.74**	**$34,752.95**	**$1,871.84**	**$10,900.00**
Location Level 2: **DEPT OF ADMINISTRATIVE SERVICES - 02-65**						
ACCOUNTINGIT - 03-65025015	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
ADMIN SERVICES RISK MANAGEMENT - 03-6511	1.00	$600.00	$0.00	$600.00	$600.00	$600.00
CAPITOL COMMISSION MECHANICAL - 03-65130202	1.00	$28,952.00	$10.00	$28,942.00	$28,952.00	$28,952.00
CAPITOL COMMISSION ROOF - 03-65130219	1.00	$3,000.00	$518.78	$2,481.22	$3,000.00	$3,000.00
EMS NETWORK - 03-65043200	1.00	$32,410.00	$14,423.73	$17,986.27	$32,410.00	$32,410.00
FIELD SERVICES RF - 03-65060015	2.00	$45.00	$45.00	$0.00	$22.50	$45.00
GEN ADMINISTRATION - 03-65070045	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NSOB/LINCOLN - 03-65043100	1.00	$1,377.38	$1,377.38	$0.00	$1,377.38	$1,377.38
NSP C HDQTRS - 03-65047400	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
SOS - 03-65080001	2.00	$15,200.00	$20.00	$15,180.00	$7,600.00	$12,700.00
STAFFING PASSTHROUGH - 03-65070522	1.00	$49,304.00	$234.82	$49,069.18	$49,304.00	$49,304.00
SURPLUS PROPERTY OPER - 03-65050017	1.00	$2,295.93	$2,295.93	$0.00	$2,295.93	$2,295.93
WHITEHALL CAMPUS - 03-65042600	1.00	$3,000.00	$130.17	$2,869.83	$3,000.00	$3,000.00
Totals for **DEPT OF ADMINISTRATIVE SERVICES - 02-65** - 15 Claims	**15.00**	**$136,184.31**	**$19,055.81**	**$117,128.50**	**$9,889.37**	**$49,304.00**

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Location Level 2: DEPT OF AGRICULTURE - 02-18						
ADM & INSP/ANIMAL TESTING - 03-18063000	2.00	$3,900.00	$130.17	$3,769.83	$1,950.00	$3,900.00
AGRICULTURE, DEPARTMENT OF - 03-18	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
FOOD LAB - 03-18027800	1.00	$279.97	$279.97	$0.00	$279.97	$279.97
W&M ADMININSPECTION - 03-18057400	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
Totals for **DEPT OF AGRICULTURE - 02-18** - 5 Claims	**5.00**	**$4,179.97**	**$410.14**	**$3,769.83**	**$557.49**	**$3,900.00**
Location Level 2: GAME AND PARKS - 02-33						
ALEXANDRIA WMA/SRA - 03-33130173	1.00	$94,620.00	$51,776.19	$42,843.81	$94,620.00	$94,620.00
BRANCHED OAK WMA/SRA - 03-33130315	3.00	$7,916.20	$7,916.20	$0.00	$2,638.73	$4,254.47
BUDGET BUSINESS UNIT - 03-33030001	1.00	$175.17	$175.17	$0.00	$175.17	$175.17
CALAMUS WMA/SRA - 03-33130241	2.00	$387.72	$387.72	$0.00	$193.86	$290.52
CHADRON SP - 03-33130128	4.00	$4,025.01	$4,025.01	$0.00	$1,006.25	$2,304.69
EUGENE T. MAHONEY SP - 03-33130110	7.00	$138,190.28	$95,916.70	$42,273.58	$19,741.47	$126,477.00
FISHERIES ADMINISTRATION STA - 03-33050143	2.00	$5,198.47	$5,198.47	$0.00	$2,599.24	$3,369.52
GAME AND PARKS - 03-33	30.00	$427,797.33	$155,481.52	$272,315.81	$14,259.91	$196,200.00
INDIAN CAVE SP - 03-33130116	2.00	$1,402.37	$1,402.37	$0.00	$701.19	$852.59
JOHNSON LAKE SRA - 03-33130281	1.00	$27,102.00	$1,320.92	$25,781.08	$27,102.00	$27,102.00
LAKE MCCONAUGHY SRA - 03-33130254	3.00	$66,339.03	$31,696.28	$34,642.75	$22,113.01	$33,416.00
LEWIS & CLARK SRA - 03-33130274	2.00	$657.29	$657.29	$0.00	$328.65	$444.17
PONCA SP - 03-33130125	4.00	$3,839.14	$3,839.14	$0.00	$959.79	$2,205.94
WILDCAT HILLS SRA 23330549 - 03-33130583	1.00	$3,000.00	$0.00	$3,000.00	$3,000.00	$3,000.00
Totals for **GAME AND PARKS - 02-33** - 63 Claims	**63.00**	**$780,650.01**	**$359,792.98**	**$420,857.03**	**$13,531.38**	**$196,200.00**
Location Level 2: HHS - 02-25						
BSDC PAY HOME - 03-25050113	120.00	$607,867.84	$222,321.98	$385,545.86	$5,065.57	$62,446.00
CENTRAL SA EA PAY HOME - 03-25340010	1.00	$22,900.00	$31.50	$22,868.50	$22,900.00	$22,900.00
CENTRAL SA PS PAY HOME - 03-25340045	2.00	$15,329.46	$15,329.46	$0.00	$7,664.73	$14,362.42

GALLAGHER BASSETT

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
COMMUN ITY PLAN & PROT PAY HOM - 03-25480001	1.00	$24,108.00	$291.07	$23,816.93	$24,108.00	$24,108.00
CSC FREMONT SSW PAY HOME - 03 -25359001	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
CSC SCOTTSBLUFF SSW PAY HOME - 03-25319001	1.00	$10.00	$10.00	$0.00	$10.00	$10.00
DD SVS COORD PAY HOME - 03-25380929	7.00	$58,688.22	$16,517.26	$42,170.96	$8,384.03	$29,400.00
DEVLP DISAB ADM PAY HOME - 03-25040005	2.00	$549.17	$549.17	$0.00	$274.59	$328.87
EASTERN SA EA PAY HOME - 03-25380011	2.00	$28,254.81	$12,420.82	$15,833.99	$14,127.41	$27,800.00
EASTERN SA PS PAY HOME - 03-25380040	4.00	$1,244.83	$1,244.83	$0.00	$311.21	$441.26
ENVH PAY HOME - 03-25190135	11.00	$109,643.51	$48,938.64	$60,704.87	$9,967.59	$51,196.00
ENVIRON HEALTH REG PAY HOME - 03-25460001	1.00	$741.34	$741.34	$0.00	$741.34	$741.34
GIVH PAY HOME - 03-25070425	9.00	$22,675.57	$22,675.57	$0.00	$2,519.51	$11,715.25
H H S SOUTHEAST SERVICE AREA - 03-25370346	1.00	$180.50	$180.50	$0.00	$180.50	$180.50
HRC PAY HOME - 03-25080169	7.00	$55,168.25	$20,540.73	$34,627.52	$7,881.18	$24,844.00
INVESTIGATIONS PAY HOME - 03-25520001	1.00	$3,000.00	$237.31	$2,762.69	$3,000.00	$3,000.00
LIFESPAN HEALTH PAY HOME - 03-25530001	1.00	$761.61	$761.61	$0.00	$761.61	$761.61
LINCOLN REGIONAL CENTER - 03-25110001	8.00	$27,309.56	$27,309.56	$0.00	$3,413.70	$17,892.69
LRC PAY HOME - 03-25110256	71.00	$256,154.08	$111,993.80	$144,160.28	$3,607.80	$33,811.00
MLTC CLAIMS & PROGRAM INTEGRIT - 03-25710178	1.00	$10.00	$10.00	$0.00	$10.00	$10.00
MLTC LINCOLN CSC PAY HOME - 03 -25744600	1.00	$110.45	$110.45	$0.00	$110.45	$110.45
MLTC LONG TERM CARE - 03-25730001	3.00	$1,725.79	$1,725.79	$0.00	$575.26	$985.15
MLTC METRO LINCOLN PAY HOME - 03-25744200	1.00	$3,674.97	$3,674.97	$0.00	$3,674.97	$3,674.97
MLTC RURAL PAY HOME - 03-25744500	4.00	$55,110.00	$2,140.91	$52,969.09	$13,777.50	$47,000.00
NRC PAY HOME - 03-25210157	24.00	$82,047.76	$25,220.94	$56,826.82	$3,418.66	$37,456.00
NVH PAY HOME - 03-25150142	8.00	$62,378.75	$24,894.55	$37,484.20	$7,797.34	$34,400.00
OPER DIR PAY HOME - 03-25011001	2.00	$0.00	$0.00	$0.00	$0.00	$0.00

GALLAGHER BASSETT

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
PROTECTION & SAFETY PAY HOME - 03-25400067	1.00	$700.00	$700.00	$0.00	$700.00	$700.00
PUBLIC HEALTH SUPPORT PAY HOME - 03-25490001	5.00	$199,035.86	$75,877.49	$123,158.37	$39,807.17	$157,769.00
SESA SA PS PAY HOME - 03-25370045	2.00	$1,025.65	$1,025.65	$0.00	$512.83	$844.42
SUPPORT SERVICES PAY HOME - 03-25790080	2.00	$10.00	$10.00	$0.00	$5.00	$10.00
WESTERN SA EA PAY HOME - 03-25310016	1.00	$2,790.09	$2,790.09	$0.00	$2,790.09	$2,790.09
WNVH PAY HOME - 03-25180131	8.00	$59,730.88	$31,158.34	$28,574.34	$7,466.34	$46,966.00
YRTC GENEVA PAY HOME - 03-25420095	18.00	$82,120.78	$31,631.97	$50,488.81	$4,562.27	$57,000.00
YRTC KEARNEY PAY HOME - 03-25430090	26.00	$96,308.75	$38,022.89	$58,285.86	$3,704.18	$18,800.00
Totals for **HHS - 02-25** - 358 Claims	**358.00**	**$1,881,366.28**	**$741,087.19**	**$1,140,279.09**	**$5,823.74**	**$157,769.00**
Location Level 2: **LEGISLATIVE COUNCIL - 02-03**						
OFFICE OF PUBLIC COUNSEL - 03-3504000	1.00	$28,552.00	$10,670.33	$17,881.67	$28,552.00	$28,552.00
SALARIES OF LEGISLATORS - 03-3001000	1.00	$81.00	$81.00	$0.00	$81.00	$81.00
Totals for **LEGISLATIVE COUNCIL - 02-03** - 2 Claims	**2.00**	**$28,633.00**	**$10,751.33**	**$17,881.67**	**$14,316.50**	**$28,552.00**
Location Level 2: **NE COMMISS LAW ENFORCEMENT - 02-78**						
TRNG CTR OPERATIONS - 03-78996100	1.00	$303.36	$303.36	$0.00	$303.36	$303.36
Totals for **NE COMMISS LAW ENFORCEMENT - 02-78** - 1 Claim	**1.00**	**$303.36**	**$303.36**	**$0.00**	**$303.36**	**$303.36**
Location Level 2: **NE COMMISSION FOR THE BLIND - 02-81**						
BASSUP2015FEDKEARNEY - 03-81401541	1.00	$1,627.24	$1,627.24	$0.00	$1,627.24	$1,627.24
BASSUP2015FEDORIENTATION CENTE - 03-81801541	1.00	$421.72	$421.72	$0.00	$421.72	$421.72
Totals for **NE COMMISSION FOR THE BLIND - 02-81** - 2 Claims	**2.00**	**$2,048.96**	**$2,048.96**	**$0.00**	**$1,024.48**	**$1,627.24**
Location Level 2: **NE COMMISSION FOR THE DEAF - 02-82**						
HEARING IMPAIRED - 03-82001000	1.00	$163.49	$163.49	$0.00	$163.49	$163.49
Totals for **NE COMMISSION FOR THE DEAF - 02-82** - 1 Claim	**1.00**	**$163.49**	**$163.49**	**$0.00**	**$163.49**	**$163.49**

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Location Level 2: NE DEPART OF ENVIRONMENTAL QUAL - 02-84						
EMISSION INVENTORY - 03-84002033	1.00	$15,100.00	$10.00	$15,090.00	$15,100.00	$15,100.00
Totals for **NE DEPART OF ENVIRONMENTAL QUAL - 02-84** - 1 Claim	**1.00**	**$15,100.00**	**$10.00**	**$15,090.00**	**$15,100.00**	**$15,100.00**
Location Level 2: NE DEPARTMENT OF EDUCATION - 02-13						
EARLY CHILDHOOD - 03-13449906	1.00	$17,600.00	$10.00	$17,590.00	$17,600.00	$17,600.00
VOCATIONAL REHABILITATION SVC - 03-13519906	4.00	$68,051.81	$42,506.54	$25,545.27	$17,012.95	$66,630.00
Totals for **NE DEPARTMENT OF EDUCATION - 02-13** - 5 Claims	**5.00**	**$85,651.81**	**$42,516.54**	**$43,135.27**	**$17,306.48**	**$66,630.00**
Location Level 2: NE DEPT OF CORRECTIONAL SERVICE - 02-46						
ADMINISTRATION - 03-46040046	39.00	$280,440.41	$89,043.31	$191,397.10	$7,190.78	$70,525.00
ADMINISTRATION - 03-46080020	16.00	$110,765.90	$54,807.65	$55,958.25	$6,922.87	$64,169.00
ADMINISTRATION - 03-46090027	45.00	$397,151.84	$127,643.64	$269,508.20	$8,825.60	$75,276.00
ADULT MEDICAL - 03-46020212	1.00	$2,269.81	$2,269.81	$0.00	$2,269.81	$2,269.81
CORRECTIONAL SERVICES - 03-46	66.00	$504,166.09	$153,257.93	$350,908.16	$7,638.88	$174,141.00
OTHER EDUCATION - 03-46020224	1.00	$115.31	$115.31	$0.00	$115.31	$115.31
OTHER MAINT/UTILITIES - 03-46040060	2.00	$537.80	$537.80	$0.00	$268.90	$394.58
SECURITY - 03-46090067	9.00	$92,582.54	$15,226.25	$77,356.29	$10,286.95	$50,000.00
SPECIAL SERVICES - 03-46020233	1.00	$10.00	$10.00	$0.00	$10.00	$10.00
TSCI ADMINISTRATION - 03-46190002	95.00	$585,869.52	$217,386.55	$368,482.97	$6,167.05	$65,494.00
UNIT MANAGEMENT - 03-46030068	1.00	$311.75	$311.75	$0.00	$311.75	$311.75
UNIT MANAGEMENT - 03-46140058	1.00	$1,002.30	$1,002.30	$0.00	$1,002.30	$1,002.30
WEC ADMINISTRATION - 03-46200020	3.00	$32,406.86	$8,939.12	$23,467.74	$10,802.29	$29,178.00
Totals for **NE DEPT OF CORRECTIONAL SERVICE - 02-46** - 280 Claims	**280.00**	**$2,007,630.13**	**$670,551.42**	**$1,337,078.71**	**$4,754.81**	**$174,141.00**
Location Level 2: NE ED TELECOMM COMMISSION - 02-47						
ENGINEERING - 03-47110350	1.00	$1,686.46	$1,686.46	$0.00	$1,686.46	$1,686.46
Totals for **NE ED TELECOMM COMMISSION - 02-47** - 1 Claim	**1.00**	**$1,686.46**	**$1,686.46**	**$0.00**	**$1,686.46**	**$1,686.46**

GALLAGHER BASSETT

Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Location Level 2: NE PUBLIC EMPLOYEE RETIREMENT - 02-85						
PUBLIC EMPLOYEES RETIREMT - 03 -85	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
Totals for **NE PUBLIC EMPLOYEE RETIREMENT - 02-85** - 1 Claim	**1.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Location Level 2: NE SECRETARY OF STATE'S OFFICE - 02-09						
SECRETARY OF STATE - 03-09	1.00	$170.95	$170.95	$0.00	$170.95	$170.95
Totals for **NE SECRETARY OF STATE'S OFFICE - 02-09** - 1 Claim	**1.00**	**$170.95**	**$170.95**	**$0.00**	**$170.95**	**$170.95**
Location Level 2: NEBRASKA BRAND COMMITTEE - 02-39						
INSPECTION - 03-39101820	2.00	$157,014.14	$59,712.99	$97,301.15	$78,507.07	$151,177.00
Totals for **NEBRASKA BRAND COMMITTEE - 02-39** - 2 Claim	**2.00**	**$157,014.14**	**$59,712.99**	**$97,301.15**	**$78,507.07**	**$151,177.00**
Location Level 2: NEBRASKA FIRE MARSHAL - 02-21						
FLSTUST.FY06.CF - 03-21620006	1.00	$148.07	$148.07	$0.00	$148.07	$148.07
GEN OPERATIONS.GFINV - 03-21210006	1.00	$44,032.00	$22,708.84	$21,323.16	$44,032.00	$44,032.00
GEN OPERATIONS.GFLMO - 03-21210007	1.00	$184.87	$184.87	$0.00	$184.87	$184.87
TRNG DIV.GFTDF - 03-21310001	1.00	$543.93	$543.93	$0.00	$543.93	$543.93
Totals for **NEBRASKA FIRE MARSHAL - 02-21** - 4 Claims	**4.00**	**$44,908.87**	**$23,585.71**	**$21,323.16**	**$11,227.22**	**$44,032.00**
Location Level 2: NEBRASKA MILITARY DEPARTMENT - 02-31						
MILITARY DEPARTMENT - 03-31	1.00	$2,981.19	$2,981.19	$0.00	$2,981.19	$2,981.19
PAYROLL HOME BUANG CE & RP - 03-31000003	1.00	$1,388.20	$1,388.20	$0.00	$1,388.20	$1,388.20
PAYROLL HOME BUANG FIRE - 03-31000004	2.00	$49,976.45	$875.69	$49,100.76	$24,988.23	$49,866.00
PAYROLL HOME BUCFMO - 03-31000000	1.00	$37,000.00	$13,818.42	$23,181.58	$37,000.00	$37,000.00
Totals for **NEBRASKA MILITARY DEPARTMENT - 02-31** - 5 Claims	**5.00**	**$91,345.84**	**$19,063.50**	**$72,282.34**	**$16,589.40**	**$49,866.00**
Location Level 2: NEBRASKA STATE COLLEGE SYSTEM - 02-50						
CHADRON STATE COLLEGE - 03-5001	5.00	$3,304.94	$1,504.94	$1,800.00	$660.99	$1,800.00
NEBRASKA STATE COLLEGE SYSTEM - 03-5000	1.00	$58,291.00	$22,772.21	$35,518.79	$58,291.00	$58,291.00
PERU STATE COLLEGE - 03-5003	11.00	$78,783.49	$4,829.49	$73,954.00	$7,162.14	$69,474.00

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Location Level 3	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
WAYNE STATE COLLEGE - 03-5004	11.00	$67,774.96	$27,454.48	$40,320.48	$6,161.36	$35,310.00
Totals for **NEBRASKA STATE COLLEGE SYSTEM - 02-50** - 28 Claims	**28.00**	**$208,154.39**	**$56,561.12**	**$151,593.27**	**$18,068.87**	**$69,474.00**
Location Level 2: **NEBRASKA STATE PATROL - 02-64**						
NEBRASKA STATE PATROL - 03-64	47.00	$315,044.86	$136,407.21	$178,637.65	$6,703.08	$104,366.00
ROAD OPERATIONS - 03-64951001	2.00	$2,528.75	$2,528.75	$0.00	$1,264.38	$2,518.75
Totals for **NEBRASKA STATE PATROL - 02-64** - 49 Claims	**49.00**	**$317,573.61**	**$138,935.96**	**$178,637.65**	**$3,983.73**	**$104,366.00**
Location Level 2: **NEBRASKA SUPREME COURT - 02-05**						
ADULT FIELD - 03-5139800	2.00	$11,825.58	$1,914.18	$9,911.40	$5,912.79	$11,300.00
COURT REPORTERS - 03-5139900	2.00	$6,968.59	$6,968.59	$0.00	$3,484.30	$3,680.92
STATEWIDE PROBATION - 03-5139700	9.00	$26,748.08	$8,296.57	$18,451.51	$2,972.01	$13,000.00
Totals for **NEBRASKA SUPREME COURT - 02-05** - 13 Claims	**13.00**	**$45,542.25**	**$17,179.34**	**$28,362.91**	**$4,123.03**	**$13,000.00**
Location Level 2: **PARDON/PAROLE BOARD - 02-15**						
PARDON BOARD - 03-15	1.00	$927.75	$927.75	$0.00	$927.75	$927.75
Totals for **PARDON/PAROLE BOARD - 02-15** - 1 Claim	**1.00**	**$927.75**	**$927.75**	**$0.00**	**$927.75**	**$927.75**
Location Level 2: **STATE ELECTRICAL DIVISION - 02-30**						
STATE ELEC BOARD - 03-30101227	3.00	$94,902.75	$12,702.41	$82,200.34	$31,634.25	$91,742.00
Totals for **STATE ELECTRICAL DIVISION - 02-30** - 3 Claim	**3.00**	**$94,902.75**	**$12,702.41**	**$82,200.34**	**$31,634.25**	**$91,742.00**
Location Level 2: **UNIVERSITY OF NEBRASKA - 02-51**						
UNIV OF NE MED CENTER (UNMC) - 03-451	85.00	$666,116.73	$259,789.32	$406,327.41	$7,836.67	$197,129.00
UNIVERSITY OF NE KEARNEY (UNK) - 03-551	21.00	$173,909.43	$95,716.09	$78,193.34	$8,281.40	$61,248.00
UNIVERSITY OF NE LINCOLN (UNL) - 03-151	180.00	$1,228,838.06	$328,604.93	$900,233.13	$6,826.88	$93,984.00
UNIVERSITY OF NE OMAHA (UNO) - 03-351	49.00	$219,378.57	$89,307.47	$130,071.10	$4,477.11	$61,136.00
Totals for **UNIVERSITY OF NEBRASKA - 02-51** - 335 Claims	**335.00**	**$2,288,242.79**	**$773,417.81**	**$1,514,824.98**	**$6,855.52**	**$197,129.00**
Grand Totals - 1,350 Claims	**1,350.00**	**$10,858,255.59**	**$4,017,311.49**	**$6,840,944.10**	**$11,951.84**	**$216,555.00**

Report Definition

Description:	2017 Claims by Level 3 within Level 2
Filters:	Accident Date is between 01/01/2017 and 12/31/2017
Groups:	Location Level 2 (Default Location Hierarchy) then Location Level 3 (Default Location Hierarchy)
Sorts:	No Sorts
Options	Incurred Formula is Net Incurred

GALLAGHER BASSETT

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Claims

Filter Total Incurred is greater than 250,000.00 and Status is equal to Open or Reopened and Accident Type is not equal to Not Otherwise Classified

Claim Number	Claimant	Accident Type	Accident Date	Reported Date	Adjuster	Reporting Unit	Total Incurred
009006-032261-WC-01	KOHL, TIMOTHY	Vehicle miscellaneous	10/06/2010	10/06/2010	AARON BLOEMER	27633333 - ROADS DISTRICT 3 NELIGH	4,234,011.00
009006-027283-WC-01	DUKES, TERRANCE	Caught in machinery	04/05/1994	04/19/1994	SAMANTHA SIEVERS	15110 - UNL OTHER	3,288,391.00
009006-000518-WC-01	HAMICKSBURG, JAMES	Slip, Trip, Fall Entering or Exiting	05/20/2007	05/20/2007	ADAM ZGODA	46090027 - ADMINISTRATION	2,609,292.00
009006-017945-WC-01	TOMEK, MICHAEL	Exertion - pulling or pushing	04/10/2002	04/16/2002	ADAM ZGODA	46030027 - ADMINISTRATION	1,878,420.00
009006-008623-WC-01	BLAKEMORE, CANDACE	Strain, cause unknown	01/25/2004	02/03/2004	JEANNA RUDOLPH	01414S - HHS BSDC 414 SHERIDAN1ST SHIF	1,277,864.23
009006-009172-WC-01	KEATING, NANCY	Exertion - lifting	09/02/2004	09/02/2004	SAMANTHA SIEVERS	1513 - UNL UNIVERSITY SERVICES	1,167,122.00
009006-032399-WC-01	HENNE, MARY	Exertion - reaching	10/19/2010	10/20/2010	SAMANTHA SIEVERS	03 - LEGISLATIVE COUNCIL	1,160,321.08
009006-029388-WC-01	LICHTENWALDT, WILLIAM	Slip or fall - liquid or grease spills/oil	03/30/2009	03/30/2009	SAMANTHA SIEVERS	46200020 - WEC ADMINISTRATION	1,126,871.00
009006-028634-WC-01	GREVING, AMY	Exertion - lifting	09/06/1991	09/27/1991	SAMANTHA SIEVERS	4519 - UNMC OTHER	1,052,856.00
009006-000007-WC-01	ARMSTRONG, TERRY	Exertion - lifting	05/22/2010	05/22/2010	JEANNA RUDOLPH	28 - DEPARTMENT OF VETERANS' AFFAIRS	1,031,411.00
009006-017942-WC-01	HOWARD, ANEITA	Vehicle miscellaneous	06/13/2000	06/16/2000	AARON BLOEMER	27653104 - ROADS DISTRICT 5 ALLIANCE	1,030,863.59
009006-020370-WC-01	LONGWELL, STEVE	Struck by moving object (vehicle)	05/05/1997	05/30/1997	ADAM ZGODA	30 - ELECTRICAL DIVISION, STATE	1,019,735.05
009006-015762-WC-01	SEAMANN, REGINA	Struck by Employee/fellow worker/patientBI	03/03/2006	03/03/2006	ADAM ZGODA	25999999 - H H S HISTORICAL CLAIMS	977,790.37
009006-022908-WC-01	ELLIOTT, MARIE	Exertion - holding or carrying	06/29/1985	07/17/1985	ADAM ZGODA	25999999 - H H S HISTORICAL CLAIMS	970,900.00
009006-000217-WC-01	FLINT, JOHN	Struck by moving object (vehicle)	06/09/2008	06/09/2008	ADAM ZGODA	84 - NE DEPART OF ENVIRONMENTAL QUAL	948,508.00
009006-007798-WC-01	SOTO, ROBERT	Caught in machinery	02/09/1995	02/09/1995	AARON BLOEMER	27662342 - ROADS DISTRICT 6 NORTH PLATTE	943,014.50
009006-028633-WC-01	LEET, BARBARA	Exertion - repetitive motion	04/27/2004	05/03/2004	SAMANTHA SIEVERS	4519 - UNMC OTHER	917,710.96
009006-026901-WC-01	NIEDERKLEIN, LARRY	Slip,trip or fall-elevated surfaces	02/08/2006	02/08/2006	AARON BLOEMER	27613211 - ROADS DISTRICT 1 FAIRBURY	908,725.12
009006-025419-WC-01	CARR, ELNORA	Slip, Trip, Fall Entering or Exiting	10/25/2006	10/25/2006	SAMANTHA SIEVERS	46120020 - ADMINISTRATION	891,869.00
009006-000006-WC-01	ROPER, LARRY	Vehicle Accident	04/09/2004	04/09/2004	AARON BLOEMER	33 - GAME AND PARKS	891,377.75
009006-006762-WC-01	GARDNER, CAROLYN	Struck by Employee/fellow worker/patientBI	03/26/1985	04/14/1985	SAMANTHA SIEVERS	45199 - UNMC HISTORICAL CLAIMS	885,744.00
009006-026404-WC-01	TURMAN, MARVIN	Exertion - holding or carrying	04/07/1986	05/06/1986	JEANNA RUDOLPH	01202S - HHS BSDC 202 SHERIDAN 1ST SHIF	877,440.00
009006-019649-WC-01	BOYER, PATRICK	Contact with hot substances	08/10/1999	08/10/1999	AARON BLOEMER	27613332 - ROADS DISTRICT 1 N E CITY	876,579.49
009006-000112-WC-01	VANDERHARR, SONJA	Slip,trip or fall-same level	05/27/2008	06/30/2008	ADAM ZGODA	25110256 - LRC PAY HOME	870,457.00
009006-039789-WC-01	WILSON, TY	Vehicle miscellaneous	09/16/2015	09/16/2015	AARON BLOEMER	27651232 - ROADS DISTRICT 5 GERING	857,997.70
009006-009000-WC-01	HURKO, RUSMIRA	Exertion - reaching	03/13/2001	03/15/2001	SAMANTHA SIEVERS	1511 - UNL HOUSING	839,628.20
009006-014286-WC-01	HELMS, JOHN	Strain, cause unknown	06/28/2004	09/07/2004	ADAM ZGODA	25999999 - H H S HISTORICAL CLAIMS	828,851.42
009006-016067-WC-01	GREEN, GARY	Slip,trip or fall-elevated surfaces	07/15/1998	07/17/1998	SAMANTHA SIEVERS	1511 - UNL HOUSING	823,985.18
009006-008079-WC-01	GETTING, RODNEY	Struck by falling object	03/07/1997	07/07/2005	AARON BLOEMER	64 - PATROL, NEBRASKA STATE	788,470.62
009006-014287-WC-01	MARTIN, LOUIS	Struck by Employee/fellow worker/patientBI	07/23/2007	07/23/2007	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	725,901.87
009006-039721-WC-01	GEORGE, ANTHONY	Slip,trip or fall-elevated surfaces	08/31/2015	08/31/2015	JEANNA RUDOLPH	65MAIN - HHS BSDC MAINTENANCE	721,011.00
009006-014920-WC-01	OLSON, MARK	Strike against,stationary or moving object	06/26/2007	06/26/2007	AARON BLOEMER	27633297 - ROADS DISTRICT 3 LYONS	704,491.55
009006-020736-WC-01	JAVORSKY, STEVEN	Exertion - lifting	06/04/2007	06/11/2007	AARON BLOEMER	27395529 - ROADS M&R CENTRAL COM	676,827.97
009006-000372-WC-01	CARMICHAEL, BROOKS	Struck by Employee/fellow worker/patientBI	01/31/2003	02/20/2003	ADAM ZGODA	46190002 - TSCI ADMINISTRATION	676,236.00
009006-029977-WC-01	DUNSON, THERESA	Slip,trip or fall-same level	07/01/2009	07/01/2009	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	674,599.15
009006-039278-WC-01	UNDERWOOD, PETER	Struck by moving object (vehicle)	05/16/2015	05/16/2015	SAMANTHA SIEVERS	1519 - UNL ATHLETICS	670,536.12
009006-007832-WC-01	PARDE, PENNEY	Exertion - lifting	02/25/1984	02/29/1984	JEANNA RUDOLPH	25150142 - NVH PAY HOME	669,125.00
009006-036929-WC-01	DUNNING, JOHN	Vehicle miscellaneous	10/04/2013	10/07/2013	SAMANTHA SIEVERS	5004 - WAYNE STATE COLLEGE	647,000.00
009006-018434-WC-01	JOHNSON, EDWARD	Struck by falling object	05/10/2004	05/11/2004	AARON BLOEMER	27623491 - ROADS DISTRICT 2 SOUTH OMAHA	626,166.37
009006-022027-WC-01	DAVIS, MARK	Struck by object being lifted or handled	05/03/1995	05/26/1995	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	625,519.80
009006-033302-WC-01	WHITE, KATHRYN	Vehicle collision/sideswipe	05/18/2011	05/18/2011	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	613,599.60
009006-016106-WC-01	POLICKY, RAYMOND	Slip,trip or fall-same level	03/22/1995	03/22/1995	AARON BLOEMER	27613415 - ROADS DISTRICT 1 SEWARD	589,397.00
009006-000019-WC-01	HAYES, DAVID	Exertion - holding or carrying	05/02/2011	05/04/2011	SAMANTHA SIEVERS	151 - UNIVERSITY OF NE LINCOLN (UNL)	564,922.00

009006-007700-WC-01 HEATH, IONA	Slip,trip or fall-same level	12/23/1980	12/23/1980	JEANNA RUDOLPH	25080169 - HRC PAY HOME	517,954.00
009006-016089-WC-01 BURDUE, IDA	Slip, trip, fall - on ice, snow or water	12/20/1994	12/27/1994	AARON BLOEMER	27131529 - ROADS CONTROLLER CENTRAL COM	517,906.00
009006-001469-WC-01 MICK, REBECCA	Struck by Employee/fellow worker/patientBI	08/14/1991	08/23/1991	JEANNA RUDOLPH	01104K - HHS BSDC 104 KENNEDY 1ST SHIF	505,128.10
009006-035613-WC-01 HAUSER, BETTY	Exertion - using tool or machine	04/23/2010	04/15/2012	AARON BLOEMER	27663134 - ROADS DISTRICT 6 BROKEN BOW	494,178.06
009006-040082-WC-01 BOWMAN, MELINDA	Slip, trip, fall - on ice, snow or water	11/29/2015	11/29/2015	JEANNA RUDOLPH	024165 - HHS BSDC 416 SHERIDAN2ND SHIF	487,953.00
009006-038827-WC-01 REGIER, VERN	Exertion - twisting, turning, bending	01/30/2015	01/30/2015	AARON BLOEMER	27643476 - ROADS DISTRICT 4 YORK	480,651.00
009006-007783-WC-01 HERNANDEZ, RUDY	Exertion - using tool or machine	01/02/1997	01/02/1997	AARON BLOEMER	27623491 - ROADS DISTRICT 2 SOUTH OMAHA	475,170.42
009006-017903-WC-01 BARKER, CLAYTON	Exertion - using tool or machine	01/22/1999	01/22/1999	AARON BLOEMER	27653157 - ROADS DISTRICT 5 CRAWFORD	470,533.27
009006-014786-WC-01 MUCKLOW, EARL	Struck by Employee/fellow worker/patientBI	05/10/1985	05/14/1985	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	464,387.76
009006-000764-WC-01 SOTO, JAMES	Struck by moving object (vehicle)	07/13/1999	07/13/1999	AARON BLOEMER	27663342 - ROADS DISTRICT 6 NORTH PLATTE	463,348.31
009006-023198-WC-01 THIES, RICHARD	Strike against,stationary or moving object	03/01/1990	04/30/1990	AARON BLOEMER	27612441 - ROADS DISTRICT 1 TECUMSEH	461,052.00
009006-022025-WC-01 VAJGRT, VANNESSA	Vehicle miscellaneous	05/16/1983	10/04/1983	AARON BLOEMER	27622533 - ROADS DISTRICT 2 DIST I I HGT	460,408.80
009006-031273-WC-01 GAONA, JUDITH	Slip, trip, fall - on ice, snow or water	03/04/2010	03/04/2010	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	456,647.46
009006-023468-WC-01 DORMER, BONNIE	Slip,trip or fall-same level	05/10/1991	06/05/1991	SAMANTHA SIEVERS	1515 - UNL EXTENSION CENTERS/MARC	441,341.08
009006-016441-WC-01 HART, BRADLEY	Slip or fall-from ladder	05/26/2006	05/26/2006	SAMANTHA SIEVERS	1516 - UNL UNIONS	435,304.35
009006-016230-WC-01 RADKE, TERRY	Caught in machinery	11/20/1984	08/03/2000	SAMANTHA SIEVERS	1514 - UNL ANIMAL SCIENCE	425,250.00
009006-034991-WC-01 JEPSEN, JIMMY	Struck by moving object (vehicle)	06/21/2012	06/21/2012	AARON BLOEMER	27633297 - ROADS DISTRICT 3 LYONS	415,226.50
009006-039305-WC-01 RINEHART, EDWARD	Exertion - lifting	05/27/2015	05/27/2015	AARON BLOEMER	27671315 - ROADS DISTRICT 7 MC COOK	409,836.00
009006-017939-WC-01 FULK, RAY	Strain, cause unknown	02/18/1993	02/18/1993	AARON BLOEMER	27652413 - ROADS DISTRICT 5 SCOTTSBLUFF	409,307.30
009006-008646-WC-01 PISHNA, SAM	Exertion - using tool or machine	12/19/1996	12/19/1996	AARON BLOEMER	27683137 - ROADS DISTRICT 8 BURWELL	408,445.03
009006-037303-WC-01 HOESER, EDWIN	Exertion - pulling or pushing	01/14/2014	01/14/2014	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	401,928.00
009006-029328-WC-01 NICE, DANIEL	Struck by falling object	03/17/2009	03/17/2009	AARON BLOEMER	27633421 - ROADS DISTRICT 3 SO SIOUX CITY	394,356.39
009006-039902-WC-01 BENABDESSLAM, MARJORIE AN	Exertion - twisting, turning, bending	10/06/2015	10/06/2015	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	373,095.00
009006-034188-WC-01 LANG, JESSICA	Exertion - twisting, turning, bending	12/05/2011	12/05/2011	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	372,282.00
009006-017103-WC-01 WHITT, PATRICIA	Exertion - lifting	08/18/2004	08/30/2004	AARON BLOEMER	27393340 - ROADS M&R NORFOLK	368,345.00
009006-031266-WC-01 OVERSTREET, JOHN	Exertion - lifting	02/25/2010	03/03/2010	SAMANTHA SIEVERS	1515 - UNL EXTENSION CENTERS/MARC	359,654.00
009006-040530-WC-01 SCHUNEMAN, DONALD	Exertion - holding or carrying	03/03/2016	03/03/2016	AARON BLOEMER	27621533 - ROADS DISTRICT 2 DIS 2 HGTR	358,730.00
009006-040898-WC-01 MAY, SHERI	Exertion - twisting, turning, bending	06/13/2016	06/13/2016	JEANNA RUDOLPH	02TMGR - HHS BSDC TEAM MANAGERS	357,855.00
009006-000043-WC-01 EVANS, JEFFREY	Struck by object being lifted or handled	07/29/2014	07/31/2014	AARON BLOEMER	27 - ROADS, DEPARTMENT OF	355,636.00
009006-020875-WC-01 SHELDON, DAVID	Strain, cause unknown	11/23/1999	11/23/1999	SAMANTHA SIEVERS	4511 - UNMC FACILITIES MGMT PLANNING	353,501.55
009006-034006-WC-01 CANIGLIA, ROBIN	Exertion - holding or carrying	10/10/2011	10/10/2011	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	347,008.00
009006-038634-WC-01 KINCANNON, JACQUELINE	Struck by Employee/fellow worker/patientBI	12/08/2014	12/08/2014	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	336,613.00
009006-036059-WC-01 PAUL, GIGI	Slip, Trip, Fall Entering or Exiting	03/15/2013	03/15/2013	ADAM ZGODA	46190002 - TSCI ADMINISTRATION	336,455.00
009006-033765-WC-01 VOBORIL, LOURENCE	Slip,trip or fall-same level	08/14/2011	08/16/2011	JEANNA RUDOLPH	02BRID - H H S B S D C BRIDGES 2ND	334,203.00
009006-021039-WC-01 COLE, LOUISE	Strain, cause unknown	08/01/1990	10/15/1991	SAMANTHA SIEVERS	45199 - UNMC HISTORICAL CLAIMS	329,943.34
009006-039962-WC-01 LANDGREN, RICHARD	Slipped, did not fall	11/02/2015	11/02/2015	AARON BLOEMER	27653104 - ROADS DISTRICT 5 ALLIANCE	322,793.16
009006-037217-WC-01 MARTIN, TONY	Slip,trip or fall-same level	12/17/2013	12/17/2013	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	315,046.00
009006-041873-WC-01 HALSEY, ANNETTE	Vehicle Accident	02/18/2015	03/03/2017	JEANNA RUDOLPH	25340929 - HHS CSA SVS COORDINATION	313,826.00
009006-032692-WC-01 FREDERIKSEN, JON	Exertion - using tool or machine	01/06/2011	01/09/2011	AARON BLOEMER	27622533 - ROADS DISTRICT 2 DIST I I HGT	313,275.00
009006-041917-WC-01 FREEBORN, ALEX	Environmental	12/21/2016	03/09/2017	AARON BLOEMER	33130194 - TWO RIVERS WMA/SRA	309,606.00
009006-035103-WC-01 MYERS, JANICE	Slip, Trip, Fall Entering or Exiting	07/10/2012	07/10/2012	ADAM ZGODA	25999999 - H H S HISTORICAL CLAIMS	304,805.00
009006-006624-WC-01 RICHARDSON, VERONICA	Slip,trip or fall-same level	09/06/2002	09/06/2002	SAMANTHA SIEVERS	4513 - UNMC MAIL SERVICES	301,719.00
009006-032889-WC-01 ZULKOSKI, RODNEY	Slipped, did not fall	02/10/2011	02/14/2011	AARON BLOEMER	27642235 - ROADS DISTRICT 4 GRAND ISLAND	300,737.23
009006-012814-WC-01 BLODGETT-MCDEAVITT, CYNTHIA	Struck by object being lifted or handled	09/11/1997	09/11/1997	SAMANTHA SIEVERS	15110 - UNL OTHER	299,768.00
009006-036834-WC-01 INGRAHAM, RICHARD	Slip,trip or fall-same level	08/20/2013	08/20/2013	SAMANTHA SIEVERS	15110 - UNL OTHER	293,070.60
009006-038894-WC-01 HAYES, SHELLEY	Slip, Trip, Fall Entering or Exiting	02/11/2015	02/11/2015	ADAM ZGODA	46190002 - TSCI ADMINISTRATION	289,230.00
009006-024145-WC-01 REIMAN, GEORGE	Caught in, under, between Cart or Basket	05/19/1980	05/19/1980	AARON BLOEMER	27600 - ROADS OFFICE OF OPERATIONS FLD	284,579.80
009006-020031-WC-01 DOMINGUEZ, EDWIN	Exertion - lifting	01/24/2001	08/06/2001	SAMANTHA SIEVERS	15110 - UNL OTHER	280,280.96
009006-039238-WC-01 FRAZIER, THOMAS	Struck by Employee/fellow worker/patientBI	05/09/2015	05/09/2015	ADAM ZGODA	46030027 - ADMINISTRATION	279,829.00

009006-037402-WC-01 DOWNEY, KARRIE	Slip, Trip, Fall Entering or Exiting	02/12/2014	02/12/2014	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	279,114.71
009006-028850-WC-01 HICKEY, TERRY	Exertion - lifting	12/21/2008	12/22/2008	AARON BLOEMER	27613237 - ROADS DISTRICT 1 GREENWOOD	273,245.00
009006-036915-WC-01 SCHNEIDER, RUSSELL	Slip,trip or fall-same level	10/03/2013	10/03/2013	SAMANTHA SIEVERS	3512 - UNO OTHER	270,133.00
009006-041240-WC-02 BENES, CLETUS	Vehicle Accident	09/26/2016	09/26/2016	AARON BLOEMER	27 - ROADS, DEPARTMENT OF	265,779.00
009006-019408-WC-01 PASOLD, DONNA	Struck by object being lifted or handled	01/02/1997	01/09/1997	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	262,718.58
009006-036748-WC-01 WILLIAMS, JUDITH	Slip or fall - liquid or grease spills/oil	07/23/2013	07/23/2013	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	254,851.00
009006-034126-WC-01 KROEGER, JONATHAN	Vehicle collision/sideswipe	11/11/2011	11/11/2011	AARON BLOEMER	64 - PATROL, NEBRASKA STATE	250,500.00

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Claims

Filter Claim In Suit is equal to In Suit and Status is equal to Open or Reopened

Claim Number	Claimant	Accident Date	Reported Date	Coverage	Adjuster	Reporting Unit	Status	Accident State	Total Incurred
009006-017945-WC-01	TOMEK, MICHAEL	04/10/2002	04/16/2002	Workers Compensation	ADAM ZGODA	46030027 - ADMINISTRATION	Open	Nebraska	1,878,420.00
009006-025419-WC-01	CARR, ELNORA	10/25/2006	10/25/2006	Workers Compensation	SAMANTHA SIEVERS	46120020 - ADMINISTRATION	Open	Nebraska	891,869.00
009006-036892-WC-01	HALL, CINDY	09/14/2013	09/14/2013	Workers Compensation	ADAM ZGODA	46090027 - ADMINISTRATION	Open	Nebraska	116,875.00
009006-037774-WC-01	BLAKEY, JOYCE	05/06/2014	05/06/2014	Workers Compensation	ADAM ZGODA	46150020 - ADMINISTRATION	Open	Nebraska	77.00
009006-039238-WC-01	FRAZIER, THOMAS	05/09/2015	05/09/2015	Workers Compensation	ADAM ZGODA	46030027 - ADMINISTRATION	Open	Nebraska	279,829.00
009006-039502-WC-01	HILL, ELAINE	07/15/2015	07/15/2015	Workers Compensation	ADAM ZGODA	18 - AGRICULTURE, DEPARTMENT OF	Reopened	Nebraska	162,737.00
009006-041255-WC-01	MASCHMAN, HEATHER	09/26/2016	09/28/2016	Workers Compensation	JEANNA RUDOLPH	25050113 - BSDC PAY HOME	Reopened	Nebraska	58,085.00
009006-041862-WC-01	TACKETT, LUTRICIA	12/01/2015	02/28/2017	Workers Compensation	JEANNA RUDOLPH	25050113 - BSDC PAY HOME	Open	Nebraska	1,500.00
009006-000007-WC-01	ARMSTRONG, TERRY	05/22/2010	05/22/2010	Workers Compensation	JEANNA RUDOLPH	28 - DEPARTMENT OF VETERANS' AFFAIRS	Open	Nebraska	1,031,411.00
009006-033765-WC-01	VOBORIL, LOURENCE	08/14/2011	08/16/2011	Workers Compensation	JEANNA RUDOLPH	02BRID - H H S B S D C BRIDGES 2ND	Open	Nebraska	334,203.00
009006-039027-WC-01	MITCHELL, SUZANNE	03/06/2015	03/16/2015	Workers Compensation	JEANNA RUDOLPH	02BRID - H H S B S D C BRIDGES 2ND	Open	Nebraska	112,480.01
009006-040490-WC-01	KREIMEYER, VALERIE	02/18/2016	03/01/2016	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Reopened	Nebraska	47,000.00
009006-034188-WC-01	LANG, JESSICA	12/05/2011	12/05/2011	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Open	Nebraska	372,282.00
009006-039836-WC-01	MARTIN, CHRISTINA	09/28/2015	09/28/2015	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Reopened	Nebraska	173,000.00
009006-038692-WC-01	WILLIAMS, JUDITH	10/13/2014	10/13/2014	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Open	Nebraska	1,662.06
009006-038634-WC-01	KINCANNON, JACQUELINE	12/08/2014	12/08/2014	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Open	Nebraska	336,613.00
009006-037303-WC-01	HOESER, EDWIN	01/14/2014	01/14/2014	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Open	Nebraska	401,928.00
009006-030106-WC-01	BOUTIN, DANITA	07/18/2009	07/18/2009	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Open	Nebraska	158,002.36
009006-036748-WC-01	WILLIAMS, JUDITH	07/23/2013	07/23/2013	Workers Compensation	JEANNA RUDOLPH	25999999 - H H S HISTORICAL CLAIMS	Open	Nebraska	254,851.00
009006-038243-WC-01	HAMILTON, AMBUR	09/07/2014	09/07/2014	Workers Compensation	JEANNA RUDOLPH	02311L - HHS BSDC 311 LAKE ST 2ND	Open	Nebraska	15,813.00
009006-039130-WC-01	TACKETT, LUTRICIA	04/08/2015	04/08/2015	Workers Compensation	JEANNA RUDOLPH	03311L - HHS BSDC 311 LAKE ST 3RD	Open	Nebraska	98,180.00
009006-036367-WC-01	BARNES, SHERYL	05/22/2013	05/22/2013	Workers Compensation	JEANNA RUDOLPH	01402S - HHS BSDC 402 STATE1ST SHIFT	Open	Nebraska	108,538.00
009006-040082-WC-01	BOWMAN, MELINDA	11/29/2015	11/29/2015	Workers Compensation	JEANNA RUDOLPH	02416S - HHS BSDC 416 SHERIDAN2ND SHIF	Open	Nebraska	487,953.00
009006-039929-WC-01	WILLIAMS, JUDITH	10/20/2015	10/20/2015	Workers Compensation	JEANNA RUDOLPH	41ACCR - HHS BSDC ACUTE CARE	Open	Nebraska	1,510.00
009006-038730-WC-01	HAMILTON, AMBUR	12/30/2014	12/30/2014	Workers Compensation	JEANNA RUDOLPH	02104K - HHS BSDC 104 KENNEDY 2ND SHIF	Open	Nebraska	205,374.00
009006-041312-WC-01	AFUH, CHARLES	09/30/2016	10/07/2016	Workers Compensation	JEANNA RUDOLPH	25110001 - LINCOLN REGIONAL CENTER	Open	Nebraska	129,755.00
009006-003694-WC-01	OENBRING, CANDACE	07/01/1995	11/28/1995	Workers Compensation	JEANNA RUDOLPH	25110256 - LRC PAY HOME	Open	Nebraska	1,016,662.00
009006-041934-WC-01	EWING, DEANNA	03/15/2017	03/16/2017	Workers Compensation	JEANNA RUDOLPH	25744500 - MLTC RURAL PAY HOME	Reopened	Nebraska	47,000.00
009006-014755-WC-01	CHRANS, ROGER	08/29/2007	09/04/2007	Workers Compensation	AARON BLOEMER	64 - PATROL, NEBRASKA STATE	Open	Nebraska	211,015.00
009006-040355-WC-01	SIMONSON, SETH	02/04/2016	02/04/2016	Workers Compensation	AARON BLOEMER	27612531 - ROADS DISTRICT 1 DIS 1 HGTR	Open	Nebraska	90,383.00
009006-040530-WC-01	SCHUNEMAN, DONALD	03/03/2016	03/03/2016	Workers Compensation	AARON BLOEMER	27621533 - ROADS DISTRICT 2 DIS 2 HGTR	Open	Nebraska	358,730.00
009006-040541-WC-01	SCHUNEMAN, DONALD	12/08/2015	03/15/2016	Workers Compensation	AARON BLOEMER	27621533 - ROADS DISTRICT 2 DIS 2 HGTR	Open	Nebraska	14,010.00
009006-038827-WC-01	REGIER, VERN	01/30/2015	01/30/2015	Workers Compensation	AARON BLOEMER	27643476 - ROADS DISTRICT 4 YORK	Open	Nebraska	480,651.00
009006-000431-WC-01	FOX, ION	04/25/2008	04/25/2008	Workers Compensation	ADAM ZGODA	46190002 - TSCI ADMINISTRATION	Reopened	Nebraska	232,843.00
009006-000372-WC-01	CARMICHAEL, BROOKS	01/31/2003	02/20/2003	Workers Compensation	ADAM ZGODA	46190002 - TSCI ADMINISTRATION	Open	Nebraska	676,236.00
009006-000019-WC-01	HAYES, DAVID	05/02/2011	05/04/2011	Workers Compensation	SAMANTHA SIEVERS	151 - UNIVERSITY OF NE LINCOLN (UNL)	Open	Nebraska	564,922.00
009006-041527-WC-01	HAFSAAS, DON	11/29/2016	12/02/2016	Workers Compensation	SAMANTHA SIEVERS	351 - UNIVERSITY OF NE OMAHA (UNO)	Open	Nebraska	67,988.00
009006-012771-WC-01	JONES, ALICE	02/21/1996	04/23/1996	Workers Compensation	SAMANTHA SIEVERS	1517 - UNL AGRONOMY	Open	Nebraska	1,052,374.00
009006-042816-WC-01	MAXWELL, BILLY	01/14/2012	10/02/2017	Workers Compensation	SAMANTHA SIEVERS	1519 - UNL ATHLETICS	Open	Nebraska	19,940.00
009006-033462-WC-01	KETELHUT, STEVEN	06/08/2011	06/09/2011	Workers Compensation	SAMANTHA SIEVERS	1518 - UNL CAMPUS REC	Open	Nebraska	165,331.81
009006-019942-WC-01	MADER, JASON	11/17/2004	11/18/2004	Workers Compensation	SAMANTHA SIEVERS	1515 - UNL EXTENSION CENTERS/MARC	Open	Nebraska	144,914.80
009006-037679-WC-01	SELL, JOHN	04/18/2014	04/18/2014	Workers Compensation	SAMANTHA SIEVERS	1515 - UNL EXTENSION CENTERS/MARC	Open	Nebraska	231,197.00
009006-041412-WC-01	WORKMAN, SIRIPORN	10/27/2016	11/01/2016	Workers Compensation	SAMANTHA SIEVERS	1511 - UNL HOUSING	Reopened	Nebraska	13,338.00

009006-009000-WC-01	HURKO, RUSMIRA	03/13/2001	03/15/2001	Workers Compensation	SAMANTHA SIEVERS	1511 - UNL HOUSING	Open	Nebraska	839,628.20
009006-002388-WC-01	ROSO, VERNON	03/01/2002	03/05/2002	Workers Compensation	SAMANTHA SIEVERS	15110 - UNL OTHER	Open	Nebraska	133,807.93
009006-016441-WC-01	HART, BRADLEY	05/26/2006	05/26/2006	Workers Compensation	SAMANTHA SIEVERS	1516 - UNL UNIONS	Open	Nebraska	435,304.35
009006-038274-WC-01	VAUGHN, BEVERLY	09/12/2014	09/12/2014	Workers Compensation	SAMANTHA SIEVERS	45113 - UNMC COLLEGE OF MEDICINE	Open	Nebraska	70,122.00
009006-037451-WC-01	COLVIN, TIFFANY	02/11/2014	02/11/2014	Workers Compensation	SAMANTHA SIEVERS	45118 - UNMC SCHOOL OF ALLIED HEALTH	Reopened	Kansas	69,613.00
009006-040989-WC-01	NOWICKI, PATRICIA	07/01/2016	07/28/2016	Workers Compensation	SAMANTHA SIEVERS	45120 - UNMC VICE CHANCELLOR OF RESEARC	Open	Nebraska	55,221.00
009006-036915-WC-01	SCHNEIDER, RUSSELL	10/03/2013	10/03/2013	Workers Compensation	SAMANTHA SIEVERS	3512 - UNO OTHER	Open	Nebraska	270,133.00
009006-042456-WC-01	HART, DEBORAH	07/12/2017	07/19/2017	Workers Compensation	JEANNA RUDOLPH	13519906 - VOCATIONAL REHABILITATION SVC	Open	Nebraska	66,630.00
009006-029388-WC-01	LICHTENWALDT, WILLIAM	03/30/2009	03/30/2009	Workers Compensation	SAMANTHA SIEVERS	46200020 - WEC ADMINISTRATION	Open	Nebraska	1,126,871.00
009006-042026-WC-01	SIEBER, NATALIE	03/30/2017	04/06/2017	Workers Compensation	JEANNA RUDOLPH	25420095 - YRTC GENEVA PAY HOME	Reopened	Nebraska	57,000.00

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Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Nature: Alleged AIDS						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$1,070.69	$1,070.69	$0.00	$1,070.69	$1,070.69
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$6,413.37	$6,413.37	$0.00	$6,413.37	$6,413.37
Totals for Alleged AIDS - 2 Claims	**2.00**	**$7,484.06**	**$7,484.06**	**$0.00**	**$3,742.03**	**$6,413.37**
Nature: Allergic Reaction						
GAME AND PARKS - 02-33	1.00	$130.38	$130.38	$0.00	$130.38	$130.38
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	2.00	$354.10	$354.10	$0.00	$177.05	$177.33
UNIVERSITY OF NEBRASKA - 02-51	3.00	$2,285.01	$2,285.01	$0.00	$761.67	$2,118.65
Totals for Allergic Reaction - 7 Claims	**7.00**	**$2,769.49**	**$2,769.49**	**$0.00**	**$287.28**	**$2,118.65**
Nature: Amputation						
DEPARTMENT OF TRANSPORTATION - 02-27	9.00	$150,632.30	$150,632.30	$0.00	$16,736.92	$67,935.54
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$925.64	$925.64	$0.00	$925.64	$925.64
HHS - 02-25	4.00	$30,915.77	$30,915.77	$0.00	$7,728.94	$17,521.65
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$948,508.00	$520,152.39	$428,355.61	$948,508.00	$948,508.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	11.00	$133,911.24	$95,264.88	$38,646.36	$12,173.75	$48,656.00
UNIVERSITY OF NEBRASKA - 02-51	10.00	$119,348.46	$119,348.46	$0.00	$11,934.85	$59,524.31
Totals for Amputation - 36 Claims	**36.00**	**$1,384,241.41**	**$917,239.44**	**$467,001.97**	**$166,334.68**	**$948,508.00**
Nature: Angina pectoris						
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$89.77	$89.77	$0.00	$44.89	$80.77
GAME AND PARKS - 02-33	1.00	$2,522.34	$2,522.34	$0.00	$2,522.34	$2,522.34
NE DEPT OF NATURAL RESOURCES - 02-29	1.00	$135.42	$135.42	$0.00	$135.42	$135.42
NE STATE HISTORICAL SOCIETY - 02-54	1.00	$521,589.30	$123,452.93	$398,136.37	$521,589.30	$521,589.30
NEBRASKA STATE PATROL - 02-64	1.00	$341.58	$341.58	$0.00	$341.58	$341.58
Totals for Angina pectoris - 6 Claims	**6.00**	**$524,678.41**	**$126,542.04**	**$398,136.37**	**$104,928.71**	**$521,589.30**
Nature: Arthritis						
HHS - 02-25	1.00	$30,372.00	$6,457.87	$23,914.13	$30,372.00	$30,372.00
NEBRASKA STATE PATROL - 02-64	1.00	$127.92	$127.92	$0.00	$127.92	$127.92

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Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
UNIVERSITY OF NEBRASKA - 02-51	2.00	$7,288.79	$6,543.33	$745.46	$3,644.40	$5,301.00
Totals for **Arthritis** - 4 Claims	**4.00**	**$37,788.71**	**$13,129.12**	**$24,659.59**	**$11,381.44**	**$30,372.00**
Nature: **Asbestosis**						
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
GAME AND PARKS - 02-33	1.00	$649.50	$649.50	$0.00	$649.50	$649.50
HHS - 02-25	1.00	$910,114.08	$610,945.29	$299,168.79	$910,114.08	$910,114.08
Totals for **Asbestosis** - 3 Claims	**3.00**	**$910,763.58**	**$611,594.79**	**$299,168.79**	**$303,587.86**	**$910,114.08**
Nature: **Asphyxia**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$25,882.71	$25,882.71	$0.00	$25,882.71	$25,882.71
HHS - 02-25	2.00	$1,756.14	$1,756.14	$0.00	$878.07	$1,027.43
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$163.71	$163.71	$0.00	$163.71	$163.71
NEBRASKA STATE PATROL - 02-64	3.00	$1,512.88	$1,512.88	$0.00	$504.29	$608.23
UNIVERSITY OF NEBRASKA - 02-51	1.00	$21,861.53	$21,861.53	$0.00	$21,861.53	$21,861.53
Totals for **Asphyxia** - 8 Claims	**8.00**	**$51,176.97**	**$51,176.97**	**$0.00**	**$9,858.06**	**$25,882.71**
Nature: **Bite or sting**						
DEPARTMENT OF TRANSPORTATION - 02-27	3.00	$3,508.35	$554.35	$2,954.00	$1,169.45	$3,000.00
GAME AND PARKS - 02-33	3.00	$8,138.61	$8,138.61	$0.00	$2,712.87	$7,971.91
HHS - 02-25	28.00	$20,658.83	$9,108.88	$11,549.95	$737.82	$4,800.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	4.00	$5,674.11	$4,169.24	$1,504.87	$1,418.53	$3,500.00
NEBRASKA STATE PATROL - 02-64	3.00	$1,224.45	$1,224.45	$0.00	$408.15	$1,096.47
NEBRASKA SUPREME COURT - 02-05	1.00	$33.00	$33.00	$0.00	$33.00	$33.00
STATE ELECTRICAL DIVISION - 02-30	1.00	$2,702.59	$2,702.59	$0.00	$2,702.59	$2,702.59
UNIVERSITY OF NEBRASKA - 02-51	10.00	$7,384.65	$4,394.65	$2,990.00	$738.47	$3,096.03
Totals for **Bite or sting** - 53 Claims	**53.00**	**$49,324.59**	**$30,325.77**	**$18,998.82**	**$1,240.11**	**$7,971.91**
Nature: **Burn (chemical)**						
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$2,792.23	$302.23	$2,490.00	$1,396.12	$2,500.00
GAME AND PARKS - 02-33	1.00	$1,247.49	$1,247.49	$0.00	$1,247.49	$1,247.49
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$282.83	$282.83	$0.00	$282.83	$282.83

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
UNIVERSITY OF NEBRASKA - 02-51	4.00	$769.28	$769.28	$0.00	$192.32	$605.91
Totals for **Burn (chemical)** - 8 Claims	**8.00**	**$5,091.83**	**$2,601.83**	**$2,490.00**	**$779.69**	**$2,500.00**
Nature: **Burn (heat)**						
AUDITOR OF PUBLIC ACCOUNTS - 02-10	1.00	$31.72	$31.72	$0.00	$31.72	$31.72
DEPARTMENT OF LABOR - 02-23	1.00	$476.88	$476.88	$0.00	$476.88	$476.88
DEPARTMENT OF TRANSPORTATION - 02-27	105.00	$75,510.30	$75,510.30	$0.00	$719.15	$24,747.56
DEPT OF ADMINISTRATIVE SERVICES - 02-65	4.00	$2,485.73	$2,485.73	$0.00	$621.43	$1,305.00
GAME AND PARKS - 02-33	45.00	$44,478.98	$44,478.98	$0.00	$988.42	$18,665.61
HHS - 02-25	178.00	$174,121.50	$174,121.50	$0.00	$978.21	$104,415.20
LEGISLATIVE COUNCIL - 02-03	3.00	$723.02	$723.02	$0.00	$241.01	$356.53
NE DEPARTMENT OF EDUCATION - 02-13	3.00	$717.09	$717.09	$0.00	$239.03	$355.04
NE DEPT OF CORRECTIONAL SERVICE - 02-46	52.00	$66,234.81	$66,234.81	$0.00	$1,273.75	$44,220.04
NE DEPT OF NATURAL RESOURCES - 02-29	1.00	$88.33	$88.33	$0.00	$88.33	$88.33
NE STATE HISTORICAL SOCIETY - 02-54	1.00	$318.85	$318.85	$0.00	$318.85	$318.85
NEBRASKA MILITARY DEPARTMENT - 02-31	3.00	$17,094.64	$17,094.64	$0.00	$5,698.21	$16,278.07
NEBRASKA STATE COLLEGE SYSTEM - 02-50	11.00	$2,567.58	$2,567.58	$0.00	$233.42	$789.73
NEBRASKA STATE PATROL - 02-64	7.00	$790,540.28	$707,792.59	$82,747.69	$112,934.33	$788,470.62
NEBRASKA SUPREME COURT - 02-05	1.00	$525,810.22	$525,810.22	$0.00	$525,810.22	$525,810.22
UNIVERSITY OF NEBRASKA - 02-51	524.00	$371,277.61	$360,413.53	$10,864.08	$708.55	$48,883.96
Totals for **Burn (heat)** - 940 Claims	**940.00**	**$2,072,477.54**	**$1,978,865.77**	**$93,611.77**	**$40,710.09**	**$788,470.62**
Nature: **Cancer**						
HHS - 02-25	1.00	$1,394.31	$1,394.31	$0.00	$1,394.31	$1,394.31
Totals for **Cancer** - 1 Claim	**1.00**	**$1,394.31**	**$1,394.31**	**$0.00**	**$1,394.31**	**$1,394.31**
Nature: **Carpal Tunnel Syndrome**						
ATTORNEY GENERAL - 02-11	2.00	$8,738.61	$8,738.61	$0.00	$4,369.31	$6,286.76
DEPARTMENT OF LABOR - 02-23	12.00	$334,951.40	$314,999.03	$19,952.37	$27,912.62	$229,461.00
DEPARTMENT OF MOTOR VEHICLES - 02-24	5.00	$16,849.35	$16,849.35	$0.00	$3,369.87	$10,505.49
DEPARTMENT OF REVENUE - 02-16	1.00	$68,905.81	$34,687.08	$34,218.73	$68,905.81	$68,905.81

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPARTMENT OF TRANSPORTATION - 02-27	19.00	$1,198,482.06	$868,617.56	$329,864.50	$63,078.00	$494,178.06
DEPT OF ADMINISTRATIVE SERVICES - 02-65	19.00	$88,536.45	$88,536.45	$0.00	$4,659.81	$29,289.32
DEPT OF BANKING AND FINANCE - 02-19	2.00	$11,464.18	$11,464.18	$0.00	$5,732.09	$9,705.98
GAME AND PARKS - 02-33	9.00	$100,855.81	$100,855.81	$0.00	$11,206.20	$29,275.82
HHS - 02-25	120.00	$689,587.82	$658,481.73	$31,106.09	$5,746.57	$34,840.00
LEGISLATIVE COUNCIL - 02-03	3.00	$22,490.69	$22,490.69	$0.00	$7,496.90	$14,219.01
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NE DEPARTMENT OF EDUCATION - 02-13	7.00	$16,315.78	$16,315.78	$0.00	$2,330.83	$12,338.57
NE DEPT OF CORRECTIONAL SERVICE - 02-46	12.00	$117,382.08	$117,382.08	$0.00	$9,781.84	$31,387.37
NE ED TELECOMM COMMISSION - 02-47	2.00	$25,453.44	$25,453.44	$0.00	$12,726.72	$16,605.51
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	4.00	$18,627.36	$18,627.36	$0.00	$4,656.84	$15,414.30
NE SECRETARY OF STATE'S OFFICE - 02-09	1.00	$148.06	$148.06	$0.00	$148.06	$148.06
NE STATE TREASURER'S OFFICE - 02-12	1.00	$18,024.55	$18,024.55	$0.00	$18,024.55	$18,024.55
NEBRASKA FIRE MARSHAL - 02-21	2.00	$40,162.85	$40,162.85	$0.00	$20,081.43	$37,474.32
NEBRASKA LIBRARY COMMISSION - 02-34	1.00	$10,074.32	$10,074.32	$0.00	$10,074.32	$10,074.32
NEBRASKA STATE COLLEGE SYSTEM - 02-50	4.00	$33,866.22	$33,866.22	$0.00	$8,466.56	$24,122.06
NEBRASKA STATE PATROL - 02-64	7.00	$28,010.63	$28,010.63	$0.00	$4,001.52	$12,979.38
NEBRASKA SUPREME COURT - 02-05	9.00	$46,354.19	$40,892.68	$5,461.51	$5,150.47	$17,486.65
UNIVERSITY OF NEBRASKA - 02-51	96.00	$746,982.25	$690,949.08	$56,033.17	$7,781.07	$329,943.34
WORKERS□ COMPENSATION COURT - 02-37	5.00	$87,839.50	$87,839.50	$0.00	$17,567.90	$35,444.64
Totals for **Carpal Tunnel Syndrome** - 344 Claims	**344.00**	**$3,730,103.41**	**$3,253,467.04**	**$476,636.37**	**$13,469.55**	**$494,178.06**
Nature: **Communicable Disease**						
DEPARTMENT OF TRANSPORTATION - 02-27	9.00	$2,228.35	$2,228.35	$0.00	$247.59	$963.85
GAME AND PARKS - 02-33	3.00	$16,024.24	$16,024.24	$0.00	$5,341.41	$15,539.04
HHS - 02-25	14.00	$2,287.16	$2,287.16	$0.00	$163.37	$439.06

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE DEPT OF CORRECTIONAL SERVICE - 02-46	5.00	$32,294.50	$15,891.51	$16,402.99	$6,458.90	$32,270.00
NEBRASKA STATE PATROL - 02-64	3.00	$1,080.33	$1,080.33	$0.00	$360.11	$849.38
NEBRASKA SUPREME COURT - 02-05	1.00	$15.50	$15.50	$0.00	$15.50	$15.50
PARDON/PAROLE BOARD - 02-15	1.00	$5,344.37	$5,344.37	$0.00	$5,344.37	$5,344.37
UNIVERSITY OF NEBRASKA - 02-51	13.00	$8,136.52	$8,136.52	$0.00	$625.89	$4,320.65
Totals for **Communicable Disease** - 49 Claims	**49.00**	**$67,410.97**	**$51,007.98**	**$16,402.99**	**$2,319.64**	**$32,270.00**
Nature: **Concussion**						
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$3,000.00	$120.45	$2,879.55	$3,000.00	$3,000.00
DEPARTMENT OF REVENUE - 02-16	1.00	$4,198.65	$4,198.65	$0.00	$4,198.65	$4,198.65
DEPARTMENT OF TRANSPORTATION - 02-27	19.00	$149,346.21	$136,994.10	$12,352.11	$7,860.33	$79,864.44
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$390.60	$390.60	$0.00	$390.60	$390.60
DEPT OF AGRICULTURE - 02-18	1.00	$3,900.00	$130.17	$3,769.83	$3,900.00	$3,900.00
GAME AND PARKS - 02-33	10.00	$206,039.01	$127,008.15	$79,030.86	$20,603.90	$196,200.00
HHS - 02-25	88.00	$522,242.76	$469,180.92	$53,061.84	$5,934.58	$87,827.28
LEGISLATIVE COUNCIL - 02-03	1.00	$1,112.16	$1,112.16	$0.00	$1,112.16	$1,112.16
NE COMMISSION FOR THE BLIND - 02-81	1.00	$2,531.76	$2,531.76	$0.00	$2,531.76	$2,531.76
NE DEPARTMENT OF EDUCATION - 02-13	2.00	$50,053.48	$33,148.05	$16,905.43	$25,026.74	$49,991.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	27.00	$75,235.88	$74,087.59	$1,148.29	$2,786.51	$14,126.86
NE STATE HISTORICAL SOCIETY - 02-54	1.00	$45.00	$45.00	$0.00	$45.00	$45.00
NEBRASKA BRAND COMMITTEE - 02 -39	3.00	$116,881.97	$116,881.97	$0.00	$38,960.66	$107,689.33
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	2.00	$9,829.80	$9,829.80	$0.00	$4,914.90	$6,907.77
NEBRASKA STATE PATROL - 02-64	4.00	$61,444.38	$61,444.38	$0.00	$15,361.10	$60,685.01
NEBRASKA SUPREME COURT - 02-05	1.00	$3,191.66	$3,191.66	$0.00	$3,191.66	$3,191.66
STATE ELECTRICAL DIVISION - 02-30	1.00	$2,262.64	$2,262.64	$0.00	$2,262.64	$2,262.64

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
UNIVERSITY OF NEBRASKA - 02-51	48.00	$503,159.87	$461,803.94	$41,355.93	$10,482.50	$270,133.00
Totals for Concussion - 213 Claims	**213.00**	**$1,714,865.83**	**$1,504,361.99**	**$210,503.84**	**$8,029.67**	**$270,133.00**

Nature: **Contusion, bruise**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
ATTORNEY GENERAL - 02-11	2.00	$356.95	$356.95	$0.00	$178.48	$246.86
BOARD OF BARBER EXAMINERS - 02-45	1.00	$219.11	$219.11	$0.00	$219.11	$219.11
DEPARTMENT OF INSURANCE - 02-22	3.00	$654.08	$654.08	$0.00	$218.03	$495.08
DEPARTMENT OF LABOR - 02-23	25.00	$92,299.33	$92,299.33	$0.00	$3,691.97	$39,895.78
DEPARTMENT OF MOTOR VEHICLES - 02-24	19.00	$133,778.31	$106,772.54	$27,005.77	$7,040.96	$58,235.73
DEPARTMENT OF REVENUE - 02-16	31.00	$67,435.29	$67,435.29	$0.00	$2,175.33	$35,101.04
DEPARTMENT OF TRANSPORTATION - 02-27	467.00	$3,163,443.28	$2,592,758.49	$570,684.79	$6,773.97	$908,725.12
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	7.00	$11,410.56	$8,420.56	$2,990.00	$1,630.08	$5,867.86
DEPT OF ADMINISTRATIVE SERVICES - 02-65	65.00	$97,140.65	$97,140.65	$0.00	$1,494.47	$42,838.29
DEPT OF AGRICULTURE - 02-18	11.00	$44,631.41	$44,631.41	$0.00	$4,057.40	$31,812.03
DEPT OF BANKING AND FINANCE - 02-19	3.00	$799.19	$799.19	$0.00	$266.40	$647.93
DHS FINANCE AND SUPPORT - 02-26	1.00	$868.95	$868.95	$0.00	$868.95	$868.95
FOSTER CARE REVIEW BOARD - 02-70	1.00	$83.39	$83.39	$0.00	$83.39	$83.39
GAME AND PARKS - 02-33	197.00	$788,212.26	$691,257.01	$96,955.25	$4,001.08	$87,049.00
GOVERNOR□S OFFICE - 02-07	2.00	$373.60	$373.60	$0.00	$186.80	$348.38
HHS - 02-25	2,839.00	$9,576,036.77	$9,293,347.80	$282,688.97	$3,373.03	$1,846,952.96
LEGISLATIVE COUNCIL - 02-03	38.00	$153,194.15	$153,194.15	$0.00	$4,031.43	$38,842.26
NE COMMISS LAW ENFORCEMENT - 02-78	6.00	$2,610.52	$2,610.52	$0.00	$435.09	$1,078.13
NE COMMISSION FOR THE BLIND - 02-81	4.00	$28,504.18	$28,504.18	$0.00	$7,126.05	$26,895.72
NE DEPARTMENT OF EDUCATION - 02-13	49.00	$195,866.48	$195,866.48	$0.00	$3,997.28	$58,436.68
NE DEPT OF CORRECTIONAL SERVICE - 02-46	744.00	$2,025,614.00	$1,756,561.71	$269,052.29	$2,722.60	$151,938.90
NE DEPT OF NATURAL RESOURCES - 02-29	4.00	$1,488.91	$1,488.91	$0.00	$372.23	$716.35

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE ED TELECOMM COMMISSION - 02-47	5.00	$167,917.38	$167,917.38	$0.00	$33,583.48	$162,967.29
NE LIQUOR CONTROL COMMISSION - 02-35	2.00	$603.06	$603.06	$0.00	$301.53	$603.06
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	2.00	$251.58	$251.58	$0.00	$125.79	$200.19
NE PUBLIC SERVICE COMMISSION - 02-14	2.00	$97.00	$97.00	$0.00	$48.50	$62.00
NE SECRETARY OF STATE'S OFFICE - 02-09	4.00	$1,296.18	$1,296.18	$0.00	$324.05	$845.80
NE STATE HISTORICAL SOCIETY - 02-54	5.00	$5,771.74	$5,771.74	$0.00	$1,154.35	$3,448.44
NE STATE RACING COMMISSION - 02-36	3.00	$705.38	$705.38	$0.00	$235.13	$322.25
NE STATE TREASURER'S OFFICE - 02-12	3.00	$7,102.65	$7,102.65	$0.00	$2,367.55	$6,024.18
NEBRASKA BRAND COMMITTEE - 02 -39	23.00	$12,404.35	$12,404.35	$0.00	$539.32	$3,381.02
NEBRASKA FIRE MARSHAL - 02-21	4.00	$29,275.15	$29,275.15	$0.00	$7,318.79	$26,698.21
NEBRASKA MILITARY DEPARTMENT - 02-31	27.00	$47,700.48	$47,700.48	$0.00	$1,766.68	$30,003.75
NEBRASKA STATE COLLEGE SYSTEM - 02-50	90.00	$173,333.08	$169,843.08	$3,490.00	$1,925.92	$75,551.07
NEBRASKA STATE PATROL - 02-64	138.00	$317,482.26	$317,482.26	$0.00	$2,300.60	$63,469.86
NEBRASKA SUPREME COURT - 02-05	32.00	$198,822.91	$180,821.95	$18,000.96	$6,213.22	$118,056.03
PARDON/PAROLE BOARD - 02-15	1.00	$330.11	$330.11	$0.00	$330.11	$330.11
STATE ELECTRICAL DIVISION - 02-30	7.00	$133,756.72	$51,556.38	$82,200.34	$19,108.10	$91,742.00
UNIVERSITY OF NEBRASKA - 02-51	1,697.00	$3,825,107.99	$3,468,588.83	$356,519.16	$2,254.04	$231,197.00
WORKERS□ COMPENSATION COURT - 02-37	4.00	$388.41	$388.41	$0.00	$97.10	$132.61
Totals for **Contusion, bruise** - 6,568 Claims	**6,568.00**	**$21,307,367.80**	**$19,597,780.27**	**$1,709,587.53**	**$3,373.46**	**$1,846,952.96**
Nature: Crushing						
DEPARTMENT OF TRANSPORTATION - 02-27	84.00	$1,522,729.89	$1,197,730.19	$324,999.70	$18,127.74	$463,348.31
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$111.12	$111.12	$0.00	$111.12	$111.12
DEPT OF ADMINISTRATIVE SERVICES - 02-65	3.00	$6,639.37	$6,639.37	$0.00	$2,213.12	$4,127.92
GAME AND PARKS - 02-33	27.00	$67,398.97	$66,592.35	$806.62	$2,496.26	$19,337.60

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
HHS - 02-25	40.00	$841,202.74	$644,756.57	$196,446.17	$21,030.07	$721,011.00
LEGISLATIVE COUNCIL - 02-03	1.00	$9,038.76	$9,038.76	$0.00	$9,038.76	$9,038.76
NE DEPARTMENT OF EDUCATION - 02-13	2.00	$1,330.66	$1,330.66	$0.00	$665.33	$749.41
NE DEPT OF CORRECTIONAL SERVICE - 02-46	63.00	$231,705.04	$228,152.27	$3,552.77	$3,677.86	$113,906.65
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NE SECRETARY OF STATE'S OFFICE - 02-09	1.00	$170.95	$170.95	$0.00	$170.95	$170.95
NE STATE HISTORICAL SOCIETY - 02-54	1.00	$417.65	$417.65	$0.00	$417.65	$417.65
NEBRASKA BRAND COMMITTEE - 02 -39	1.00	$151,177.00	$53,875.85	$97,301.15	$151,177.00	$151,177.00
NEBRASKA MILITARY DEPARTMENT - 02-31	2.00	$18,577.91	$18,577.91	$0.00	$9,288.96	$17,725.32
NEBRASKA STATE COLLEGE SYSTEM - 02-50	4.00	$1,179.71	$1,179.71	$0.00	$294.93	$629.89
NEBRASKA STATE PATROL - 02-64	10.00	$9,157.62	$9,157.62	$0.00	$915.76	$6,494.38
UNIVERSITY OF NEBRASKA - 02-51	86.00	$301,975.04	$296,779.55	$5,195.49	$3,511.34	$100,993.34
Totals for **Crushing** - 327 Claims	**327.00**	**$3,162,812.43**	**$2,534,510.53**	**$628,301.90**	**$13,946.05**	**$721,011.00**
Nature: **Cumulative injuries, NOC**						
ATTORNEY GENERAL - 02-11	1.00	$4,284.91	$4,284.91	$0.00	$4,284.91	$4,284.91
DEPARTMENT OF MOTOR VEHICLES - 02-24	3.00	$2,214.84	$2,214.84	$0.00	$738.28	$2,161.84
DEPARTMENT OF REVENUE - 02-16	3.00	$2,632.49	$2,632.49	$0.00	$877.50	$2,107.50
DEPARTMENT OF TRANSPORTATION - 02-27	23.00	$22,024.49	$22,024.49	$0.00	$957.59	$12,386.17
DEPT OF ADMINISTRATIVE SERVICES - 02-65	4.00	$7,715.98	$7,715.98	$0.00	$1,929.00	$6,553.02
DEPT OF AGRICULTURE - 02-18	1.00	$1,760.66	$1,760.66	$0.00	$1,760.66	$1,760.66
GAME AND PARKS - 02-33	9.00	$9,409.07	$9,409.07	$0.00	$1,045.45	$7,435.73
HHS - 02-25	143.00	$365,036.69	$320,157.60	$44,879.09	$2,552.70	$47,000.00
LEGISLATIVE COUNCIL - 02-03	1.00	$1,184.72	$1,184.72	$0.00	$1,184.72	$1,184.72
NE DEPARTMENT OF EDUCATION - 02-13	2.00	$3,188.09	$3,188.09	$0.00	$1,594.05	$2,745.25
NE DEPT OF CORRECTIONAL SERVICE - 02-46	43.00	$105,120.39	$105,120.39	$0.00	$2,444.66	$47,859.45
NE ED TELECOMM COMMISSION - 02-47	1.00	$7,795.86	$7,795.86	$0.00	$7,795.86	$7,795.86

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	3.00	$789.20	$789.20	$0.00	$263.07	$463.26
NEBRASKA BRAND COMMITTEE - 02-39	1.00	$69.00	$69.00	$0.00	$69.00	$69.00
NEBRASKA MILITARY DEPARTMENT - 02-31	3.00	$567.95	$567.95	$0.00	$189.32	$220.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	5.00	$1,357.12	$1,357.12	$0.00	$271.42	$724.80
NEBRASKA STATE PATROL - 02-64	8.00	$13,171.44	$13,171.44	$0.00	$1,646.43	$11,204.95
NEBRASKA SUPREME COURT - 02-05	1.00	$98.49	$98.49	$0.00	$98.49	$98.49
UNIVERSITY OF NEBRASKA - 02-51	187.00	$521,652.84	$496,348.55	$25,304.29	$2,789.59	$203,623.12
WORKERS□ COMPENSATION COURT - 02-37	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
Totals for **Cumulative injuries, NOC** - 443 Claims	**443.00**	**$1,070,074.23**	**$999,890.85**	**$70,183.38**	**$1,624.63**	**$203,623.12**
Nature: **Death**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$415,226.50	$162,296.82	$252,929.68	$415,226.50	$415,226.50
GAME AND PARKS - 02-33	1.00	$891,377.75	$394,769.39	$496,608.36	$891,377.75	$891,377.75
Totals for **Death** - 2 Claims	**2.00**	**$1,306,604.25**	**$557,066.21**	**$749,538.04**	**$653,302.13**	**$891,377.75**
Nature: **Dental**						
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$208.13	$208.13	$0.00	$208.13	$208.13
GAME AND PARKS - 02-33	1.00	$1,472.05	$1,472.05	$0.00	$1,472.05	$1,472.05
HHS - 02-25	2.00	$356.56	$356.56	$0.00	$178.28	$187.98
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$25,000.00	$2,234.96	$22,765.04	$25,000.00	$25,000.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$4,900.00	$10.00	$4,890.00	$4,900.00	$4,900.00
Totals for **Dental** - 7 Claims	**7.00**	**$31,936.74**	**$4,281.70**	**$27,655.04**	**$5,293.08**	**$25,000.00**
Nature: **Dermatitis, skin disease or disorder**						
DEPARTMENT OF LABOR - 02-23	1.00	$5,361.68	$5,361.68	$0.00	$5,361.68	$5,361.68
DEPARTMENT OF REVENUE - 02-16	1.00	$150.56	$150.56	$0.00	$150.56	$150.56
DEPARTMENT OF TRANSPORTATION - 02-27	31.00	$5,142.86	$5,142.86	$0.00	$165.90	$820.85
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$10.00	$10.00	$0.00	$10.00	$10.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	3.00	$84.83	$84.83	$0.00	$28.28	$39.83

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPT OF AGRICULTURE - 02-18	1.00	$35.00	$35.00	$0.00	$35.00	$35.00
GAME AND PARKS - 02-33	58.00	$6,827.39	$6,827.39	$0.00	$117.71	$953.79
HHS - 02-25	76.00	$147,075.88	$147,075.88	$0.00	$1,935.21	$99,019.28
LEGISLATIVE COUNCIL - 02-03	7.00	$3,644.56	$3,644.56	$0.00	$520.65	$2,790.18
NE DEPARTMENT OF EDUCATION - 02-13	1.00	$217.00	$217.00	$0.00	$217.00	$217.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	7.00	$31,552.93	$5,751.36	$25,801.57	$4,507.56	$29,196.00
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$257.98	$257.98	$0.00	$257.98	$257.98
NEBRASKA STATE COLLEGE SYSTEM - 02-50	8.00	$10,919.29	$10,919.29	$0.00	$1,364.91	$5,845.03
NEBRASKA STATE PATROL - 02-64	4.00	$697.34	$697.34	$0.00	$174.34	$236.59
UNIVERSITY OF NEBRASKA - 02-51	171.00	$153,707.91	$153,707.91	$0.00	$898.88	$87,498.02
WORKERS□ COMPENSATION COURT - 02-37	1.00	$108.10	$108.10	$0.00	$108.10	$108.10
Totals for **Dermatitis, skin disease or disorder** - 372 Claims	**372.00**	**$365,793.31**	**$339,991.74**	**$25,801.57**	**$990.86**	**$99,019.28**
Nature: **Dislocation**						
AUDITOR OF PUBLIC ACCOUNTS - 02-10	1.00	$19,413.10	$19,413.10	$0.00	$19,413.10	$19,413.10
DEPARTMENT OF LABOR - 02-23	1.00	$69,579.65	$69,579.65	$0.00	$69,579.65	$69,579.65
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$177.16	$177.16	$0.00	$177.16	$177.16
DEPARTMENT OF TRANSPORTATION - 02-27	54.00	$2,578,552.60	$2,492,778.75	$85,773.85	$47,750.97	$281,228.27
DEPT OF ADMINISTRATIVE SERVICES - 02-65	5.00	$48,541.55	$48,541.55	$0.00	$9,708.31	$41,712.91
DEPT OF ECONOMIC DEVELOPMENT - 02-72	1.00	$4,464.81	$4,464.81	$0.00	$4,464.81	$4,464.81
EDUCATIONAL LANDS AND FUNDS - 02-32	1.00	$426,796.51	$426,796.51	$0.00	$426,796.51	$426,796.51
FOSTER CARE REVIEW BOARD - 02-70	1.00	$12,154.78	$12,154.78	$0.00	$12,154.78	$12,154.78
GAME AND PARKS - 02-33	27.00	$276,673.95	$231,642.99	$45,030.96	$10,247.18	$88,500.31
HHS - 02-25	66.00	$6,035,291.49	$5,318,152.83	$717,138.66	$91,443.81	$877,440.00
LEGISLATIVE COUNCIL - 02-03	1.00	$34,030.72	$34,030.72	$0.00	$34,030.72	$34,030.72
NE DEPARTMENT OF EDUCATION - 02-13	2.00	$289.70	$289.70	$0.00	$144.85	$289.70
NE DEPT OF CORRECTIONAL SERVICE - 02-46	40.00	$380,934.46	$330,008.20	$50,926.26	$9,523.36	$192,320.65

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE DEPT OF NATURAL RESOURCES - 02-29	1.00	$188.57	$188.57	$0.00	$188.57	$188.57
NEBRASKA BRAND COMMITTEE - 02 -39	1.00	$7,350.01	$7,350.01	$0.00	$7,350.01	$7,350.01
NEBRASKA FIRE MARSHAL - 02-21	2.00	$6,183.37	$6,183.37	$0.00	$3,091.69	$6,020.21
NEBRASKA MILITARY DEPARTMENT - 02-31	2.00	$746.63	$746.63	$0.00	$373.32	$578.45
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NEBRASKA STATE PATROL - 02-64	36.00	$844,369.52	$610,820.14	$233,549.38	$23,454.71	$168,909.00
UNIVERSITY OF NEBRASKA - 02-51	97.00	$6,572,956.78	$6,080,092.87	$492,863.91	$67,762.44	$1,052,856.00
Totals for Dislocation - 341 Claims	**341.00**	**$17,318,695.36**	**$15,693,412.34**	**$1,625,283.02**	**$41,882.80**	**$1,052,856.00**
Nature: Electric shock						
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$2,848.61	$2,848.61	$0.00	$2,848.61	$2,848.61
DEPARTMENT OF TRANSPORTATION - 02-27	5.00	$67,229.02	$67,229.02	$0.00	$13,445.80	$54,618.88
DEPT OF ADMINISTRATIVE SERVICES - 02-65	2.00	$306.94	$306.94	$0.00	$153.47	$306.94
HHS - 02-25	10.00	$3,828.47	$3,828.47	$0.00	$382.85	$1,788.71
LEGISLATIVE COUNCIL - 02-03	1.00	$709.56	$709.56	$0.00	$709.56	$709.56
NE DEPT OF CORRECTIONAL SERVICE - 02-46	7.00	$4,612.25	$4,612.25	$0.00	$658.89	$1,346.09
NE ED TELECOMM COMMISSION - 02-47	1.00	$9,207.03	$9,207.03	$0.00	$9,207.03	$9,207.03
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$101.92	$101.92	$0.00	$101.92	$101.92
NEBRASKA STATE PATROL - 02-64	1.00	$2,650.89	$2,650.89	$0.00	$2,650.89	$2,650.89
UNIVERSITY OF NEBRASKA - 02-51	25.00	$310,626.42	$217,250.13	$93,376.29	$12,425.06	$299,768.00
Totals for Electric shock - 54 Claims	**54.00**	**$402,121.11**	**$308,744.82**	**$93,376.29**	**$4,258.41**	**$299,768.00**
Nature: Enucleation (to remove tumor, eye, etc)						
UNIVERSITY OF NEBRASKA - 02-51	2.00	$85.83	$85.83	$0.00	$42.92	$79.83
Totals for Enucleation (to remove tumor, eye, etc) - 2 Claim	**2.00**	**$85.83**	**$85.83**	**$0.00**	**$42.92**	**$79.83**
Nature: Epicondylitis						
GAME AND PARKS - 02-33	1.00	$15,268.00	$235.07	$15,032.93	$15,268.00	$15,268.00
Totals for Epicondylitis - 1 Claim	**1.00**	**$15,268.00**	**$235.07**	**$15,032.93**	**$15,268.00**	**$15,268.00**
Nature: Foreign body						
DEPARTMENT OF LABOR - 02-23	1.00	$114.76	$114.76	$0.00	$114.76	$114.76
DEPARTMENT OF REVENUE - 02-16	2.00	$1,029.04	$1,029.04	$0.00	$514.52	$632.53

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPARTMENT OF TRANSPORTATION - 02-27	184.00	$61,694.40	$51,453.21	$10,241.19	$335.30	$11,000.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	15.00	$3,008.52	$3,008.52	$0.00	$200.57	$488.59
GAME AND PARKS - 02-33	82.00	$37,479.35	$37,479.35	$0.00	$457.07	$11,869.73
HHS - 02-25	97.00	$30,360.94	$30,360.94	$0.00	$313.00	$3,133.81
LEGISLATIVE COUNCIL - 02-03	2.00	$121.67	$121.67	$0.00	$60.84	$75.17
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$116.04	$116.04	$0.00	$116.04	$116.04
NE DEPARTMENT OF EDUCATION - 02-13	1.00	$163.63	$163.63	$0.00	$163.63	$163.63
NE DEPT OF CORRECTIONAL SERVICE - 02-46	68.00	$29,882.63	$29,882.63	$0.00	$439.45	$2,942.44
NE DEPT OF NATURAL RESOURCES - 02-29	1.00	$70.50	$70.50	$0.00	$70.50	$70.50
NEBRASKA BRAND COMMITTEE - 02 -39	1.00	$83.90	$83.90	$0.00	$83.90	$83.90
NEBRASKA FIRE MARSHAL - 02-21	2.00	$2,442.49	$2,442.49	$0.00	$1,221.25	$2,258.08
NEBRASKA MILITARY DEPARTMENT - 02-31	2.00	$996.07	$996.07	$0.00	$498.04	$625.32
NEBRASKA STATE COLLEGE SYSTEM - 02-50	14.00	$2,896.32	$1,096.32	$1,800.00	$206.88	$1,800.00
NEBRASKA STATE PATROL - 02-64	15.00	$106,732.58	$106,732.58	$0.00	$7,115.51	$101,484.48
NEBRASKA SUPREME COURT - 02-05	3.00	$1,206.12	$1,206.12	$0.00	$402.04	$1,074.66
STATE ELECTRICAL DIVISION - 02-30	1.00	$106.50	$106.50	$0.00	$106.50	$106.50
UNIVERSITY OF NEBRASKA - 02-51	273.00	$98,090.83	$93,449.60	$4,641.23	$359.31	$14,479.98
Totals for **Foreign body** - 765 Claims	**765.00**	**$376,596.29**	**$359,913.87**	**$16,682.42**	**$672.58**	**$101,484.48**
Nature: **Fracture**						
ATTORNEY GENERAL - 02-11	1.00	$10,265.69	$10,265.69	$0.00	$10,265.69	$10,265.69
DEPARTMENT OF INSURANCE - 02-22	1.00	$625.02	$625.02	$0.00	$625.02	$625.02
DEPARTMENT OF LABOR - 02-23	11.00	$96,189.14	$96,189.14	$0.00	$8,744.47	$20,955.21
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$56,572.62	$56,572.62	$0.00	$56,572.62	$56,572.62
DEPARTMENT OF REVENUE - 02-16	7.00	$86,137.69	$86,137.69	$0.00	$12,305.38	$52,639.82
DEPARTMENT OF TRANSPORTATION - 02-27	182.00	$3,600,161.29	$2,892,332.92	$707,828.37	$19,781.11	$626,166.37
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$545.11	$545.11	$0.00	$545.11	$545.11

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPT OF ADMINISTRATIVE SERVICES - 02-65	23.00	$340,834.28	$340,834.28	$0.00	$14,818.88	$76,039.21
DEPT OF AGRICULTURE - 02-18	6.00	$27,300.94	$27,300.94	$0.00	$4,550.16	$11,150.95
DEPT OF ECONOMIC DEVELOPMENT - 02-72	2.00	$8,910.31	$8,910.31	$0.00	$4,455.16	$7,535.29
EDUCATIONAL LANDS AND FUNDS - 02-32	1.00	$37,019.61	$37,019.61	$0.00	$37,019.61	$37,019.61
GAME AND PARKS - 02-33	76.00	$906,772.41	$816,659.25	$90,113.16	$11,931.22	$111,802.24
HHS - 02-25	269.00	$3,973,110.85	$3,691,434.44	$281,676.41	$14,769.93	$464,387.76
LEGISLATIVE COUNCIL - 02-03	17.00	$132,296.47	$132,296.47	$0.00	$7,782.15	$43,852.78
LIEUTENANT GOVERNOR - 02-08	2.00	$2,570.08	$2,570.08	$0.00	$1,285.04	$2,291.53
NE COMMISS LAW ENFORCEMENT - 02-78	1.00	$701.28	$701.28	$0.00	$701.28	$701.28
NE COMMISSION FOR THE DEAF - 02-82	1.00	$163.49	$163.49	$0.00	$163.49	$163.49
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	5.00	$103,173.10	$79,579.58	$23,593.52	$20,634.62	$94,456.00
NE DEPARTMENT OF EDUCATION - 02-13	17.00	$289,973.19	$183,157.02	$106,816.17	$17,057.25	$133,825.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	114.00	$2,488,134.26	$2,004,927.92	$483,206.34	$21,825.74	$891,869.00
NE DEPT OF NATURAL RESOURCES - 02-29	3.00	$2,697.33	$2,697.33	$0.00	$899.11	$2,068.57
NE ED TELECOMM COMMISSION - 02-47	3.00	$26,887.36	$26,887.36	$0.00	$8,962.45	$19,402.22
NE LIQUOR CONTROL COMMISSION - 02-35	1.00	$123.32	$123.32	$0.00	$123.32	$123.32
NE REAL PROPERTY APPRAISER BRD - 02-53	1.00	$976.24	$976.24	$0.00	$976.24	$976.24
NE SECRETARY OF STATE'S OFFICE - 02-09	1.00	$523.37	$523.37	$0.00	$523.37	$523.37
NE STATE HISTORICAL SOCIETY - 02-54	5.00	$126,378.09	$126,378.09	$0.00	$25,275.62	$56,525.03
NE STATE TREASURER'S OFFICE - 02-12	1.00	$160.34	$160.34	$0.00	$160.34	$160.34
NEBRASKA BRAND COMMITTEE - 02 -39	10.00	$86,148.35	$86,148.35	$0.00	$8,614.84	$45,683.45
NEBRASKA FIRE MARSHAL - 02-21	4.00	$48,646.98	$48,646.98	$0.00	$12,161.75	$35,113.09
NEBRASKA MILITARY DEPARTMENT - 02-31	8.00	$27,867.41	$27,867.41	$0.00	$3,483.43	$11,989.85
NEBRASKA STATE COLLEGE SYSTEM - 02-50	30.00	$325,918.78	$287,409.99	$38,508.79	$10,863.96	$60,618.12

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NEBRASKA STATE PATROL - 02-64	43.00	$367,387.29	$327,114.58	$40,272.71	$8,543.89	$63,289.35
NEBRASKA SUPREME COURT - 02-05	20.00	$141,079.73	$141,079.73	$0.00	$7,053.99	$37,235.16
STATE ELECTRICAL DIVISION - 02-30	2.00	$1,609.11	$1,609.11	$0.00	$804.56	$939.11
UNIVERSITY OF NEBRASKA - 02-51	485.00	$4,943,196.17	$4,631,491.65	$311,704.52	$10,192.16	$425,250.00
WORKERS COMPENSATION COURT - 02-37	2.00	$6,520.58	$6,520.58	$0.00	$3,260.29	$5,027.50
Totals for **Fracture** - 1,357 Claims	**1,357.00**	**$18,267,577.28**	**$16,183,857.29**	**$2,083,719.99**	**$10,214.81**	**$891,869.00**
Nature: **Frostbite, hypothermia**						
DEPARTMENT OF TRANSPORTATION - 02-27	3.00	$229.90	$229.90	$0.00	$76.63	$90.00
GAME AND PARKS - 02-33	1.00	$347.87	$347.87	$0.00	$347.87	$347.87
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$62.00	$62.00	$0.00	$62.00	$62.00
NEBRASKA STATE PATROL - 02-64	1.00	$89.73	$89.73	$0.00	$89.73	$89.73
UNIVERSITY OF NEBRASKA - 02-51	1.00	$91.16	$91.16	$0.00	$91.16	$91.16
Totals for **Frostbite, hypothermia** - 7 Claims	**7.00**	**$820.66**	**$820.66**	**$0.00**	**$133.48**	**$347.87**
Nature: **Hearing Loss**						
DEPARTMENT OF TRANSPORTATION - 02-27	5.00	$1,462.34	$1,462.34	$0.00	$292.47	$993.23
DEPT OF ECONOMIC DEVELOPMENT - 02-72	1.00	$77.15	$77.15	$0.00	$77.15	$77.15
GAME AND PARKS - 02-33	9.00	$86,842.83	$69,499.62	$17,343.21	$9,649.20	$37,500.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	4.00	$48,104.09	$48,104.09	$0.00	$12,026.02	$30,903.24
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$49,866.00	$765.24	$49,100.76	$49,866.00	$49,866.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$9.00	$9.00	$0.00	$9.00	$9.00
NEBRASKA STATE PATROL - 02-64	4.00	$1,118.32	$1,118.32	$0.00	$279.58	$727.95
UNIVERSITY OF NEBRASKA - 02-51	14.00	$8,309.70	$8,309.70	$0.00	$593.55	$4,017.45
Totals for **Hearing Loss** - 39 Claims	**39.00**	**$195,789.43**	**$129,345.46**	**$66,443.97**	**$9,099.12**	**$49,866.00**
Nature: **Heart attack (myocardial infarction)**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$22.55	$22.55	$0.00	$22.55	$22.55
GAME AND PARKS - 02-33	1.00	$94.96	$94.96	$0.00	$94.96	$94.96
HHS - 02-25	2.00	$161.75	$161.75	$0.00	$80.88	$98.61

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE DEPT OF CORRECTIONAL SERVICE - 02-46	3.00	$5,434.37	$5,434.37	$0.00	$1,811.46	$2,980.67
NEBRASKA STATE PATROL - 02-64	2.00	$325,194.75	$325,194.75	$0.00	$162,597.38	$325,194.75
UNIVERSITY OF NEBRASKA - 02-51	2.00	$278.55	$278.55	$0.00	$139.28	$278.55
Totals for **Heart attack (myocardial infarction)** - 11 Claims	**11.00**	**$331,186.93**	**$331,186.93**	**$0.00**	**$27,457.75**	**$325,194.75**
Nature: Heat stroke						
DEPARTMENT OF TRANSPORTATION - 02-27	22.00	$34,030.53	$34,030.53	$0.00	$1,546.84	$14,625.02
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$319.82	$319.82	$0.00	$319.82	$319.82
GAME AND PARKS - 02-33	8.00	$3,149.58	$3,149.58	$0.00	$393.70	$1,247.23
HHS - 02-25	2.00	$509.99	$509.99	$0.00	$255.00	$503.99
LEGISLATIVE COUNCIL - 02-03	3.00	$3,759.54	$3,759.54	$0.00	$1,253.18	$1,921.71
NE DEPT OF CORRECTIONAL SERVICE - 02-46	9.00	$12,900.49	$12,900.49	$0.00	$1,433.39	$3,433.97
NEBRASKA FIRE MARSHAL - 02-21	1.00	$3,139.96	$3,139.96	$0.00	$3,139.96	$3,139.96
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$636.30	$636.30	$0.00	$636.30	$636.30
NEBRASKA STATE PATROL - 02-64	10.00	$11,060.51	$11,060.51	$0.00	$1,106.05	$2,680.23
UNIVERSITY OF NEBRASKA - 02-51	16.00	$26,080.46	$26,080.46	$0.00	$1,630.03	$10,451.19
Totals for **Heat stroke** - 73 Claims	**73.00**	**$95,587.18**	**$95,587.18**	**$0.00**	**$1,171.43**	**$14,625.02**
Nature: Hepatitis C						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$417.18	$417.18	$0.00	$417.18	$417.18
Totals for **Hepatitis C** - 1 Claim	**1.00**	**$417.18**	**$417.18**	**$0.00**	**$417.18**	**$417.18**
Nature: Hernia						
DEPARTMENT OF REVENUE - 02-16	2.00	$8,161.09	$8,161.09	$0.00	$4,080.55	$5,163.48
DEPARTMENT OF TRANSPORTATION - 02-27	26.00	$721,537.58	$721,537.58	$0.00	$27,751.45	$541,673.83
DEPT OF ADMINISTRATIVE SERVICES - 02-65	4.00	$22,715.93	$22,715.93	$0.00	$5,678.98	$9,489.42
GAME AND PARKS - 02-33	6.00	$43,926.14	$43,926.14	$0.00	$7,321.02	$19,956.35
HHS - 02-25	10.00	$27,427.24	$27,427.24	$0.00	$2,742.72	$7,752.94
LEGISLATIVE COUNCIL - 02-03	2.00	$5,400.97	$5,400.97	$0.00	$2,700.49	$5,265.71
NE DEPARTMENT OF EDUCATION - 02-13	2.00	$9,890.26	$9,890.26	$0.00	$4,945.13	$6,536.06
NE DEPT OF CORRECTIONAL SERVICE - 02-46	6.00	$39,114.30	$39,114.30	$0.00	$6,519.05	$14,610.05
NEBRASKA FIRE MARSHAL - 02-21	1.00	$2,589.89	$2,589.89	$0.00	$2,589.89	$2,589.89

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NEBRASKA MILITARY DEPARTMENT - 02-31	3.00	$24,000.55	$24,000.55	$0.00	$8,000.18	$10,675.65
NEBRASKA STATE COLLEGE SYSTEM - 02-50	4.00	$23,997.05	$23,997.05	$0.00	$5,999.26	$17,769.41
NEBRASKA STATE PATROL - 02-64	2.00	$21,546.00	$21,546.00	$0.00	$10,773.00	$12,824.55
UNIVERSITY OF NEBRASKA - 02-51	39.00	$309,784.16	$309,784.16	$0.00	$7,943.18	$97,167.94
Totals for **Hernia - 107 Claims**	**107.00**	**$1,260,091.16**	**$1,260,091.16**	**$0.00**	**$7,464.99**	**$541,673.83**
Nature: **Herniation (herniated disc, ruptured disc)**						
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$96,914.35	$96,914.35	$0.00	$48,457.18	$64,187.70
GAME AND PARKS - 02-33	1.00	$102,393.00	$39,221.58	$63,171.42	$102,393.00	$102,393.00
HHS - 02-25	2.00	$660,543.00	$261,536.12	$399,006.88	$330,271.50	$487,953.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$153,268.00	$101,051.67	$52,216.33	$153,268.00	$153,268.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$628,001.00	$564,220.58	$63,780.42	$314,000.50	$564,922.00
Totals for **Herniation (herniated disc, ruptured disc) - 8 Claims**	**8.00**	**$1,641,119.35**	**$1,062,944.30**	**$578,175.05**	**$189,678.04**	**$564,922.00**
Nature: **Infection**						
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
DEPARTMENT OF REVENUE - 02-16	1.00	$285.80	$285.80	$0.00	$285.80	$285.80
DEPARTMENT OF TRANSPORTATION - 02-27	14.00	$87,331.54	$87,331.54	$0.00	$6,237.97	$62,158.72
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$682.30	$682.30	$0.00	$682.30	$682.30
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$387.67	$387.67	$0.00	$387.67	$387.67
DEPT OF AGRICULTURE - 02-18	3.00	$4,478.39	$4,478.39	$0.00	$1,492.80	$2,550.33
GAME AND PARKS - 02-33	18.00	$319,629.96	$272,564.62	$47,065.34	$17,757.22	$309,606.00
HHS - 02-25	15.00	$1,955.17	$1,955.17	$0.00	$130.34	$386.10
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	38.00	$33,922.70	$22,500.23	$11,422.47	$892.70	$5,892.34
NE DEPT OF NATURAL RESOURCES - 02-29	1.00	$1,164.36	$1,164.36	$0.00	$1,164.36	$1,164.36
NE PUBLIC SERVICE COMMISSION - 02-14	1.00	$52.88	$52.88	$0.00	$52.88	$52.88
NE SECRETARY OF STATE'S OFFICE - 02-09	1.00	$826.00	$826.00	$0.00	$826.00	$826.00

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$275.47	$275.47	$0.00	$275.47	$275.47
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$130.40	$130.40	$0.00	$130.40	$130.40
NEBRASKA STATE PATROL - 02-64	8.00	$22,440.60	$22,440.60	$0.00	$2,805.08	$17,129.42
UNIVERSITY OF NEBRASKA - 02-51	35.00	$535,825.17	$353,485.03	$182,340.14	$15,309.29	$372,998.00
Totals for **Infection** - 141 Claims	**141.00**	**$1,009,388.41**	**$768,560.46**	**$240,827.95**	**$2,848.84**	**$372,998.00**

Nature: **Inflammation / irritation of joint / nerve**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
ATTORNEY GENERAL - 02-11	1.00	$1,064.82	$1,064.82	$0.00	$1,064.82	$1,064.82
DEPARTMENT OF INSURANCE - 02-22	1.00	$1,196.72	$1,196.72	$0.00	$1,196.72	$1,196.72
DEPARTMENT OF LABOR - 02-23	1.00	$853.77	$853.77	$0.00	$853.77	$853.77
DEPARTMENT OF MOTOR VEHICLES - 02-24	2.00	$730.27	$730.27	$0.00	$365.14	$620.50
DEPARTMENT OF REVENUE - 02-16	2.00	$226.20	$226.20	$0.00	$113.10	$226.20
DEPARTMENT OF TRANSPORTATION - 02-27	61.00	$1,273,602.11	$943,131.45	$330,470.66	$20,878.72	$355,636.00
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	4.00	$1,038,174.35	$681,575.23	$356,599.12	$259,543.59	$1,031,411.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	16.00	$179,971.49	$172,729.31	$7,242.18	$11,248.22	$67,393.16
DEPT OF AGRICULTURE - 02-18	3.00	$447.94	$447.94	$0.00	$149.31	$180.09
GAME AND PARKS - 02-33	39.00	$275,574.02	$177,518.91	$98,055.11	$7,066.00	$165,000.00
HHS - 02-25	156.00	$1,900,301.16	$1,251,586.76	$648,714.40	$12,181.42	$373,095.00
LEGISLATIVE COUNCIL - 02-03	4.00	$76,046.17	$15,853.49	$60,192.68	$19,011.54	$75,724.00
LIEUTENANT GOVERNOR - 02-08	1.00	$789.15	$789.15	$0.00	$789.15	$789.15
NE COMMISS LAW ENFORCEMENT - 02-78	1.00	$861.45	$861.45	$0.00	$861.45	$861.45
NE DEPARTMENT OF EDUCATION - 02-13	15.00	$191,483.79	$191,483.79	$0.00	$12,765.59	$118,178.97
NE DEPT OF CORRECTIONAL SERVICE - 02-46	103.00	$1,059,772.83	$871,167.64	$188,605.19	$10,289.06	$211,415.42
NE DEPT OF NATURAL RESOURCES - 02-29	1.00	$42.54	$42.54	$0.00	$42.54	$42.54
NE ED TELECOMM COMMISSION - 02-47	2.00	$960.47	$960.47	$0.00	$480.24	$557.66
NE STATE HISTORICAL SOCIETY - 02-54	1.00	$815.38	$815.38	$0.00	$815.38	$815.38
NEBRASKA FIRE MARSHAL - 02-21	1.00	$121.57	$121.57	$0.00	$121.57	$121.57
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$4,991.33	$4,991.33	$0.00	$4,991.33	$4,991.33

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Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NEBRASKA STATE COLLEGE SYSTEM - 02-50	19.00	$996,689.25	$949,404.88	$47,284.37	$52,457.33	$647,000.00
NEBRASKA STATE PATROL - 02-64	32.00	$294,351.84	$167,521.07	$126,830.77	$9,198.50	$81,321.00
NEBRASKA SUPREME COURT - 02-05	10.00	$57,770.07	$43,509.76	$14,260.31	$5,777.01	$44,383.00
UNIVERSITY OF NEBRASKA - 02-51	176.00	$626,721.55	$559,984.65	$66,736.90	$3,560.92	$200,927.36
Totals for **Inflammation / irritation of joint / nerve** - 653 Claims	**653.00**	**$7,983,560.24**	**$6,038,568.55**	**$1,944,991.69**	**$17,432.90**	**$1,031,411.00**
Nature: **Laceration, open wound**						
AUDITOR OF PUBLIC ACCOUNTS - 02-10	3.00	$1,409.93	$1,409.93	$0.00	$469.98	$951.48
DEPARTMENT OF INSURANCE - 02-22	1.00	$15.50	$15.50	$0.00	$15.50	$15.50
DEPARTMENT OF LABOR - 02-23	9.00	$3,036.40	$3,036.40	$0.00	$337.38	$1,355.95
DEPARTMENT OF MOTOR VEHICLES - 02-24	5.00	$3,198.86	$3,198.86	$0.00	$639.77	$1,658.10
DEPARTMENT OF REVENUE - 02-16	9.00	$18,963.83	$18,963.83	$0.00	$2,107.09	$13,831.53
DEPARTMENT OF TRANSPORTATION - 02-27	420.00	$504,692.84	$485,476.84	$19,216.00	$1,201.65	$53,415.83
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$3,000.00	$173.51	$2,826.49	$3,000.00	$3,000.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	63.00	$71,611.83	$71,611.83	$0.00	$1,136.70	$26,885.92
DEPT OF AGRICULTURE - 02-18	5.00	$903.08	$903.08	$0.00	$180.62	$472.48
GAME AND PARKS - 02-33	251.00	$475,919.30	$383,657.01	$92,262.29	$1,896.09	$126,477.00
HHS - 02-25	638.00	$840,413.42	$757,506.22	$82,907.20	$1,317.26	$206,184.24
LEGISLATIVE COUNCIL - 02-03	18.00	$6,898.72	$6,898.72	$0.00	$383.26	$899.18
MOTOR VEH INDUSTRY LICENSING BD - 02-40	1.00	$145.75	$145.75	$0.00	$145.75	$145.75
NE COMMISS LAW ENFORCEMENT - 02-78	4.00	$1,621.72	$1,621.72	$0.00	$405.43	$713.69
NE COMMISSION FOR THE BLIND - 02-81	7.00	$1,536.40	$1,536.40	$0.00	$219.49	$559.40
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	4.00	$23,751.04	$23,751.04	$0.00	$5,937.76	$23,367.31
NE DEPARTMENT OF EDUCATION - 02-13	21.00	$9,369.79	$9,369.79	$0.00	$446.18	$2,104.43
NE DEPT OF CORRECTIONAL SERVICE - 02-46	360.00	$667,538.25	$614,239.94	$53,298.31	$1,854.27	$241,519.35
NE DEPT OF NATURAL RESOURCES - 02-29	4.00	$2,489.81	$2,489.81	$0.00	$622.45	$1,260.78

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE ED TELECOMM COMMISSION - 02-47	5.00	$5,067.03	$5,067.03	$0.00	$1,013.41	$2,815.84
NE STATE HISTORICAL SOCIETY - 02-54	7.00	$7,018.47	$7,018.47	$0.00	$1,002.64	$5,887.63
NE STATE RACING COMMISSION - 02-36	1.00	$17,100.00	$7,033.00	$10,067.00	$17,100.00	$17,100.00
NE STATE TREASURER'S OFFICE - 02-12	2.00	$3,283.14	$3,283.14	$0.00	$1,641.57	$3,137.19
NEBRASKA BRAND COMMITTEE - 02 -39	4.00	$14,611.27	$14,611.27	$0.00	$3,652.82	$13,787.92
NEBRASKA FIRE MARSHAL - 02-21	5.00	$1,921.60	$1,921.60	$0.00	$384.32	$722.06
NEBRASKA LIBRARY COMMISSION - 02-34	1.00	$252.28	$252.28	$0.00	$252.28	$252.28
NEBRASKA MILITARY DEPARTMENT - 02-31	31.00	$25,562.84	$25,562.84	$0.00	$824.61	$10,500.37
NEBRASKA STATE COLLEGE SYSTEM - 02-50	66.00	$74,350.96	$71,360.96	$2,990.00	$1,126.53	$31,344.70
NEBRASKA STATE PATROL - 02-64	125.00	$299,734.79	$296,555.25	$3,179.54	$2,397.88	$89,407.52
NEBRASKA SUPREME COURT - 02-05	8.00	$5,227.28	$5,227.28	$0.00	$653.41	$2,185.12
STATE ELECTRICAL DIVISION - 02-30	4.00	$973.81	$973.81	$0.00	$243.45	$458.16
UNIVERSITY OF NEBRASKA - 02-51	1,565.00	$4,941,457.27	$3,226,017.46	$1,715,439.81	$3,157.48	$3,288,391.00
WORKERS COMPENSATION COURT - 02-37	2.00	$13,748.29	$13,748.29	$0.00	$6,874.15	$13,552.47
Totals for **Laceration, open wound** - 3,650 Claims	**3,650.00**	**$8,046,825.50**	**$6,064,638.86**	**$1,982,186.64**	**$1,898.22**	**$3,288,391.00**
Nature: **Multiple fractures**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$265,779.00	$251,485.61	$14,293.39	$265,779.00	$265,779.00
GAME AND PARKS - 02-33	1.00	$2,259.12	$2,259.12	$0.00	$2,259.12	$2,259.12
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$37,000.00	$13,818.42	$23,181.58	$37,000.00	$37,000.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$69,474.00	$10.00	$69,464.00	$69,474.00	$69,474.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$197,129.00	$35,182.19	$161,946.81	$197,129.00	$197,129.00
Totals for **Multiple fractures** - 5 Claims	**5.00**	**$571,641.12**	**$302,755.34**	**$268,885.78**	**$114,328.22**	**$265,779.00**
Nature: **Multiple physical and psycological inj.**						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$139,098.60	$77,596.80	$61,501.80	$69,549.30	$103,312.00

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Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NEBRASKA STATE PATROL - 02-64	1.00	$10.00	$10.00	$0.00	$10.00	$10.00
Totals for **Multiple physical and psycological inj.** - 3 Claims	**3.00**	**$139,108.60**	**$77,606.80**	**$61,501.80**	**$34,779.65**	**$103,312.00**
Nature: **Multiple physical injuries**						
ATTORNEY GENERAL - 02-11	7.00	$75,510.94	$75,510.94	$0.00	$10,787.28	$45,341.78
BOARD OF ENGINEERS & ARCHITECTS - 02-58	1.00	$5,329.85	$5,329.85	$0.00	$5,329.85	$5,329.85
DEPARTMENT OF INSURANCE - 02-22	1.00	$26,360.00	$1,065.67	$25,294.33	$26,360.00	$26,360.00
DEPARTMENT OF LABOR - 02-23	21.00	$357,840.36	$314,576.31	$43,264.05	$17,040.02	$242,714.00
DEPARTMENT OF MOTOR VEHICLES - 02-24	17.00	$164,622.31	$164,622.31	$0.00	$9,683.67	$52,312.70
DEPARTMENT OF REVENUE - 02-16	9.00	$5,373.23	$5,373.23	$0.00	$597.03	$1,993.01
DEPARTMENT OF TRANSPORTATION - 02-27	190.00	$9,441,087.23	$8,233,102.84	$1,207,984.39	$49,689.93	$4,234,011.00
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	5.00	$10,386.28	$7,396.28	$2,990.00	$2,077.26	$5,995.83
DEPT OF ADMINISTRATIVE SERVICES - 02-65	63.00	$347,867.48	$329,881.21	$17,986.27	$5,521.71	$136,234.64
DEPT OF AGRICULTURE - 02-18	8.00	$396,004.47	$335,427.37	$60,577.10	$49,500.56	$266,783.71
DEPT OF BANKING AND FINANCE - 02-19	4.00	$707.78	$707.78	$0.00	$176.95	$287.87
DEPT OF ECONOMIC DEVELOPMENT - 02-72	3.00	$1,005.60	$1,005.60	$0.00	$335.20	$583.26
EDUCATIONAL LANDS AND FUNDS - 02-32	1.00	$366.00	$366.00	$0.00	$366.00	$366.00
GAME AND PARKS - 02-33	103.00	$4,159,268.54	$4,024,100.55	$135,167.99	$40,381.25	$3,374,496.25
GOVERNOR□S OFFICE - 02-07	1.00	$9,620.39	$9,620.39	$0.00	$9,620.39	$9,620.39
HHS - 02-25	1,117.00	$5,982,621.32	$5,862,317.99	$120,303.33	$5,355.97	$977,790.37
LEGISLATIVE COUNCIL - 02-03	13.00	$47,210.26	$29,328.59	$17,881.67	$3,631.56	$28,552.00
NE COMMISS LAW ENFORCEMENT - 02-78	5.00	$3,820.72	$3,820.72	$0.00	$764.14	$2,301.16
NE COMMISSION FOR THE BLIND - 02-81	5.00	$151,569.95	$94,805.02	$56,764.93	$30,313.99	$132,595.20
NE COMMISSION FOR THE DEAF - 02-82	3.00	$9,503.00	$9,503.00	$0.00	$3,167.67	$4,721.84
NE DEPARTMENT OF EDUCATION - 02-13	42.00	$274,474.17	$222,367.61	$52,106.56	$6,535.10	$92,548.56

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Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE DEPT OF CORRECTIONAL SERVICE - 02-46	399.00	$5,037,869.57	$3,384,959.55	$1,652,910.02	$12,626.24	$1,126,871.00
NE DEPT OF NATURAL RESOURCES - 02-29	3.00	$2,837.39	$2,837.39	$0.00	$945.80	$2,474.30
NE ED TELECOMM COMMISSION - 02-47	9.00	$45,000.38	$45,000.38	$0.00	$5,000.04	$13,949.38
NE EQUAL OPPORTUNITY COMMISSION - 02-67	2.00	$2,843.76	$2,843.76	$0.00	$1,421.88	$1,989.07
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	2.00	$3,475.87	$3,475.87	$0.00	$1,737.94	$2,805.93
NE PUBLIC SERVICE COMMISSION - 02-14	1.00	$41,063.14	$41,063.14	$0.00	$41,063.14	$41,063.14
NE SECRETARY OF STATE'S OFFICE - 02-09	1.00	$16.55	$16.55	$0.00	$16.55	$16.55
NE STATE HISTORICAL SOCIETY - 02-54	2.00	$3,777.65	$3,777.65	$0.00	$1,888.83	$3,745.65
NE STATE RACING COMMISSION - 02-36	1.00	$169.01	$169.01	$0.00	$169.01	$169.01
NE STATE TREASURER'S OFFICE - 02-12	2.00	$3,401.58	$3,401.58	$0.00	$1,700.79	$3,189.87
NEBRASKA ARTS COUNCIL - 02-69	1.00	$166.31	$166.31	$0.00	$166.31	$166.31
NEBRASKA BRAND COMMITTEE - 02 -39	11.00	$39,070.60	$39,070.60	$0.00	$3,551.87	$22,348.12
NEBRASKA FIRE MARSHAL - 02-21	7.00	$2,171.31	$2,171.31	$0.00	$310.19	$893.32
NEBRASKA LIBRARY COMMISSION - 02-34	2.00	$9,788.14	$9,788.14	$0.00	$4,894.07	$6,987.82
NEBRASKA MILITARY DEPARTMENT - 02-31	16.00	$139,651.42	$139,651.42	$0.00	$8,728.21	$44,713.51
NEBRASKA STATE COLLEGE SYSTEM - 02-50	52.00	$162,970.46	$162,970.46	$0.00	$3,134.05	$80,313.41
NEBRASKA STATE PATROL - 02-64	95.00	$1,342,307.77	$1,280,028.12	$62,279.65	$14,129.56	$250,500.00
NEBRASKA SUPREME COURT - 02-05	51.00	$191,159.51	$191,159.51	$0.00	$3,748.23	$29,996.77
NEBRASKA TOURISM COMMISSION - 02-91	1.00	$15,569.64	$15,569.64	$0.00	$15,569.64	$15,569.64
NECOMMISSION ON PUBLIC ADVOCACY - 02-94	1.00	$202.04	$202.04	$0.00	$202.04	$202.04
STATE ELECTRICAL DIVISION - 02-30	2.00	$5,105.86	$5,105.86	$0.00	$2,552.93	$4,997.23
UNIVERSITY OF NEBRASKA - 02-51	578.00	$2,932,617.38	$2,627,843.27	$304,774.11	$5,073.73	$456,348.17
WORKERS□ COMPENSATION COURT - 02-37	1.00	$60.89	$60.89	$0.00	$60.89	$60.89

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Totals for **Multiple physical injuries** - 2,859 Claims	**2,859.00**	**$31,451,846.11**	**$27,691,561.71**	**$3,760,284.40**	**$9,225.62**	**$4,234,011.00**
Nature: **No physical injury**						
DEPARTMENT OF TRANSPORTATION - 02-27	20.00	$63,118.23	$28,466.15	$34,652.08	$3,155.91	$55,485.00
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	4.00	$52,941.72	$52,941.72	$0.00	$13,235.43	$49,916.86
DEPT OF ADMINISTRATIVE SERVICES - 02-65	2.00	$24.50	$24.50	$0.00	$12.25	$24.50
DEPT OF AGRICULTURE - 02-18	2.00	$3,196.07	$3,196.07	$0.00	$1,598.04	$2,347.89
GAME AND PARKS - 02-33	11.00	$11,189.14	$11,189.14	$0.00	$1,017.19	$8,307.69
HHS - 02-25	118.00	$2,235,123.90	$1,753,256.46	$481,867.44	$18,941.73	$1,016,662.00
LEGISLATIVE COUNCIL - 02-03	4.00	$634.59	$634.59	$0.00	$158.65	$208.91
NE COMMISSION FOR THE BLIND - 02-81	3.00	$1,047.18	$1,047.18	$0.00	$349.06	$514.94
NE DEPARTMENT OF EDUCATION - 02-13	2.00	$13,976.56	$13,976.56	$0.00	$6,988.28	$13,286.48
NE DEPT OF CORRECTIONAL SERVICE - 02-46	87.00	$115,333.53	$115,333.53	$0.00	$1,325.67	$27,747.70
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	1.00	$2,013.16	$2,013.16	$0.00	$2,013.16	$2,013.16
NEBRASKA FIRE MARSHAL - 02-21	1.00	$15,644.32	$15,644.32	$0.00	$15,644.32	$15,644.32
NEBRASKA MILITARY DEPARTMENT - 02-31	2.00	$478.26	$478.26	$0.00	$239.13	$278.97
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$432.16	$432.16	$0.00	$432.16	$432.16
NEBRASKA STATE PATROL - 02-64	12.00	$465,242.82	$381,184.71	$84,058.11	$38,770.24	$455,550.90
NEBRASKA SUPREME COURT - 02-05	2.00	$2,023.95	$2,023.95	$0.00	$1,011.98	$1,638.00
UNIVERSITY OF NEBRASKA - 02-51	123.00	$218,753.50	$196,608.50	$22,145.00	$1,778.48	$51,930.52
Totals for **No physical injury** - 395 Claims	**395.00**	**$3,201,173.59**	**$2,578,450.96**	**$622,722.63**	**$6,274.80**	**$1,016,662.00**
Nature: **Not Otherwise Classified**						
ATTORNEY GENERAL - 02-11	3.00	$17,783.00	$17,783.00	$0.00	$5,927.67	$16,264.67
BOARD OF BARBER EXAMINERS - 02-45	1.00	$4,690.26	$4,690.26	$0.00	$4,690.26	$4,690.26
COMMISS OF INDUSTRIAL RELATIONS - 02-77	1.00	$101,613.08	$79,749.17	$21,863.91	$101,613.08	$101,613.08
DEPARTMENT OF INSURANCE - 02-22	2.00	$13,499.72	$13,499.72	$0.00	$6,749.86	$13,250.49
DEPARTMENT OF LABOR - 02-23	10.00	$122,225.52	$122,225.52	$0.00	$12,222.55	$47,242.77

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPARTMENT OF MOTOR VEHICLES - 02-24	3.00	$1,197.34	$1,197.34	$0.00	$399.11	$989.80
DEPARTMENT OF REVENUE - 02-16	9.00	$4,571.43	$4,571.43	$0.00	$507.94	$2,038.04
DEPARTMENT OF TRANSPORTATION - 02-27	127.00	$662,485.87	$642,622.13	$19,863.74	$5,216.42	$80,337.28
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	6.00	$22,318.12	$22,318.12	$0.00	$3,719.69	$10,337.77
DEPT OF ADMINISTRATIVE SERVICES - 02-65	30.00	$114,903.23	$114,303.23	$600.00	$3,830.11	$29,624.47
DEPT OF AGRICULTURE - 02-18	10.00	$112,059.82	$112,059.82	$0.00	$11,205.98	$37,679.92
DEPT OF BANKING AND FINANCE - 02-19	1.00	$21.93	$21.93	$0.00	$21.93	$21.93
FOSTER CARE REVIEW BOARD - 02-70	2.00	$0.00	$0.00	$0.00	$0.00	$0.00
GAME AND PARKS - 02-33	89.00	$408,153.76	$408,153.76	$0.00	$4,586.00	$49,857.85
HHS - 02-25	834.00	$8,753,921.31	$6,758,676.47	$1,995,244.84	$10,496.31	$870,457.00
LEGISLATIVE COUNCIL - 02-03	16.00	$59,236.14	$59,236.14	$0.00	$3,702.26	$25,938.25
MOTOR VEH INDUSTRY LICENSING BD - 02-40	1.00	$182,116.08	$182,116.08	$0.00	$182,116.08	$182,116.08
NE COMMISS LAW ENFORCEMENT - 02-78	3.00	$11,504.02	$11,504.02	$0.00	$3,834.67	$11,037.50
NE COMMISSION FOR THE BLIND - 02-81	1.00	$22,384.58	$22,384.58	$0.00	$22,384.58	$22,384.58
NE COMMISSION FOR THE DEAF - 02-82	2.00	$2,369.54	$2,369.54	$0.00	$1,184.77	$2,369.54
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	7.00	$9,528.72	$9,528.72	$0.00	$1,361.25	$5,110.45
NE DEPARTMENT OF EDUCATION - 02-13	15.00	$67,396.29	$67,396.29	$0.00	$4,493.09	$46,123.63
NE DEPT OF CORRECTIONAL SERVICE - 02-46	425.00	$4,769,983.47	$3,102,741.20	$1,667,242.27	$11,223.49	$2,609,292.00
NE DEPT OF NATURAL RESOURCES - 02-29	6.00	$34,664.54	$34,664.54	$0.00	$5,777.42	$33,854.63
NE ED TELECOMM COMMISSION - 02-47	4.00	$11,738.62	$11,738.62	$0.00	$2,934.66	$9,582.18
NE EQUAL OPPORTUNITY COMMISSION - 02-67	1.00	$105.84	$105.84	$0.00	$105.84	$105.84
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	4.00	$44,435.71	$44,435.71	$0.00	$11,108.93	$43,196.65
NE PUBLIC SERVICE COMMISSION - 02-14	1.00	$50,096.56	$50,096.56	$0.00	$50,096.56	$50,096.56

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE SECRETARY OF STATE'S OFFICE - 02-09	2.00	$2,468.52	$2,468.52	$0.00	$1,234.26	$1,481.52
NE STATE HISTORICAL SOCIETY - 02-54	7.00	$13,037.72	$13,037.72	$0.00	$1,862.53	$4,954.62
NE STATE RACING COMMISSION - 02-36	1.00	$4,827.89	$4,827.89	$0.00	$4,827.89	$4,827.89
NE STATE TREASURER'S OFFICE - 02-12	1.00	$26.22	$26.22	$0.00	$26.22	$26.22
NEBRASKA BRAND COMMITTEE - 02 -39	8.00	$93,727.39	$93,727.39	$0.00	$11,715.92	$41,700.07
NEBRASKA FIRE MARSHAL - 02-21	1.00	$149.67	$149.67	$0.00	$149.67	$149.67
NEBRASKA LIBRARY COMMISSION - 02-34	1.00	$3,340.30	$3,340.30	$0.00	$3,340.30	$3,340.30
NEBRASKA MILITARY DEPARTMENT - 02-31	16.00	$66,957.11	$66,957.11	$0.00	$4,184.82	$47,484.52
NEBRASKA REAL ESTATE COMMISSION - 02-41	2.00	$1,650.41	$1,650.41	$0.00	$825.21	$1,458.24
NEBRASKA STATE COLLEGE SYSTEM - 02-50	41.00	$364,077.94	$345,741.54	$18,336.40	$8,879.95	$88,016.84
NEBRASKA STATE PATROL - 02-64	108.00	$525,458.03	$489,545.55	$35,912.48	$4,865.35	$230,549.13
NEBRASKA SUPREME COURT - 02-05	31.00	$71,664.13	$71,664.13	$0.00	$2,311.75	$22,015.43
STATE ELECTRICAL DIVISION - 02-30	2.00	$294,910.80	$294,910.80	$0.00	$147,455.40	$294,657.70
UNIVERSITY OF NEBRASKA - 02-51	463.00	$4,148,019.49	$2,390,150.39	$1,757,869.10	$8,959.01	$1,540,019.00
WORKERSE COMPENSATION COURT - 02-37	3.00	$2,112.31	$2,112.31	$0.00	$704.10	$1,591.78
Totals for **Not Otherwise Classified** - 2,301 Claims	**2,301.00**	**$21,197,432.43**	**$15,680,499.69**	**$5,516,932.74**	**$15,647.74**	**$2,609,292.00**

Nature: **Poisoning - trauma**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPARTMENT OF TRANSPORTATION - 02-27	14.00	$25,949.40	$25,949.40	$0.00	$1,853.53	$12,583.29
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$83.76	$83.76	$0.00	$83.76	$83.76
GAME AND PARKS - 02-33	10.00	$2,996.17	$2,996.17	$0.00	$299.62	$2,035.44
HHS - 02-25	6.00	$59,237.43	$59,237.43	$0.00	$9,872.91	$37,952.72
NE DEPT OF CORRECTIONAL SERVICE - 02-46	9.00	$1,121.45	$1,121.45	$0.00	$124.61	$283.49
NEBRASKA STATE PATROL - 02-64	14.00	$17,004.01	$17,004.01	$0.00	$1,214.57	$7,114.31
UNIVERSITY OF NEBRASKA - 02-51	37.00	$21,647.52	$17,157.52	$4,490.00	$585.07	$4,500.00
Totals for **Poisoning - trauma** - 91 Claims	**91.00**	**$128,039.74**	**$123,549.74**	**$4,490.00**	**$2,004.87**	**$37,952.72**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Nature: Psychological Problems/mental anguish						
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$7,327.03	$7,327.03	$0.00	$3,663.52	$7,287.03
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
HHS - 02-25	7.00	$1,075,224.64	$1,075,224.64	$0.00	$153,603.52	$1,062,774.51
NE DEPT OF CORRECTIONAL SERVICE - 02-46	5.00	$49.93	$49.93	$0.00	$9.99	$25.93
NEBRASKA STATE PATROL - 02-64	1.00	$10.00	$10.00	$0.00	$10.00	$10.00
UNIVERSITY OF NEBRASKA - 02-51	4.00	$1,006.00	$16.00	$990.00	$251.50	$1,000.00
Totals for **Psychological Problems/mental anguish** - 20 Claims	**20.00**	**$1,083,617.60**	**$1,082,627.60**	**$990.00**	**$26,256.42**	**$1,062,774.51**
Nature: Puncture						
AUDITOR OF PUBLIC ACCOUNTS - 02-10	1.00	$338.93	$338.93	$0.00	$338.93	$338.93
DEPARTMENT OF INSURANCE - 02-22	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
DEPARTMENT OF LABOR - 02-23	7.00	$1,244.13	$1,244.13	$0.00	$177.73	$294.10
DEPARTMENT OF MOTOR VEHICLES - 02-24	4.00	$615.91	$615.91	$0.00	$153.98	$268.68
DEPARTMENT OF REVENUE - 02-16	1.00	$116.28	$116.28	$0.00	$116.28	$116.28
DEPARTMENT OF TRANSPORTATION - 02-27	254.00	$186,086.24	$186,086.24	$0.00	$732.62	$27,817.32
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	3.00	$3,495.50	$808.63	$2,686.87	$1,165.17	$3,000.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	32.00	$29,537.27	$29,537.27	$0.00	$923.04	$15,163.14
DEPT OF AGRICULTURE - 02-18	7.00	$7,050.86	$7,050.86	$0.00	$1,007.27	$4,691.14
DEPT OF ECONOMIC DEVELOPMENT - 02-72	1.00	$152.25	$152.25	$0.00	$152.25	$152.25
GAME AND PARKS - 02-33	188.00	$120,704.73	$120,704.73	$0.00	$642.05	$28,921.59
HHS - 02-25	632.00	$360,086.33	$357,549.01	$2,537.32	$569.76	$97,555.95
LEGISLATIVE COUNCIL - 02-03	11.00	$1,859.78	$1,859.78	$0.00	$169.07	$377.36
MOTOR VEH INDUSTRY LICENSING BD - 02-40	1.00	$185.95	$185.95	$0.00	$185.95	$185.95
NE COMMISS LAW ENFORCEMENT - 02-78	1.00	$25.00	$25.00	$0.00	$25.00	$25.00
NE COMMISSION FOR THE BLIND - 02-81	1.00	$645.74	$645.74	$0.00	$645.74	$645.74
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	2.00	$166.81	$166.81	$0.00	$83.41	$144.20

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE DEPARTMENT OF EDUCATION - 02-13	14.00	$2,871.64	$2,871.64	$0.00	$205.12	$683.14
NE DEPT OF CORRECTIONAL SERVICE - 02-46	205.00	$672,400.87	$639,786.11	$32,614.76	$3,280.00	$531,044.85
NE DEPT OF NATURAL RESOURCES - 02-29	1.00	$50.00	$50.00	$0.00	$50.00	$50.00
NE ED TELECOMM COMMISSION - 02-47	3.00	$441.18	$441.18	$0.00	$147.06	$202.18
NE STATE HISTORICAL SOCIETY - 02-54	4.00	$1,119.58	$1,119.58	$0.00	$279.90	$799.18
NEBRASKA ARTS COUNCIL - 02-69	1.00	$313.36	$313.36	$0.00	$313.36	$313.36
NEBRASKA BRAND COMMITTEE - 02 -39	3.00	$612.50	$612.50	$0.00	$204.17	$419.50
NEBRASKA FIRE MARSHAL - 02-21	1.00	$615.56	$615.56	$0.00	$615.56	$615.56
NEBRASKA LIBRARY COMMISSION - 02-34	1.00	$34.95	$34.95	$0.00	$34.95	$34.95
NEBRASKA MILITARY DEPARTMENT - 02-31	11.00	$8,014.17	$8,014.17	$0.00	$728.56	$6,559.10
NEBRASKA STATE COLLEGE SYSTEM - 02-50	29.00	$7,335.52	$7,335.52	$0.00	$252.95	$1,638.23
NEBRASKA STATE PATROL - 02-64	70.00	$569,700.87	$523,792.85	$45,908.02	$8,138.58	$280,661.20
NEBRASKA SUPREME COURT - 02-05	7.00	$4,760.28	$4,760.28	$0.00	$680.04	$2,830.00
UNIVERSITY OF NEBRASKA - 02-51	1,518.00	$418,504.95	$411,305.54	$7,199.41	$275.69	$30,116.68
WORKERS□ COMPENSATION COURT - 02-37	2.00	$156.61	$156.61	$0.00	$78.31	$137.20
Totals for **Puncture** - 3,017 Claims	**3,017.00**	**$2,399,243.75**	**$2,308,297.37**	**$90,946.38**	**$699.14**	**$531,044.85**
Nature: Radiation						
HHS - 02-25	2.00	$68,450.12	$68,450.12	$0.00	$34,225.06	$43,761.96
UNIVERSITY OF NEBRASKA - 02-51	1.00	$235.54	$235.54	$0.00	$235.54	$235.54
Totals for **Radiation** - 3 Claims	**3.00**	**$68,685.66**	**$68,685.66**	**$0.00**	**$17,230.30**	**$43,761.96**
Nature: Respiratory disorders						
DEPARTMENT OF LABOR - 02-23	1.00	$35.68	$35.68	$0.00	$35.68	$35.68
DEPARTMENT OF TRANSPORTATION - 02-27	17.00	$72,347.73	$72,347.73	$0.00	$4,255.75	$68,463.21
DEPT OF ADMINISTRATIVE SERVICES - 02-65	3.00	$970.07	$970.07	$0.00	$323.36	$684.90
GAME AND PARKS - 02-33	6.00	$568.26	$568.26	$0.00	$94.71	$167.46
HHS - 02-25	52.00	$112,424.60	$81,466.10	$30,958.50	$2,162.01	$36,492.02
LEGISLATIVE COUNCIL - 02-03	9.00	$10,447.08	$10,447.08	$0.00	$1,160.79	$4,433.94

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	3.00	$15,384.68	$294.68	$15,090.00	$5,128.23	$15,100.00
NE DEPARTMENT OF EDUCATION - 02-13	5.00	$22,783.87	$5,193.87	$17,590.00	$4,556.77	$17,600.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	31.00	$56,316.11	$50,326.11	$5,990.00	$1,816.65	$31,978.02
NE ED TELECOMM COMMISSION - 02-47	1.00	$42,118.80	$42,118.80	$0.00	$42,118.80	$42,118.80
NEBRASKA STATE COLLEGE SYSTEM - 02-50	8.00	$20,316.14	$20,316.14	$0.00	$2,539.52	$10,842.43
NEBRASKA STATE PATROL - 02-64	19.00	$35,498.75	$21,840.83	$13,657.92	$1,868.36	$18,206.00
NEBRASKA SUPREME COURT - 02-05	2.00	$2,529.96	$2,529.96	$0.00	$1,264.98	$2,435.44
UNIVERSITY OF NEBRASKA - 02-51	181.00	$1,332,562.15	$1,026,435.87	$306,126.28	$7,362.22	$1,052,374.00
Totals for **Respiratory disorders** - 338 Claims	**338.00**	**$1,724,303.88**	**$1,334,891.18**	**$389,412.70**	**$5,334.84**	**$1,052,374.00**
Nature: Rupture						
DEPARTMENT OF REVENUE - 02-16	1.00	$1,664.42	$1,664.42	$0.00	$1,664.42	$1,664.42
DEPARTMENT OF TRANSPORTATION - 02-27	11.00	$1,666,707.43	$998,988.38	$667,719.05	$151,518.86	$676,827.97
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$18,341.16	$18,341.16	$0.00	$18,341.16	$18,341.16
GAME AND PARKS - 02-33	2.00	$29,635.40	$29,635.40	$0.00	$14,817.70	$27,479.08
HHS - 02-25	5.00	$129,646.50	$129,646.50	$0.00	$25,929.30	$46,555.36
NE DEPT OF CORRECTIONAL SERVICE - 02-46	5.00	$166,657.28	$166,657.28	$0.00	$33,331.46	$142,621.96
NEBRASKA STATE PATROL - 02-64	10.00	$145,473.30	$131,799.65	$13,673.65	$14,547.33	$49,840.00
NEBRASKA SUPREME COURT - 02-05	3.00	$79,926.84	$79,926.84	$0.00	$26,642.28	$52,505.01
UNIVERSITY OF NEBRASKA - 02-51	8.00	$727,493.29	$489,559.38	$237,933.91	$90,936.66	$213,525.00
Totals for **Rupture** - 46 Claims	**46.00**	**$2,965,545.62**	**$2,046,219.01**	**$919,326.61**	**$41,969.91**	**$676,827.97**
Nature: Scratch, abrasion						
DEPARTMENT OF REVENUE - 02-16	1.00	$99.29	$99.29	$0.00	$99.29	$99.29
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$234.23	$234.23	$0.00	$117.12	$150.11
GAME AND PARKS - 02-33	4.00	$3,470.03	$597.27	$2,872.76	$867.51	$3,000.00
HHS - 02-25	5.00	$2,367.07	$2,367.07	$0.00	$473.41	$1,188.35
NE DEPT OF CORRECTIONAL SERVICE - 02-46	4.00	$5,257.65	$5,257.65	$0.00	$1,314.41	$2,924.76
NEBRASKA STATE PATROL - 02-64	1.00	$15,428.56	$3,899.37	$11,529.19	$15,428.56	$15,428.56

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
UNIVERSITY OF NEBRASKA - 02-51	4.00	$1,640.12	$1,640.12	$0.00	$410.03	$1,294.13
Totals for **Scratch, abrasion** - 21 Claims	**21.00**	**$28,496.95**	**$14,095.00**	**$14,401.95**	**$2,672.90**	**$15,428.56**
Nature: **Seizure**						
GAME AND PARKS - 02-33	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
Totals for **Seizure** - 1 Claim	**1.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Nature: **Sprain**						
ATTORNEY GENERAL - 02-11	8.00	$8,413.55	$8,413.55	$0.00	$1,051.69	$4,818.60
COMMISS OF INDUSTRIAL RELATIONS - 02-77	1.00	$1,462.10	$1,462.10	$0.00	$1,462.10	$1,462.10
DEPARTMENT OF INSURANCE - 02-22	6.00	$57,469.70	$57,469.70	$0.00	$9,578.28	$44,802.00
DEPARTMENT OF LABOR - 02-23	48.00	$620,211.71	$602,324.21	$17,887.50	$12,921.08	$208,938.13
DEPARTMENT OF MOTOR VEHICLES - 02-24	29.00	$113,535.63	$94,565.22	$18,970.41	$3,915.02	$19,677.88
DEPARTMENT OF REVENUE - 02-16	28.00	$44,140.30	$44,140.30	$0.00	$1,576.44	$17,066.73
DEPARTMENT OF TRANSPORTATION - 02-27	826.00	$12,408,422.38	$10,860,057.94	$1,548,364.44	$15,022.30	$1,030,863.59
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	17.00	$47,373.34	$36,473.34	$10,900.00	$2,786.67	$10,900.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	94.00	$400,480.32	$276,179.16	$124,301.16	$4,260.43	$81,400.00
DEPT OF AGRICULTURE - 02-18	34.00	$891,968.89	$725,647.35	$166,321.54	$26,234.38	$356,664.36
DEPT OF BANKING AND FINANCE - 02-19	3.00	$12,415.53	$12,415.53	$0.00	$4,138.51	$11,975.20
DEPT OF ECONOMIC DEVELOPMENT - 02-72	4.00	$23,440.08	$23,440.08	$0.00	$5,860.02	$12,357.67
FOSTER CARE REVIEW BOARD - 02-70	2.00	$1,165.10	$1,165.10	$0.00	$582.55	$1,063.22
GAME AND PARKS - 02-33	222.00	$833,071.72	$799,374.93	$33,696.79	$3,752.58	$64,922.99
GOVERNOR□S OFFICE - 02-07	1.00	$216.22	$216.22	$0.00	$216.22	$216.22
HHS - 02-25	3,251.00	$17,858,392.42	$16,566,340.64	$1,292,051.78	$5,493.20	$970,900.00
INVESTMENT COUNCIL - 02-75	1.00	$304.48	$304.48	$0.00	$304.48	$304.48
LEGISLATIVE COUNCIL - 02-03	43.00	$72,108.83	$72,108.83	$0.00	$1,676.95	$21,912.62
MOTOR VEH INDUSTRY LICENSING BD - 02-40	1.00	$1,989.89	$1,989.89	$0.00	$1,989.89	$1,989.89
NE COMMISS LAW ENFORCEMENT - 02-78	16.00	$76,346.33	$76,346.33	$0.00	$4,771.65	$15,111.52
NE COMMISSION FOR THE BLIND - 02-81	5.00	$33,351.04	$33,351.04	$0.00	$6,670.21	$17,557.77

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE COMMISSION FOR THE DEAF - 02-82	1.00	$140.91	$140.91	$0.00	$140.91	$140.91
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$112,565.00	$49,337.89	$63,227.11	$112,565.00	$112,565.00
NE DEPARTMENT OF EDUCATION - 02-13	43.00	$221,905.51	$221,905.51	$0.00	$5,160.59	$85,734.51
NE DEPT OF CORRECTIONAL SERVICE - 02-46	709.00	$4,374,873.96	$4,010,864.74	$364,009.22	$6,170.49	$225,973.74
NE DEPT OF NATURAL RESOURCES - 02-29	8.00	$113,407.75	$113,407.75	$0.00	$14,175.97	$63,521.86
NE ED TELECOMM COMMISSION - 02-47	11.00	$97,661.78	$97,661.78	$0.00	$8,878.34	$64,788.83
NE EQUAL OPPORTUNITY COMMISSION - 02-67	2.00	$851.32	$851.32	$0.00	$425.66	$649.20
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	5.00	$10,334.02	$10,334.02	$0.00	$2,066.80	$6,288.55
NE PUBLIC SERVICE COMMISSION - 02-14	2.00	$12,718.64	$12,718.64	$0.00	$6,359.32	$10,163.24
NE SECRETARY OF STATE'S OFFICE - 02-09	2.00	$603.84	$603.84	$0.00	$301.92	$423.57
NE STATE HISTORICAL SOCIETY - 02-54	9.00	$23,709.10	$23,709.10	$0.00	$2,634.34	$19,855.51
NE STATE TREASURER'S OFFICE - 02-12	3.00	$12,783.80	$12,783.80	$0.00	$4,261.27	$8,053.97
NEBRASKA BRAND COMMITTEE - 02 -39	16.00	$121,280.76	$121,280.76	$0.00	$7,580.05	$59,615.07
NEBRASKA FIRE MARSHAL - 02-21	17.00	$214,550.62	$214,550.62	$0.00	$12,620.62	$139,659.91
NEBRASKA LIBRARY COMMISSION - 02-34	2.00	$6.50	$6.50	$0.00	$3.25	$6.50
NEBRASKA MILITARY DEPARTMENT - 02-31	42.00	$109,839.79	$109,839.79	$0.00	$2,615.23	$59,251.83
NEBRASKA STATE COLLEGE SYSTEM - 02-50	93.00	$441,424.91	$435,423.45	$6,001.46	$4,746.50	$104,014.17
NEBRASKA STATE PATROL - 02-64	269.00	$1,384,635.78	$1,362,745.94	$21,889.84	$5,147.34	$53,261.31
NEBRASKA SUPREME COURT - 02-05	56.00	$306,129.84	$306,129.84	$0.00	$5,466.60	$100,329.02
STATE ELECTRICAL DIVISION - 02-30	4.00	$4,041.48	$4,041.48	$0.00	$1,010.37	$3,346.40
UNIVERSITY OF NEBRASKA - 02-51	2,339.00	$10,738,262.87	$10,497,455.43	$240,807.44	$4,590.96	$576,276.04
WORKERS□ COMPENSATION COURT - 02-37	13.00	$21,171.15	$21,171.15	$0.00	$1,628.55	$13,401.13
Totals for **Sprain** - 8,287 Claims	**8,287.00**	**$51,829,178.89**	**$47,920,750.20**	**$3,908,428.69**	**$7,507.32**	**$1,030,863.59**

GALLAGHER BASSETT

Summary by Nature of Injury by Dept

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Nature: Strain						
ATTORNEY GENERAL - 02-11	5.00	$13,923.00	$13,923.00	$0.00	$2,784.60	$7,381.84
DEPARTMENT OF INSURANCE - 02-22	2.00	$2,265.24	$2,265.24	$0.00	$1,132.62	$2,009.12
DEPARTMENT OF LABOR - 02-23	46.00	$179,330.29	$179,330.29	$0.00	$3,898.48	$31,511.71
DEPARTMENT OF MOTOR VEHICLES - 02-24	39.00	$343,990.24	$288,254.46	$55,735.78	$8,820.26	$69,086.66
DEPARTMENT OF REVENUE - 02-16	26.00	$30,972.03	$30,972.03	$0.00	$1,191.23	$6,010.76
DEPARTMENT OF TRANSPORTATION - 02-27	1,022.00	$14,457,468.16	$12,086,469.04	$2,370,999.12	$14,146.25	$704,491.55
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	29.00	$110,466.94	$98,107.35	$12,359.59	$3,809.20	$18,618.50
DEPT OF ADMINISTRATIVE SERVICES - 02-65	132.00	$1,002,951.37	$913,757.39	$89,193.98	$7,598.12	$105,317.92
DEPT OF AGRICULTURE - 02-18	22.00	$124,582.53	$124,582.53	$0.00	$5,662.84	$65,327.99
DEPT OF BANKING AND FINANCE - 02-19	1.00	$444.81	$444.81	$0.00	$444.81	$444.81
DEPT OF ECONOMIC DEVELOPMENT - 02-72	2.00	$411.64	$411.64	$0.00	$205.82	$298.17
EDUCATIONAL LANDS AND FUNDS - 02-32	1.00	$232.50	$232.50	$0.00	$232.50	$232.50
FOSTER CARE REVIEW BOARD - 02-70	3.00	$26,513.14	$26,513.14	$0.00	$8,837.71	$23,095.76
GAME AND PARKS - 02-33	347.00	$2,624,393.20	$2,264,957.14	$359,436.06	$7,563.09	$169,489.52
HHS - 02-25	3,375.00	$24,888,074.57	$22,623,218.72	$2,264,855.85	$7,374.24	$1,277,864.23
INVESTMENT COUNCIL - 02-75	3.00	$4,980.22	$4,980.22	$0.00	$1,660.07	$4,584.60
LEGISLATIVE COUNCIL - 02-03	35.00	$1,281,921.58	$942,072.21	$339,849.37	$36,626.33	$1,160,321.08
NE COMMISS LAW ENFORCEMENT - 02-78	15.00	$74,942.19	$74,942.19	$0.00	$4,996.15	$38,908.10
NE COMMISSION FOR THE BLIND - 02-81	15.00	$54,736.84	$54,736.84	$0.00	$3,649.12	$27,680.97
NE COMMISSION FOR THE DEAF - 02-82	3.00	$882.88	$882.88	$0.00	$294.29	$609.20
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	6.00	$7,172.69	$7,172.69	$0.00	$1,195.45	$2,985.65
NE DEPARTMENT OF EDUCATION - 02-13	41.00	$168,370.46	$168,370.46	$0.00	$4,106.60	$63,453.87
NE DEPT OF CORRECTIONAL SERVICE - 02-46	935.00	$9,704,866.91	$8,092,056.05	$1,612,810.86	$10,379.54	$1,878,420.00
NE DEPT OF NATURAL RESOURCES - 02-29	10.00	$85,375.28	$85,375.28	$0.00	$8,537.53	$41,307.56

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE ED TELECOMM COMMISSION - 02-47	12.00	$222,089.96	$222,089.96	$0.00	$18,507.50	$161,220.54
NE EQUAL OPPORTUNITY COMMISSION - 02-67	2.00	$829.99	$829.99	$0.00	$415.00	$645.43
NE LIQUOR CONTROL COMMISSION - 02-35	2.00	$698.87	$698.87	$0.00	$349.44	$508.25
NE PUBLIC EMPLOYEE RETIREMENT - 02-85	16.00	$98,411.95	$98,411.95	$0.00	$6,150.75	$56,013.85
NE PUBLIC SERVICE COMMISSION - 02-14	3.00	$9,921.31	$9,921.31	$0.00	$3,307.10	$8,423.39
NE SECRETARY OF STATE'S OFFICE - 02-09	8.00	$5,355.79	$5,355.79	$0.00	$669.47	$4,245.09
NE STATE HISTORICAL SOCIETY - 02-54	13.00	$161,093.42	$161,093.42	$0.00	$12,391.80	$89,820.05
NE STATE TREASURER'S OFFICE - 02-12	6.00	$11,404.39	$11,404.39	$0.00	$1,900.73	$3,546.80
NE TAX EQUALIZATION AND REVIEW - 02-93	1.00	$4,096.21	$4,096.21	$0.00	$4,096.21	$4,096.21
NEBRASKA ARTS COUNCIL - 02-69	1.00	$117.91	$117.91	$0.00	$117.91	$117.91
NEBRASKA BRAND COMMITTEE - 02-39	15.00	$102,974.18	$102,974.18	$0.00	$6,864.95	$60,297.54
NEBRASKA FIRE MARSHAL - 02-21	19.00	$105,101.90	$83,778.74	$21,323.16	$5,531.68	$44,032.00
NEBRASKA LIBRARY COMMISSION - 02-34	5.00	$4,710.36	$4,710.36	$0.00	$942.07	$2,605.73
NEBRASKA MILITARY DEPARTMENT - 02-31	33.00	$208,427.55	$208,427.55	$0.00	$6,315.99	$88,219.19
NEBRASKA STATE COLLEGE SYSTEM - 02-50	142.00	$1,353,189.62	$1,268,961.54	$84,228.08	$9,529.50	$231,191.03
NEBRASKA STATE PATROL - 02-64	439.00	$3,032,104.42	$2,894,647.62	$137,456.80	$6,906.84	$211,015.00
NEBRASKA SUPREME COURT - 02-05	50.00	$410,968.22	$388,066.82	$22,901.40	$8,219.36	$74,269.75
PARDON/PAROLE BOARD - 02-15	3.00	$2,895.46	$2,895.46	$0.00	$965.15	$1,105.23
STATE ELECTRICAL DIVISION - 02-30	4.00	$1,019,995.90	$566,028.90	$453,967.00	$254,998.98	$1,019,735.05
UNIVERSITY OF NEBRASKA - 02-51	2,024.00	$17,531,869.75	$13,898,458.28	$3,633,411.47	$8,661.99	$1,167,122.00
WORKERS COMPENSATION COURT - 02-37	13.00	$22,767.31	$22,767.31	$0.00	$1,751.33	$9,789.37
Totals for Strain - 8,926 Claims	**8,926.00**	**$79,498,293.18**	**$68,039,764.66**	**$11,458,528.52**	**$11,194.24**	**$1,878,420.00**
Nature: Syncope (dizziness)						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$15.50	$15.50	$0.00	$15.50	$15.50

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$57.50	$57.50	$0.00	$57.50	$57.50
GAME AND PARKS - 02-33	2.00	$15.50	$15.50	$0.00	$7.75	$15.50
HHS - 02-25	5.00	$10,376.49	$5,886.49	$4,490.00	$2,075.30	$4,543.90
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
NE DEPARTMENT OF EDUCATION - 02-13	1.00	$31.00	$31.00	$0.00	$31.00	$31.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	9.00	$6,082.51	$3,092.51	$2,990.00	$675.83	$3,000.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	3.00	$2,244.20	$2,244.20	$0.00	$748.07	$2,182.20
NEBRASKA STATE PATROL - 02-64	2.00	$13,855.64	$13,855.64	$0.00	$6,927.82	$13,855.64
NECOMMISSION ON PUBLIC ADVOCACY - 02-94	1.00	$225.45	$225.45	$0.00	$225.45	$225.45
UNIVERSITY OF NEBRASKA - 02-51	10.00	$5,507.85	$5,507.85	$0.00	$550.79	$3,341.17
Totals for **Syncope (dizziness)** - 36 Claims	**36.00**	**$38,411.64**	**$30,931.64**	**$7,480.00**	**$1,028.64**	**$13,855.64**
Nature: **Torn cartilage/ligament/tendon**						
DEPARTMENT OF TRANSPORTATION - 02-27	13.00	$873,540.27	$506,523.82	$367,016.45	$67,195.41	$126,034.00
DEPT OF AGRICULTURE - 02-18	2.00	$63,258.00	$11,702.15	$51,555.85	$31,629.00	$63,258.00
GAME AND PARKS - 02-33	1.00	$32,248.00	$16,377.65	$15,870.35	$32,248.00	$32,248.00
HHS - 02-25	27.00	$1,566,308.43	$849,049.59	$717,258.84	$58,011.42	$254,851.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	4.00	$557,476.29	$295,438.75	$262,037.54	$139,369.07	$289,230.00
NEBRASKA SUPREME COURT - 02-05	1.00	$149,203.00	$111,653.73	$37,549.27	$149,203.00	$149,203.00
UNIVERSITY OF NEBRASKA - 02-51	4.00	$195,399.61	$147,438.01	$47,961.60	$48,849.90	$54,091.42
Totals for **Torn cartilage/ligament/tendon** - 52 Claims	**52.00**	**$3,437,433.60**	**$1,938,183.70**	**$1,499,249.90**	**$75,215.11**	**$289,230.00**
Nature: **VDT-related disease**						
HHS - 02-25	1.00	$43.75	$43.75	$0.00	$43.75	$43.75
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$19,264.77	$19,264.77	$0.00	$19,264.77	$19,264.77
Totals for **VDT-related disease** - 2 Claims	**2.00**	**$19,308.52**	**$19,308.52**	**$0.00**	**$9,654.26**	**$19,264.77**
Nature: **Vision Loss**						
DEPARTMENT OF TRANSPORTATION - 02-27	5.00	$117,330.68	$101,563.55	$15,767.13	$23,466.14	$117,098.23

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$435.13	$435.13	$0.00	$435.13	$435.13
DEPT OF AGRICULTURE - 02-18	1.00	$60.00	$60.00	$0.00	$60.00	$60.00
GAME AND PARKS - 02-33	2.00	$100.65	$100.65	$0.00	$50.33	$60.65
HHS - 02-25	4.00	$556.63	$556.63	$0.00	$139.16	$276.39
LEGISLATIVE COUNCIL - 02-03	1.00	$22,754.29	$22,754.29	$0.00	$22,754.29	$22,754.29
NE DEPT OF CORRECTIONAL SERVICE - 02-46	6.00	$1,822.24	$1,822.24	$0.00	$303.71	$1,187.63
NE LIQUOR CONTROL COMMISSION - 02-35	1.00	$457.00	$457.00	$0.00	$457.00	$457.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$157.95	$157.95	$0.00	$157.95	$157.95
NEBRASKA STATE PATROL - 02-64	2.00	$702.51	$702.51	$0.00	$351.26	$609.26
UNIVERSITY OF NEBRASKA - 02-51	26.00	$4,888.90	$4,888.90	$0.00	$188.03	$1,129.97
Totals for **Vision Loss** - 50 Claims	**50.00**	**$149,265.98**	**$133,498.85**	**$15,767.13**	**$4,396.63**	**$117,098.23**
Grand Totals - 43,056 Claims	**43,056.00**	**$294,680,316.64**	**$252,275,569.49**	**$42,404,747.15**	**$17,227.72**	**$4,234,011.00**

GALLAGHER BASSETT

Report Definition

Description:

Filters: No Filters

Groups: Nature then Location Level 2 (Default Location Hierarchy)

Sorts: No Sorts

Options Incurred Formula is Net Incurred

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

STATE OF NEBRASKA (009006)

Summary by Nature of Injury

Nature	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Alleged AIDS	2.00	$7,484.06	$7,484.06	$0.00	$3,742.03	$6,413.37
Allergic Reaction	7.00	$2,769.49	$2,769.49	$0.00	$395.64	$2,118.65
Amputation	36.00	$1,384,241.41	$917,239.44	$467,001.97	$38,451.15	$948,508.00
Angina pectoris	6.00	$524,678.41	$126,542.04	$398,136.37	$87,446.40	$521,589.30
Arthritis	4.00	$37,788.71	$13,129.12	$24,659.59	$9,447.18	$30,372.00
Asbestosis	3.00	$910,763.58	$611,594.79	$299,168.79	$303,587.86	$910,114.08
Asphyxia	8.00	$51,176.97	$51,176.97	$0.00	$6,397.12	$25,882.71
Bite or sting	53.00	$49,324.59	$30,325.77	$18,998.82	$930.65	$7,971.91
Burn (chemical)	8.00	$5,091.83	$2,601.83	$2,490.00	$636.48	$2,500.00
Burn (heat)	940.00	$2,072,477.54	$1,978,865.77	$93,611.77	$2,204.76	$788,470.62
Cancer	1.00	$1,394.31	$1,394.31	$0.00	$1,394.31	$1,394.31
Carpal Tunnel Syndrome	344.00	$3,730,103.41	$3,253,467.04	$476,636.37	$10,843.32	$494,178.06
Communicable Disease	49.00	$67,410.97	$51,007.98	$16,402.99	$1,375.73	$32,270.00
Concussion	213.00	$1,714,865.83	$1,504,361.99	$210,503.84	$8,051.01	$270,133.00
Contusion, bruise	6,568.00	$21,307,367.80	$19,597,780.27	$1,709,587.53	$3,244.12	$1,846,952.96
Crushing	327.00	$3,162,812.43	$2,534,510.53	$628,301.90	$9,672.21	$721,011.00
Cumulative injuries, NOC	443.00	$1,070,074.23	$999,890.85	$70,183.38	$2,415.52	$203,623.12
Death	2.00	$1,306,604.25	$557,066.21	$749,538.04	$653,302.13	$891,377.75
Dental	7.00	$31,936.74	$4,281.70	$27,655.04	$4,562.39	$25,000.00
Dermatitis, skin disease or disorder	372.00	$365,793.31	$339,991.74	$25,801.57	$983.32	$99,019.28
Dislocation	341.00	$17,318,695.36	$15,693,412.34	$1,625,283.02	$50,787.96	$1,052,856.00
Electric shock	54.00	$402,121.11	$308,744.82	$93,376.29	$7,446.69	$299,768.00
Enucleation (to remove tumor, eye, etc)	2.00	$85.83	$85.83	$0.00	$42.92	$79.83
Epicondylitis	1.00	$15,268.00	$235.07	$15,032.93	$15,268.00	$15,268.00
Foreign body	765.00	$376,596.29	$359,913.87	$16,682.42	$492.28	$101,484.48
Fracture	1,357.00	$18,267,577.28	$16,183,857.29	$2,083,719.99	$13,461.74	$891,869.00
Frostbite, hypothermia	7.00	$820.66	$820.66	$0.00	$117.24	$347.87
Hearing Loss	39.00	$195,789.43	$129,345.46	$66,443.97	$5,020.24	$49,866.00
Heart attack (myocardial infarction)	11.00	$331,186.93	$331,186.93	$0.00	$30,107.90	$325,194.75
Heat stroke	73.00	$95,587.18	$95,587.18	$0.00	$1,309.41	$14,625.02
Hepatitis C	1.00	$417.18	$417.18	$0.00	$417.18	$417.18
Hernia	107.00	$1,260,091.16	$1,260,091.16	$0.00	$11,776.55	$541,673.83
Herniation (herniated disc, ruptured disc)	8.00	$1,641,119.35	$1,062,944.30	$578,175.05	$205,139.92	$564,922.00
Infection	141.00	$1,009,388.41	$768,560.46	$240,827.95	$7,158.78	$372,998.00
Inflammation / irritation of joint / nerve	653.00	$7,983,560.24	$6,038,568.55	$1,944,991.69	$12,225.97	$1,031,411.00

GALLAGHER BASSETT

Summary by Nature of Injury

Nature	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Laceration, open wound	3,650.00	$8,046,825.50	$6,064,638.86	$1,982,186.64	$2,204.61	$3,288,391.00
Multiple fractures	5.00	$571,641.12	$302,755.34	$268,885.78	$114,328.22	$265,779.00
Multiple physical and psycological inj.	3.00	$139,108.60	$77,606.80	$61,501.80	$46,369.53	$103,312.00
Multiple physical injuries	2,859.00	$31,451,846.11	$27,691,561.71	$3,760,284.40	$11,001.00	$4,234,011.00
No physical injury	395.00	$3,201,173.59	$2,578,450.96	$622,722.63	$8,104.24	$1,016,662.00
Not Otherwise Classified	2,301.00	$21,197,432.43	$15,680,499.69	$5,516,932.74	$9,212.27	$2,609,292.00
Poisoning - trauma	91.00	$128,039.74	$123,549.74	$4,490.00	$1,407.03	$37,952.72
Psychological Problems/mental anguish	20.00	$1,083,617.60	$1,082,627.60	$990.00	$54,180.88	$1,062,774.51
Puncture	3,017.00	$2,399,243.75	$2,308,297.37	$90,946.38	$795.24	$531,044.85
Radiation	3.00	$68,685.66	$68,685.66	$0.00	$22,895.22	$43,761.96
Respiratory disorders	338.00	$1,724,303.88	$1,334,891.18	$389,412.70	$5,101.49	$1,052,374.00
Rupture	46.00	$2,965,545.62	$2,046,219.01	$919,326.61	$64,468.38	$676,827.97
Scratch, abrasion	21.00	$28,496.95	$14,095.00	$14,401.95	$1,357.00	$15,428.56
Seizure	1.00	$0.00	$0.00	$0.00	$0.00	$0.00
Sprain	8,287.00	$51,829,178.89	$47,920,750.20	$3,908,428.69	$6,254.28	$1,030,863.59
Strain	8,926.00	$79,498,293.18	$68,039,764.66	$11,458,528.52	$8,906.37	$1,878,420.00
Syncope (dizziness)	36.00	$38,411.64	$30,931.64	$7,480.00	$1,066.99	$13,855.64
Torn cartilage/ligament/tendon	52.00	$3,437,433.60	$1,938,183.70	$1,499,249.90	$66,104.49	$289,230.00
VDT-related disease	2.00	$19,308.52	$19,308.52	$0.00	$9,654.26	$19,264.77
Vision Loss	50.00	$149,265.98	$133,498.85	$15,767.13	$2,985.32	$117,098.23
Grand Totals - 43,056 Claims	**43,056.00**	**$294,680,316.64**	**$252,275,569.49**	**$42,404,747.15**	**$35,386.42**	**$4,234,011.00**

Report Definition

Description:	
Filters:	No Filters
Groups:	Nature
Sorts:	No Sorts
Options	Incurred Formula is Net Incurred

GALLAGHER BASSETT
GUIDE. GUARD. GO BEYOND.

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: Abdomen						
DEPARTMENT OF LABOR - 02-23	1.00	$242,714.00	$232,021.35	$10,692.65	$242,714.00	$242,714.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$28,952.00	$10.00	$28,942.00	$28,952.00	$28,952.00
HHS - 02-25	1.00	$3,500.00	$10.00	$3,490.00	$3,500.00	$3,500.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$6,110.00	$2,496.66	$3,613.34	$6,110.00	$6,110.00
Totals for **Abdomen** - 4 Claims	**4.00**	**$281,276.00**	**$234,538.01**	**$46,737.99**	**$70,319.00**	**$242,714.00**
Part of Body: Ankle, left						
DEPARTMENT OF TRANSPORTATION - 02-27	4.00	$436,737.16	$178,047.03	$258,690.13	$109,184.29	$322,793.16
HHS - 02-25	1.00	$58,085.00	$44,049.39	$14,035.61	$58,085.00	$58,085.00
NE DEPARTMENT OF EDUCATION - 02-13	1.00	$66,630.00	$41,084.73	$25,545.27	$66,630.00	$66,630.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	3.00	$14,860.00	$6,742.93	$8,117.07	$4,953.33	$6,648.00
Totals for **Ankle, left** - 9 Claims	**9.00**	**$576,312.16**	**$269,924.08**	**$306,388.08**	**$59,713.16**	**$322,793.16**
Part of Body: Ankle, right						
DEPARTMENT OF TRANSPORTATION - 02-27	6.00	$394,061.00	$259,784.49	$134,296.51	$65,676.83	$195,738.00
HHS - 02-25	1.00	$102,207.00	$55,770.66	$46,436.34	$102,207.00	$102,207.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$52,887.00	$37,612.93	$15,274.07	$26,443.50	$49,887.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$69,474.00	$10.00	$69,464.00	$69,474.00	$69,474.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$20,380.00	$2,899.89	$17,480.11	$20,380.00	$20,380.00
Totals for **Ankle, right** - 11 Claims	**11.00**	**$639,009.00**	**$356,057.97**	**$282,951.03**	**$56,836.27**	**$195,738.00**
Part of Body: Ankles						
DEPARTMENT OF TRANSPORTATION - 02-27	3.00	$43,820.00	$3,172.69	$40,647.31	$14,606.67	$26,810.00
GAME AND PARKS - 02-33	1.00	$165,000.00	$89,561.16	$75,438.84	$165,000.00	$165,000.00
HHS - 02-25	1.00	$49,665.00	$16,046.03	$33,618.97	$49,665.00	$49,665.00
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$94,456.00	$70,862.48	$23,593.52	$94,456.00	$94,456.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$77,962.00	$64,115.60	$13,846.40	$77,962.00	$77,962.00
UNIVERSITY OF NEBRASKA - 02-51	3.00	$506,439.20	$268,887.31	$237,551.89	$168,813.07	$293,070.60
Totals for **Ankles** - 10 Claims	**10.00**	**$937,342.20**	**$512,645.27**	**$424,696.93**	**$95,083.79**	**$293,070.60**

STATE OF NEBRASKA (009006)

Summary by Part of Body by Dept

OPEN CLAIMS ONLY

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: Arm, left						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$3,000.00	$46.00	$2,954.00	$3,000.00	$3,000.00
GAME AND PARKS - 02-33	1.00	$126,477.00	$84,203.42	$42,273.58	$126,477.00	$126,477.00
HHS - 02-25	4.00	$204,069.00	$78,001.35	$126,067.65	$51,017.25	$157,769.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
Totals for **Arm, left** - 7 Claims	**7.00**	**$336,546.00**	**$162,260.77**	**$174,285.23**	**$45,873.56**	**$157,769.00**
Part of Body: Arm, right						
DEPARTMENT OF TRANSPORTATION - 02-27	3.00	$226,496.00	$73,657.33	$152,838.67	$75,498.67	$126,034.00
HHS - 02-25	2.00	$22,600.00	$2,317.06	$20,282.94	$11,300.00	$19,600.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$3,500.00	$1,995.13	$1,504.87	$3,500.00	$3,500.00
Totals for **Arm, right** - 6 Claims	**6.00**	**$252,596.00**	**$77,969.52**	**$174,626.48**	**$30,099.56**	**$126,034.00**
Part of Body: Arms						
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$75,472.55	$43,731.04	$31,741.51	$37,736.28	$70,200.55
GAME AND PARKS - 02-33	1.00	$112,193.00	$92,919.81	$19,273.19	$112,193.00	$112,193.00
HHS - 02-25	3.00	$641,801.78	$227,286.81	$414,514.97	$213,933.93	$586,993.43
UNIVERSITY OF NEBRASKA - 02-51	2.00	$3,713,641.00	$2,203,006.60	$1,510,634.40	$1,856,820.50	$3,288,391.00
Totals for **Arms** - 8 Claims	**8.00**	**$4,543,108.33**	**$2,566,944.26**	**$1,976,164.07**	**$555,170.93**	**$3,288,391.00**
Part of Body: Back, lower						
DEPARTMENT OF LABOR - 02-23	1.00	$40,627.00	$22,739.50	$17,887.50	$40,627.00	$40,627.00
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$4,500.00	$1,726.16	$2,773.84	$4,500.00	$4,500.00
DEPARTMENT OF TRANSPORTATION - 02-27	24.00	$3,933,882.23	$2,073,976.26	$1,859,905.97	$163,911.76	$676,827.97
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	2.00	$15,800.00	$274.16	$15,525.84	$7,900.00	$10,900.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	2.00	$122,817.92	$106,047.30	$16,770.62	$61,408.96	$105,317.92
DEPT OF AGRICULTURE - 02-18	2.00	$398,632.76	$245,538.22	$153,094.54	$199,316.38	$235,895.76
GAME AND PARKS - 02-33	3.00	$285,512.34	$160,573.68	$124,938.66	$95,170.78	$160,450.82
HHS - 02-25	25.00	$4,680,716.34	$2,968,002.64	$1,712,713.70	$187,228.65	$877,440.00
NE DEPARTMENT OF EDUCATION - 02-13	1.00	$133,825.00	$52,554.10	$81,270.90	$133,825.00	$133,825.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	14.00	$1,383,939.00	$779,613.75	$604,325.25	$98,852.79	$230,779.00
NEBRASKA FIRE MARSHAL - 02-21	1.00	$44,032.00	$22,708.84	$21,323.16	$44,032.00	$44,032.00

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NEBRASKA STATE COLLEGE SYSTEM - 02-50	4.00	$287,705.03	$203,476.95	$84,228.08	$71,926.26	$231,191.03
NEBRASKA STATE PATROL - 02-64	4.00	$257,723.00	$203,191.82	$54,531.18	$64,430.75	$211,015.00
NEBRASKA SUPREME COURT - 02-05	1.00	$44,383.00	$30,122.69	$14,260.31	$44,383.00	$44,383.00
STATE ELECTRICAL DIVISION - 02-30	1.00	$1,019,735.05	$565,768.05	$453,967.00	$1,019,735.05	$1,019,735.05
UNIVERSITY OF NEBRASKA - 02-51	20.00	$4,461,414.93	$2,987,138.66	$1,474,276.27	$223,070.75	$1,167,122.00
Totals for **Back, lower** - 106 Claims	**106.00**	**$17,115,245.60**	**$10,423,452.78**	**$6,691,792.82**	**$153,769.95**	**$1,167,122.00**
Part of Body: **Back, upper (thoracic)**						
DEPARTMENT OF TRANSPORTATION - 02-27	7.00	$2,963,757.80	$2,329,038.76	$634,719.04	$423,393.97	$943,014.50
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$3,000.00	$1,214.52	$1,785.48	$3,000.00	$3,000.00
GAME AND PARKS - 02-33	1.00	$24,691.00	$2,190.94	$22,500.06	$24,691.00	$24,691.00
HHS - 02-25	9.00	$2,742,647.53	$1,518,538.74	$1,224,108.79	$304,738.61	$1,277,864.23
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$1,878,420.00	$989,308.81	$889,111.19	$1,878,420.00	$1,878,420.00
NEBRASKA STATE PATROL - 02-64	2.00	$99,180.00	$81,576.20	$17,603.80	$49,590.00	$49,654.00
UNIVERSITY OF NEBRASKA - 02-51	4.00	$2,957,077.18	$2,464,213.27	$492,863.91	$739,269.30	$1,052,856.00
Totals for **Back, upper (thoracic)** - 25 Claims	**25.00**	**$10,668,773.51**	**$7,386,081.24**	**$3,282,692.27**	**$489,014.70**	**$1,878,420.00**
Part of Body: **Chest and/or ribs**						
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$521,561.80	$460,618.12	$60,943.68	$260,780.90	$284,579.80
HHS - 02-25	1.00	$3,000.00	$244.42	$2,755.58	$3,000.00	$3,000.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$4,500.00	$10.00	$4,490.00	$4,500.00	$4,500.00
UNIVERSITY OF NEBRASKA - 02-51	6.00	$449,217.12	$228,194.36	$221,022.76	$74,869.52	$203,623.12
Totals for **Chest and/or ribs** - 10 Claims	**10.00**	**$978,278.92**	**$689,066.90**	**$289,212.02**	**$85,787.61**	**$284,579.80**
Part of Body: **Digestive System**						
UNIVERSITY OF NEBRASKA - 02-51	1.00	$4,500.00	$10.00	$4,490.00	$4,500.00	$4,500.00
Totals for **Digestive System** - 1 Claim	**1.00**	**$4,500.00**	**$10.00**	**$4,490.00**	**$4,500.00**	**$4,500.00**
Part of Body: **Ear, left (internal & external)**						
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$49,866.00	$765.24	$49,100.76	$49,866.00	$49,866.00
Totals for **Ear, left (internal & external)** - 1 Claim	**1.00**	**$49,866.00**	**$765.24**	**$49,100.76**	**$49,866.00**	**$49,866.00**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: **Ears (internal & external)**						
GAME AND PARKS - 02-33	1.00	$37,500.00	$20,156.79	$17,343.21	$37,500.00	$37,500.00
Totals for **Ears (internal & external)** - 1 Claim	**1.00**	**$37,500.00**	**$20,156.79**	**$17,343.21**	**$37,500.00**	**$37,500.00**
Part of Body: **Elbow, left**						
GAME AND PARKS - 02-33	1.00	$49,470.00	$4,439.04	$45,030.96	$49,470.00	$49,470.00
NEBRASKA STATE PATROL - 02-64	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$2,500.00	$10.00	$2,490.00	$2,500.00	$2,500.00
Totals for **Elbow, left** - 3 Claims	**3.00**	**$54,970.00**	**$4,459.04**	**$50,510.96**	**$18,323.33**	**$49,470.00**
Part of Body: **Elbow, right**						
GAME AND PARKS - 02-33	3.00	$73,530.00	$31,482.76	$42,047.24	$24,510.00	$53,762.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$117,832.00	$60,938.39	$56,893.61	$117,832.00	$117,832.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$55,866.00	$44,649.05	$11,216.95	$55,866.00	$55,866.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$47,215.00	$38,185.28	$9,029.72	$47,215.00	$47,215.00
Totals for **Elbow, right** - 6 Claims	**6.00**	**$294,443.00**	**$175,255.48**	**$119,187.52**	**$61,355.75**	**$117,832.00**
Part of Body: **Elbows**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$313,275.00	$180,631.02	$132,643.98	$313,275.00	$313,275.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$891,869.00	$709,627.01	$182,241.99	$891,869.00	$891,869.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$3,500.00	$10.00	$3,490.00	$3,500.00	$3,500.00
NEBRASKA STATE PATROL - 02-64	1.00	$11,000.00	$6,349.75	$4,650.25	$11,000.00	$11,000.00
UNIVERSITY OF NEBRASKA - 02-51	3.00	$944,917.96	$378,965.65	$565,952.31	$314,972.65	$917,710.96
Totals for **Elbows** - 7 Claims	**7.00**	**$2,164,561.96**	**$1,275,583.43**	**$888,978.53**	**$306,923.33**	**$917,710.96**
Part of Body: **Eye, left**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$2,500.00	$10.00	$2,490.00	$2,500.00	$2,500.00
GAME AND PARKS - 02-33	2.00	$36,210.00	$2,120.93	$34,089.07	$18,105.00	$33,210.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$3,000.00	$128.23	$2,871.77	$3,000.00	$3,000.00
Totals for **Eye, left** - 4 Claims	**4.00**	**$41,710.00**	**$2,259.16**	**$39,450.84**	**$7,868.33**	**$33,210.00**
Part of Body: **Eye, right**						
UNIVERSITY OF NEBRASKA - 02-51	1.00	$5,006.00	$1,615.86	$3,390.14	$5,006.00	$5,006.00
Totals for **Eye, right** - 1 Claim	**1.00**	**$5,006.00**	**$1,615.86**	**$3,390.14**	**$5,006.00**	**$5,006.00**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: Eyes						
DEPARTMENT OF TRANSPORTATION - 02-27	4.00	$133,575.23	$107,566.91	$26,008.32	$33,393.81	$117,098.23
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$1,800.00	$0.00	$1,800.00	$1,800.00	$1,800.00
NEBRASKA STATE PATROL - 02-64	1.00	$15,428.56	$3,899.37	$11,529.19	$15,428.56	$15,428.56
UNIVERSITY OF NEBRASKA - 02-51	1.00	$5,921.00	$4,151.54	$1,769.46	$5,921.00	$5,921.00
Totals for **Eyes** - 7 Claims	**7.00**	**$156,724.79**	**$115,617.82**	**$41,106.97**	**$14,135.84**	**$117,098.23**
Part of Body: Face						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	4.00	$12,000.00	$1,941.50	$10,058.50	$3,000.00	$3,000.00
Totals for **Face** - 4 Claim	**4.00**	**$12,000.00**	**$1,941.50**	**$10,058.50**	**$3,000.00**	**$3,000.00**
Part of Body: Facial bones						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$626,166.37	$389,167.26	$236,999.11	$626,166.37	$626,166.37
GAME AND PARKS - 02-33	1.00	$30,012.00	$8,456.15	$21,555.85	$30,012.00	$30,012.00
HHS - 02-25	2.00	$470,687.76	$341,060.09	$129,627.67	$235,343.88	$464,387.76
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$98,590.00	$29,940.87	$68,649.13	$98,590.00	$98,590.00
Totals for **Facial bones** - 5 Claims	**5.00**	**$1,225,456.13**	**$768,624.37**	**$456,831.76**	**$247,528.06**	**$626,166.37**
Part of Body: Feet						
HHS - 02-25	2.00	$27,493.00	$10,756.29	$16,736.71	$13,746.50	$21,275.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$83,739.00	$41,799.09	$41,939.91	$41,869.50	$71,299.00
Totals for **Feet** - 4 Claims	**4.00**	**$111,232.00**	**$52,555.38**	**$58,676.62**	**$27,808.00**	**$71,299.00**
Part of Body: Fingers						
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$27,790.00	$1,530.62	$26,259.38	$13,895.00	$16,216.00
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	3.00	$9,000.00	$496.64	$8,503.36	$3,000.00	$3,000.00
GAME AND PARKS - 02-33	1.00	$2,500.00	$1,693.38	$806.62	$2,500.00	$2,500.00
HHS - 02-25	1.00	$828,851.42	$319,928.41	$508,923.01	$828,851.42	$828,851.42
NE DEPT OF CORRECTIONAL SERVICE - 02-46	7.00	$190,587.00	$25,037.96	$165,549.04	$27,226.71	$50,000.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
NEBRASKA STATE PATROL - 02-64	1.00	$4,688.00	$478.12	$4,209.88	$4,688.00	$4,688.00
UNIVERSITY OF NEBRASKA - 02-51	11.00	$135,639.00	$28,844.64	$106,794.36	$12,330.82	$48,600.00
Totals for **Fingers** - 27 Claims	**27.00**	**$1,202,055.42**	**$378,019.77**	**$824,035.65**	**$111,936.49**	**$828,851.42**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: Foot, left						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$14,860.00	$0.00	$14,860.00	$14,860.00	$14,860.00
GAME AND PARKS - 02-33	2.00	$20,484.00	$620.50	$19,863.50	$10,242.00	$17,484.00
HHS - 02-25	1.00	$67,728.00	$34,750.46	$32,977.54	$67,728.00	$67,728.00
NEBRASKA MILITARY DEPARTMENT - 02-31	1.00	$37,000.00	$13,818.42	$23,181.58	$37,000.00	$37,000.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$31,768.00	$3,868.11	$27,899.89	$15,884.00	$27,768.00
Totals for **Foot, left** - 7 Claims	**7.00**	**$171,840.00**	**$53,057.49**	**$118,782.51**	**$29,142.80**	**$67,728.00**
Part of Body: Foot, right						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$216,555.00	$98,416.03	$118,138.97	$216,555.00	$216,555.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$10,100.00	$2,155.93	$7,944.07	$10,100.00	$10,100.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$3,291.00	$3,113.52	$177.48	$3,291.00	$3,291.00
Totals for **Foot, right** - 3 Claims	**3.00**	**$229,946.00**	**$103,685.48**	**$126,260.52**	**$76,648.67**	**$216,555.00**
Part of Body: Hand, left						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$139,722.00	$36,073.28	$103,648.72	$139,722.00	$139,722.00
HHS - 02-25	2.00	$6,000.00	$10.00	$5,990.00	$3,000.00	$3,000.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$3,900.00	$369.96	$3,530.04	$3,900.00	$3,900.00
NEBRASKA STATE PATROL - 02-64	1.00	$3,500.00	$320.46	$3,179.54	$3,500.00	$3,500.00
UNIVERSITY OF NEBRASKA - 02-51	4.00	$30,410.00	$7,951.01	$22,458.99	$7,602.50	$21,410.00
Totals for **Hand, left** - 9 Claims	**9.00**	**$183,532.00**	**$44,724.71**	**$138,807.29**	**$31,544.90**	**$139,722.00**
Part of Body: Hand, right						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$857,997.70	$679,069.84	$178,927.86	$857,997.70	$857,997.70
GAME AND PARKS - 02-33	1.00	$4,900.00	$4,467.16	$432.84	$4,900.00	$4,900.00
HHS - 02-25	1.00	$24,108.00	$291.07	$23,816.93	$24,108.00	$24,108.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	3.00	$52,033.00	$15,298.25	$36,734.75	$17,344.33	$46,033.00
NEBRASKA BRAND COMMITTEE - 02 -39	1.00	$151,177.00	$53,875.85	$97,301.15	$151,177.00	$151,177.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$19,200.00	$45.00	$19,155.00	$19,200.00	$19,200.00
Totals for **Hand, right** - 8 Claims	**8.00**	**$1,109,415.70**	**$753,047.17**	**$356,368.53**	**$179,121.17**	**$857,997.70**
Part of Body: Hands						
DEPARTMENT OF LABOR - 02-23	1.00	$229,461.00	$209,508.63	$19,952.37	$229,461.00	$229,461.00

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$3,000.00	$125.11	$2,874.89	$3,000.00	$3,000.00
HHS - 02-25	2.00	$154,788.12	$65,059.06	$89,729.06	$77,394.06	$124,416.12
NE DEPT OF CORRECTIONAL SERVICE - 02-46	3.00	$37,873.00	$19,004.09	$18,868.91	$12,624.33	$32,270.00
UNIVERSITY OF NEBRASKA - 02-51	3.00	$73,059.00	$9,826.97	$63,232.03	$24,353.00	$55,221.00
Totals for Hands - 10 Claims	**10.00**	**$498,181.12**	**$303,523.86**	**$194,657.26**	**$69,366.48**	**$229,461.00**
Part of Body: Head						
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$28,224.00	$1,218.23	$27,005.77	$28,224.00	$28,224.00
DEPARTMENT OF TRANSPORTATION - 02-27	4.00	$1,433,708.03	$798,841.44	$634,866.59	$358,427.01	$908,725.12
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$12,700.00	$10.00	$12,690.00	$12,700.00	$12,700.00
DEPT OF AGRICULTURE - 02-18	1.00	$3,900.00	$130.17	$3,769.83	$3,900.00	$3,900.00
GAME AND PARKS - 02-33	2.00	$229,616.00	$131,812.74	$97,803.26	$114,808.00	$196,200.00
HHS - 02-25	9.00	$1,899,669.47	$981,688.35	$917,981.12	$211,074.39	$725,901.87
NE DEPARTMENT OF EDUCATION - 02-13	1.00	$49,991.00	$33,085.57	$16,905.43	$49,991.00	$49,991.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	9.00	$293,948.00	$92,826.30	$201,121.70	$32,660.89	$103,312.00
NE STATE RACING COMMISSION - 02-36	1.00	$17,100.00	$7,033.00	$10,067.00	$17,100.00	$17,100.00
NEBRASKA STATE PATROL - 02-64	1.00	$788,470.62	$705,722.93	$82,747.69	$788,470.62	$788,470.62
UNIVERSITY OF NEBRASKA - 02-51	6.00	$330,471.00	$278,156.26	$52,314.74	$55,078.50	$270,133.00
Totals for Head - 36 Claims	**36.00**	**$5,087,798.12**	**$3,030,524.99**	**$2,057,273.13**	**$152,039.49**	**$908,725.12**
Part of Body: Heart						
NE STATE HISTORICAL SOCIETY - 02-54	1.00	$521,589.30	$123,452.93	$398,136.37	$521,589.30	$521,589.30
NEBRASKA STATE PATROL - 02-64	1.00	$455,550.90	$371,492.79	$84,058.11	$455,550.90	$455,550.90
Totals for Heart - 2 Claims	**2.00**	**$977,140.20**	**$494,945.72**	**$482,194.48**	**$488,570.10**	**$521,589.30**
Part of Body: Hips						
COMMISS OF INDUSTRIAL RELATIONS - 02-77	1.00	$101,613.08	$79,749.17	$21,863.91	$101,613.08	$101,613.08
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$179,087.00	$87,079.27	$92,007.73	$89,543.50	$145,984.00
GAME AND PARKS - 02-33	1.00	$88,161.48	$71,071.25	$17,090.23	$88,161.48	$88,161.48
HHS - 02-25	2.00	$377,595.00	$138,003.19	$239,591.81	$188,797.50	$373,095.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$172,237.00	$113,525.61	$58,711.39	$86,118.50	$136,429.00

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
UNIVERSITY OF NEBRASKA - 02-51	2.00	$302,472.00	$231,027.18	$71,444.82	$151,236.00	$181,791.00
Totals for **Hips** - 10 Claims	**10.00**	**$1,221,165.56**	**$720,455.67**	**$500,709.89**	**$117,578.34**	**$373,095.00**
Part of Body: **Internal Organs**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$80,337.28	$60,473.54	$19,863.74	$80,337.28	$80,337.28
GAME AND PARKS - 02-33	1.00	$309,606.00	$262,540.66	$47,065.34	$309,606.00	$309,606.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$727,235.99	$199,766.94	$527,469.05	$363,618.00	$670,536.12
Totals for **Internal Organs** - 4 Claims	**4.00**	**$1,117,179.27**	**$522,781.14**	**$594,398.13**	**$251,187.09**	**$670,536.12**
Part of Body: **Knee, left**						
DEPARTMENT OF TRANSPORTATION - 02-27	7.00	$337,368.00	$144,323.95	$193,044.05	$48,195.43	$113,806.00
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$49,304.00	$234.82	$49,069.18	$49,304.00	$49,304.00
DEPT OF AGRICULTURE - 02-18	1.00	$36,801.00	$23,574.00	$13,227.00	$36,801.00	$36,801.00
GAME AND PARKS - 02-33	3.00	$161,931.00	$28,216.82	$133,714.18	$53,977.00	$78,843.00
HHS - 02-25	5.00	$137,225.06	$76,734.49	$60,490.57	$27,445.01	$102,663.00
LEGISLATIVE COUNCIL - 02-03	1.00	$75,724.00	$15,531.32	$60,192.68	$75,724.00	$75,724.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$123,553.00	$83,063.59	$40,489.41	$61,776.50	$119,909.00
STATE ELECTRICAL DIVISION - 02-30	1.00	$91,742.00	$9,541.66	$82,200.34	$91,742.00	$91,742.00
UNIVERSITY OF NEBRASKA - 02-51	5.00	$287,146.00	$47,945.20	$239,200.80	$57,429.20	$81,089.00
Totals for **Knee, left** - 27 Claims	**27.00**	**$1,303,794.06**	**$429,175.85**	**$874,618.21**	**$50,539.41**	**$119,909.00**
Part of Body: **Knee, right**						
DEPARTMENT OF TRANSPORTATION - 02-27	3.00	$232,084.00	$73,265.76	$158,818.24	$77,361.33	$115,050.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$91,935.00	$44,081.29	$47,853.71	$91,935.00	$91,935.00
GAME AND PARKS - 02-33	1.00	$3,000.00	$130.17	$2,869.83	$3,000.00	$3,000.00
HHS - 02-25	7.00	$229,233.00	$65,824.89	$163,408.11	$32,747.57	$82,849.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	6.00	$294,741.00	$106,857.37	$187,883.63	$49,123.50	$141,975.00
NEBRASKA STATE PATROL - 02-64	2.00	$84,321.00	$13,775.86	$70,545.14	$42,160.50	$81,321.00
UNIVERSITY OF NEBRASKA - 02-51	8.00	$257,909.10	$89,749.36	$168,159.74	$32,238.64	$70,290.00
Totals for **Knee, right** - 28 Claims	**28.00**	**$1,193,223.10**	**$393,884.70**	**$799,538.40**	**$46,938.08**	**$141,975.00**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: Knees						
DEPARTMENT OF TRANSPORTATION - 02-27	7.00	$1,684,742.78	$998,958.82	$685,783.96	$240,677.54	$1,030,863.59
DEPT OF AGRICULTURE - 02-18	1.00	$86,105.00	$25,527.90	$60,577.10	$86,105.00	$86,105.00
GAME AND PARKS - 02-33	1.00	$76,698.33	$57,270.70	$19,427.63	$76,698.33	$76,698.33
HHS - 02-25	9.00	$2,466,266.92	$1,674,000.00	$792,266.92	$274,029.66	$721,011.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	3.00	$814,363.00	$406,764.87	$407,598.13	$271,454.33	$678,236.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$66,474.00	$60,472.54	$6,001.46	$66,474.00	$66,474.00
NEBRASKA STATE PATROL - 02-64	3.00	$282,140.75	$76,027.33	$206,113.42	$94,046.92	$168,909.00
UNIVERSITY OF NEBRASKA - 02-51	11.00	$969,416.00	$449,345.17	$520,070.83	$88,128.73	$156,654.00
Totals for **Knees** - 36 Claims	**36.00**	**$6,446,206.78**	**$3,748,367.33**	**$2,697,839.45**	**$149,701.81**	**$1,030,863.59**
Part of Body: Leg, left						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$15,566.00	$8,099.70	$7,466.30	$15,566.00	$15,566.00
GAME AND PARKS - 02-33	1.00	$94,620.00	$51,776.19	$42,843.81	$94,620.00	$94,620.00
HHS - 02-25	3.00	$27,200.00	$5,483.56	$21,716.44	$9,066.67	$21,200.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$3,000.00	$120.45	$2,879.55	$3,000.00	$3,000.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$3,500.00	$10.00	$3,490.00	$3,500.00	$3,500.00
Totals for **Leg, left** - 7 Claims	**7.00**	**$143,886.00**	**$65,489.90**	**$78,396.10**	**$25,150.53**	**$94,620.00**
Part of Body: Leg, right						
HHS - 02-25	1.00	$3,000.00	$237.31	$2,762.69	$3,000.00	$3,000.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$49,828.00	$9,815.88	$40,012.12	$49,828.00	$49,828.00
NEBRASKA STATE PATROL - 02-64	1.00	$48,791.00	$8,518.29	$40,272.71	$48,791.00	$48,791.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$21,000.00	$2,666.85	$18,333.15	$21,000.00	$21,000.00
Totals for **Leg, right** - 4 Claims	**4.00**	**$122,619.00**	**$21,238.33**	**$101,380.67**	**$30,654.75**	**$49,828.00**
Part of Body: Legs						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$90,108.20	$67,085.09	$23,023.11	$90,108.20	$90,108.20
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$948,508.00	$520,152.39	$428,355.61	$948,508.00	$948,508.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$2,609,292.00	$978,662.51	$1,630,629.49	$2,609,292.00	$2,609,292.00
NEBRASKA STATE PATROL - 02-64	1.00	$190,013.84	$144,105.82	$45,908.02	$190,013.84	$190,013.84

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
UNIVERSITY OF NEBRASKA - 02-51	3.00	$38,219.00	$16,260.32	$21,958.68	$12,739.67	$19,951.00
Totals for **Legs** - 8 Claims	**8.00**	**$3,879,141.04**	**$1,726,276.13**	**$2,152,864.91**	**$642,276.95**	**$2,609,292.00**
Part of Body: **Multiple Body Parts**						
DEPARTMENT OF INSURANCE - 02-22	1.00	$26,360.00	$1,065.67	$25,294.33	$26,360.00	$26,360.00
DEPARTMENT OF LABOR - 02-23	1.00	$50,072.00	$17,500.60	$32,571.40	$50,072.00	$50,072.00
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$16,584.00	$387.43	$16,196.57	$16,584.00	$16,584.00
DEPARTMENT OF TRANSPORTATION - 02-27	16.00	$8,070,674.30	$6,641,947.66	$1,428,726.64	$504,417.14	$4,234,011.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$32,410.00	$14,423.73	$17,986.27	$32,410.00	$32,410.00
GAME AND PARKS - 02-33	4.00	$1,099,115.64	$440,197.62	$658,918.02	$274,778.91	$891,377.75
HHS - 02-25	19.00	$2,996,238.06	$1,919,097.51	$1,077,140.55	$157,696.74	$870,457.00
LEGISLATIVE COUNCIL - 02-03	1.00	$28,552.00	$10,670.33	$17,881.67	$28,552.00	$28,552.00
NE DEPARTMENT OF EDUCATION - 02-13	2.00	$93,668.00	$41,561.44	$52,106.56	$46,834.00	$76,570.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	21.00	$1,727,404.00	$852,299.07	$875,104.93	$82,257.33	$336,455.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$647,000.00	$631,520.80	$15,479.20	$647,000.00	$647,000.00
NEBRASKA STATE PATROL - 02-64	1.00	$90,000.00	$88,717.34	$1,282.66	$90,000.00	$90,000.00
NEBRASKA SUPREME COURT - 02-05	2.00	$51,793.00	$23,880.64	$27,912.36	$25,896.50	$40,493.00
UNIVERSITY OF NEBRASKA - 02-51	17.00	$919,133.46	$543,209.60	$375,923.86	$54,066.67	$372,998.00
Totals for **Multiple Body Parts** - 88 Claims	**88.00**	**$15,849,004.46**	**$11,226,479.44**	**$4,622,525.02**	**$145,494.66**	**$4,234,011.00**
Part of Body: **Multiple Body Systems**						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$32,196.00	$3,404.43	$28,791.57	$16,098.00	$29,196.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$69,613.00	$62,009.23	$7,603.77	$69,613.00	$69,613.00
Totals for **Multiple Body Systems** - 3 Claims	**3.00**	**$101,809.00**	**$65,413.66**	**$36,395.34**	**$42,855.50**	**$69,613.00**
Part of Body: **Multiple lower extremities**						
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$64,340.00	$8,604.22	$55,735.78	$64,340.00	$64,340.00
DEPARTMENT OF TRANSPORTATION - 02-27	2.00	$49,811.00	$35,454.18	$14,356.82	$24,905.50	$46,811.00
HHS - 02-25	3.00	$325,726.49	$171,776.69	$153,949.80	$108,575.50	$254,851.00

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
NE COMMISSION FOR THE BLIND - 02-81	1.00	$132,595.20	$75,830.27	$56,764.93	$132,595.20	$132,595.20
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$211,415.42	$158,276.87	$53,138.55	$211,415.42	$211,415.42
NEBRASKA STATE PATROL - 02-64	1.00	$49,840.00	$36,166.35	$13,673.65	$49,840.00	$49,840.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$109,759.00	$95,734.11	$14,024.89	$54,879.50	$107,106.00
Totals for **Multiple lower extremities** - 11 Claims	**11.00**	**$943,487.11**	**$581,842.69**	**$361,644.42**	**$92,364.45**	**$254,851.00**
Part of Body: **Multiple trunk**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$2,500.00	$418.03	$2,081.97	$2,500.00	$2,500.00
GAME AND PARKS - 02-33	1.00	$27,102.00	$1,320.92	$25,781.08	$27,102.00	$27,102.00
HHS - 02-25	4.00	$88,524.00	$36,252.15	$52,271.85	$22,131.00	$44,513.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$1,129,871.00	$546,228.42	$583,642.58	$564,935.50	$1,126,871.00
NEBRASKA STATE PATROL - 02-64	1.00	$18,240.00	$8,239.56	$10,000.44	$18,240.00	$18,240.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$3,561.00	$3,385.80	$175.20	$3,561.00	$3,561.00
Totals for **Multiple trunk** - 10 Claims	**10.00**	**$1,269,798.00**	**$595,844.88**	**$673,953.12**	**$106,411.58**	**$1,126,871.00**
Part of Body: **Multiple upper extremities**						
DEPARTMENT OF MOTOR VEHICLES - 02-24	1.00	$3,000.00	$120.45	$2,879.55	$3,000.00	$3,000.00
DEPARTMENT OF TRANSPORTATION - 02-27	4.00	$146,945.09	$33,799.92	$113,145.17	$36,736.27	$90,383.00
HHS - 02-25	10.00	$1,232,711.15	$977,646.93	$255,064.22	$123,271.12	$674,599.15
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$108,213.91	$82,478.78	$25,735.13	$54,106.96	$103,313.91
NEBRASKA STATE PATROL - 02-64	1.00	$4,000.00	$2,099.60	$1,900.40	$4,000.00	$4,000.00
UNIVERSITY OF NEBRASKA - 02-51	7.00	$755,873.55	$515,966.92	$239,906.63	$107,981.94	$353,501.55
Totals for **Multiple upper extremities** - 25 Claims	**25.00**	**$2,250,743.70**	**$1,612,112.60**	**$638,631.10**	**$54,849.38**	**$674,599.15**
Part of Body: **Neck - cervical disc**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$121,477.00	$45,137.80	$76,339.20	$121,477.00	$121,477.00
GAME AND PARKS - 02-33	1.00	$102,393.00	$39,221.58	$63,171.42	$102,393.00	$102,393.00
HHS - 02-25	1.00	$192,615.00	$93,450.15	$99,164.85	$192,615.00	$192,615.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$263,927.36	$175,616.19	$88,311.17	$131,963.68	$200,927.36
Totals for **Neck - cervical disc** - 5 Claims	**5.00**	**$680,412.36**	**$353,425.72**	**$326,986.64**	**$137,112.17**	**$200,927.36**

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: Neck - Multiple Injuries to the Neck						
DEPARTMENT OF TRANSPORTATION - 02-27	4.00	$221,993.20	$82,773.08	$139,220.12	$55,498.30	$108,243.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$62,500.00	$43,477.23	$19,022.77	$62,500.00	$62,500.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$201,695.93	$158,362.41	$43,333.52	$100,847.97	$133,807.93
Totals for **Neck - Multiple Injuries to the Neck** - 7 Claims	**7.00**	**$486,189.13**	**$284,612.72**	**$201,576.41**	**$72,948.76**	**$133,807.93**
Part of Body: Neck soft tissue						
DEPARTMENT OF TRANSPORTATION - 02-27	3.00	$950,399.55	$564,188.10	$386,211.45	$316,799.85	$704,491.55
HHS - 02-25	3.00	$1,054,994.37	$987,946.63	$67,047.74	$351,664.79	$977,790.37
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$112,565.00	$49,337.89	$63,227.11	$112,565.00	$112,565.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$95,357.35	$46,749.64	$48,607.71	$47,678.68	$58,407.35
NEBRASKA STATE PATROL - 02-64	1.00	$14,768.00	$130.17	$14,637.83	$14,768.00	$14,768.00
NEBRASKA SUPREME COURT - 02-05	1.00	$13,000.00	$10.00	$12,990.00	$13,000.00	$13,000.00
UNIVERSITY OF NEBRASKA - 02-51	5.00	$249,778.00	$80,227.36	$169,550.64	$49,955.60	$213,525.00
Totals for **Neck soft tissue** - 16 Claims	**16.00**	**$2,490,862.27**	**$1,728,589.79**	**$762,272.48**	**$129,490.27**	**$977,790.37**
Part of Body: No physical injury						
HHS - 02-25	2.00	$1,899,614.18	$1,417,746.74	$481,867.44	$949,807.09	$1,016,662.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$1,000.00	$10.00	$990.00	$1,000.00	$1,000.00
Totals for **No physical injury** - 3 Claims	**3.00**	**$1,900,614.18**	**$1,417,756.74**	**$482,857.44**	**$475,403.55**	**$1,016,662.00**
Part of Body: Nose						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$22,480.00	$8,233.88	$14,246.12	$22,480.00	$22,480.00
HHS - 02-25	3.00	$24,800.00	$170.02	$24,629.98	$8,266.67	$18,800.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$3,000.00	$130.17	$2,869.83	$3,000.00	$3,000.00
Totals for **Nose** - 5 Claims	**5.00**	**$50,280.00**	**$8,534.07**	**$41,745.93**	**$11,248.89**	**$22,480.00**
Part of Body: Not Otherwise Classified						
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$600.00	$0.00	$600.00	$600.00	$600.00
HHS - 02-25	1.00	$4,500.00	$10.00	$4,490.00	$4,500.00	$4,500.00
NEBRASKA STATE PATROL - 02-64	1.00	$49,872.00	$13,959.52	$35,912.48	$49,872.00	$49,872.00
Totals for **Not Otherwise Classified** - 3 Claims	**3.00**	**$54,972.00**	**$13,969.52**	**$41,002.48**	**$18,324.00**	**$49,872.00**

GALLAGHER BASSETT

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Part of Body: Pelvis						
NEBRASKA STATE PATROL - 02-64	1.00	$250,500.00	$198,220.79	$52,279.21	$250,500.00	$250,500.00
Totals for **Pelvis** - 1 Claim	**1.00**	**$250,500.00**	**$198,220.79**	**$52,279.21**	**$250,500.00**	**$250,500.00**
Part of Body: Respiratory System						
HHS - 02-25	3.00	$941,114.08	$610,986.79	$330,127.29	$313,704.69	$910,114.08
NE DEPART OF ENVIRONMENTAL QUAL - 02-84	1.00	$15,100.00	$10.00	$15,090.00	$15,100.00	$15,100.00
NE DEPARTMENT OF EDUCATION - 02-13	1.00	$17,600.00	$10.00	$17,590.00	$17,600.00	$17,600.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$6,000.00	$10.00	$5,990.00	$3,000.00	$3,000.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$83,479.00	$62,890.78	$20,588.22	$83,479.00	$83,479.00
NEBRASKA STATE PATROL - 02-64	1.00	$18,206.00	$4,548.08	$13,657.92	$18,206.00	$18,206.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$1,133,374.00	$820,633.59	$312,740.41	$566,687.00	$1,052,374.00
Totals for **Respiratory System - 11** Claims	**11.00**	**$2,214,873.08**	**$1,499,089.24**	**$715,783.84**	**$145,396.67**	**$1,052,374.00**
Part of Body: Shoulder, left						
DEPARTMENT OF TRANSPORTATION - 02-27	4.00	$296,356.00	$127,142.98	$169,213.02	$74,089.00	$85,695.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$3,000.00	$518.78	$2,481.22	$3,000.00	$3,000.00
HHS - 02-25	2.00	$65,896.00	$17,493.61	$48,402.39	$32,948.00	$51,196.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	3.00	$398,502.00	$196,746.38	$201,755.62	$132,834.00	$289,230.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$58,291.00	$22,772.21	$35,518.79	$58,291.00	$58,291.00
NEBRASKA STATE PATROL - 02-64	1.00	$104,366.00	$43,430.41	$60,935.59	$104,366.00	$104,366.00
NEBRASKA SUPREME COURT - 02-05	1.00	$149,203.00	$111,653.73	$37,549.27	$149,203.00	$149,203.00
UNIVERSITY OF NEBRASKA - 02-51	6.00	$171,228.00	$120,925.49	$50,302.51	$28,538.00	$75,695.00
Totals for **Shoulder, left** - 19 Claims	**19.00**	**$1,246,842.00**	**$640,683.59**	**$606,158.41**	**$72,908.63**	**$289,230.00**
Part of Body: Shoulder, right						
DEPARTMENT OF TRANSPORTATION - 02-27	5.00	$196,452.00	$92,943.35	$103,508.65	$39,290.40	$95,566.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	2.00	$5,500.00	$140.17	$5,359.83	$2,750.00	$3,000.00
DEPT OF AGRICULTURE - 02-18	1.00	$63,258.00	$11,702.15	$51,555.85	$63,258.00	$63,258.00
GAME AND PARKS - 02-33	1.00	$16,500.00	$4,433.14	$12,066.86	$16,500.00	$16,500.00

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
HHS - 02-25	10.00	$307,357.00	$101,892.53	$205,464.47	$30,735.70	$80,638.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	4.00	$105,332.00	$2,757.92	$102,574.08	$26,333.00	$49,816.00
NEBRASKA STATE PATROL - 02-64	1.00	$3,000.00	$0.00	$3,000.00	$3,000.00	$3,000.00
UNIVERSITY OF NEBRASKA - 02-51	6.00	$231,874.00	$140,801.33	$91,072.67	$38,645.67	$125,276.00
Totals for **Shoulder, right** - 30 Claims	**30.00**	**$929,273.00**	**$354,670.59**	**$574,602.41**	**$27,564.10**	**$125,276.00**
Part of Body: **Shoulders**						
DEPARTMENT OF TRANSPORTATION - 02-27	4.00	$955,726.42	$718,100.74	$237,625.68	$238,931.61	$475,170.42
GAME AND PARKS - 02-33	1.00	$95,640.00	$26,729.77	$68,910.23	$95,640.00	$95,640.00
HHS - 02-25	5.00	$536,665.15	$398,032.21	$138,632.94	$107,333.03	$148,136.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	3.00	$221,234.00	$114,479.43	$106,754.57	$73,744.67	$78,644.00
NEBRASKA STATE PATROL - 02-64	1.00	$104,764.75	$75,163.15	$29,601.60	$104,764.75	$104,764.75
UNIVERSITY OF NEBRASKA - 02-51	6.00	$894,948.00	$481,054.86	$413,893.14	$149,158.00	$301,719.00
Totals for **Shoulders** - 20 Claims	**20.00**	**$2,808,978.32**	**$1,813,560.16**	**$995,418.16**	**$128,262.01**	**$475,170.42**
Part of Body: **Skull**						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$279,829.00	$124,907.97	$154,921.03	$279,829.00	$279,829.00
Totals for **Skull** - 1 Claim	**1.00**	**$279,829.00**	**$124,907.97**	**$154,921.03**	**$279,829.00**	**$279,829.00**
Part of Body: **Spinal cord/column/vertebra/disc of trunk**						
HHS - 02-25	1.00	$970,900.00	$669,843.71	$301,056.29	$970,900.00	$970,900.00
LEGISLATIVE COUNCIL - 02-03	1.00	$1,160,321.08	$820,471.71	$339,849.37	$1,160,321.08	$1,160,321.08
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$3,000.00	$0.00	$3,000.00	$3,000.00	$3,000.00
NEBRASKA STATE PATROL - 02-64	1.00	$135,581.64	$94,046.60	$41,535.04	$135,581.64	$135,581.64
UNIVERSITY OF NEBRASKA - 02-51	3.00	$2,442,726.20	$681,056.51	$1,761,669.69	$814,242.07	$1,540,019.00
Totals for **Spinal cord/column/vertebra/disc of trunk** - 7 Claims	**7.00**	**$4,712,528.92**	**$2,265,418.53**	**$2,447,110.39**	**$616,808.96**	**$1,540,019.00**
Part of Body: **Teeth or tooth**						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$25,000.00	$2,234.96	$22,765.04	$25,000.00	$25,000.00
NEBRASKA STATE COLLEGE SYSTEM - 02-50	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
UNIVERSITY OF NEBRASKA - 02-51	1.00	$4,900.00	$10.00	$4,890.00	$4,900.00	$4,900.00
Totals for **Teeth or tooth** - 3 Claims	**3.00**	**$32,900.00**	**$2,254.96**	**$30,645.04**	**$10,966.67**	**$25,000.00**
Part of Body: **Thumb, left**						
HHS - 02-25	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00

Location Level 2	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
UNIVERSITY OF NEBRASKA - 02-51	7.00	$42,782.00	$12,601.58	$30,180.42	$6,111.71	$23,782.00
Totals for **Thumb, left** - 8 Claims	**8.00**	**$45,782.00**	**$12,611.58**	**$33,170.42**	**$4,555.86**	**$23,782.00**
Part of Body: **Thumb, right**						
NE DEPT OF CORRECTIONAL SERVICE - 02-46	2.00	$8,550.00	$815.94	$7,734.06	$4,275.00	$4,650.00
NEBRASKA STATE PATROL - 02-64	1.00	$6,200.00	$10.00	$6,190.00	$6,200.00	$6,200.00
Totals for **Thumb, right** - 3 Claims	**3.00**	**$14,750.00**	**$825.94**	**$13,924.06**	**$5,237.50**	**$6,200.00**
Part of Body: **Wrist(s) and hand(s)**						
HHS - 02-25	1.00	$47,000.00	$2,120.91	$44,879.09	$47,000.00	$47,000.00
Totals for **Wrist(s) and hand(s)** - 1 Claim	**1.00**	**$47,000.00**	**$2,120.91**	**$44,879.09**	**$47,000.00**	**$47,000.00**
Part of Body: **Wrist, left**						
DEPARTMENT OF TRANSPORTATION - 02-27	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$1,031,411.00	$674,811.88	$356,599.12	$1,031,411.00	$1,031,411.00
DEPT OF ADMINISTRATIVE SERVICES - 02-65	1.00	$81,400.00	$23,829.24	$57,570.76	$81,400.00	$81,400.00
HHS - 02-25	2.00	$29,900.00	$3,603.78	$26,296.22	$14,950.00	$20,200.00
Totals for **Wrist, left** - 5 Claims	**5.00**	**$1,145,711.00**	**$702,254.90**	**$443,456.10**	**$282,690.25**	**$1,031,411.00**
Part of Body: **Wrist, right**						
GAME AND PARKS - 02-33	1.00	$49,720.00	$16,456.05	$33,263.95	$49,720.00	$49,720.00
HHS - 02-25	2.00	$69,240.00	$4,931.77	$64,308.23	$34,620.00	$34,840.00
NE DEPT OF CORRECTIONAL SERVICE - 02-46	1.00	$3,000.00	$10.00	$2,990.00	$3,000.00	$3,000.00
NEBRASKA SUPREME COURT - 02-05	1.00	$7,600.00	$2,138.49	$5,461.51	$7,600.00	$7,600.00
UNIVERSITY OF NEBRASKA - 02-51	3.00	$30,428.00	$300.00	$30,128.00	$10,142.67	$22,928.00
Totals for **Wrist, right** - 8 Claims	**8.00**	**$159,988.00**	**$23,836.31**	**$136,151.69**	**$21,016.53**	**$49,720.00**
Part of Body: **Wrists**						
DEPARTMENT OF REVENUE - 02-16	1.00	$68,905.81	$34,687.08	$34,218.73	$68,905.81	$68,905.81
DEPARTMENT OF TRANSPORTATION - 02-27	5.00	$1,020,625.36	$646,287.33	$374,338.03	$204,125.07	$494,178.06
DEPARTMENT OF VETERANS' AFFAIRS - 02-28	1.00	$3,000.00	$41.73	$2,958.27	$3,000.00	$3,000.00
UNIVERSITY OF NEBRASKA - 02-51	2.00	$409,925.96	$341,581.93	$68,344.03	$204,962.98	$329,943.34
Totals for **Wrists** - 9 Claims	**9.00**	**$1,502,457.13**	**$1,022,598.07**	**$479,859.06**	**$120,248.47**	**$494,178.06**
Grand Totals - 768 Claims	**768.00**	**$108,843,165.63**	**$64,438,418.48**	**$42,404,747.15**	**$138,037.64**	**$4,234,011.00**

Report Definition

Description:

Filters: Status is equal to Open or Reopened

Groups: Part of Body then Location Level 2 (Default Location Hierarchy)

Sorts: No Sorts

Options Incurred Formula is Net Incurred

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

Part of Body	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Abdomen	4.00	$281,276.00	$234,538.01	$46,737.99	$70,319.00	$242,714.00
Ankle, left	9.00	$576,312.16	$269,924.08	$306,388.08	$64,034.68	$322,793.16
Ankle, right	11.00	$639,009.00	$356,057.97	$282,951.03	$58,091.73	$195,738.00
Ankles	10.00	$937,342.20	$512,645.27	$424,696.93	$93,734.22	$293,070.60
Arm, left	7.00	$336,546.00	$162,260.77	$174,285.23	$48,078.00	$157,769.00
Arm, right	6.00	$252,596.00	$77,969.52	$174,626.48	$42,099.33	$126,034.00
Arms	8.00	$4,543,108.33	$2,566,944.26	$1,976,164.07	$567,888.54	$3,288,391.00
Back, lower	106.00	$17,115,245.60	$10,423,452.78	$6,691,792.82	$161,464.58	$1,167,122.00
Back, upper (thoracic)	25.00	$10,668,773.51	$7,386,081.24	$3,282,692.27	$426,750.94	$1,878,420.00
Chest and/or ribs	10.00	$978,278.92	$689,066.90	$289,212.02	$97,827.89	$284,579.80
Digestive System	1.00	$4,500.00	$10.00	$4,490.00	$4,500.00	$4,500.00
Ear, left (internal & external)	1.00	$49,866.00	$765.24	$49,100.76	$49,866.00	$49,866.00
Ears (internal & external)	1.00	$37,500.00	$20,156.79	$17,343.21	$37,500.00	$37,500.00
Elbow, left	3.00	$54,970.00	$4,459.04	$50,510.96	$18,323.33	$49,470.00
Elbow, right	6.00	$294,443.00	$175,255.48	$119,187.52	$49,073.83	$117,832.00
Elbows	7.00	$2,164,561.96	$1,275,583.43	$888,978.53	$309,223.14	$917,710.96
Eye, left	4.00	$41,710.00	$2,259.16	$39,450.84	$10,427.50	$33,210.00
Eye, right	1.00	$5,006.00	$1,615.86	$3,390.14	$5,006.00	$5,006.00
Eyes	7.00	$156,724.79	$115,617.82	$41,106.97	$22,389.26	$117,098.23
Face	4.00	$12,000.00	$1,941.50	$10,058.50	$3,000.00	$3,000.00
Facial bones	5.00	$1,225,456.13	$768,624.37	$456,831.76	$245,091.23	$626,166.37
Feet	4.00	$111,232.00	$52,555.38	$58,676.62	$27,808.00	$71,299.00
Fingers	27.00	$1,202,055.42	$378,019.77	$824,035.65	$44,520.57	$828,851.42
Foot, left	7.00	$171,840.00	$53,057.49	$118,782.51	$24,548.57	$67,728.00
Foot, right	3.00	$229,946.00	$103,685.48	$126,260.52	$76,648.67	$216,555.00
Hand, left	9.00	$183,532.00	$44,724.71	$138,807.29	$20,392.44	$139,722.00
Hand, right	8.00	$1,109,415.70	$753,047.17	$356,368.53	$138,676.96	$857,997.70
Hands	10.00	$498,181.12	$303,523.86	$194,657.26	$49,818.11	$229,461.00
Head	36.00	$5,087,798.12	$3,030,524.99	$2,057,273.13	$141,327.73	$908,725.12
Heart	2.00	$977,140.20	$494,945.72	$482,194.48	$488,570.10	$521,589.30
Hips	10.00	$1,221,165.56	$720,455.67	$500,709.89	$122,116.56	$373,095.00
Internal Organs	4.00	$1,117,179.27	$522,781.14	$594,398.13	$279,294.82	$670,536.12
Knee, left	27.00	$1,303,794.06	$429,175.85	$874,618.21	$48,288.67	$119,909.00
Knee, right	28.00	$1,193,223.10	$393,684.70	$799,538.40	$42,615.11	$141,975.00
Knees	36.00	$6,446,206.78	$3,748,367.33	$2,697,839.45	$179,061.30	$1,030,863.59
Leg, left	7.00	$143,886.00	$65,489.90	$78,396.10	$20,555.14	$94,620.00
Leg, right	4.00	$122,619.00	$21,238.33	$101,380.67	$30,654.75	$49,828.00

Part of Body	Claim Count	Total Incurred	Total Paid	Outstanding	Avg Incurred	Max Incurred
Legs	8.00	$3,879,141.04	$1,726,276.13	$2,152,864.91	$484,892.63	$2,609,292.00
Multiple Body Parts	88.00	$15,849,004.46	$11,226,479.44	$4,622,525.02	$180,102.32	$4,234,011.00
Multiple Body Systems	3.00	$101,809.00	$65,413.66	$36,395.34	$33,936.33	$69,613.00
Multiple lower extremities	11.00	$943,487.11	$581,842.69	$361,644.42	$85,771.56	$254,851.00
Multiple trunk	10.00	$1,269,798.00	$595,844.88	$673,953.12	$126,979.80	$1,126,871.00
Multiple upper extremities	25.00	$2,250,743.70	$1,612,112.60	$638,631.10	$90,029.75	$674,599.15
Neck - cervical disc	5.00	$680,412.36	$353,425.72	$326,986.64	$136,082.47	$200,927.36
Neck - Multiple Injuries to the Neck	7.00	$486,189.13	$284,612.72	$201,576.41	$69,455.59	$133,807.93
Neck soft tissue	16.00	$2,490,862.27	$1,728,589.79	$762,272.48	$155,678.89	$977,790.37
No physical injury	3.00	$1,900,614.18	$1,417,756.74	$482,857.44	$633,538.06	$1,016,662.00
Nose	5.00	$50,280.00	$8,534.07	$41,745.93	$10,056.00	$22,480.00
Not Otherwise Classified	3.00	$54,972.00	$13,969.52	$41,002.48	$18,324.00	$49,872.00
Pelvis	1.00	$250,500.00	$198,220.79	$52,279.21	$250,500.00	$250,500.00
Respiratory System	11.00	$2,214,873.08	$1,499,089.24	$715,783.84	$201,352.10	$1,052,374.00
Shoulder, left	19.00	$1,246,842.00	$640,683.59	$606,158.41	$65,623.26	$289,230.00
Shoulder, right	30.00	$929,273.00	$354,670.59	$574,602.41	$30,975.77	$125,276.00
Shoulders	20.00	$2,808,978.32	$1,813,560.16	$995,418.16	$140,448.92	$475,170.42
Skull	1.00	$279,829.00	$124,907.97	$154,921.03	$279,829.00	$279,829.00
Spinal cord/column/vertebra/disc of trunk	7.00	$4,712,528.92	$2,265,418.53	$2,447,110.39	$673,218.42	$1,540,019.00
Teeth or tooth	3.00	$32,900.00	$2,254.96	$30,645.04	$10,966.67	$25,000.00
Thumb, left	8.00	$45,782.00	$12,611.58	$33,170.42	$5,722.75	$23,782.00
Thumb, right	3.00	$14,750.00	$825.94	$13,924.06	$4,916.67	$6,200.00
Wrist(s) and hand(s)	1.00	$47,000.00	$2,120.91	$44,879.09	$47,000.00	$47,000.00
Wrist, left	5.00	$1,145,711.00	$702,254.90	$443,456.10	$229,142.20	$1,031,411.00
Wrist, right	8.00	$159,988.00	$23,836.31	$136,151.69	$19,998.50	$49,720.00
Wrists	9.00	$1,502,457.13	$1,022,598.07	$479,859.06	$166,939.68	$494,178.06
Grand Totals - 768 Claims	**768.00**	**$106,843,165.63**	**$64,438,418.48**	**$42,404,747.15**	**$131,286.79**	**$4,234,011.00**

GALLAGHER BASSETT

Report Definition

Description:

Filters: Status is equal to Open or Reopened

Groups: Part of Body

Sorts: No Sorts

Options Incurred Formula is Net Incurred

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

STATE OF NEBRASKA (E35006)

	Claim Number	Claimant	Status	Benefit State	Accident Date	Closed Date	Coverage	WC Indicator	Unit Number	Reporting Unit Name	Branch Name	Adjuster	Claim Description	Total Incurred	Total Paid	Outstanding
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

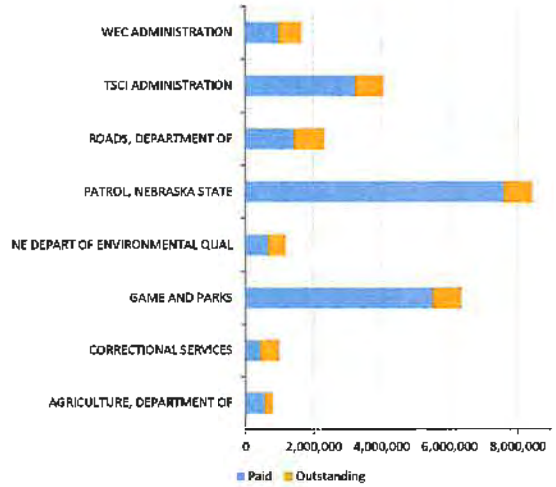
GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

Location Comparison Report

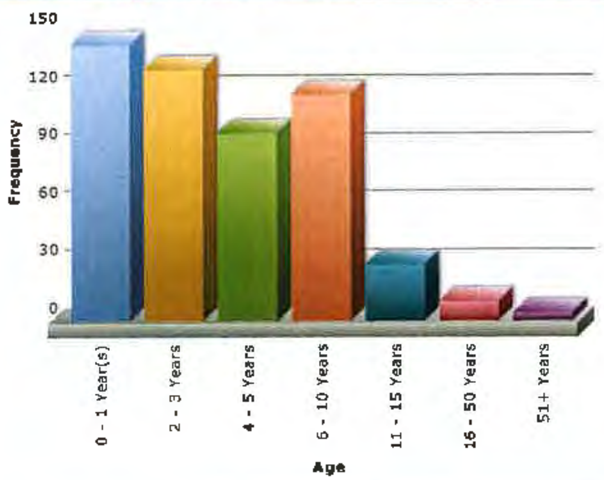
Location Filter	Location Number is equal to "46" or Location Number is equal to "27" or Location Number is equal to "84" or Location Number is equal to "54" or Location Number is equal to "16" or Location Number is equal to "46200020" or Location Number is equal to "33"
Claims Reported After	1/1/2005
Formula	Net Incurred

Location	Claim Count	Paid	Outstanding	Incurred
AGRICULTURE, DEPARTMENT OF	47	584,606	226,899	811,504
CORRECTIONAL SERVICES	103	443,639	553,414	997,053
GAME AND PARKS	924	5,531,049	835,693	6,366,742
NE DEPART OF ENVIRONMENTAL QUAL	19	681,455	515,176	1,196,632
PATROL, NEBRASKA STATE	856	7,636,939	828,888	8,465,827
ROADS, DEPARTMENT OF	102	1,454,258	892,574	2,346,832
TSCI ADMINISTRATION	734	3,251,688	829,464	4,081,152
WEC ADMINISTRATION	69	1,005,753	667,065	1,672,818

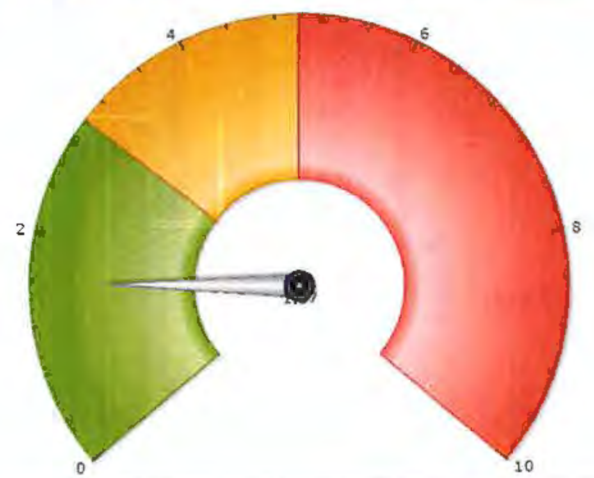


Location Dashboard - TSCI ADMINISTRATION

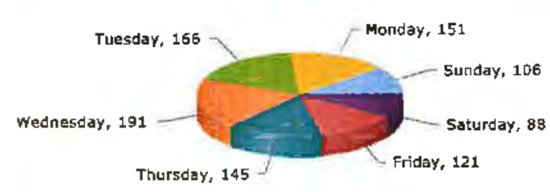
Claims by Length of Service



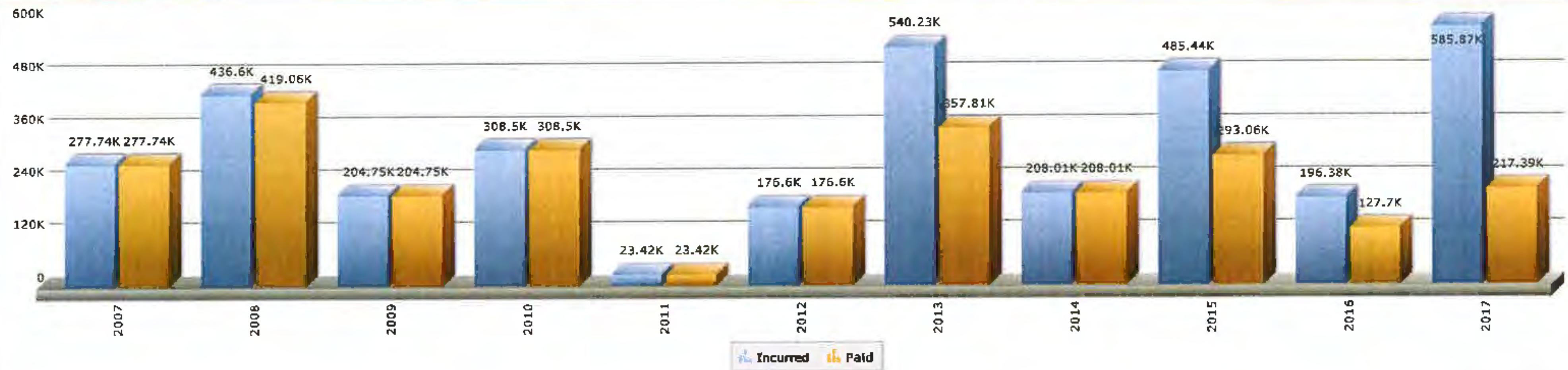
Average Report Lag Gauge



Claims by Day of Week



Yearly Financial Totals



GALLAGHER BASSETT
GUIDE. GUARD. GO BEYOND.

12/13/2017

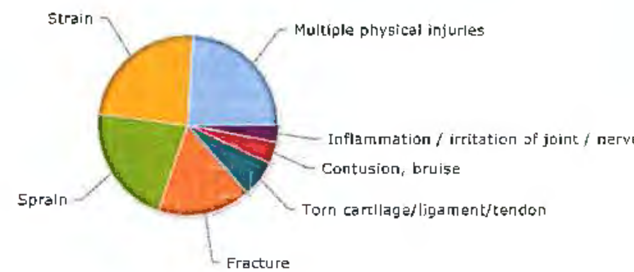
Location Dashboard - - TSCI ADMINISTRATION

Top Causes

By Frequency

Top Nature of Injury

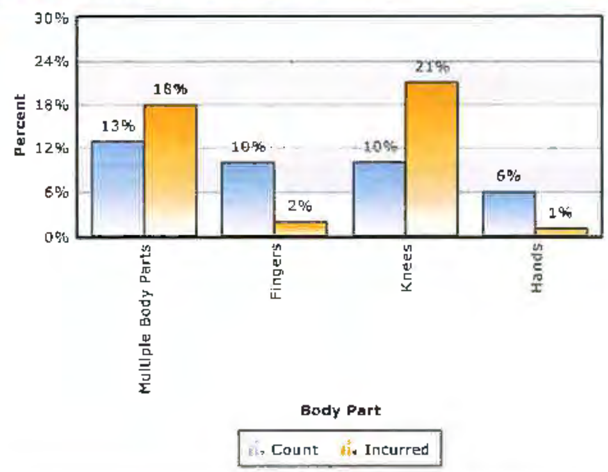
By Severity



Recent Claims

Claim Number	Claimant	Date of Loss
009006-043061-WC-01	SEJKORA JR, BRUCE	12/05/2017
009006-043040-WC-01	OWEN, JUSTON	11/20/2017
009006-043019-WC-01	NELSON, HANNAH	11/19/2017
009006-043023-WC-01	MONARREZ, KILAN	11/17/2017
009006-043001-WC-01	JONES, DAVID	11/16/2017
009006-042998-WC-01	FOWLER, JAMES	11/10/2017
009006-042984-WC-01	MCCORMACK, DAKOTA	11/08/2017
009006-042990-WC-01	SPINDLER, THOMAS	11/08/2017
009006-042991-WC-01	HUNTLEY, KYLE	11/08/2017
009006-042992-WC-01	BLACK, DOMANYK	11/08/2017
009006-042970-WC-01	ALLEN, JERRICO	11/06/2017
009006-042972-WC-01	SANDHU, HARMIT	10/26/2017
009006-042948-WC-01	VOLKER, COLLIN	10/25/2017
009006-042944-WC-01	HOLEXA, CHEYENNE	11/01/2017
009006-042920-WC-01	PAUL, GIGI	10/25/2017

Count and Incurred by Body Part



Recent Large Reserves

Claimant	Reserve	Reserve Date
CARMICHAEL, BROOKS	185,154.08	12/07/2017
CARMICHAEL, BROOKS	109,431.40	12/07/2017
CARMICHAEL, BROOKS	17,020.50	12/07/2017
SPINDLER, THOMAS	10,000.00	11/15/2017
HUNTLEY, KYLE	10,000.00	11/15/2017
BLACK, DOMANYK	10,000.00	11/15/2017
JONES, DAVID	4,500.00	11/17/2017
FOWLER, JAMES	4,250.00	11/17/2017
MCCORMACK, DAKOTA	2,500.00	11/14/2017
NELSON, HANNAH	2,500.00	11/27/2017
MONARREZ, KILAN	2,500.00	11/27/2017
OWEN, JUSTON	2,500.00	11/30/2017
SEJKORA JR, BRUCE	2,500.00	12/06/2017
SPINDLER, THOMAS	1,800.00	11/15/2017
KENYON, DAVID	1,756.00	12/12/2017

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

STATE OF NEBRASKA (009006)

Filter: Amount (Transaction) is greater than 100.00 and (Payment Date (Transaction) is between 12/01/2017 and 12/08/2017 and Payment Type Code (Transaction) is not empty)
Groups: No Groups
Sorts: Transaction Date
Additional Options:
Date Generated: 11/13/2017

Check Number	Payment Date	Payee	Claim Number	Claimant	Report Date	Type	Amount
141914340	12/1/2017	GALLAGHER BASSETT SERVICES I	009006-038965-WC-01	CHRISTENSEN, MIRANDA	3/2/2015	Expense	375.00
141914249	12/1/2017	OJOHNSON COUNTY HOSPITAL	009006-042998-WC-01	FOWLER, JAMES	11/13/2017	Medical	272.88
141914301	12/1/2017	COVENTRY HEALTH CARE, INC.D	009006-038365-WC-01	ATTEBERRY, DANA	10/6/2014	Medical	2,194 50
141914279	12/1/2017	LINCOLN ORTHO CENTER PC	009006-041486-WC-01	ERVING, LORY	11/18/2016	Medical	6,946.61
141914213	12/1/2017	ASSOCIATED ANESTHESIOLOGIS	009006-041486-WC-01	ERVING, LORY	11/18/2016	Medical	918 60
141914250	12/1/2017	GRAND ISLAND SURGERY CENTI	009006-042663-WC-01	SWISHER, JODI	10/16/2017	Medical	2,497.50
141914258	12/1/2017	EYE SURGICAL ASSOCIATES	009006-009694-WC-01	OENBRING, CANDACE	11/28/1995	Medical	179.60
141914294	12/1/2017	ALEGENT CREIGHTON CLINIC	009006-042796-WC-01	KRITENBRINK, JAMES	9/25/2017	Medical	393 06
141914287	12/1/2017	NEBRASKA METHODIST HOSPIT.	009006-042948-WC-01	NARAYANA GORTI, MANIKANTA	10/11/2017	Medical	297.49
141914220	12/1/2017	UNMC PHYSICIANS	009006-042979-WC-01	BORCK, COREY	11/9/2017	Medical	105.59
141914209	12/1/2017	ASSOCIATED ANESTHESIOLOGIS	009006-042415-WC-01	LEWIS, RICHARD	7/5/2017	Medical	667.94
141914262	12/1/2017	LINCOLN ORTHO CENTER PC	009006-038878-WC-01	HAUSTED, ALAN	2/4/2015	Medical	3,583 33
141914245	12/1/2017	LINCOLN SURGICAL HOSPITAL	009006-038878-WC-01	HAUSTED, ALAN	2/4/2015	Medical	17,116.75
141914205	12/1/2017	MARY LANNING HEALTHCARE	009006-042049-WC-01	PATRICK, NELLIE	4/11/2017	Medical	211.68
141914295	12/1/2017	ANESTHESIA CARE SPECIALISTS	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	323.69
141914282	12/1/2017	UNMC PHYSICIANS	009006-040339-WC-01	DUDLEY, MARY	2/1/2016	Medical	162.29
141914267	12/1/2017	BEATRICE COMMUNITY HOSPIT	009006-042708-WC-01	ARNT, MATTHEW	5/5/2017	Medical	262 72
141914254	12/1/2017	NEBRASKA SPINE CENTER LLP	009006-042823-WC-01	CHASE, KEVIN	9/26/2017	Medical	346.65
141914297	12/1/2017	PRIMARY CARE PHYSICIANS LLP	009006-042882-WC-01	LAUGHLIN, JAMES	1/25/2017	Medical	181.72
141914246	12/1/2017	BRYAN MEDICAL CENTER	009006-042937-WC-01	ALLEN, KENNETH	11/1/2017	Medical	1,575 05
141914341	12/1/2017	GALLAGHER BASSETT SERVICES I	009006-042724-WC-01	COFFEY, STEVEN	9/12/2017	Medical	585.40
141914219	12/1/2017	HANSEN CHIROPRACTIC WELLN	009006-042834-WC-01	HOVENDICK, KEVIN	10/2/2017	Medical	127 80
141914312	12/1/2017	MedRisk, Inc	009006-042966-WC-01	POOLE, PAMELA	11/7/2017	Medical	179.51
141914311	12/1/2017	MedRisk, Inc	009006-042966-WC-01	POOLE, PAMELA	11/7/2017	Medical	103.92
141914253	11/1/2017	BEATRICE FAMILY CHIROPRACTI	009006-042966-WC-01	POOLE, PAMELA	11/7/2017	Medical	152.89
141883434	12/1/2017	G4S COMPLIANCE & INVESTIGA	009006-041527-WC-01	HAFSAAS, DON	12/1/2016	Expense	325.00
141883425	12/1/2017	STOUT, CLYDE	009006-042891-WC-01	STOUT, CLYDE	10/19/2017	Expense	277 13
141883433	12/1/2017	G4S COMPLIANCE & INVESTIGA	009006-042993-WC-01	BENNIEFIELD, CRISTAL	11/14/2017	Expense	275.00
141914211	12/1/2017	HEALTHSOURCE E LINCOLN CHI	009006-042482-WC-01	SNEED, SAMUEL	7/25/2017	Medical	121 64
141914345	12/1/2017	COVENTRY HEALTH CARE, INC.C	009006-017103-WC-01	WHITT, PATRICIA	8/30/2004	Medical	371 53
141914343	12/1/2017	COVENTRY HEALTH CARE, INC.C	009006-041666-WC-01	KOHEL, RYAN	1/5/2017	Medical	125 63
141883419	12/1/2017	CHEREK, SHERRY	009006-000058-WC-01	CHEREK, SHERRY	6/6/2016	Ind/BI	133 23
141883410	12/1/2017	LIENEMANN, DUANE	009006-000075-WC-01	LIENEMANN, DUANE	7/18/2016	Ind/BI	392 50
141883412	12/1/2017	MELANIE HELMSC/O ATWOOD	009006-014286-WC-01	HELMS, JOHN	9/7/2004	Ind/BI	710 30
141883423	12/1/2017	SHARON ANANIAC/O CHARLES I	009006-015830-WC-01	ANANIA, FRANK	4/7/2000	Ind/BI	852 72
141914202	12/1/2017	BRENDA BOYER	009006-019649-WC-01	BOYER, PATRICK	8/10/1999	Ind/BI	582 52
141883418	12/1/2017	CROOK, STEVEN	009006-032782-WC-01	CROOK, STEVEN	1/28/2011	Ind/BI	210 62
141883404	12/1/2017	WILKE, RODNEY	009006-038306-WC-01	WILKE, RODNEY	8/3/2014	Ind/BI	602 70
141883424	12/1/2017	ADAMS, RUBEN	009006-039454-WC-01	ADAMS, RUBEN	7/2/2015	Ind/BI	425 00
141883417	12/1/2017	FALCONER, JOHN	009006-041694-WC-01	FALCONER, JOHN	1/18/2017	Ind/BI	817 00
141883416	12/1/2017	FARRELL, KAYLA	009006-042030-WC-01	FARRELL, KAYLA	3/31/2017	Ind/BI	707 02
141883406	12/1/2017	SEXTON, HELEN	009006-040391-WC-01	SEXTON, HELEN	2/10/2016	Ind/BI	602 00
141883422	12/1/2017	BENES, CLETUS	009006-041240-WC-02	BENES, CLETUS	9/26/2016	Ind/BI	470 72
141883415	12/1/2017	GRISNIK, DONALD	009006-041320-WC-01	GRISNIK, DONALD	10/12/2016	Ind/BI	1,551.14
141883430	12/1/2017	DANIEL RICHARDSON & LAURA	009006-040894-WC-01	RICHARDSON, DANIEL	5/5/2016	Ind/BI	1,447.14
141883414	12/1/2017	HAMICKSBURG, JAMES	009006-000518-WC-01	HAMICKSBURG, JAMES	5/20/2007	Ind/BI	890.00
141883413	11/1/2017	HART, DEBORAH	009006-042456-WC-01	HART, DEBORAH	7/19/2017	Ind/BI	348.02
141883431	12/1/2017	ADAMS, LESLIE	009006-043000-WC-01	ADAMS, LESLIE	11/9/2017	Ind/BI	205.51
141883408	12/1/2017	OENBRING, CANDACE	009006-003694-WC-01	OENBRING, CANDACE	11/28/1995	Ind/BI	486.80
141914201	11/1/2017	GARDNER, CAROLYN	009006-006762-WC-01	GARDNER, CAROLYN	4/14/1985	Ind/BI	200.01
141914199	12/1/2017	THIES, RICHARD	009006-023198-WC-01	THIES, RICHARD	4/30/1990	Ind/BI	490.00
141883405	12/1/2017	TURMAN, MARVIN	009006-026404-WC-01	TURMAN, MARVIN	5/6/1986	Ind/BI	439 68
141883420	12/1/2017	HOPE BROWN & JAMIE SCHOLZ	009006-021701-WC-01	BROWN, HOPE	7/22/2008	Ind/BI	711.96
141883421	12/1/2017	ATWOOD, HOLSTEN, BROWN, D	009006-008623-WC-01	BLAKEMORE, CANDACE	2/3/2004	Ind/BI	508 26
141883407	12/1/2017	REGIER, VERN	009006-038827-WC-01	REGIER, VERN	1/30/2015	Ind/BI	946 28
141914200	12/1/2017	GREEN, GARY	009006-016067-WC-01	GREEN, GARY	7/17/1998	Ind/BI	242 39
141883409	12/1/2017	MUELLER, RUSSELL	009006-033215-WC-01	MUELLER, RUSSELL	4/27/2011	Ind/BI	607.62
141914265	12/1/2017	EAST LINCOLN FAMILY HEALTH	009006-000518-WC-01	HAMICKSBURG, JAMES	5/20/2007	Medical	128.91
141914261	12/1/2017	MIDWEST PAIN CLINIC PC	009006-033215-WC-01	MUELLER, RUSSELL	4/27/2011	Medical	222 79
141914276	12/1/2017	OMAHA AMBULATORY SURGER	009006-033215-WC-01	MUELLER, RUSSELL	4/27/2011	Medical	415.50
141914206	12/1/2017	MIDWEST NEUROSURGERY PC	009006-034006-WC-01	CANIGLIA, ROBIN	10/10/2011	Medical	125.87
141914210	12/1/2017	PHYSICIANS CHOICE HOME HEA	009006-039902-WC-01	BENABDESSLAM, MARJORIE AN	10/6/2015	Medical	140.00
141914263	12/1/2017	NEBRASKA ORTHOPAEDIC AND	009006-040023-WC-01	LIEDLE, PATRICIA	11/3/2015	Medical	323 92
141914247	12/1/2017	THE NEBRASKA MEDICAL CENTE	009006-040339-WC-01	DUDLEY, MARY	2/1/2016	Medical	3,002 42
141883428	12/1/2017	CNOS PC CENTER FOR NEUROS	009006-040370-WC-01	SCHMIDT, WENDY	2/4/2016	Medical	300.00
141914248	12/1/2017	THE NEBRASKA MEDICAL CENTE	009006-042359-WC-01	JENSEN, JAY	6/20/2017	Medical	102 00

141914221	12/1/2017	FAMILY MEDICINE ASSOCIATES	009006-040508-WC-01	ROSENTHAL, KATHERINE	3/4/2016	Medical	172.55
141914259	12/1/2017	PLUM CREEK MEDICAL GROUP I	009006-041298-WC-01	EVANS, NORMAN	10/5/2016	Medical	143.23
141914216	12/1/2017	NORTH PLATTE NEBRSAKA PHY!	009006-041874-WC-01	DEKAY, WAYNE	3/3/2017	Medical	143.23
141914204	12/1/2017	METHODIST PHYSICIANS CLINIC	009006-042510-WC-01	TATE JR , LEROY	7/28/2017	Medical	162.35
141883427	12/1/2017	VOCATIONAL CONSULTING GRC	009006-038274-WC-01	VAUGHN, BEVERLY	9/12/2014	Other Loss	2,472.50
141914251	12/1/2017	BRYAN MEDICAL CENTER	009006-042977-WC-01	CLOWES, MICHAEL	11/8/2017	Medical	316.20
141914264	12/1/2017	LINCOLN ORTHO CENTER PC	009006-040484-WC-01	VOLK, ERIC	1/29/2016	Medical	196.74
141914203	12/1/2017	NMG LLC	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	182.84
141914275	12/1/2017	BEATRICE COMMUNITY HOSP	009006-000076-WC-01	PORTWOOD, STACIE	7/19/2016	Medical	1,066.86
141914313	12/1/2017	MedRisk, Inc	009006-038326-WC-01	HESTER, RHONDA	9/19/2014	Medical	150.65
141914305	12/1/2017	MedRisk, Inc	009006-038326-WC-01	HESTER, RHONDA	9/19/2014	Medical	150.65
141914304	12/1/2017	MedRisk, Inc	009006-038326-WC-01	HESTER, RHONDA	9/19/2014	Medical	150.65
141914319	12/1/2017	MedRisk, Inc	009006-039628-WC-01	SHOTKOSKI-JURGENS, ELIZABET	8/13/2015	Medical	127.23
141914318	12/1/2017	MedRisk, Inc	009006-039628-WC-01	SHOTKOSKI-JURGENS, ELIZABET	8/13/2015	Medical	144.20
141914317	12/1/2017	MedRisk, Inc	009006-039628-WC-01	SHOTKOSKI-JURGENS, ELIZABET	8/13/2015	Medical	141.34
141914229	12/1/2017	MedRisk, Inc	009006-040530-WC-01	SCHUNEMAN, DONALD	3/3/2016	Medical	112.75
141914328	12/1/2017	MedRisk, Inc	009006-042273-WC-01	DRAPPEL, MARC	5/26/2017	Medical	124.83
141914291	12/1/2017	ALIGN NETWORKS INC	009006-042463-WC-01	HARMS, MICHELLE	7/18/2017	Medical	331.04
141914290	12/1/2017	ALIGN NETWORKS INC	009006-042463-WC-01	HARMS, MICHELLE	7/18/2017	Medical	227.12
141914286	12/1/2017	INC ALIGN NETWORKS	009006-040736-WC-01	NORRIE, MADISON	4/21/2016	Medical	107.04
141914285	12/1/2017	INC ALIGN NETWORKS	009006-040736-WC-01	NORRIE, MADISON	4/21/2016	Medical	107.04
141914307	12/1/2017	MedRisk, Inc	009006-042450-WC-01	RAMSEY, MELVIN	7/18/2017	Medical	155.35
141914242	12/1/2017	MedRisk, Inc	009006-041535-WC-01	HICKMON, DAWN	11/5/2016	Medical	116.08
141914234	12/1/2017	MedRisk, Inc	009006-041486-WC-01	ERVING, LORY	11/18/2016	Medical	188.88
141914256	12/1/2017	BRYAN MEDICAL CENTER	009006-042124-WC-01	SCHMIDT JR, DALE	4/27/2017	Medical	1,370.20
141914320	12/1/2017	MedRisk, Inc	009006-042591-WC-01	YATES, SUSAN	8/10/2017	Medical	114.87
141914329	12/1/2017	MedRisk, Inc	009006-041312-WC-01	AFUH, CHARLES	10/7/2016	Medical	104.04
141914330	12/1/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	154.98
141914332	12/1/2017	MedRisk, Inc	009006-042251-WC-01	HAUGE, RICHARD	5/25/2017	Medical	166.46
141914316	12/1/2017	MedRisk, Inc	009006-042415-WC-01	LEWIS, RICHARD	7/5/2017	Medical	119.10
141914303	12/1/2017	MedRisk, Inc	009006-040822-WC-01	BROOKS-NESBITT, JOLEAN	5/24/2016	Medical	144.56
141914302	12/1/2017	MedRisk, Inc	009006-040822-WC-01	BROOKS-NESBITT, JOLEAN	5/24/2016	Medical	144.56
141914308	12/1/2017	MedRisk, Inc	009006-042813-WC-01	MILLS II, LAWRENCE	9/27/2017	Medical	124.66
141914257	12/1/2017	BRYAN MEDICAL CENTER	009006-042686-WC-01	MILLER, BRIDGETTE	6/30/2017	Medical	508.30
141914243	12/1/2017	MedRisk, Inc	009006-042909-WC-01	GRADY, MARILYN	10/26/2017	Medical	149.48
141914226	12/1/2017	MedRisk, Inc	009006-042958-WC-01	LONGWELL, JAMIE	11/6/2017	Medical	169.57
141914292	12/1/2017	UNMC PHYSICIANS	009006-042951-WC-01	GEBERS, PAUL	11/3/2017	Medical	109.08
141914224	12/1/2017	MedRisk, Inc	009006-042809-WC-01	DONAHOE, RYAN	9/26/2017	Medical	199.98
141914241	12/1/2017	MedRisk, Inc	009006-042591-WC-01	YATES, SUSAN	8/10/2017	Medical	125.99
141914335	12/1/2017	MedRisk, Inc	009006-042348-WC-01	KYHN, SUSAN	6/14/2017	Medical	131.00
141914334	12/1/2017	MedRisk, Inc	009006-042348-WC-01	KYHN, SUSAN	6/14/2017	Medical	131.00
141914333	12/1/2017	MedRisk, Inc	009006-042348-WC-01	KYHN, SUSAN	6/14/2017	Medical	131.00
141914339	12/1/2017	MedRisk, Inc	009006-042348-WC-01	KYHN, SUSAN	6/14/2017	Medical	131.00
141914338	12/1/2017	MedRisk, Inc	009006-042348-WC-01	KYHN, SUSAN	6/14/2017	Medical	131.00
141914337	12/1/2017	MedRisk, Inc	009006-042348-WC-01	KYHN, SUSAN	6/14/2017	Medical	131.00
141914228	12/1/2017	MedRisk, Inc	009006-042808-WC-01	STROMER, DENNIS	10/2/2017	Medical	105.25
141914227	12/1/2017	MedRisk, Inc	009006-042808-WC-01	STROMER, DENNIS	10/2/2017	Medical	131.00
141914223	12/1/2017	MedRisk, Inc	009006-042949-WC-01	ALYAS, FARHAN	11/3/2017	Medical	149.68
141914222	12/1/2017	MedRisk, Inc	009006-042949-WC-01	ALYAS, FARHAN	11/3/2017	Medical	149.68
141914225	12/1/2017	MedRisk, Inc	009006-042906-WC-01	MCBRIDE, SETH	10/25/2017	Medical	101.90
141914217	12/1/2017	INC ALIGN NETWORKS	009006-042460-WC-01	WHITE, ANDREW	7/20/2017	Medical	124.05
141914207	12/1/2017	MID NEBRASKA PHYSICAL THER	009006-042784-WC-01	YONKERS, RICHARD	9/22/2017	Medical	112.01
141914327	12/1/2017	MedRisk, Inc	009006-042706-WC-01	STEVENSON, KRISTINE	9/5/2017	Medical	117.90
141914239	12/1/2017	MedRisk, Inc	009006-042706-WC-01	STEVENSON, KRISTINE	9/5/2017	Medical	131.29
141914324	12/1/2017	MedRisk, Inc	009006-042677-WC-01	TWOHIG, GABRIELLE	8/29/2017	Medical	121.96
141914326	12/1/2017	MedRisk, Inc	009006-042677-WC-01	TWOHIG, GABRIELLE	8/29/2017	Medical	116.23
141914306	12/1/2017	MedRisk, Inc	009006-042803-WC-01	TWOHIG, NOAH	9/26/2017	Medical	169.40
141914309	12/1/2017	MedRisk, Inc	009006-042803-WC-01	TWOHIG, NOAH	9/26/2017	Medical	172.33
141914323	12/1/2017	MedRisk, Inc	009006-042803-WC-01	TWOHIG, NOAH	9/26/2017	Medical	153.00
141914322	12/1/2017	MedRisk, Inc	009006-042803-WC-01	TWOHIG, NOAH	9/26/2017	Medical	153.00
141914321	12/1/2017	MedRisk, Inc	009006-042803-WC-01	TWOHIG, NOAH	9/26/2017	Medical	172.33
141914315	12/1/2017	MedRisk, Inc	009006-042803-WC-01	TWOHIG, NOAH	9/26/2017	Medical	171.14
141914215	12/1/2017	MAKOVICKA HARMS GROUP PC	009006-042803-WC-01	TWOHIG, NOAH	9/26/2017	Medical	113.77
141932498	12/2/2017	MedRisk, Inc	009006-041747-WC-01	RANDOLPH, JOHN	1/26/2017	Medical	195.69
141932500	12/2/2017	MedRisk, Inc	009006-042860-WC-01	CARVALHO, CRAVEN	10/13/2017	Medical	205.38
141932499	12/2/2017	MedRisk, Inc	009006-042949-WC-01	ALYAS, FARHAN	11/3/2017	Medical	149.68
141932497	12/2/2017	MedRisk, Inc	009006-042949-WC-01	ALYAS, FARHAN	11/3/2017	Medical	149.68
141932501	12/2/2017	MedRisk, Inc	009006-042300-WC-01	WESSEL, ALAN	6/6/2017	Medical	104.96
141932514	12/2/2017	SAINT ELIZABETH HOME MED E	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	225.09
141932504	12/2/2017	FREMONT AREA MEDICAL CENT	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	5,513.61
141932518	12/2/2017	KEARNEY PAIN TREATMENT CEI	009006-037679-WC-01	SELL, JOHN	4/18/2014	Medical	18,037.50
141932505	12/2/2017	FREEDOM IN HOME SERVICES	009006-042796-WC-01	KRITENBRINK, JAMES	9/25/2017	Medical	789.36
141932510	12/2/2017	NEBRASKA METHODIST HOSPIT	009006-042843-WC-01	NARAYANA GORTI, MANIKANTA	10/11/2017	Medical	581.40
141932521	12/2/2017	BEATRICE COMMUNITY HOSPIT.	009006-042957-WC-01	DEAN, DESIREE	11/6/2017	Medical	501.45
141932517	12/2/2017	RODNEY J DEAN MD PC	009006-015762-WC-01	SEAMANN, REGINA	3/1/2006	Medical	331.66
141932513	12/2/2017	CHI HEALTH CREIGHTON UNIV	009006-042942-WC-01	BOND, KAYZANDRA	11/2/2017	Medical	924.59
141921279	12/3/2017	G4S COMPLIANCE & INVESTIGA	009006-041942-WC-01	KOWALSKI, MARK	3/1/2017	Expense	2,268.25
141940758	12/4/2017	BROWN, JULIE	009006-037171-WC-01	BROWN, JULIE	11/18/2013	Medical	522.16
141940763	12/4/2017	EAGLEONE CASE MANAGEMEN	009006-041972-WC-01	ALVAREZ, KELSY	3/22/2017	Medical	482.92
141961482	12/4/2017	NORTHEAST NEBRASKA CHIROP	009006-043002-WC-01	MCALLISTER, RENAE	11/15/2017	Medical	241.16

141940760	12/4/2017	WEYANT REPORTING	009006-040602-WC-01	BRADLEY, RANDY	3/29/2016	Expense	147.90
141940759	12/4/2017	HOWARD, ANEITA	009006-017942-WC-01	HOWARD, ANEITA	6/16/2000	Medical	339.84
141961496	12/4/2017	NEUROLOGICAL AND SPINAL SU	009006-040082-WC-01	BOWMAN, MELINDA	11/29/2015	Medical	769.87
141961510	12/4/2017	ARENS	009006-036195-WC-01	DOSTAL, RUSSELL	4/16/2013	Medical	340.32
141961479	12/4/2017	NEBRASKA SPINE CENTER LLP	009006-041498-WC-01	BLOYD, WILLIAM	11/21/2016	Medical	307.36
141961484	12/4/2017	REGENIREX LLC	009006-041904-WC-01	YAUNEY, BRUCE	3/1/2017	Medical	332.22
141961504	12/4/2017	JOHNSON COUNTY HOSPITAL	009006-043019-WC-01	NELSON, HANNAH	11/20/2017	Medical	839.47
141961477	12/4/2017	ASSOCIATED ANESTHESIOLOGIS	009006-040822-WC-01	BROOKS-NESBITT, JOLEAN	5/24/2016	Medical	302.04
141961509	12/4/2017	REGIONAL WEST PHYSICIANS CL	009006-042456-WC-01	HART, DEBORAH	7/19/2017	Medical	237.90
141961502	12/4/2017	FREMONT HEALTH CLINIC	009006-042945-WC-01	KERN, JON	11/1/2017	Medical	128.45
141961489	12/4/2017	ME URGENT CARE NEBRASKA I	009006-042997-WC-01	JONES, CHRISTOPHER	11/14/2017	Medical	120.27
141961514	12/4/2017	ALEGENT CREIGHTON CLINIC	009006-042796-WC-01	KRITENBRINK, JAMES	9/25/2017	Medical	824.98
141961483	12/4/2017	FAMILY PRACTICE OF GRAND IS	009006-042700-WC-01	KELLY, MIKE	9/8/2017	Medical	180.93
141940756	12/4/2017	CLAYTON BARKER C/0 HARRYM	009006-017903-WC-01	BARKER, CLAYTON	1/22/1999	Ind/BI	733.68
141940743	12/4/2017	MICK, REBECCA	009006-001469-WC-01	MICK, REBECCA	8/23/1991	Ind/BI	455.46
141940751	12/4/2017	C/O E DEAVERFRANNSEN, E	009006-036523-WC-01	FRANSSEN, EDWARD	7/8/2013	Ind/BI	1,097.92
141940749	12/4/2017	HERNANDEZ, RUDY	009006-007783-WC-01	HERNANDEZ, RUDY	1/2/1997	Ind/BI	410.48
141940748	12/4/2017	JEROLD V FENNELLATTORNEY A	009006-007783-WC-01	HERNANDEZ, RUDY	1/2/1997	Ind/BI	175.92
141961464	12/4/2017	KOHL, TIMOTHY	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Ind/BI	808.46
141940740	12/4/2017	LARRY NIEDERKLIEN C/ORAY AT	009006-026901-WC-01	NIEDERKLEIN, LARRY	2/8/2006	Ind/BI	842.96
141940750	12/4/2017	THOMAS FRAZIERTIM DOWD	009006-039238-WC-01	FRAZIER, THOMAS	5/9/2015	Ind/BI	949.34
141940755	12/4/2017	BROOKS-NESBITT, JOLEAN	009006-040822-WC-01	BROOKS-NESBITT, JOLEAN	5/24/2016	Ind/BI	1,084.74
141940735	12/4/2017	TRUAX, JAMES	009006-042743-WC-01	TRUAX, JAMES	9/15/2017	Ind/BI	484.49
141961481	12/4/2017	FREMONT AREA MEDICAL CENT	009006-039148-WC-01	REYNOLDSON, TAMERA	4/13/2015	Medical	3,627.47
141961507	12/4/2017	MID NEBRASKA PHYSICAL THER	009006-042784-WC-01	YONKERS, RICHARD	9/22/2017	Medical	112.01
141961506	12/4/2017	MID NEBRASKA PHYSICAL THER	009006-042784-WC-01	YONKERS, RICHARD	9/22/2017	Medical	112.01
141961495	12/4/2017	COMMUNITY HOSPITAL	009006-042212-WC-01	MESSERSMITH, STEVEN	5/16/2017	Medical	210.67
141940754	12/4/2017	COLLEEN BUECKER	009006-038842-WC-01	BUECKER, THOMAS	2/2/2015	Ind/BI	1,482.00
141940745	12/4/2017	JANE MARTIN	009006-014287-WC-01	MARTIN, LOUIS	7/23/2007	Ind/BI	1,234.00
141940752	12/4/2017	CANIGLIA, ROBIN	009006-034006-WC-01	CANIGLIA, ROBIN	10/10/2011	Ind/BI	475.46
141940742	12/4/2017	MYERS, JANICE	009006-035103-WC-01	MYERS, JANICE	7/10/2012	Ind/BI	1,420.00
141940734	12/4/2017	TERRY WAITE	009006-015175-WC-01	ZARKOWSKI, PAUL	12/6/1988	Ind/BI	188.00
141940733	12/4/2017	MARY ZARKOWSKI	009006-015175-WC-01	ZARKOWSKI, PAUL	12/6/1988	Ind/BI	282.00
141940738	12/4/2017	SANDRA REED & ATWOOD, HOS	009006-033082-WC-01	REED, SANDRA	3/13/2011	Ind/BI	122.36
141940737	12/4/2017	UN CHAE REIMAN	009006-024145-WC-01	REIMAN, GEORGE	5/19/1980	Ind/BI	262.08
141940746	12/4/2017	BETTY LEMMER	009006-000750-WC-01	LEMMER, ROBERT	7/28/1976	Ind/BI	200.00
141940739	12/4/2017	MERLE POPPE AND HIS ATTORN	009006-033164-WC-01	POPPE, MERLE	4/11/2011	Ind/BI	368.54
141940741	12/4/2017	TRACY NEVERVE AND HIS ATTOI	009006-035398-WC-01	NEVERVE, TRACY	9/19/2012	Ind/BI	568.64
141940744	12/4/2017	MARTIN, TONY	009006-037217-WC-01	MARTIN, TONY	12/17/2013	Ind/BI	1,030.72
141940747	12/4/2017	JURANEK, DAVID	009006-037975-WC-01	JURANEK, DAVID	7/8/2014	Ind/BI	132.82
141940736	12/4/2017	SODEN, RICHARD	009006-041074-WC-01	SODEN, RICHARD	8/18/2016	Ind/BI	785.00
141961500	12/4/2017	DRS GROSS IWERSEN KRATOCH	009006-041571-WC-01	BENJAMIN-ALVARADO, JONATH	12/13/2016	Medical	288.69
141961480	12/4/2017	BRYAN MEDICAL CENTER	009006-042996-WC-01	DZULYNSKY, ANDREW	11/13/2017	Medical	447.95
141961474	12/4/2017	SEAN E STEVENS PHD PC	009006-040997-WC-01	KIRCHER, MICHAEL	8/2/2016	Medical	127.07
141961478	12/4/2017	ASSOCIATED ANESTHESIOLOGIS	009006-040822-WC-01	BROOKS-NESBITT, JOLEAN	5/24/2016	Medical	554.90
141961515	12/4/2017	NEBRASKA EMERGENCY MEDICI	009006-042782-WC-01	FIELDS, LUCAS	9/21/2017	Medical	105.53
141961517	12/4/2017	BUTLER CO HEALTH CARE CNT	009006-041650-WC-01	RETHWISCH, MICHAEL	1/10/2017	Medical	669.84
141961512	12/4/2017	CENTRAL NEBRASKA ORTHOPEI	009006-042863-WC-01	SWISHER, JODI	10/16/2017	Medical	1,427.62
141961513	12/4/2017	NEBRASKA EMERGENCY MEDICI	009006-042128-WC-01	MCGREEVY, SEAN	5/1/2017	Medical	105.53
141961503	12/4/2017	FILLMORE COUNTY HOSP	009006-040649-WC-01	MALOLEY, SHAWN	4/8/2016	Medical	628.53
141961470	12/4/2017	GALLAGHER BASSETT SERVICESI	009006-000050-WC-01	O'NEAL, CHRISTINE	3/8/2016	Medical	290.00
141961492	12/4/2017	NEW CENTURY PHYSICIANS OF I	009006-042310-WC-01	HANNA, BLAKE	6/6/2017	Medical	200.77
141961518	12/4/2017	NEBRASKA EMERGENCY MEDICI	009006-042625-WC-01	PTACEK, DANIEL	8/16/2017	Medical	275.10
141961469	12/4/2017	COVENTRY HEALTH CARE INCD	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	1,198.76
141961487	12/4/2017	ME URGENT CARE NEBRASKA I	009006-043000-WC-01	ADAMS, LESLIE	11/9/2017	Medical	239.61
141940761	12/4/2017	TIMOTHY D. CALKINS, DDS	009006-042800-WC-01	BARNES, REBECCA	10/2/2017	Medical	1,417.00
141961465	12/4/2017	COVENTRY HEALTH CARE, INC D	009006-019408-WC-01	PASOLD, DONNA	1/9/1997	Expense	575.00
141961467	12/4/2017	COVENTRY HEALTH CARE, INC.D	009006-028633-WC-01	LEET, BARBARA	5/3/2004	Expense	575.00
141996169	12/5/2017	FREMONT AREA MEDICAL CENT	009006-042455-WC-01	LIERMAN, LEROY	7/12/2017	Medical	2,559.94
141996186	12/5/2017	BRYANLGH MEDICAL CENTER	009006-042988-WC-01	HEGBERG, CHRIS	11/13/2017	Medical	3,728.71
141996171	12/5/2017	CHI HEALTH GOOD SAMARITAN	009006-008646-WC-01	PISHNA, SAM	12/19/1996	Medical	21,283.99
141996192	12/5/2017	ASSOCIATED ANESTHESIOLOGIS	009006-042904-WC-01	KRAMER, RONALD	10/20/2017	Medical	744.86
141972108	12/5/2017	STERLING HEALTHCARE OPCO L	009006-030106-WC-01	BOUTIN, DANITA	7/18/2009	Medical	560.00
141972104	12/5/2017	COMMERCIAL REPAYMENT CEN	009006-036001-WC-01	GREEN, SHERYL	2/18/2013	Medical	1,677.33
141972091	12/5/2017	CRONICAN, MIKE	009006-000044-WC-01	CRONICAN, MIKE	10/6/2015	Ind/BI	565.78
141972093	12/5/2017	BRANSON, CHRISTY	009006-000034-WC-01	BRANSON, CHRISTY	3/14/2016	Ind/BI	498.68
141972088	12/5/2017	HOHLEN, VANESSA	009006-040723-WC-01	HOHLEN, VANESSA	4/26/2016	Ind/BI	325.38
141972092	12/5/2017	CHARLTON, REX	009006-033165-WC-01	CHARLTON, REX	4/11/2011	Ind/BI	515.20
141996197	12/5/2017	INC. ALIGN NETWORKS	009006-042659-WC-01	LOVERCHECK, DANIEL	8/28/2017	Medical	230.26
141996196	12/5/2017	INC. ALIGN NETWORKS	009006-042659-WC-01	LOVERCHECK, DANIEL	8/28/2017	Medical	113.89
141996161	12/5/2017	MedRisk, Inc	009006-037964-WC-01	FLIES, TRAVIS	7/1/2014	Medical	883.99
141996193	12/5/2017	INC. ALIGN NETWORKS	009006-040796-WC-01	NORRIE, MADISON	4/21/2016	Medical	124.05
141996150	12/5/2017	MedRisk, Inc	009006-041535-WC-01	HICKMON, DAWN	12/5/2016	Medical	232.16
141996160	12/5/2017	MedRisk, Inc	009006-042950-WC-01	BONEBRIGHT, KENT	10/27/2017	Medical	199.41
141996159	12/5/2017	MedRisk, Inc	009006-042950-WC-01	BONEBRIGHT, KENT	10/27/2017	Medical	126.62
141996154	12/5/2017	MedRisk, Inc	009006-038306-WC-01	WILKE, RODNEY	8/3/2014	Medical	150.50
141996153	12/5/2017	MedRisk, Inc	009006-038306-WC-01	WILKE, RODNEY	8/3/2014	Medical	150.50
141996152	12/5/2017	MedRisk, Inc	009006-038306-WC-01	WILKE, RODNEY	8/3/2014	Medical	106.01
141996151	12/5/2017	MedRisk, Inc	009006-038306-WC-01	WILKE, RODNEY	8/3/2014	Medical	142.72
141996157	12/5/2017	MedRisk, Inc	009006-042591-WC-01	YATES, SUSAN	8/10/2017	Medical	100.69

141996156	12/5/2017	MedRisk, Inc	009006-042591-WC-01	YATES, SUSAN	8/10/2017	Medical	114.87
141996199	12/5/2017	EXCEL PHYSICAL THERAPY	009006-038343-WC-01	CAILLIER, STACY	9/28/2014	Medical	445.12
141996168	12/5/2017	PHYSICIANS CHOICE HOME HEA	009006-039902-WC-01	BENABDESSLAM, MARJORIE AN	10/6/2015	Medical	840.00
141996202	12/5/2017	EXCEL PHYSICAL THERAPY	009006-034006-WC-01	CANIGLIA, ROBIN	10/10/2011	Medical	519.49
141996147	12/5/2017	MedRisk, Inc	009006-042906-WC-01	MCBRIDE, SETH	10/25/2017	Medical	101.90
141996146	12/5/2017	MedRisk, Inc	009006-042906-WC-01	MCBRIDE, SETH	10/25/2017	Medical	101.90
141996145	12/5/2017	MedRisk, Inc	009006-042906-WC-01	MCBRIDE, SETH	10/25/2017	Medical	101.90
141996162	12/5/2017	MedRisk, Inc	009006-015762-WC-01	SEAMANN, REGINA	3/3/2006	Medical	178.42
141996148	12/5/2017	MedRisk, Inc	009006-042650-WC-01	WATTIER, AMY	8/22/2017	Medical	134.23
141996149	12/5/2017	MedRisk, Inc	009006-041747-WC-01	RANDOLPH, JOHN	1/26/2017	Medical	111.84
141996158	12/5/2017	MedRisk, Inc	009006-041747-WC-01	RANDOLPH, JOHN	1/26/2017	Medical	142.86
141996155	12/5/2017	MedRisk, Inc	009006-041747-WC-01	RANDOLPH, JOHN	1/26/2017	Medical	135.69
141972089	12/5/2017	HAYES, SHELLEY	009006-038894-WC-01	HAYES, SHELLEY	2/11/2015	Ind/BI	752.00
138522058	12/5/2017	SHATTUCK, KAITLYN	009006-042267-WC-01	SHATTUCK, KAITLYN	5/25/2017	Ind/BI	697.94
141972096	12/5/2017	FORSEN, JEFFERY	009006-040497-WC-01	FORSEN, JEFFERY	3/1/2016	Ind/BI	1,994.80
141972082	12/5/2017	POLICKY, RAYMOND	009006-016106-WC-01	POLICKY, RAYMOND	3/22/1995	Ind/BI	586.94
141972084	12/5/2017	LEWIS, RICHARD	009006-042415-WC-01	LEWIS, RICHARD	7/5/2017	Ind/BI	581.85
141972100	12/5/2017	ALLEN, KENNETH	009006-042937-WC-01	ALLEN, KENNETH	11/1/2017	Ind/BI	828.55
141972106	12/5/2017	TRUAX, JAMES	009006-042743-WC-01	TRUAX, JAMES	9/15/2017	Ind/BI	2,146.02
141972087	12/5/2017	STEVEN JAVORSKY C/O ROLFSH	009006-020736-WC-01	JAVORSKY, STEVEN	6/11/2007	Ind/BI	875.08
141972083	12/5/2017	MARK OLSON AND HIS ATTORN	009006-014920-WC-01	OLSON, MARK	6/26/2007	Ind/BI	902.84
141972086	12/5/2017	JONES, ALICE	009006-012771-WC-01	JONES, ALICE	4/23/1996	Ind/BI	427.00
141972081	12/5/2017	SONJA VANDERHARRC/O BRETT	009006-000112-WC-01	VANDERHARR, SONJA	6/30/2008	Ind/BI	768.65
141972090	12/5/2017	JUDITH GAONA & MICHAEL DO	009006-031273-WC-01	GAONA, JUDITH	3/4/2010	Ind/BI	1,011.70
141972085	12/5/2017	BARBARA LEETC/O GALLNER &	009006-028633-WC-01	LEET, BARBARA	5/3/2004	Ind/BI	717.18
141972099	12/5/2017	HOLLY BERQUIST CONSULTING	009006-034006-WC-01	CANIGLIA, ROBIN	10/10/2011	Other Loss	549.62
141996200	12/5/2017	OCR	009006-042560-WC-01	BUHR, ERNEST	8/3/2017	Medical	218.76
141996170	12/5/2017	COMPANY CARE LINCCARE	009006-042958-WC-01	LONGWELL, JAMIE	11/6/2017	Medical	390.42
141996183	12/5/2017	COMMUNITY MEDICAL CENTER	009006-042874-WC-01	COONCE, CHRISTOPHER	10/10/2017	Medical	154.56
141972102	12/5/2017	ORTHOWEST PC	009006-042200-WC-01	KALASKY, MARK	5/8/2017	Medical	300.00
141996176	12/5/2017	THINK AKSARBEN LLP	009006-042969-WC-01	KUDIRKA, DONNA	11/6/2017	Medical	136.07
141996163	12/5/2017	NMG LLC	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	188.79
141996164	12/5/2017	NMG LLC	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	128.91
141996185	12/5/2017	TWIN RIVERS HEALTH CARE LLC	009006-040736-WC-01	NORRIE, MADISON	4/21/2016	Medical	115.95
141996191	12/5/2017	OCR	009006-017942-WC-01	HOWARD, ANEITA	6/16/2000	Medical	292.72
141972095	12/5/2017	ELSHALABY, BARAKAT	009006-041801-WC-01	ELSHALABY, BARAKAT	2/7/2017	Medical	540.19
141972103	12/5/2017	SENIOR CARE HOME INSTEAD	009006-007700-WC-01	HEATH, IONA	11/23/1980	Medical	643.50
141996166	12/5/2017	GALLAGHER BASSETT SERVICES	009006-031988-WC-01	BRUNER, BRANDIE	7/31/2010	Expense	375.00
141972105	12/5/2017	BORCK, MELISSA	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	265.79
141972094	12/5/2017	EXAMWORKS INC	009006-033449-WC-01	LEONARD-RIVERS, CRISTY	6/16/2011	Expense	2,650.00
141972098	12/5/2017	REGIONAL WEST PHYSICIANS C	009006-042952-WC-01	BURFORD, JAMES	6/20/2017	Expense	1,250.00
141996165	12/5/2017	GALLAGHER BASSETT SERVICES	009006-037679-WC-01	SELL, JOHN	4/18/2014	Expense	2,100.00
141972107	12/5/2017	STONERIVER PHARMACY SOLUT	009006-042989-WC-01	MARTIN, ERICK	11/14/2017	Medical	386.91
142027912	12/6/2017	CHI NATIONAL HOME CARE	009006-040530-WC-01	SCHUNEMAN, DONALD	3/3/2016	Medical	3,139.89
142027911	12/6/2017	CHI NATIONAL HOME CARE	009006-040530-WC-01	SCHUNEMAN, DONALD	3/3/2016	Medical	3,176.15
142027910	12/6/2017	CHI NATIONAL HOME CARE	009006-040530-WC-01	SCHUNEMAN, DONALD	3/3/2016	Medical	3,175.98
142027914	12/6/2017	GALLAGHER BASSETT SERVICES	009006-041825-WC-01	BUHR, ELIZABETH	2/17/2017	Expense	683.42
142027939	12/6/2017	ORTHONEBRASKA	009006-042463-WC-01	HARMS, MICHELLE	7/18/2017	Medical	122.51
142027951	12/6/2017	REGIONAL WEST PHYSICIANS C	009006-041071-WC-01	EMERICK, CRAIG	8/15/2016	Medical	143.23
142027945	12/6/2017	ORTHOPEDIC INSTITUTE PC	009006-029859-WC-01	DRYAK, STANLEY	6/11/2009	Medical	157.22
142027932	12/6/2017	HENDERSON HEALTH CARE SER	009006-042737-WC-01	FINLEY, MICHAEL	9/15/2017	Medical	256.50
142006160	12/6/2017	LINCOLN ORTHOPAEDIC CENTE	009006-042591-WC-01	YATES, SUSAN	6/10/2017	Medical	200.00
142027942	12/6/2017	CAPITAL MEDICAL CLINIC	009006-042949-WC-01	ALYAS, FARHAN	11/3/2017	Medical	121.28
142006159	12/6/2017	MICHAEL MCKEEMAN	009006-040723-WC-01	HOHLEN, VANESSA	4/26/2016	Other Loss	2,451.20
142027926	12/6/2017	UNMC PHYSICIANS	009006-041322-WC-01	BRUCE, SHAELA	10/12/2016	Medical	141.93
142027936	12/5/2017	COMPANY CARE LINCCARE	009006-042962-WC-01	WETZEL, DOUGLAS	11/6/2017	Medical	296.64
142006149	12/6/2017	GREVING, AMY	009006-028634-WC-01	GREVING, AMY	9/27/1991	Ind/BI	512.96
142006156	12/6/2017	IDA BURDUE C/O GORDON PET	009006-016089-WC-01	BURDUE, IDA	11/27/1994	Ind/BI	383.74
142006143	12/6/2017	PARDE, PENNEY	009006-007832-WC-01	PARDE, PENNEY	1/29/1984	Ind/BI	377.48
142006155	11/6/2017	DAVIS, MARK	009006-022027-WC-01	DAVIS, MARK	5/26/1995	Ind/BI	553.98
142006152	12/6/2017	EADIE, SANDRA	009006-000025-WC-01	EADIE, SANDRA	6/29/2012	Ind/BI	266.92
142006140	12/6/2017	SOTO, ROBERT	009006-007798-WC-01	SOTO, ROBERT	2/9/1995	Ind/BI	818.00
142006147	12/6/2017	NANCY KEATING & JULIE SHIPM	009006-009172-WC-01	KEATING, NANCY	9/2/2004	Ind/BI	750.78
142006154	12/6/2017	DORMER, BONNIE	009006-023468-WC-01	DORMER, BONNIE	6/5/1991	Ind/BI	345.54
142006153	12/6/2017	TERRANCE DUKESC/O SHASTEE	009006-027283-WC-01	DUKES, TERRANCE	4/19/1994	Ind/BI	530.00
142006148	12/6/2017	HENNE, MARY	009006-032399-WC-01	HENNE, MARY	10/20/2010	Ind/BI	246.46
142006162	12/6/2017	KIRBY, TROY	009006-042225-WC-01	KIRBY, TROY	6/18/2017	Ind/BI	1,057.60
142006157	12/6/2017	KERN, JON	009006-042945-WC-01	KERN, JON	11/1/2017	Ind/BI	2,219.90
142027899	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	130.09
142027908	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	153.22
142027906	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	175.00
142027905	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	151.81
142027904	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	151.81
142027903	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	175.00
142027902	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	163.05
142027901	12/6/2017	MedRisk, Inc	009006-040615-WC-01	BORCK, MELISSA	4/4/2016	Medical	156.09
142027927	12/6/2017	PHYSICIANS CHOICE HOME HEA	009006-039902-WC-01	BENABDESSLAM, MARJORIE AN	10/5/2015	Medical	860.00
142027947	12/6/2017	MID NEBRASKA PHYSICAL THER	009006-042784-WC-01	YONKERS, RICHARD	9/22/2017	Medical	112.01
142027900	12/6/2017	MedRisk, Inc	009006-038878-WC-01	HAUSTED, ALAN	2/4/2015	Medical	221.17
142027907	12/6/2017	MedRisk, Inc	009006-042933-WC-01	KNUST, ANTOINETTE	10/31/2017	Medical	201.82

142006144	12/6/2017	MATTHEW PANGBORN & BRETI	009006-032617-WC-01	PANGBORN, MATTHEW	12/29/2010	Ind/BI	114.55
142006146	12/6/2017	STEVEN KETELHUTC/O JON REH	009006-033462-WC-01	KETELHUT, STEVEN	6/9/2011	Ind/BI	601 76
142006151	12/6/2017	DELORES EISMAN	009006-007701-WC-01	EISEMAN, CHARLES	10/21/2004	Ind/BI	873 64
142006141	12/6/2017	RIHA, KRISTEN	009006-036655-WC-01	RIHA, KRISTEN	8/1/2013	Ind/BI	199.72
142006139	12/6/2017	ED WHITE	009006-033302-WC-01	WHITE, KATHRYN	5/18/2011	Ind/BI	1,116 80
142006138	12/6/2017	ED WHITE AS FATHER AND GUA	009006-033302-WC-01	WHITE, KATHRYN	5/18/2011	Ind/BI	279 20
142006150	12/6/2017	EVANS, JEFFREY	009006-000043-WC-01	EVANS, JEFFREY	7/31/2014	Ind/BI	590 58
142027913	12/6/2017	GALLAGHER BASSETT SERVICESI	009006-041631-WC-01	CASSIDY, JOSEPH	1/3/2017	Medical	290 00
142027909	12/6/2017	GALLAGHER BASSETT SERVICESI	009006-042640-WC-01	CULLIGHAN, MICHAEL	8/10/2017	Medical	290.00
142027938	12/6/2017	JOHNSON COUNTY HOSPITAL	009006-043029-WC-01	MONARREZ, KILAN	11/20/2017	Medical	421 20
142027928	12/6/2017	THE PHYSICIAN NETWORK	009006-042904-WC-01	KRAMER, RONALD	10/20/2017	Medical	255 83
142027946	12/6/2017	NEBRASKA METHODIST HOSPIT	009006-042848-WC-01	NARAYANA GORTI, MANIKANTA	10/11/2017	Medical	338.34
142027943	12/6/2017	ONE CALL MEDICAL INC	009006-042915-WC-01	ZELLNER, CURTIS	10/27/2017	Medical	474 98
142027937	12/6/2017	ADVANCED RADIOLOGY OF GRA	009006-042641-WC-01	STRICKLAND, RICHARD	8/23/2017	Medical	107 51
142060527	12/7/2017	CENTRAL NEBRASKA ORTHOPEI	009006-042994-WC-01	SIDDERS, HEATHER	11/14/2017	Medical	212.45
142060540	12/7/2017	MNG LLC	009006-042925-WC-01	DOSTAL, RUSSELL	10/30/2017	Medical	196.45
142060537	12/7/2017	PATHOLOGY MEDICAL SERVICES	009006-041871-WC-01	MCDONALD, JAMES	2/27/2017	Medical	238.00
142060465	12/7/2017	COVENTRY HEALTH CARE, INC C	009006-040082-WC-01	BOWMAN, MELINDA	11/19/2015	Expense	575 00
142060524	12/7/2017	ENDODONTICS PC JAY MCCONN	009006-041240-WC-02	BENES, CLETUS	9/26/2016	Medical	216 00
142060463	12/7/2017	CYPRESS CARE INC	009006-042119-WC-01	MCCRIMON, LORETTA	4/26/2017	Medical	168.33
142060553	12/7/2017	ASSOCIATED ANESTHESIOLOGIS	009006-041829-WC-01	HALOUSKA, JASON	10/2/2017	Medical	770 70
142060462	12/7/2017	CYPRESS CARE INC	009006-042456-WC-01	HART, DEBORAH	7/16/2017	Medical	316 66
142060544	12/7/2017	LOC SURGERY CENTER INC	009006-041486-WC-01	ERVING, LORY	11/18/2016	Medical	6,375 00
142060487	12/7/2017	LOC SURGERY CENTER INC	009006-041486-WC-01	ERVING, LORY	11/18/2016	Medical	414.06
142038247	12/7/2017	ELECTROMED INC	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	1,599 80
142038244	12/7/2017	MELANIE HELMSC/O ATWOOD	009006-014286-WC-01	HELMS, JOHN	9/7/2004	Ind/BI	710 30
142038249	12/7/2017	SCHNEIDER, SAMANTHA	009006-042012-WC-01	SCHNEIDER, SAMANTHA	4/4/2017	Ind/BI	106 24
142038236	12/7/2017	DANIEL RICHARDSON & LAURA	009006-040894-WC-01	RICHARDSON, DANIEL	5/5/2016	Ind/BI	1,447 14
142038241	12/7/2017	FULTON, CAITLIN	009006-036877-WC-01	FULTON, CAITLIN	5/29/2013	Ind/BI	118 84
142038259	12/7/2017	HEATHER MASCHMAN & JAMIE	009006-041255-WC-01	MASCHMAN, HEATHER	9/28/2016	Ind/BI	13,405 98
142038235	12/7/2017	LYLA UNDERWOODC/O AUSTIN	009006-039278-WC-01	UNDERWOOD, PETER	5/16/2015	Ind/BI	674.82
142038234	12/7/2017	JUDE UNDERWOODC/O AUSTIN	009006-039278-WC-01	UNDERWOOD, PETER	5/16/2015	Ind/BI	674 82
142038239	12/7/2017	KRUEGER, DANA	009006-040680-WC-01	KRUEGER, DANA	4/18/2016	Ind/BI	479 62
142038242	12/7/2017	SUZETTE DUTCHERC/O TANYA H	009006-039207-WC-01	DUTCHER, SUZETTE	4/21/2015	Ind/BI	1,140 00
142060543	12/7/2017	HPT HSL	009006-036001-WC-01	GREEN, SHERYL	2/18/2013	Medical	106.78
142060550	12/7/2017	INC ALIGN NETWORKS	009006-042659-WC-01	LOVERCHECK, DANIEL	8/21/2017	Medical	145 21
142060545	12/7/2017	ALIGN NETWORKS INC	009006-040188-WC-01	RILEY, MARY	12/24/2015	Medical	288 72
142060479	12/7/2017	MedRisk, Inc	009006-042808-WC-01	STROMER, DENNIS	10/2/2017	Medical	131.00
142060478	12/7/2017	MedRisk, Inc	009006-042808-WC-01	STROMER, DENNIS	10/2/2017	Medical	131.00
142060482	12/7/2017	MedRisk, Inc	009006-039628-WC-01	SHOTKOSKI-JURGENS, ELIZABET	8/13/2015	Medical	119.10
142060477	12/7/2017	MedRisk, Inc	009006-042958-WC-01	LONGWELL, JAMIE	11/6/2017	Medical	118.53
142060476	12/7/2017	MedRisk, Inc	009006-042958-WC-01	LONGWELL, JAMIE	11/6/2017	Medical	115.60
142060475	12/7/2017	MedRisk, Inc	009006-042958-WC-01	LONGWELL, JAMIE	11/6/2017	Medical	135.32
142060474	12/7/2017	MedRisk, Inc	009006-042958-WC-01	LONGWELL, JAMIE	11/6/2017	Medical	109 56
142060485	12/7/2017	MedRisk, Inc	009006-038343-WC-01	CAILLIER, STACY	9/28/2014	Medical	381.67
142060481	12/7/2017	MedRisk, Inc	009006-042906-WC-01	MCBRIDE, SETH	10/25/2017	Medical	128.34
142060539	12/7/2017	CHI HEALTH LAKESIDE	009006-041915-WC-01	FORAL, NANCY	3/13/2017	Medical	1,293.62
142060483	12/7/2017	MedRisk, Inc	009006-042415-WC-01	LEWIS, RICHARD	7/5/2017	Medical	119 10
142038250	12/7/2017	SCHNEIDER, SAMANTHA	009006-042012-WC-01	SCHNEIDER, SAMANTHA	4/4/2017	Ind/BI	523 28
142038248	12/7/2017	ROSENTHAL, KATHERINE	009006-040508-WC-01	ROSENTHAL, KATHERINE	5/4/2016	Ind/BI	1,391.04
142038254	12/7/2017	MUNOZ, PATRICK	009006-040948-WC-01	MUNOZ, PATRICK	6/28/2016	Ind/BI	762.43
142038240	12/7/2017	HAFSAAS, DON	009006-041527-WC-01	HAFSAAS, DON	12/2/2016	Ind/BI	933.02
142038238	12/7/2017	LICHTENWALDT, WILLIAM	009006-029388-WC-01	LICHTENWALDT, WILLIAM	3/30/2009	Ind/BI	780,74
142060532	12/7/2017	LINCOLN FAMILY WELLNESS PC	009006-039631-WC-01	WERSCHKE, ANNETTE	8/11/2015	Medical	128.91
142060533	12/7/2017	ME URGENT CARE NEBRASKA IN	009006-042901-WC-01	VIETH, TOMMY	10/24/2017	Medical	152.55
142060528	12/7/2017	LINCOLN ORTHO CENTER PC	009006-042790-WC-01	HOWELL, KIMBERLY	9/8/2017	Medical	135.58
142060555	12/7/2017	SIOUXLAND SURGERY CENTER	009006-040258-WC-01	FITZGERALD, WILLIAM	1/8/2016	Medical	2,652 20
142060534	12/7/2017	NEBRASKA SPINE CENTER LLP	009006-042450-WC-01	RAMSEY, MELVIN	7/18/2017	Medical	136 07
142038260	12/7/2017	NOW YOU KNOW INVESTIGATI(	009006-000063-WC-01	PEOPLES, CHRISTINA	8/26/2015	Expense	5,897.01
142038258	12/7/2017	GRUBER, DIANNA	009006-041386-WC-01	GRUBER, DIANNA	10/25/2016	Medical	1,362 11
142038251	12/7/2017	CIRCLE OF FRIENDSIN HOME CA	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	7,322.00
142060504	12/7/2017	FAITH REGIONAL HEALTH SER	009006-032261-WC-01	KOHL, TIMOTHY	10/8/2010	Medical	2,811 97
142060506	12/2/2017	GALLAGHER BASSETT SERVICESI	009006-042451-WC-01	HORMANDL, LINDA	7/13/2017	Medical	1,067.70
142038243	12/7/2017	LINCOLN ORTHOPEDIC P T , P C	009006-036323-WC-01	JOHNS, KIMBERLY	5/20/2013	Medical	900.00
142060471	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-000007-WC-01	ARMSTRONG, TERRY	5/22/2010	Medical	135 06
142060503	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-000431-WC-01	FOX, ION	4/25/2008	Medical	268 37
142060469	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-003694-WC-01	OENBRING, CANDACE	11/28/1995	Medical	276.69
142060468	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-007700-WC-01	HEATH, IONA	12/23/1980	Medical	200 50
142060514	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-007798-WC-01	SOTO, ROBERT	2/9/1995	Medical	233 38
142060512	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-032261-WC-01	KOHL, TIMOTHY	10/6/2010	Medical	506.95
142060507	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-041942-WC-01	KOWALSKI, MARK	3/5/2017	Medical	130.12
142060508	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-041904-WC-01	YAUNEY, BRUCE	3/1/2017	Medical	337.02
142060511	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-036329-WC-01	MCKEEHAN II, RUSSEL	5/19/2013	Medical	223 79
142060489	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-042347-WC-01	MCMAHON, PATRICK	6/19/2017	Medical	456 26
142060510	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-040736-WC-01	NORRIE, MADISON	4/21/2016	Medical	690.33
142060492	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-027283-WC-01	DUKES, TERRANCE	4/19/1994	Medical	1,168 85
142060493	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-023349-WC-01	WORRALL, JEFFREY	2/14/1999	Medical	381.99
142060499	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-026787-WC-01	BOER, LORI	7/1/1994	Medical	696 03
142060498	12/2/2017	COVENTRY HEALTH CARE, INC D	009006-026787-WC-01	BOER, LORI	7/1/1994	Medical	911.80
142060467	12/7/2017	COVENTRY HEALTH CARE, INC D	009006-007832-WC-01	PARDE, PENNEY	2/29/1984	Medical	239 95

GALLAGHER BASSETT

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STATE OF NEBRASKA (0350061

Claim Number	Claimant	Status	Benefit State	Accident Date	Closed Date	Coverage	WC Indicator	Unit Number	Reporting Unit Name	Branch Name	Adjuster	Claim Description	Total Incurred	Total Paid	Outstanding
Location Level 2: DEPARTMENT OF TRANSPORTATION - 02-27															
[illegible]	JONES, CHRISTOPHER	Open	Nebraska	[illegible]		WC	Medical	27	ROADS DEPARTMENT OF	GALLAGHER BASSETT-OKLAHOMA CIT	SHERYL PHILLBERT LONG	HOOKING UP THE TREE CHIPPER TO THE TRAILER PULLED MUSCLE IN BACK	[illegible]	[illegible]	[illegible]
[illegible]	RATH, CHRIS	Open	Nebraska	[illegible]		WC	Indemnity	[illegible]	ROADS DISTRICT 3 WAYNE	GALLAGHER BASSETT-OKLAHOMA CIT	AARON BLOEMER	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	WETZEL, GREGG	Open	Nebraska	[illegible]		WC	Medical	[illegible]	ROADS DISTRICT 4 [illegible]	GALLAGHER BASSETT-OKLAHOMA CIT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	CARPENTER, WADE	Open	Nebraska	[illegible]		WC	Indemnity	[illegible]	ROADS DISTRICT 4 [illegible]	GALLAGHER BASSETT-OKLAHOMA CIT	AARON BLOEMER	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	KAITEN, KRISTOPHER	Open	Nebraska	[illegible]		WC	Indemnity	[illegible]	ROADS DISTRICT 4 BIG SPRINGS	GALLAGHER BASSETT-OKLAHOMA CIT	AARON BLOEMER	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	LINDNER, LEROY	Open	Nebraska	[illegible]		WC	Medical	[illegible]	ROADS DISTRICT 4 BROKEN BOW	GALLAGHER BASSETT-OKLAHOMA CIT	SHERYL PHILLBERT LONG	[illegible]	[illegible]	[illegible]	[illegible]
Totals for DEPARTMENT OF TRANSPORTATION - 02-27 - 6 Claims													[illegible]	[illegible]	[illegible]
Location Level 2: DEPARTMENT OF VETERANS AFFAIRS - 02-28															
[illegible]	CAREY, SARAH	Open	Nebraska	[illegible]		WC	Medical	28	DEPARTMENT OF VETERANS AFFAIRS	GALLAGHER BASSETT-OKLAHOMA CIT	SHERYL PHILLBERT LONG	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	MCALLISTER, RONAE	Open	Nebraska	[illegible]		WC	Medical	[illegible]	[illegible] VETERANS ADMINISTRATION	GALLAGHER BASSETT-OKLAHOMA CIT	SHERYL PHILLBERT LONG	[illegible]	[illegible]	[illegible]	[illegible]
Totals for DEPARTMENT OF VETERANS AFFAIRS - 02-28 - 2 Claims													[illegible]	[illegible]	[illegible]
Location Level 2: DEPT OF ADMINISTRATIVE SERVICES - 02-65															
[illegible]	STEELE, JOHN	Open	Nebraska	[illegible]		WC	Indemnity	[illegible]	CAPITOL COMMISSION MECHANICAL	GALLAGHER BASSETT-OKLAHOMA CIT	ADAM ZODDA	PULLED SOMETHING IN MY STOMACH AFTER OPERATION LOWER RIGHT SIDE	[illegible]	[illegible]	[illegible]
[illegible]	MEYERS, MARIELA	Open	Nebraska	[illegible]		WC	Indemnity	[illegible]	[illegible]	GALLAGHER BASSETT-OKLAHOMA CIT	ADAM ZODDA	[illegible]	[illegible]	[illegible]	[illegible]
Totals for DEPT OF ADMINISTRATIVE SERVICES - 02-65 - 2 Claims													[illegible]	[illegible]	[illegible]
Location Level 2: DEPT OF AGRICULTURE - 02-18															
[illegible]	SCHNELL, ROY	Open	Nebraska	11/7/2017		WC	Medical	[illegible]	ADM & PSEUDORABIES TESTING	GALLAGHER BASSETT-OKLAHOMA CIT	SHERYL PHILLBERT LONG	[illegible]	[illegible]	[illegible]	[illegible]
Totals for DEPT OF AGRICULTURE - 02-18 - 1 Claims													[illegible]	[illegible]	[illegible]
Location Level 2: GAME AND PARKS - 02-33															
[illegible]	BOYLE, TIMOTHY	Open	Nebraska	[illegible]		WC	Indemnity	[illegible]	JOHNSON LAKE SRA	GALLAGHER BASSETT-OKLAHOMA CIT	AARON BLOEMER	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	DAVIS, DALE	Open	Nebraska	[illegible]		WC	Indemnity	33	GAME AND PARKS	GALLAGHER BASSETT-OKLAHOMA CIT	AARON BLOEMER	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

GALLAGHER BASSETT

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Sample Customer Service Report

Product Type	Reporting Location	Claim Number	Date Report Created	Occured Date	Caller Name	Employee Name	Claimant Job Title	Location Code	Location Address	Location City	Location State	Incident Description	Injury Table - Body Code	Injury Table - Cause Code	Injury Table - Nature Code
AL	Detroit Main	125701294	1/2/2018	12/29/2017	Jane Smith	John Doe	Assistant	4022	100 Main Street	Tempe	MI	The IV was driving straight and the OV was traveling to the right and lost control and struck the front of the IV. No injuries.	NONE	NONE	NONE
AL	Indian River	126701577	1/2/2018	12/29/2017	John Adams'	Jane Smith	Team Lead	3488	41 10th ave	Miami	FL	The IV was leaving a driveway and caused damage to the front lawn. No injuries reported.	NONE	NONE	NONE
GL	Oakland	126701576	1/2/2018	11/30/2017	Mary Johnson	NA		8853	415 Day Street	Bradford	CT	Employee damaged customers property/enclosure door is reported but no injuries occurred.	NONE	NONE	NONE
WC	Cedar Groves	126701308	1/2/2018	12/30/2017	Frank Jones'	Jose Garcia	Driver	4128	100 Circle Cove	Tampa	FL	The EE was bending over, when he strained his back	BACK< UPPER	OVEREXERTION	OTHER INJURY
WC	Charlotte	126701895	1/2/2018	12/29/2017	Ed Smith	Jeremy Smith	Assistant	4769	27 Kensington	Beachwood	NC	Particles went into EE's eye, causing irritation	EYE	CONTACT WITH	IRRITATION

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GALLAGHER COMPANIES

Business Continuity Plan

Gallagher Bassett Services, Inc.

Field Operations
Zone: Central
Branch #

Branch Name:

Branch Location:

Version Control

Date	Owner	Version
01/01/2014	Branch Manager	1.0

GALLAGHER BASSETT SERVICES, INC.
BUSINESS CONTINUITY PLAN

SECTION 1 – ADMINISTRATION

Policy Statement

The purpose of this plan is to help reduce the adverse impact to Gallagher Bassett (GB) associated with a natural or man-made disaster that results in a significant business disruption. This plan outlines basic procedures to be followed by the Zone Executive Management and Branch Business Recovery Team.

Authority Statement

The management of GB recognizes that during emergency situations, special procedures must be followed to control and mitigate an emergency. Therefore management, by the acceptance of this Business Continuity Plan, grants authority to those responsible individuals named in these procedures to implement and carry out the Plan to the termination of the emergency situation.

Zone Crisis Management Team

The Zone Crisis Management Team (CMT) consist of the Zone SVP and VP's and is responsible for coordinating recovery efforts and communications to all parties involved in or affected by the disaster. In addition, the (CMT) will determine whether any significant clients require notification.

Business Recovery Team

The Business Recovery Team (BRT) has been developed to minimize disruption in the event of a disaster. The team is tasked with regular review of this Plan, and to make improvements to it to ensure as smooth a transition as possible back to normal operations after a disaster.

The Business Recovery Team (BRT) consists of:

Name	Title	Bus. Phone	Mobile Phone	Bus. Email	Personal Email

Note: Review BRT selection with Zone VP prior to finalizing.

Plan Updating Procedures

The Branch Manager will review the Business Continuity Plan at least annually and make any required changes or modifications. These changes will then be updated into the plan, with the approval of the Zone SVP.

SECTION 2 – THREAT ASSESSEMENT

Threat Assessment

The threat assessment involves identifying, analyzing, and weighing all the potential risk scenarios for your branch location. To assist with this process the following list of potential threats has been provided:

Natural Disasters	Man-Made Disasters	Other
Tornado	Terrorism	Building Power Failure
Hurricane	Arson	HVAC Failure
Flood	Civil Disturbance	Utilities Failure
Earthquake	Contamination	
Fire		
Subsidence/Landslides		
Winter Conditions		
Pandemic		

The threat assessment is not an exact science and should be based on a number of factors and considerations. For most branches, threats should be based on a consensus of experienced opinion and discussion, including past history, exposures/losses involving like disasters.

Assess the potential likelihood and impact of the threat types in column (2) and (3). Rate impacts "L" for low, "M" for medium and "H" for high.

The "Overall Hazard Rating" in column (4) is a combination of the rating for "likelihood of event" (column 2) and the "impact to operation" in column (3). An example has been provided below.

Threat Type (1)	Likelihood of Event (2)	Impact to Operation (3)	Overall Rating (4)
1. Ex. Flood	M	M	M
2. Ex. Hurricane	H	H	H
3. Ex. Power Failure	L	M	L
4.			
5.			

High Likelihood			2
Medium Likelihood		1	
Low Likelihood		3	
	Low Impact	Medium Impact	High Impact

Threat Assessment Chart

The threat assessment chart above can be used to help determine threat priorities for your branch location. Generally, those threats falling in the upper right quadrant pose the greatest risk and should be a priority item.

SECTION 3 – CONTINUITY INFORMATION

The following templates are included in the BCP folder for your review and edit. While most of the information has been pre-populated, please review for accuracy and make any necessary changes.

- Branch Employee Listing
- Branch Client Listing
- Branch Fixed Asset Listing

- **Loss Assignments**

Primary Branch Back-up	Alternate 1 Branch Back-up	Alternate 2 Branch Back-up

Note: Review Branch Back-ups with Zone VP prior to finalizing.

- **Independent Adjuster Contacts**

Adjusting Company	Phone	Fax	Email

SECTION 4 – CRITICAL FUNCTIONS / RTO / IMPACT RATING

Critical Functions	Recovery Time Objective (RTO)	Performed Remotely	Impact Rating 1= Minimal 5= Severe
Mail: e-fax/e-mail critical documents	1 Day	Yes	5.0
Provider/treatment	1 Day	Yes	5.0
Indemnity payments to claimants	1 Day	Yes	5.0
New loss - contacts - coverage	1 Day	Yes	4.0
Client notifications	1 Day	Yes	5.0
Prefunding clients	3 Day	Yes	4.5
Legal – hearings/trials	3 Day	Yes	3.8
Time sensitive log critical documents	3 Day	Yes	5.0
State reporting	3 Day	Yes	4.5

SECTION 5 – SYSTEM / APPLICATIONS NEEDS

Required / critical systems and/or applications that are needed to complete this function.

Select System / Application #1	Risx-Facs
Select System / Application #2	Microsoft Desktop / Laptop Operating System
Select System / Application #3	Microsoft Server Operating Systems

SECTION 6 – BUSINESS CONTINUITY PLAN (BCP) CHECKLIST

Note: It is assumed the **Branch Manager and BRT** will execute the BCP activities below, unless otherwise noted.

Pre-Event Activities

☐ Contact Hotline 1-800-452-5452 (after hours emergency call center) and put them on alert. Verify that their escalation lists are current, with home and cell phone information.

☐ Notify Hotline of the coverage plan and any adjustments to phone contact lists.

☐ Ensure employee contact list-calling tree is current (name, empl #, telephone, cell phone, alternate number, email address..etc).

☐ Review *company-issued* computer inventory listing. Instruct staff with laptops to have them available away from the office.

☐ Review *employee home* computer inventory listing. Ensure all home computer users have instructions to access Risx-Facs (RF) through Citrix. Citrix can be accessed through the AJG identity enforcer link: http://requestaccess.ajgco.com/aims/client/Default.aspx. If the link does not connect to website, copy and paste directly to web browser.

☐ Review branch client listing and identify clients with property exposures.

☐ Contact clients with significant exposures and develop joint communication plan.

☐ Confirm the number of Citrix licenses from HO can accommodate the number of adjusters accessing RF through home computers (Helpdesk 1-630-285-4060 can confirm).

☐ Identify what critical projects or tasks are coming due that could be impacted by an office outage.

- ☐ Review independent adjuster (IA) lists (typically for liability/property offices) - Have contact information available.
- ☐ Schedule a pre-event call with IA's to assess readiness, operating plan, exchange of information and other workflow matters.
- ☐ Identify Zone personnel with property experience (in addition to GB general adjusters). Note: A CAT team should be identified and ready go pre-disaster event).
- ☐ Consider licensing issues that may come into play if branch backup office is out-of-state.
- ☐ Prepare branch equipment for office closure (See attached).
- ☐ Schedule pre-event conference call with branch, zone management and back-up branch (es) (i.e. discuss licensing, security access..etc).
- ☐ Open back-up branch CAT mailbox to receive losses for covered branch.
- ☐ Confirm set-up of appropriate client security for back-up branch employees.
- ☐ Secure back-up branch assist ID's.
- ☐ Forward compliance logs to back-up branch (i.e. NOD, hearings, 15-8, MG2).
- ☐ Change branch greeting or have calls forwarded to back-up branch.
- ☐ Remind employees of their responsibilities in the event they receive an after hour's emergency call.
- ☐ Have building manager or landlord's contact information, to consult with them first or if we need to contact them for other reasons.
- ☐ CMT – Identify Zone employees that could be potentially mobilized to participate in a CAT team.

Post-Event Activities

- ☐ Contact Wally Gawaluch to ensure the system releases new losses over the weekend (cc: Russ Pass).
- ☐ Branch Response Team (BRT) completes a disaster and continuity assessment. Report assessment to Crisis Management Team (CMT) and recommend assignment to back-up branch or branches.
- ☐ Zone Administrator to send out a GB-Announcement regarding branch closure (based on communication from BRT).
- ☐ Obtain FEMA and Red Cross information to claimants and employees.
- ☐ Open service desk ticket to forward main office and fax lines to back-up branch.
- ☐ Zone Administrator set-up additional RF user ID's.
- ☐ CMT establishes timeliness of communications and BCP updates.
- ☐ Notify Account Managers of disaster assessment; back-up branch assignment and anticipated duration.
- ☐ Change branch phone greeting or have calls forwarded to the backup branch (request assistance of HO if needed).
- ☐ Activate employee call tree – check on staff wellbeing; provide continuity instructions; confirm all contacts with VP.
- ☐ Utilize contractors for emergency services to secure office and equipment, etc.
- ☐ Access branch key client listing and coordinate recovery-continuity communications with account manager.
- ☐ Confirm laptop and home computer users have connectivity to RF.

- ☐ Determine if deployment of additional laptops or office equipment is needed.
- ☐ Managers - Share Notice of Decision / Important Document logs.
- ☐ Determine if forwarding of US Mail is going to be needed.
- ☐ Communicate any new regulatory requirements.
- ☐ Monitor progress on claim files.

Back-up Branch Business Continuity

- ☐ Consult with branch manager of the impacted office, BRT or VP
- ☐ Assess need for indemnity payments.
- ☐ Check e-boxes and handle managed care errors.
- ☐ Assign losses to available personnel (assist in handling losses and returning phone calls).
- ☐ Check Loss Maintenance / Assign Losses.
- ☐ Consider the need for secondary user ID's for those assisting (adjusters, support staff and supervisors).
- ☐ Consider requesting authorization to assign temporary help.
- ☐ Inquire about CAT loss numbers that may need to be assigned to related losses.

SECTION 7 – ALTERNATIVE WORK SITE BCP

BRT may need to establish alternate work sites if branch buildings sustain long term damage (alternate office space or hotel conf. room, remote workers).

Pre-Event Activities

- ☐ Assess minimum square footage space needs
- ☐ Prioritize critical operations; and staff (management – adjusters – administrative staff) needs to be maintained at an alternative work site.
- ☐ Determine what order "critical" operations should be recovered.
- ☐ Contact local hotels/commercial property management companies regarding available space and alternative work sites.
- ☐ Coordinate alternative work site targets with corporate real estate.

Post-Event Activities

- ☐ Establish an alternative command center and temporary operations.

Alternative Work Site Checklist

The following checklist can be a good starting point when performing a site analysis as part of evaluating space for an alternate work site recovery facility.

Alternate Work Site Checklist.pdf

SECTION 8 – MISC / ADDITIONAL INFORMATION

☐ BCP procedures for office equipment:

Shut down and unplug all computer systems and electrical equipment.

Move computers and equipment away from windows to either the middle of the office or a conference room with no windows, then cover and secure with a tarp or heavy plastic.

Back up your data and take a copy home with you if necessary.

Remove all loose papers from desktops and filing cabinets, especially in exterior offices.

Remove all valuable papers and artwork from all exterior offices, since windows could be lost due to wind pressure and airborne objects.

Turn off-unplug all office equipment to include coffee makers, copiers, typewriters, clocks, radios, etc.

Close all exterior suite doors (Management will Lock and deadbolt all hallway entrance doors).

☐ Gallagher Crisis Communication Protocols (should be reviewed by CMT and BRT).

☐ RISX-FACS Disaster Contingency Plan Instructions

Gallagher Crisis Communication Proto

RF Disaster Contingency Plan 201

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

GALLAGHER BASSETT CLAIMS MANAGEMENT FIELD OPERATIONS DISASTER RECOVERY PLANNING OVERVIEW

INTRODUCTION
In a world of uncertainty there is certain benefit to providing for the disasters which can befall any client, any business, anywhere around the world. When we're ready for the worst, we're ready to give our best.

The purpose of this document is to provide customers and service partners with an overview of the Disaster Recovery Planning efforts underway at the Gallagher Companies and specifically for Gallagher Bassett Claims Management Field Operations. We have adopted a multi-faceted approach to Disaster Recovery Planning using several format models with consistency and flexibility to meet the unique needs of each operation.

Disaster Recovery Planning is an ongoing process. Each operational area has been charged with assembling their own Business Recovery Team (BRT) consisting of management, supervisors and key employees. The BRT helps identify disaster recovery exposures and prepare plans, using our suggested formats, but specific to their needs. The Business Recovery Team is also charged with keeping their Disaster Recovery Plan (DRP) current. As such, Gallagher Bassett's Disaster Recovery Plans should be reviewed regularly and updated, as appropriate.

Our Disaster Recovery Plans contain sensitive and proprietary information and are not shared with customers or service partners. This document outlines the process and methodology we have used to develop our Disaster Recovery Plans.
The advent of pandemic exposures involving avian bird flu in 2006 and swine flu in 2009 have prompted further review and enhancement of our existing Disaster Recovery Plans.

More about those later in this document.

BASIC PROGRAM ELEMENTS
The Gallagher Companies' overall approach to Disaster Recovery Planning is based on four, key elements:

Disaster planning is proactive, managed approach to protecting employees, facilities and other company assets in a disaster situation.

Disaster planning restores service faster. Bringing business operations and client services back - as quickly as possible - once the disaster has occurred and immediate response measures have been completed.

Disasters can happen in many ways. Due to internal and external causes, and may affect a large operation, a geographic area, a specific branch location, or a single department.

Disasters need local thinking. Each operational area and location requires a specific Disaster Recovery Plan.

PLAN FORMATS
The Gallagher Companies have a wide range of operations, exposures and planning needs. Standard plan formats and/or templates have been developed as guidelines to assist each Business Recovery Team. These formats help assure a consistent approach but still allow each operating area to develop a plan that best meets their needs.

The standard formats used for all Gallagher Companies and Gallagher Bassett include the following:

Gallagher Companies Executive Management – Disaster Recovery Plan
This format uses an "umbrella" style plan, including our basic plan elements, designed in an abbreviated form for top management at Gallagher Bassett Corporate. The Business Recovery Team at this level consists of GB Division Heads, the GB Executive Management Team, and other selected personnel.

Division Disaster Recovery Plans
This format is similar to the Executive Management Plan but specific to a large division with several, smaller, department plans rolling up to it. The BRT at this level will consist of key management within the division and selected supervisors/employees.
Example: Gallagher Bassett has four division plans that roll-up under the GB Corporate (Executive Management) Plan -
Information Services (GBIS – "RisxFacs")
Claims Management
Finance
Consultative Division
International Operations

Multi-Location/Branch Disaster Recovery Plans
This format will usually follow a template specific to a particular type of operation with references to common elements across all locations. "Common elements" might include shared systems, corporate or division support personnel information, etc.
Example: BSD Retail Branch Locations, GB Claims Management Field Operations, etc.

Individual Department Plans
Format elements cover all our universal plan elements but are more extensive and detailed than the Executive Management Plan. The Department DRP format will include special provisions for unique exposures not found in other areas. Department plans may be found at GB Corporate or at larger, Field Operations/branch locations.

UNIVERSAL PLAN ELEMENTS
There are several, basic elements that are included in each format and Disaster Recovery Plan. These universal plan elements include the following:

Policy Statement - This will be a short statement regarding the DRP purpose, the operation covered, and to whom it applies.

Authority – This section indicates who will implement the DRP at the location and their back-up persons if the primary authority is not available. Each critical position/responsibility should have at least two back-ups to the primary authority.

Business Recovery Team – This includes a basic description of who sits on the Business Recovery Team for the operating area or location. The BRT will include management, supervisors and/or employees in key positions. Names, tiles, responsibilities, phone numbers and e-mail addresses (for home and work) are included.

Identification of Critical Functions and Information – An assessment is conducted by the BRT and key personnel for each area to specifically identify the functions or activities vital to resumption of business and client services. Critical functions are backed-up, whenever possible, by cross-training other employees, storing duplicate information off-site, system redundancy, etc.

Identification of Critical Equipment/Facility Needs – The BRT assessment will include any special equipment sources and alternative, off-site locations if we are unable to return to our facilities.

Critical Support Services – The BRT will identify any internal or external support services critical to resumption of business functions. Examples of areas with critical support services may include computer systems, voice systems, e-mail systems, etc.

"Special" Considerations – BRT exposure assessments typically involve group brainstorming to help identify any areas or needs that are atypical or unique to a particular operation. Special provisions/procedures will be developed to address those needs, as appropriate.

DRP Responsibilities – Plan development and implementation responsibilities will be identified for each BRT member, by name, along with their back-up persons. The back-up persons should be aware of these additional duties and have the knowledge, authority and resources to carry them out.

Off-Site Locations – Each DRP must indicate where the Business Recovery Team will re-locate and assemble when the location plan is implemented. There should be arrangements made, in advance, with at least two sites, including contact persons, addresses, phone numbers, etc.

Employee Phone Number/Address List – This information will be collected for all employees and include (when possible) personal cell phone numbers, home addresses, personal e-mail addresses, etc. This is proprietary information and will only be given to those who have a need to know.

Phone Tree Calling List – The phone tree calling procedure is initiated by those BRT members with authority to implement the DRP. Each BRT member and key employee has specific co-worker calling assignments. The purpose of the calling tree is to get immediate instructions and basic information out to employees as quickly as possible to assure the plan is effectively/efficiently implemented. The last persons to be contacted at the bottom of the phone tree matrix call the Branch Manager's assistant (for example) to verify that everyone has been contacted.

Extended BRT Support/Resource Phone List - This will include any other key employees, vendors, etc. not already listed in the DRP that will/may be contacted to provide critical support in a key operational area (such as the branch or corporate IT Coordinator, Accounting personnel, other area Branch Managers, GB Corporate support personnel, etc.)

Plan Coordinator – This BRT member is responsible for distributing the DRP and keeping it current. All plans should be reviewed regularly and updated, as needed. This is an on-going process but all plans (even if there are no changes) must be reviewed at least annually and reissued to assure that all plans/procedures are current and up-to-date. Each BRT member will be issued a copy of the location DRP for the office and another "at home" or "on- the-road" copy.

These are required elements in each DRP format. The plan should be written so someone else, from another GB branch, Division Management or GB Corporate, could implement the location DRP, if necessary.

All branch/location BRT groups are automatically supported by a corresponding management support team that would be assembled at Gallagher Bassett Corporate.

It should be noted that GB branch claims operations have been disrupted, in the past, by a wide range of external forces causing implementation of the location DRP. Branch closings may typically involve severe/prolonged weather closings, utility interruptions, etc. In these situations, client claims handling operations for the closed location are often supported (covered) by another branch in the same geographic area or by telecommuting. Claims handling is a "real time" client service and, to that end, GB has successfully used their large network of offices and existing recovery procedures to assure, as much as possible, business continuation.

PANDEMIC FLU CONSIDERATIONS

Gallagher Bassett recognizes the additional business continuation exposures presented by pandemic flu. We have reviewed the Business Pandemic Influenza Planning guidelines and other related materials developed by the Department of Health and Human Services (HHS) and the Centers for Disease Control (CDC). Many of the items suggested for business continuation planning are already addressed in our DRP process. Our immediate response to pandemic flu would be directed by the management group and Business Recovery Teams at each location based on corporate guidelines.
The suggested, potential impact of pandemic flu on all business operations (not just GB), however, warrants further review and enhancement of existing procedures to help assure operations are as reasonably prepared, as possible. As such, we continue examining enhancements to our procedures for a pandemic flu response to further assure continued client service. Some of these DRP enhancements may include the following:

More cross-training of additional employees on critical functions;
Additional back-up/stockpiling of critical supplies/equipment;
Identification of additional vendors and support sources (outside the immediate geographic area);

Implementation of alternative work processes, where possible;
More use of telecommuting (work from home), where practical;
More use of teleconferencing (as an alternative to regular, face-to-face meetings);
Development of employee information and flu-related work procedures; Development of related management procedures (handling sick employees at work, travel policies, managing flu exposures in the workplace, etc.);Update/expansion of our crisis communication procedures; and Continual monitoring of the pandemic flu situation and current recommendations from the CDC, HHS and other recognized authorities.

Our first objective, in the event of a pandemic, will be to protect our employees and help assure, as much as possible, their health and safety. Our next, immediate priority will be the continued delivery of claims handling and related services to our clients.
We believe our existing plans and procedures will help us significantly in our response to an influenza pandemic. We also realize, however, that any plan can be improved and should be enhanced to more specifically address this potential exposure. To that end, GB will continue to evaluate and consider those CDC, HHS and other government agency recommendations most applicable to our operations that support our effort to provide uninterrupted service to our clients and customers.

To continue to be the premier provider of risk and claims management services, we have to be aware that disaster can be planned for. As well as protected against. It's often been said, "People don't plan to fail. They fail to plan." Together, we have not failed.

And together, come what may, Gallagher Bassett is prepared.

To Guide. Guard. Go Beyond.

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

State of Nebraska
Inception Date: 7/1/18

GALLAGHER BASSETT
GUIDE. GUARD. GO BEYOND.

(timeline is based on an Award date of 3/23/18)
Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication. This living document will be updated during the transition.

Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
New Account	Receive order and establish effective date and confirm lines of coverage.	CL	P, IM/AM				Auto Liability, General Liability, Property
New Account	Schedule initial "Fact Finding Meeting" (provide agenda), claim reporting who to engage, basic pyramid information, carrier information (not policy but LOB), contact names, service instructions.		IM/AM				
New Account	State of Nebraska provide notification of TPA change to claims administrator and Carrier.	CL	P				
New Account	Contact Carrier partner and confirm effective dates	CL	IM/AM				
New Account	Implementation/Setup Meeting. Establish date/time for weekly calls. Prepare and Distribute Weekly Meeting Agendas	CL	IM/AM				
New Account				3/23/2018	3/30/2018		
Account Management Team	Resume of proposed Account Manager provided with RFP; arrange conf call with AM if required		P, IM/AM				
Account Management Team				3/23/2018	3/30/2018		

Key: C = Carrier
CL = Client
P = Producer
IM = Implementation Manager
AM = Account Manager

State of Nebraska
Inception Date: 7/1/18

(timeline is based on an Award date of 3/23/18)
Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication.
This living document will be updated during the transition.

GALLAGHER BASSETT
GUIDE. GUARD. GO BEYOND.

Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
State of Nebraska Location Structure (Pyramid)	Request copy of State of Nebraska's Location structure (in excel if possible)	CL	IM/AM				
State of Nebraska Location Structure (Pyramid)	GB to review location structure and setup call to discuss any questions.		IM/AM				
State of Nebraska Location Structure (Pyramid)	Develop format for State of Nebraska to send additions, revisions and changes	CL	IM/AM				
State of Nebraska Location Structure (Pyramid)	Capture organizational hierarchy/location coding and provide Excel file of hierarchy to State of Nebraska for approval		IM/AM				
State of Nebraska Location Structure (Pyramid)				3/30/2018	6/1/2018		
Coverage Information	State of Nebraska to provide Carrier information (by line) and provide policy details; policy effective dates, limits, deductible/SIR, etc.	CL	IM/AM				
Coverage Information	If WC coverage, request NCCI Job Class codes approved on policy by state	CL	IM/AM	n/a			
Coverage Information	Finalize Loss Program structure for GB-IDS-Coverage@gbtpa.com based on Carriers and lines of Coverage included						

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State of Nebraska
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Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Coverage Information				3/30/2018	6/8/2018		
Customized Claims Reporting	Review loss reporting options with State of Nebraska (telephonic, web, e-fax and intake feed).	CL	IM/AM				
Customized Claims Reporting	Discuss the FROI distribution: All losses sent to Corporate contact Copy of FROI sent to individual reporting the loss Copy of FROI sent to Location Manager, etc.		IM/AM				
Customized Claims Reporting	Review intake scripts/questionnaires by coverage line and identify opportunities for customization		IM/AM				
Customized Claims Reporting	Advise when pyramid is active to send feed to Vendor		IM/AM, AM				
Customized Claims Reporting *Employee Demographic File for Intake*	Determine if State of Nebraska would benefit from setting up an Employee Demographic file (HR/Payroll feed) for use by the intake vendors when completing new losses	CL	IM/AM				

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State of Nebraska
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Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Customized Claims Reporting *Employee Demographic File for Intake*	Work with appropriate vendor(s) to provide the EE deomographic feed specifications for the file to the State of Nebraska		IM/AM				
Customized Claims Reporting *Employee Demographic File for Intake*	Coordinate with all parties to setup testing of the EE Demo files						
Customized Claims Reporting				3/30/2018	5/15/2018		
Special Handling Instructions	Request copy of current special handling instructions	CL	IM/AM				
Special Handling Instructions	GB make changes to SI document and send draft for State of Nebraska review.		IM/AM				
Special Handling Instructions	Obtain State of Nebraska approval of final SI	CL	IM/AM				
Special Handling Instructions	Incorporate carrier reporting requirements into service instructions & provide copy of final SI's to Carrier Vendor Management Contact if required		IM/AM				
Special Handling Instructions				5/6/2018	6/26/2018		

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State of Nebraska

Inception Date: 7/1/18

(timeline is based on an Award date of 3/23/18)

Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication. This living document will be updated during the transition.

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Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Customized Salary and Benefit Process	Discuss the salary/benefit program (salary continuation, union contract requirements, etc.).	CL	IM/AM	n/a			
Customized Salary and Benefit Process	Define how to obtain wage information (through payroll, WC contact, location contact, etc.) and incorporate in the Service instructions	CL	IM/AM	n/a			
Customized Salary and Benefit Process	Return to Work: Discuss State of Nebraska's current RTW program, review any required forms, use of non-profit programs,etc. (Incorporate in the Special Handling)	CL	IM/AM	n/a			
Customized Salary and Benefit Process				3/23/2018	3/23/2018		This is not applicable to Liability program
Index Bureau Reporting	Determine frequency & requirements of supplemental reporting, Determine threshold of reporting, Verify type of claim to be reported (WC/Auto) GB standard is to index at claim setup and 18 months if still open. Confirm that State of Nebraska is in agreement with standard frequently.	CL	IM/AM				Indexing for BI claims

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State of Nebraska
Inception Date: 7/1/18

(timeline is based on an Award date of 3/23/18)
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GALLAGHER BASSETT
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Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Index Bureau Reporting	Confirm whether Medical Only claims will be indexed.		IM/AM				n/a for Liability
Index Bureau Reporting				3/23/2018	3/30/2018		
Branch Office Assignment	Review with State of Nebraska suggested handling Branch structure based on State of Nebraska's exposures (state specific, regional, centralized) and claim volume.		IM/AM				
Branch Office Assignment	Provide detailed State of Nebraska information (including annual volume projections) to Branch Managers and request Adjuster & Supervisor assignment w/contact information.		IM/AM				
Branch Office Assignment	Finalize branch matrix w/branch mgr. listed, include phone #'s		IM/AM				
Branch Office Assignment				4/16/2018	5/1/2018		
Banking Setup	Determine funding party (State of Nebraska or Carrier) and number of accounts		IM/AM				

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State of Nebraska
Inception Date: 7/1/18
(timeline is based on an Award date of 3/23/18)
Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication.
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GALLAGHER BASSETT
GUIDE. GUARD. GO BEYOND.

Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Banking Setup	Secure Banking contact info, and distribution for the funding requests and bank statements.						
Banking Setup	Review Account funding methods (ACH, Debit/Wire) and frequency with funding party.		IM/AM				
Banking Setup	Request 3 to 6 months of payment history for calculation of the imprest (2.5x the average spend for the appropriate frequency)		IM/AM				
Banking Setup	Provide account setup details to GB-IDS-Requests@gbtpa.com		IM/AM				
Banking Setup	Confirmation email to State of Nebraska advising account has been setup and requesting initial imprest be funded.	CL	IM/AM				
Banking Setup	State of Nebraska will deposit initial imprest.	CL	IM/AM				
Banking Setup				6/4/2018	6/25/2018		

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State of Nebraska
Inception Date: 7/1/18

(timeline is based on an Award date of 3/23/18)
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Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Carrier Requirements	Confirm Carrier(s) for State of Nebraska setup.	CL	IM/AM				
Carrier Requirements				4/6/2018	6/8/2018		
Orientation Training and Roll out Meetings	Discuss with State of Nebraska on how to communicate change in TPA internally.						
Orientation Training and Roll out Meetings	Identify State of Nebraska Corporate and Local training needs (i.e. Web-claim reporting, OSHA, Luminos, Risx-Facs, PC 365, etc.)		IM/AM				
Orientation Training and Roll out Meetings	Schedule Branch Kick-off Webinar to review State of Nebraska's Risk Management Program and Highlight Key Elements in the Service Instructions (State of Nebraska's claims management philosophy, communication expectations, etc.)		AM				
Orientation Training and Roll out Meetings				5/15/2018	6/15/2018		
Data Needs and System Training State of Nebraska's Data Needs	Request samples of existing reports from State of Nebraska for comparison of what's available in RisxFacs/Luminos		IM/AM				

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State of Nebraska
Inception Date: 7/1/18

(timeline is based on an Award date of 3/23/18)
Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication.
This living document will be updated during the transition.

GALLAGHER BASSETT
GUIDE. GUARD. GO BEYOND.

Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Data Needs and System Training State of Nebraska's Data Needs	Traditional Loss and Claim Monthly report package available under 'Monthly Reports' in RisxFacs.com		IM/AM				
Data Needs and System Training *RisxFacs.com/Luminos Access and Training*	State of Nebraska to provide list of system users, outlining access type and level of security (if applicable)						
Data Needs and System Training *RisxFacs.com/Luminos Access and Training*	Provide schedules to State of Nebraska for system training						
Data Needs and System Training *OSHA Reporting Tool*	Confirm if State of Nebraska is requesting access to the OSHA Reporting Tool available through RisxFacs.com			n/a			
Data Needs and System Training *OSHA Reporting Tool*	Determine number of OSHA users and submit security requests			n/a			
Data Needs and System Training				6/4/2018	6/18/2018		

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State of Nebraska
Inception Date: 7/1/18
(timeline is based on an Award date of 3/23/18)
Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication.
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GALLAGHER BASSETT
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Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Customized Managed Care Program	**Determine if State of Nebraska requires provider panels, submit detailed panel request to wcpanels@cvty.us.com**						
Customized Managed Care Program	Discuss State of Nebraska National Managed Care Strategy		IM/AM				
Customized Managed Care Program *California MPN*	Confirm whether State of Nebraska participating in California MPN. If yes, provide MPN Implementation Checklist and review with State of Nebraska.	CL	IM/AM				
Customized Managed Care Program *Texas HCN*	Confirm whether State of Nebraska participating in Texas HCN. If yes, provide HCN Implementation Checklist and review with State of Nebraska.						
Customized Managed Care Program *Pharmacy Benefit Management Program*	Confirm the PBM program that State of Nebraska will be using						
Customized Managed Care Program *Case Management*	Review standard TCM and FCM triggers with State of Nebraska, determine if there is any need for customization						

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State of Nebraska
Inception Date: 7/1/18
(timeline is based on an Award date of 3/23/18)
Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication. This living document will be updated during the transition.

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Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date	Program Nuance / Customization
Customized Managed Care Program	Complete and submit GB - Managed Care Setup Form						
Customized Managed Care Program				3/23/2018	3/23/2018		This is not applicable to Liability program
Outbound Data Transfers	Obtain State of Nebraska and/or RMIS Vendor IT resource to exchange FTP information		IM/AM				
Outbound Data Transfers	Provide GB Data Transfer Manual to State of Nebraska and/or RMIS Vendor IT resource	CL	IM/AM				
Outbound Data Transfers	Advise GB's IDS team to establish the report recipient, file type and frequency of the Data Transfer	CL	IM/AM				
Outbound Data Transfers				4/2/2018	6/29/2018		
SCHIP Requirements	Identify RRE - Self-Insured (State of Nebraska) or Large Deductible/Guaranteed Cost (Carrier)	CL	IM/AM				Client will be the RRE
SCHIP Requirements	If State of Nebraska is the RRE, confirm registration and obtain RRE number		IM/AM				

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State of Nebraska Inception Date: 7/1/18 (timeline is based on an Award date of 3/23/18) Tasks associated with the transition involve GB's internal departments, Carrier and State of Nebraska activities and communication. This living document will be updated during the transition.							
Category	**Task**	**External Owner**	**Internal Owner**	**Start Date**	**Target Due Date**	**Complete Date**	**Program Nuance / Customization**
SCHIP Requirements	Obtain Profile report from State of Nebraska. Submit profile report and RRE ID to GB-IDS-Requests@gbtpa.com for setup in RisxFacs.	CL	IM/AM				
SCHIP Requirements				3/23/2018	6/29/2018		

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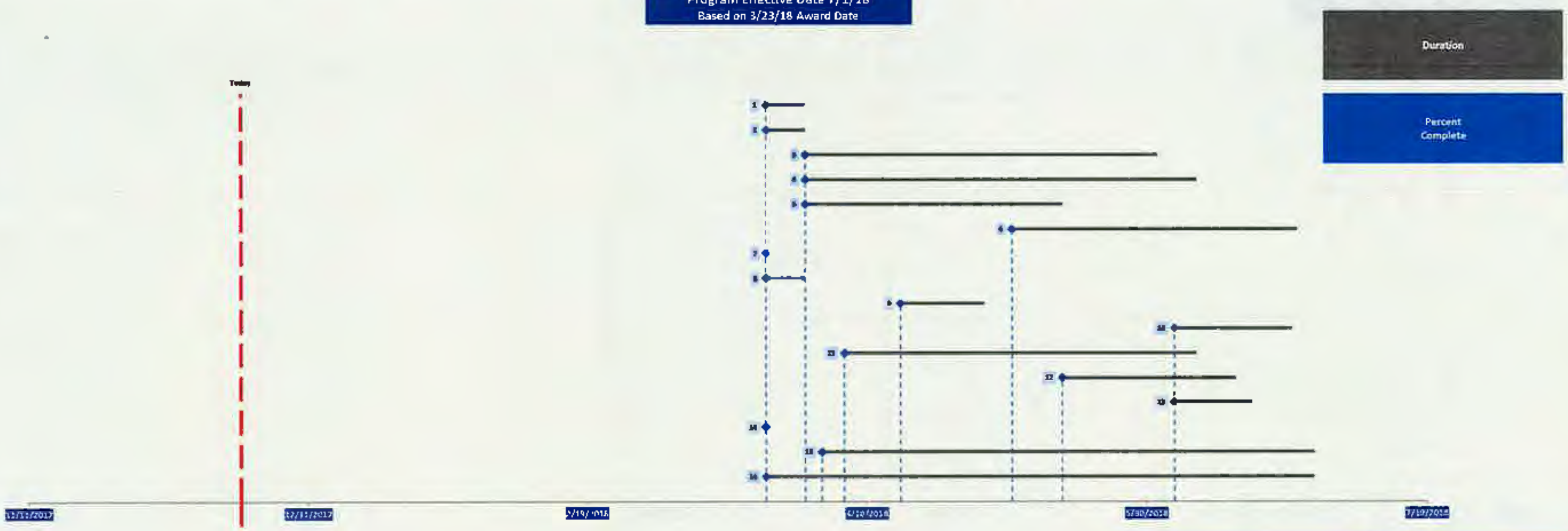
State of Nebraska Implementation Timeline
Program Effective Date 7/1/18
Based on 3/23/18 Award Date



The above graph is a visual representation of the transition tasks and process starting with GB's RFP response through the inception of the program. Tasks associated with the transition involve GB's internal departments, Carrier and Client activities and communication. This living document will be updated during the transition.

	Category
1	New Account
2	Account Management Team
3	Client Location Structure (Pyramid)
4	Coverage Information
5	Customized Claims Reporting
6	Special Handling Instructions
7	Customized Salary and Benefit Process
8	Index Bureau Reporting
9	Branch Office Assignment
10	Banking Setup
11	Carrier Requirements
12	Orientation Training and Roll out Meetings
13	Data Needs and System Training
14	Customized Managed Care Program
15	Outbound Data Transfers
16	SCHIP Requirements

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GUIDE. GUARD. GO BEYOND.

State of Nebraska
Run-in Timeline
GB Takeover Date: 7/1/18

GALLAGHER BASSETT
GUIDE GUARD GO BEYOND

Tasks are related to the conversion and import of claims data, outgoing Nebraska Risk Management Association activities and open claim assignment/triage

Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date
Run-in Pre-work	Assign historical data transfer liaisons at State of Nebraska and Nebraska Risk Management Association	CL, PT	IM/AM			
Run-in Pre-work	Schedule initial call with Nebraska Risk Management Association to review Carriers involved, time period that GB will be assuming, lines of coverage, valuation date of test file and final file.		IM/AM			
Run-in Pre-work	**Test file production can not be initiated until written approval has been received from all Carriers involved**		IM/AM			
Run-in Pre-work	Request historical policy information for all years that GB will be assuming data.		IM/AM			
Run-in Pre-work	Determine if there are any special data element requirements, and receive code "map" of special/custom loss codes. If custom coding, review with State of Nebraska to ensure an understanding of what is being captured	PT	IM/AM			
Run-in Pre-work	Request matching detailed loss run from Nebraska Risk Management Association for balancing and review purposes of both test and final files		IM/AM			
Run-in Pre-work	Once the test file is received, GB will provide an initial assessment of the data, highlighting any potential issues with the data and the Location Mapping contained within the test data.		IM/AM			
Run-in Pre-work	Request 3 years bill review history from Nebraska Risk Management Association	PT	IM/AM			
Run-in Pre-work	Request 2 years of Rx history from Nebraska Risk Management Association	PT	IM/AM			
Run-in Pre-work	Throughout testing, GB's IDS team will advise if there is any missing policy or pyramid information, work with State of Nebraska to map or update the missing information		IM/AM			

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PT = Prior TPA

State of Nebraska
Run-in Timeline
GB Takeover Date: 7/1/18

GALLAGHER BASSETT

Tasks are related to the conversion and import of claims data, outgoing Nebraska Risk Management Association activities and open claim assignment/triage

Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date
Run-in Pre-work	Transfer of Nebraska Risk Management Association's historic inventoried closed files to Iron Mountain.	PT	IM/AM			
Run-in Pre-work	Review with Nebraska Risk Management Association the cut off dates for medical bills, Benefit Payments, bank account close, etc.	PT	IM/AM			
Run-in Pre-work				3/23/2018	7/1/2018	
Final Data File	Nebraska Risk Management Association to send final file as of 4/30/18	PT				
Final Data File	GB confirm receipt of the final detailed loss run valued as of 4/30/18		IM/AM			
Final Data File	Once the data conversion is complete, GB to review the final control totals with State of Nebraska	CL	IM/AM			
Final Data File	Request State of Nebraska signoff in writing affirming approval to load the run-in data into Risx-Facs.	CL	IM/AM			
Final Data File				7/6/2018	7/23/2018	
Open File Transfer	Confirm with State of Nebraska and Nebraska Risk Management Association the number of weeks in advance that Benefit payments should be issued.	CL, PT	IM/AM			
Open File Transfer	Nebraska Risk Management Association to provide list of open claims, with detailed contact information, for GB branch use during the Conversion period	PT	IM/AM			
Open File Transfer	Request Nebraska Risk Management Association send notification of claim transfer to GB to all Claimants effected by the change.					
Open File Transfer	Nebraska Risk Management Association to provide a 'Hot List' of open claims. Including but not limited to; upcoming surgery, mediations, hearings, settlement discussions, etc.)	PT	IM/AM			

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State of Nebraska
Run-in Timeline
GB Takeover Date: 7/1/18

GALLAGHER BASSETT

Tasks are related to the conversion and import of claims data, outgoing Nebraska Risk Management Association activities and open claim assignment/triage

Category	Task	External Owner	Internal Owner	Start Date	Target Due Date	Complete Date
Open File Transfer	Nebraska Risk Management Association to provide report of Benefit Payments issued prior to the transfer of open claims, including; amount of payment, benefit start-end dates, AWW, date payment issued, check #, address mailed to	PT	IM/AM			
Open File Transfer	Provide Nebraska Risk Management Association with GB's dropbox email address for medical bills and other correspondence: 'GBRunin@datadimensions.com'		IM/AM			
Open File Transfer				6/1/2018	7/1/2018	

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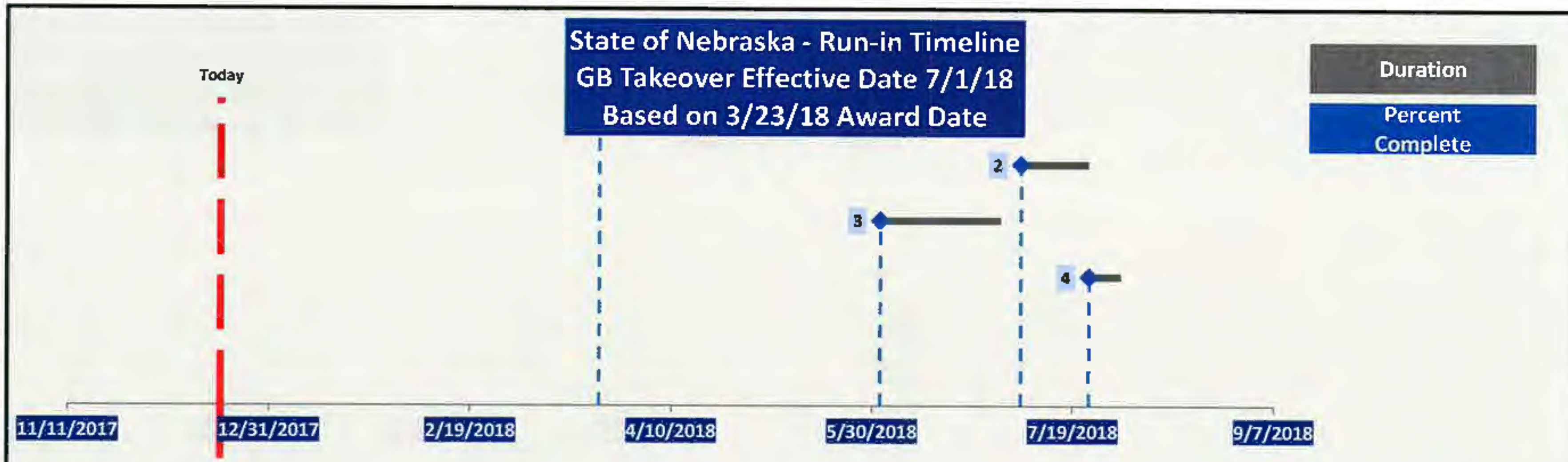


Tasks are related to the import of claims data, outgoing data source activities and open claim assignment & triage process. Tasks associated with the transition involve GB's conversion Team, Out-going TPA and Carrier activities and communication. This living document will be updated during the transition.

	Category
1	Run-in Pre-work
2	Final Data File
3	Open File Transfer
4	Run-in Post Load

Arthur J. Gallagher & Co.

EXPERTISE · SERVICE
TRUST · VALUE

2016 ANNUAL REPORT

"For 90 years, we've worked hard to ensure that strong ethics and culture remain at the core of how we do business—enduring values as true today as when we first opened our doors in 1927."

J. Patrick Gallagher, Jr.
Chairman, President and CEO

NON-GAAP FINANCIAL MEASURES

For the purpose of each Non-GAAP measure used and a reconciliation of Non-GAAP information to the most directly comparable GAAP measures, please see "Information Regarding Non-GAAP Measures and Other" beginning on page 31 of our Annual Report on Form 10-K for the year ended December 31, 2016, included herein, and "Non-GAAP Reconciliation and Supplemental Quarterly Data" on our website at ajg.com under "Investor Relations."

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report to Stockholders contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of these forward-looking statements include statements regarding the insurance rate environment, organic growth opportunities, the strength of our acquisition pipeline, our ability to generate cash, financing methods for acquisitions, our growth potential, our ability to address client needs, the responsiveness and efficiency of our operations, and our future stockholder returns. See "Information Concerning Forward-Looking Statements" beginning on page 2, and "Risk Factors" beginning on page 10, of our Annual Report on Form 10-K for the year ended December 31, 2016, included herein, for other examples of these forward-looking statements and a description of risks and uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements.

SELECTED FINANCIAL DATA AS REPORTED

	2016	2015	2014
REVENUES			
Brokerage	**$ 3,527.9**	$ 3,324.0	$ 2,896.3
Risk Management	**718.1**	727.1	682.3
BROKERAGE & RISK MANAGEMENT COMBINED	**4,246.0**	4,051.1	3,578.6
Corporate	**1,348.8**	1,341.3	1,047.9
TOTAL COMPANY	**$ 5,594.8**	$ 5,392.4	$ 4,626 5
Percent revenue growth	**4%**	17%	46%
EBITDAC[1]			
Brokerage	**$ 885.2**	$ 746.2	$ 663.1
Risk Management	**122.2**	119.1	91.7
BROKERAGE & RISK MANAGEMENT COMBINED	**1,007.4**	865.3	754.8
Corporate	**(157.8)**	(94.0)	(97.9)
TOTAL COMPANY	**$ 849.6**	$ 771.3	$ 656.9
Percent EBITDAC growth[1]	**10%**	17%	26%
NET EARNINGS (LOSS) ATTRIBUTABLE TO CONTROLLING INTERESTS			
Brokerage	**$ 353.5**	$ 266.4	$ 262.9
Risk Management	**57.2**	57.2	42.1
BROKERAGE & RISK MANAGEMENT COMBINED	**410.7**	323.6	305.0
Corporate	**3.7**	33.2	(1.6)
TOTAL COMPANY	**$ 414.4**	$ 356.8	$ 303.4
Percent growth in net earnings attributable to controlling interests	**16%**	18%	13%
Total company diluted net earnings per share	**$ 2.32**	$ 2.06	$ 1.97

(1) See "Non GAAP Financial Measures" on the inside front cover.

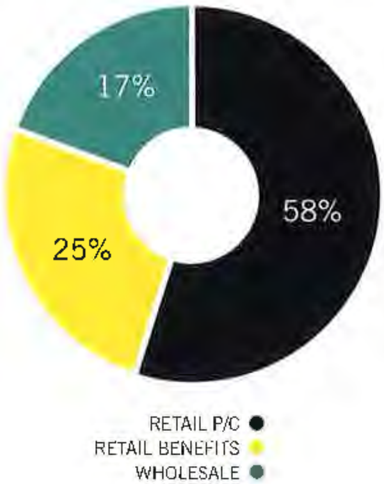
SELECTED FINANCIAL DATA AS REPORTED (CONTINUED)

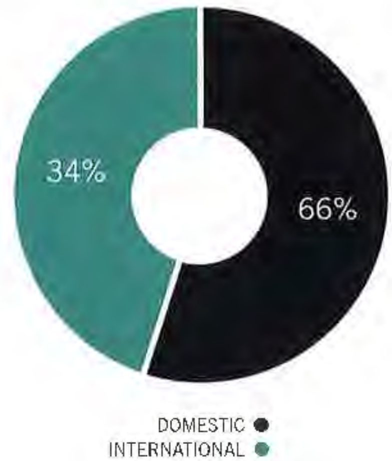
	2016	2015	2014
OTHER INFORMATION			
Dividends declared per share	**$ 1.52**	$ 1.48	$ 1.44
Total assets at end of year	**$ 11,489.6**	$ 10,910.5	$ 10,010.0
Total controlling interests of stockholders' equity at end of year	**$ 3,655.8**	$ 3,638.3	$ 3,229.4
Workforce at end of year (includes acquisitions)	**24,790**	23,857	22,375
ACQUISITION ACTIVITY			
Number of acquisitions closed	**37**	44	60
Annualized revenue acquired			
Domestic	**$ 93.5**	$ 186.5	$ 141.5
International	**44.4**	44.3	619.7
TOTAL	**$ 137.9**	$ 230.8	$ 761.2

BROKERAGE SEGMENT

TOTAL REVENUES AS ADJUSTED[1]

$3.5 BILLION

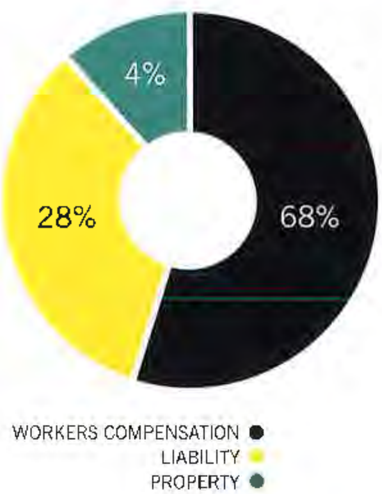


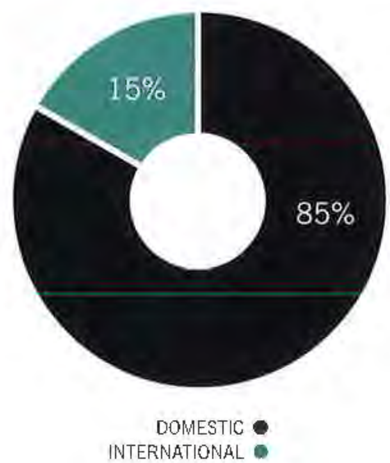


RISK MANAGEMENT SEGMENT

TOTAL REVENUES AS ADJUSTED[1]

$718 MILLION





(1) See "Non-GAAP Financial Measures" on the inside front cover.

NICHE / PRACTICE GROUPS

Our retail brokerage operations are organized into more than 520 office locations primarily in the United States, Australia, Canada, the Caribbean, New Zealand and the United Kingdom, and operate within certain key niche/practice groups, which account for approximately 73% of our retail brokerage revenues. These specialized teams target areas of business and/or industries in which we have developed a depth of expertise and a large client base. Significant niche/practice groups we serve are as follows:

AFFINITY

AUTOMOTIVE

AVIATION & AEROSPACE

CONSTRUCTION

ENERGY

ENTERTAINMENT

ENVIRONMENTAL

FINANCIAL INSTITUTIONS

FOOD/AGRIBUSINESS

GLOBAL RISKS

HEALTHCARE

HIGHER EDUCATION

HOSPITALITY

INSOLVENCY

LAW FIRMS

LIFE SCIENCES

LIFE SOLUTIONS

MANUFACTURING

MARINE

MINING

PERSONAL

PRIVATE EQUITY

PROFESSIONAL GROUPS

PUBLIC ENTITY

REAL ESTATE

RELIGIOUS/NONPROFIT

RESTAURANT

SCHOLASTIC

TECHNOLOGY/TELECOM

TRADE CREDIT/POLITICAL RISK

TRANSPORTATION

TO OUR STOCKHOLDERS ▶

Arthur J. Gallagher & Co. had a terrific 2016. Our success can be attributed to strong growth in revenue, expanded margins, improved service quality and disciplined execution of our tuck-in M&A strategy. We continued to position the company for growth by investing in people and expanding our product capabilities around the world. I am pleased with our team's performance and I am excited about our future.

During 2016, our combined Brokerage and Risk Management operations' adjusted revenues grew 7% to over $4.2 billion; adjusted EBITDAC grew 9%, eclipsing the $1 billion mark for the first time in our history; and our adjusted EBITDAC margin expanded by 49 basis points to 25.3%. Our clean energy investments also performed very well in 2016, generating $114 million of net after-tax earnings, which will help fund our M&A growth strategy today and in the future.

While we are proud of our 2016 financial performance, we continue to manage, operate and invest in our business for the long term. Our steadfast focus on driving shareholder value is based on four key priorities:

- Organic revenue growth
- Merger and acquisition growth
- Productivity improvements and quality enhancements
- Maintaining our unique Gallagher culture

ORGANIC GROWTH

Organically, we grew 3.1% during the year, reflecting strong new business generation and excellent customer retention. We have a long history of organic growth, and over the past five years we have delivered organic revenue growth between 3% and 6% each year.

ORGANIC REVENUE GROWTH

MERGERS AND ACQUISITIONS

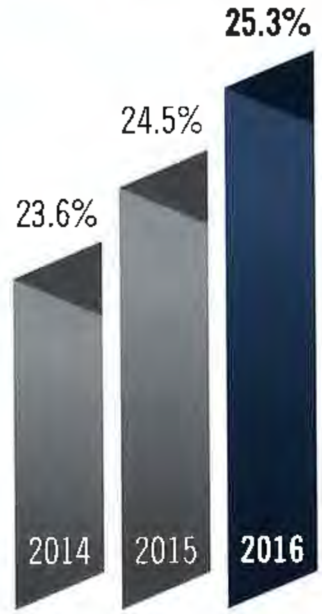
PRODUCTIVITY AND QUALITY ENHANCEMENTS

MAINTAINING OUR TEAM-ORIENTED SALES AND SERVICE CULTURE

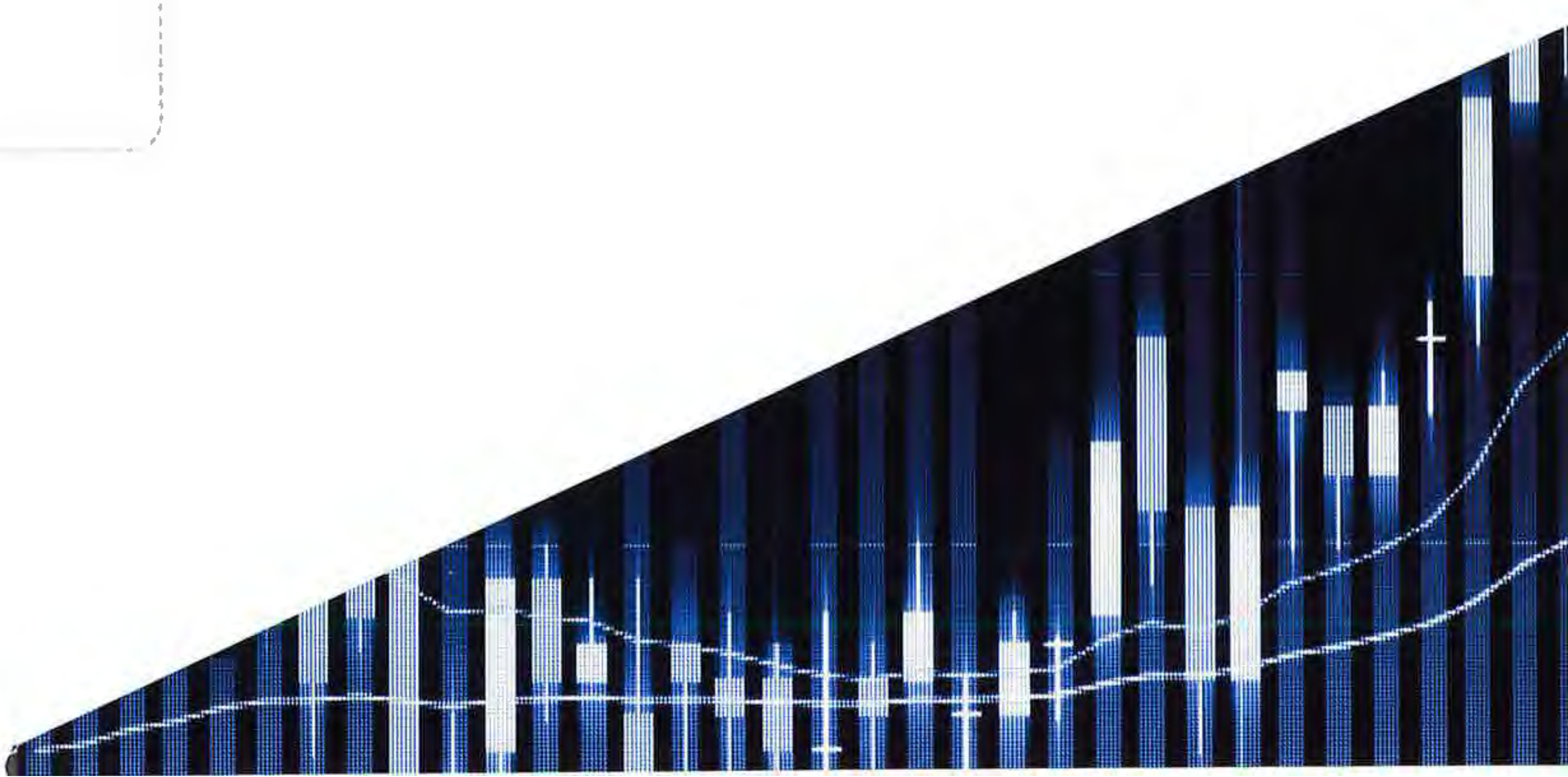
BROKERAGE & RISK MANAGEMENT ADJUSTED REVENUES[1]

BROKERAGE & RISK MANAGEMENT ADJUSTED EBITDAC[1]

BROKERAGE & RISK MANAGEMENT EBITDAC MARGIN[1]



(1) See "Non-GAAP Financial Measures" on the inside front cover.

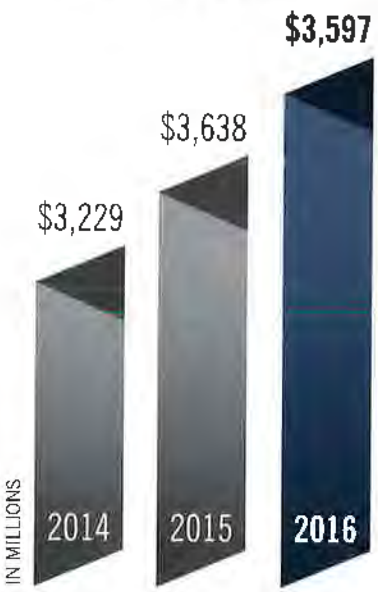


Our 2016 Brokerage segment organic growth of 3.6% reflects strong revenue growth domestically and across our international operations. 2016's solid results will once again put us at or near the highest growth rates among our publicly traded peer group. Property/casualty insurance pricing presented a small headwind, more so internationally than domestically, but its impact was offset somewhat by growth in insurable exposures. Our employee benefits consulting and brokerage business continued to deliver customized solutions and expert advice to our clients in a constantly changing healthcare landscape. Considering the broader macro environment, our organic results were excellent and are a testament to our strategy of hiring and developing the very best producers, aligning our business into niche practice groups to better support our clients, providing superior thought leadership and improving the customer experience through better use of data. I believe that the competitive position of our global brokerage operations has never been stronger.

Our Risk Management segment's 1.3% organic growth was a good result, especially considering the backdrop of slowing claim-count growth and lower international performance bonus fees during 2016. I am excited about the future of the business given the continuous investments we have made to improve client experience and claim outcomes, including GB Go, our mobile application which facilitates communication and the flow of information to injured workers, and Waypoint, our growing suite of decision-support tools. I am confident that these investments, and many others, will continue to support the delivery of superior claim outcomes. These tools, coupled with the professional expertise we offer, help our clients better manage and mitigate their total cost of risk and distinguish us as having a superior and differentiated value proposition.

I see attractive growth opportunities ahead for both our Brokerage and Risk Management businesses and I am confident that our prospects are very bright. The global insurance industry is expanding daily and economies are dependent on insurance to keep the flow of goods and services moving, and employers are looking for solutions to attract, retain and engage their ever-changing workforce. At the same time, the pool of insurable risks is growing, becoming more complicated and more interconnected. The advice and solutions our brokers, consultants and claims professionals offer clients will continue to increase in value and drive future growth.

TOTAL CONTROLLING INTERESTS STOCKHOLDER'S EQUITY



MERGERS AND ACQUISITIONS

We have an unmatched, successful and profitable acquisition strategy that allows us to strengthen our capabilities, expand our talent base and grow our geographic footprint. It is one of our core competencies. We look for profitable businesses, run and operated by professionals with similar cultures and expertise, that complement or expand our own. During 2016, we successfully executed our smaller, tuck-in acquisition strategy, acquiring $138 million of annualized revenues without issuing any net shares. We completed 37 acquisitions during the year, with an average size of just under $4 million in annualized revenues. More importantly, we gained more than 600 outstanding new associates who share our values and growth philosophy.

We completed 28 acquisitions in the United States: 13 in our retail property/casualty operations, 11 in employee benefits and four in our wholesale operations. Our platforms in the United Kingdom, Canada and Australia are now nearly fully integrated and extremely well positioned in markets that are ripe for consolidation, and in 2016 we completed nine bolt-on international acquisitions, following the same, time-tested M&A strategy that has worked so well for us across the United States. Around the world, we will continue to attract merger partners who want access to our growing platform, embody our unique culture and recognize that we can be more successful together.

PRODUCTIVITY AND QUALITY

We continue to reap the benefits of our productivity and quality initiatives, including over 300 basis points of adjusted EBITDAC margin expansion over the past three years. In addition, our quality has improved dramatically during this same time. We have made tremendous progress toward further centralizing activities within our service centers of excellence, streamlining and standardizing processes based on best practices, and harmonizing our agency management systems around the globe. Our U.S. and Canadian operations are now operating on a single agency management system, and we expect to make further progress on our systems within our international operations during 2017. Our team remains focused on identifying opportunities and implementing solutions to improve our service offerings to clients, and we continue to be recognized for those efforts.

DIVIDENDS DECLARED PER SHARE

CULTURE

As we enter Arthur J. Gallagher & Co.'s 90th anniversary year, I am most proud of our company's unique culture. The values that were instilled in this company by my grandfather, founder Arthur J. Gallagher, in 1927, continue to drive our global team's success today. These traits, articulated in *The Gallagher Way*, include a collaborative and professional sales culture, an unwavering focus on our clients, respect and empathy for one another, and a devotion to maintaining the highest standards of moral and ethical behavior. In fact, in March 2017, we were recognized for the sixth consecutive year as one of the World's Most Ethical Companies® by the Ethisphere Institute. We are the only insurance broker to achieve this recognition and one of less than 70 global companies that have been recognized for six straight years.

We believe that our culture is a true competitive advantage and a key differentiator when recruiting experienced talent, growing our own talent through our summer internship program, attracting new merger partners, retaining our valued clients and winning new business.

LOOKING AHEAD

Our growing global team is well positioned to help our brokerage and risk management clients navigate, manage and mitigate risk. We have an innovative, engaged and client-centric culture with a focus on providing superior advice, customized solutions, and the best products and services to our clients throughout the world. Working across borders as a unified global team, I am confident that we have the right platforms, the right people and the right strategy to successfully grow this business for many years to come. I would like to thank our nearly 25,000 colleagues for another great year and I truly believe that we are just getting started.

Sincerely,

J. Pat Gallagher Jr.

J. PATRICK GALLAGHER, JR.
Chairman, President and CEO

MERGERS & ACQUISITIONS ANNOUNCED IN 2016

ALTMAN & CRONIN BENEFIT CONSULTANTS LLC

ARGENTIS

ASHMORE & ASSOCIATES INSURANCE AGENCY, LLC.

BLUE HORIZON INSURANCE SERVICES

BOMFORD, COUCH & WILSON, INC.

BRIM AB (85% INTEREST)

CAPITOL BENEFITS GROUP, INC.

CHARLES ALLEN AGENCY, INC.

GABOR INSURANCE SERVICES, INC.

GROUP INSURANCE ASSOCIATES, INC.

HAGAN NEWKIRK FINANCIAL SERVICES, INC.

HOGAN INSURANCE SERVICES, INC.

INSURANCE PLANS AGENCY, INC.

JOSEPH DISTEL & CO, INC.

KANE GROUP'S INSURANCE MANAGEMENT OPERATIONS

KDC ASSOCIATES, LLC

KRW INSURANCE AGENCY, INC.

MCNEARY, INC.

NATIONAL ETHICS BUREAU, INC.

ORB FINANCIAL SERVICES LIMITED

REGENCY INSURANCE GROUP, INC.

THE BUCHHOLZ PLANNING CORPORATION

THE MW BAGNALL COMPANY

VICTORY INSURANCE AGENCY, INC.

VINCENT L. BRABAND INSURANCE, INC.

WHITE & COMPANY INSURANCE, INC.

ETHICS, ENVIRONMENT AND OUR COMMUNITY

At Gallagher, we understand the importance of giving back to our communities. We are committed to promoting environmental, social and economic benefits in the communities in which we live and work.

We believe in running our business with integrity and strong values, and pride ourselves in a culture that embodies both. That is why we recognize the thousands of hours of community service our employees around the world undertake every year. These charitable activities give testament to the compassion and generosity of our workforce, and the strength of our company culture.

The Gallagher culture empowers our employees to serve our communities by supporting their favorite charities and organizations. And, to assist in those efforts, The Arthur J. Gallagher Foundation matches qualified employee donations of up to $1,000 per employee per year.

Whether we are working to help our communities, the environment or other social causes, Gallagher employees are making a difference around the world.

1. Llantrisant Cleans the Coast
Colleagues from Gallagher's Llantrisant, Wales, office worked with Keep Wales Tidy and participated in the fourth annual Clean Coast Week in April 2016, filling dozens of bags with litter at Porthkerry Country Park and Ogmore-by-Sea.

2. Bogotá Builds
Gallagher Colombia spent a weekend building homes for the less fortunate in Bogotá.

3. Omaha Blankets
Employees from the Omaha, Nebraska, office created 34 handmade blankets that were donated to Project Harmony, a community group that provides support for victims of abuse and neglect.

4. Bermuda Food Drive
Gallagher's captive services office in Hamilton, Bermuda, started a food drive and donated nonperishable food items in support of a local charity The Coalition for the Protection of Children. They also surprised the organization with a $1,000 donation.

5. Caribbean Coastal Cleanup
Gallagher's Caribbean brokerage operations in Barbados, in partnership with Caribbean Youth Environment Network (CYEN), participated in a coastal cleanup initiative to clean the beaches of Barbados impacted by sargassum seaweed and trash buildup.

6. Birmingham U.K. Charity
Employees at Gallagher's Birmingham, England, office raised nearly £13,000 over the past two years for the Birmingham Children's Hospital Charity as part of a wider volunteering and support program for the local organization.

7. Australian Charity Golf Tournament
Members of Gallagher's Australian brokerage operations in North Sydney organized a charity golf tournament raising $43,000 AUD for the Monica Ellis Children's Medical Research Grant.

8. Cape Sanctuary Wildlife Restoration
A team from Gallagher's New Zealand brokerage operations in Napier cleaned up nesting boxes at Cape Sanctuary wildlife restoration site to assist endangered migratory seabirds with their mating process.

THE GALLAGHER WAY

Shared values at Arthur J. Gallagher & Co. are the rock foundation of the Company and our Culture. What is a Shared Value? These are concepts that the vast majority of the movers and shakers in the Company passionately adhere to. What are some of Arthur J. Gallagher & Co.'s Shared Values?

1. We are a sales and marketing company dedicated to providing excellence in risk management services to our clients.
2. We support one another. We believe in one another. We acknowledge and respect the ability of one another.
3. We push for professional excellence.
4. We can all improve and learn from one another.
5. There are no second-class citizens—everyone is important and everyone's job is important.
6. We're an open society.
7. Empathy for the other person is not a weakness.
8. Suspicion breeds more suspicion. To trust and be trusted is vital.
9. Leaders need followers. How leaders treat followers has a direct impact on the effectiveness of the leader.
10. Interpersonal business relationships should be built.
11. We all need one another. We are all cogs in a wheel.
12. No department or person is an island.
13. Professional courtesy is expected.
14. Never ask someone to do something you wouldn't do yourself.
15. I consider myself support for our sales and marketing. We can't make things happen without each other. We are a team.
16. Loyalty and respect are earned—not dictated.
17. Fear is a turnoff.
18. People skills are very important at Arthur J. Gallagher & Co.
19. We're a very competitive and aggressive company.
20. We run to problems—not away from them.
21. We adhere to the highest standards of moral and ethical behavior.
22. People work harder and are more effective when they're turned on—not turned off.
23. We are a warm, close company. This is a strength—not a weakness.
24. We must continue building a professional company—together—as a team.
25. Shared values can be altered with circumstances—but carefully and with tact and consideration for one another's needs.

When accepted Shared Values are changed or challenged, the emotional impact and negative feelings can damage the Company.

– Robert E. Gallagher
May 1984

The Gallagher Way—the key tenets of Gallagher's culture—was written as a one-page document in 1984 by our late former Chairman and CEO, Robert E. Gallagher.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2016

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from ________________ to ________________

Commission file number 1-09761

ARTHUR J. GALLAGHER & CO.

(Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	36-2151613 (I.R.S. Employer Identification Number)
Two Pierce Place Itasca, Illinois (Address of principal executive offices)	60143-3141 (Zip Code)

Registrant's telephone number, including area code (630) 773-3800

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
Common Stock, par value $1.00 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes X No __.

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes __ No X.

Note: Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No __.

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer (Do not check if a smaller reporting company)	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes __ No X.
The aggregate market value of the voting common equity held by non-affiliates of the registrant, computed by reference to the last reported price at which the registrant's common equity was sold on June 30, 2016 (the last day of the registrant's most recently completed second quarter) was $7,533,668,000.

The number of outstanding shares of the registrant's Common Stock, $1.00 par value, as of January 31, 2017 was 178,617,000.

Documents incorporated by reference: Portions of Arthur J. Gallagher & Co.'s definitive 2017 Proxy Statement are incorporated by reference into this Form 10-K in response to Part III to the extent described herein.

Arthur J. Gallagher & Co.

Annual Report on Form 10-K

For the Fiscal Year Ended December 31, 2016

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Part I

Item 1. Business.

Overview

Arthur J. Gallagher & Co. and its subsidiaries, collectively referred to herein as we, our, us or Gallagher, are engaged in providing insurance brokerage and consulting services and third party claims settlement and administration services to both domestic and international entities. We believe that our major strength is our ability to deliver comprehensively structured insurance, risk management and consulting services to our clients. Our brokers, agents and administrators act as intermediaries between insurers and their customers.

Since our founding in 1927, we have grown from a one-person agency to the world's fourth largest insurance broker based on revenues, according to *Business Insurance* magazine's July 18, 2016 edition, and one of the world's largest property/casualty third party claims administrators, according to *Business Insurance* magazine's March 24, 2016 edition. We have three reportable segments: brokerage, risk management and corporate, which contributed approximately 63%, 13% and 24%, respectively, to 2016 revenues. We generate approximately 69% of our revenues from the combined brokerage and risk management segments domestically, with the remaining 31% derived internationally, primarily in Australia, Bermuda, Canada, the Caribbean, New Zealand and the United Kingdom (U.K.). Substantially all of the revenues of the corporate segment are generated in the United States (U.S.).

Shares of our common stock are traded on the New York Stock Exchange under the symbol AJG, and we had a market capitalization at December 31, 2016 of approximately $9.3 billion. Information in this report is as of December 31, 2016 unless otherwise noted. We were reincorporated as a Delaware corporation in 1972. Our executive offices are located at Two Pierce Place, Itasca, Illinois 60143-3141, and our telephone number is (630) 773-3800.

Information Concerning Forward-Looking Statements

This report contains certain statements related to future results, or states our intentions, beliefs and expectations or predictions for the future, which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations or forecasts of future events. Such statements use words such as "anticipate," "believe," "estimate," "expect," "contemplate," "forecast," "project," "intend," "plan," "potential," and other similar terms, and future or conditional tense verbs like "could," "may," "might," "see," "should," "will" and "would." You can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. For example, we may use forward-looking statements when addressing topics such as: market and industry conditions, including competitive and pricing trends; acquisition strategy; the expected impact of acquisitions and dispositions; the development and performance of our services and products; changes in the composition or level of our revenues or earnings; our cost structure and the outcome of cost-saving or restructuring initiatives; future capital expenditures; future debt levels; future debt to earnings ratios; the outcome of contingencies; dividend policy; pension obligations; cash flow and liquidity; capital structure and financial losses; future actions by regulators; the outcome of existing regulatory actions, investigations, reviews or litigation; the impact of changes in accounting rules; financial markets; interest rates; foreign exchange rates; matters relating to our operations; income taxes; expectations regarding our investments, including our clean energy investments; the financial impact of retention agreements in our international brokerage operations; and integrating recent acquisitions. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from either historical or anticipated results depending on a variety of factors.

Potential factors that could impact results include:

- Failure to successfully and cost-effectively integrate recently acquired businesses and their operations or fully realize synergies from such acquisitions in the expected time frame;
- Volatility or declines in premiums or other adverse trends in the insurance industry;
- An economic downturn;
- Competitive pressures in each of our businesses;
- Risks that could negatively affect the success of our acquisition strategy, including continuing consolidation in our industry and growing interest in acquiring insurance brokers on the part of private equity firms, which could make it more difficult to identify targets and could make them more expensive; the risk that we may not receive timely regulatory approval of desired transactions; execution risks; integration risks; the risk of post-acquisition deterioration leading to intangible asset impairment charges; and the risk we could incur or assume unanticipated regulatory liabilities such as those relating to violations of anti-corruption and sanctions laws;
- Our failure to attract and retain experienced and qualified personnel;

- Risks arising from our growing international operations, including the risks posed by political and economic uncertainty in certain countries (such as the risks posed by protectionist local governments and underdeveloped or evolving legal systems), risks related to maintaining regulatory and legal compliance across multiple jurisdictions (such as those relating to violations of anti-corruption, sanctions and privacy laws), and risks arising from the complexity of managing businesses across different time zones, geographies, cultures and legal regimes;
- Risks particular to our risk management segment, including any slowing of the trend toward outsourcing claims administration, and of the concentration of large amounts of revenue with certain clients;
- The lower level of predictability inherent in contingent and supplemental commissions versus standard commissions;
- Sustained increases in the cost of employee benefits;
- Our failure to apply technology effectively in driving value for our clients through technology-based solutions, or failure to gain internal efficiencies and effective internal controls through the application of technology and related tools;
- Our inability to recover successfully should we experience a disaster, cybersecurity attack or other significant disruption to business continuity;
- Damage to our reputation;
- Our failure to comply with regulatory requirements, including those related to governance and control requirements in particular jurisdictions, international sanctions, or a change in regulations or enforcement policies that adversely affects our operations (for example, relating to insurance broker compensation methods or the failure of state and local governments to follow through on agreed-upon income tax credits or other related incentives relating to our planned new corporate headquarters);
- Violations or alleged violations of the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act 2010 or other anti-corruption laws and the Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act, (which we refer to as FATCA);
- The outcome of any existing or future investigation, review, regulatory action or litigation;
- Our failure to adapt our services to changes resulting from the Patient Protection and Affordable Care Act and the Health Care and Education Affordability Reconciliation Act;
- Unfavorable determinations related to contingencies and legal proceedings;
- Improper disclosure of confidential, personal or proprietary data;
- Significant changes in foreign exchange rates;
- Changes in our accounting estimates and assumptions (including as a result of the new revenue recognition standard);
- Risks related to our clean energy investments, including the risk of intellectual property claims, utilities switching from coal to natural gas, environmental and product liability claims, and environmental compliance costs;
- Disallowance of Internal Revenue Code of 1986, as amended (which we refer to as IRC) Section 29 or IRC Section 45 tax credits;
- The risk that our outstanding debt adversely affects our financial flexibility and restrictions and limitations in the agreements and instruments governing our debt;
- The risk we may not be able to receive dividends or other distributions from subsidiaries;
- The risk of share ownership dilution when we issue common stock as consideration for acquisitions and for other reasons;
- Volatility of the price of our common stock;
- Risks related to the outcome of the U.S. congressional elections and the new administration; and
- Risks related to the vote in the U.K. to leave the European Union.

Accordingly, you should not place undue reliance on forward-looking statements, which speak only as of, and are based on information available to us on, the date of the applicable document. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to update any such statements or release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions, including the risk factors referred to above. Our future performance and actual results may differ materially from those expressed in forward-looking statements. Many of the factors that will determine these results are beyond our ability to control or predict. Forward-looking statements speak only as of the date that they are made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Further information about factors that could materially affect us, including our results of operations and financial condition, is contained in the "Risk Factors" section in Part I, Item 1A of this report.

Operating Segments

We report our results in three segments: brokerage, risk management and corporate. The major sources of our operating revenues are commissions, fees and supplemental and contingent commissions from brokerage operations, and fees from risk management operations. Information with respect to all sources of revenue, by segment, for each of the three years in the period ended December 31, 2016, is as follows (in millions):

	2016		2015		2014	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Brokerage						
Commissions	$ 2,439.1	43%	$ 2,338.7	44%	$ 2,083.0	45%
Fees	775.7	14%	705.8	13%	577.0	12%
Supplemental commissions	147.0	3%	125.5	2%	104.0	2%
Contingent commissions	107.2	2%	93.7	2%	84.7	2%
Investment income and other	58.9	1%	60.3	1%	47.6	1%
	3,527.9	63%	3,324.0	62%	2,896.3	62%
Risk Management						
Fees	717.1	13%	726.5	13%	681.3	15%
Investment income	1.0	-%	0.6	-%	1.0	-%
	718.1	13%	727.1	13%	682.3	15%
Corporate						
Clean energy and other investment income	1,348.8	24%	1,341.3	25%	1,047.9	23%
Total revenues	$ 5,594.8	100%	$ 5,392.4	100%	$ 4,626.5	100%

See Note 20 to our 2016 consolidated financial statements for additional financial information, including earnings before income taxes and identifiable assets by segment for 2016, 2015 and 2014.

Our business, particularly our brokerage business, is subject to seasonal fluctuations. Commission and fee revenues, and the related brokerage and marketing expenses, can vary from quarter to quarter as a result of the timing of policy inception dates and the timing of receipt of information from insurance carriers. On the other hand, salaries and employee benefits, rent, depreciation and amortization expenses generally tend to be more uniform throughout the year. The timing of acquisitions, recognition of books of business gains and losses and the variability in the recognition of IRC Section 45 tax credits also impact the trends in our quarterly operating results. See Note 19 to our 2016 consolidated financial statements for unaudited quarterly operating results for 2016 and 2015.

Brokerage Segment

The brokerage segment accounted for 63% of our revenues in 2016. Our brokerage segment is primarily comprised of retail and wholesale insurance brokerage operations. Our retail brokerage operations negotiate and place property/casualty, employer-provided health and welfare insurance, and healthcare exchange and retirement solutions principally for middle-market commercial, industrial, public entity, religious and not-for-profit entities. Many of our retail brokerage customers choose to place their insurance with insurance underwriters, while others choose to use alternative vehicles such as self-insurance pools, risk retention groups or captive insurance companies. Our wholesale brokerage operations assist our brokers and other unaffiliated brokers and agents in the placement of specialized, unique and hard-to-place insurance programs.

Our primary sources of compensation for our retail brokerage services are commissions paid by insurance companies, which are usually based upon either a percentage of the premium paid by insureds, or brokerage and advisory fees paid directly by our clients. For wholesale brokerage services, we generally receive a share of the commission paid to the retail broker from the insurer. Commission rates are dependent on a number of factors, including the type of insurance, the particular insurance company underwriting the policy and whether we act as a retail or wholesale broker. Advisory fees are dependent on the extent and value of the services we provide. In addition, under certain circumstances, both retail brokerage and wholesale brokerage services receive supplemental and contingent commissions. A supplemental commission is a commission paid by an insurance carrier that is above the base commission paid, is determined by the insurance carrier and is established annually in advance of the contractual period based on historical performance criteria. A contingent commission is a commission paid by an insurance carrier based on the overall profit and/or the overall volume of business placed with that insurance carrier during a particular calendar year and is determined after the contractual period.

We operate our brokerage operations through a network of more than 600 sales and service offices located throughout the U.S. and in 32 other countries. Most of these offices are fully staffed with sales and service personnel. We offer client-service capabilities in more than 150 countries around the world through a network of correspondent brokers and consultants.

Retail Insurance Brokerage Operations
Our retail insurance brokerage operations accounted for 83% of our brokerage segment revenues in 2016. Our retail brokerage operations place nearly all lines of commercial property/casualty and health and welfare insurance coverage. Significant lines of insurance coverage and consultant capabilities are as follows:

Aviation	Disability	General Liability	Products Liability
Casualty	Earthquake	Health & Welfare	Professional Liability
Claims Advocacy	Errors & Omissions	Healthcare Analytics	Property
Commercial Auto	Exchange Solutions	Human Resources	Retirement
Compensation	Executive Benefits	Institutional Investment	Surety Bond
Cyber Liability	Fiduciary Services	Loss Control	Voluntary Benefits
Dental	Fine Arts	Marine	Wind
Directors & Officers Liability	Fire	Medical	Workers' Compensation

Our retail brokerage operations are organized into more than 520 office locations primarily located in the U.S., Australia, Canada, the Caribbean, New Zealand and the U.K., and operate within certain key niche/practice groups, which account for approximately 73% of our retail brokerage revenues. These specialized teams target areas of business and/or industries in which we have developed a depth of expertise and a large client base. Significant niche/practice groups we serve are as follows:

Affinity	Food/Agribusiness	Life Solutions	Real Estate
Automotive	Global Risks	Manufacturing	Religious/Not-for-Profit
Aviation & Aerospace	Healthcare	Marine	Restaurant
Construction	Higher Education	Mining	Scholastic
Energy	Hospitality	Personal	Technology/Telecom
Entertainment	Insolvency	Private Equity	Trade Credit/Political Risk
Environmental	Law Firms	Professional Groups	Transportation
Financial Institutions	Life Sciences	Public Entity	

Our specialized focus on these niche/practice groups allows for highly-focused marketing efforts and facilitates the development of value-added products and services specific to those industries or business segments. We believe that our detailed understanding and broad client contacts within these niche/practice groups provide us with a competitive advantage.

We anticipate that our retail brokerage operations' greatest revenue growth over the next several years will continue to come from:

- Mergers and acquisitions;
- Our niche/practice groups and middle-market accounts;
- Cross-selling other brokerage products to existing customers; and
- Developing and managing alternative market mechanisms such as captives, rent-a-captives and deductible plans/self-insurance.

Wholesale Insurance Brokerage Operations
Our wholesale insurance brokerage operations accounted for 17% of our brokerage segment revenues in 2016. Our wholesale brokers assist our retail brokers and other non-affiliated brokers in the placement of specialized and hard-to-place insurance. These brokers operate through more than 80 office locations primarily located across the U.S., Bermuda and through our approved Lloyd's of London brokerage operation. In certain cases we act as a brokerage wholesaler and in other cases we act as a managing general agent or managing general underwriter distributing specialized insurance coverages for insurance carriers. Managing general agents and managing general underwriters are agents authorized by an insurance company to manage all or a part of the insurer's business in a specific geographic territory. Activities they perform on behalf of the insurer may include marketing, underwriting (although we do not assume any underwriting risk), issuing policies, collecting premiums, appointing and supervising other agents, paying claims and negotiating reinsurance.

More than 75% of our wholesale brokerage revenues come from non-affiliated brokerage customers. Based on revenues, our domestic wholesale brokerage operation ranked as one of the largest domestic managing general agents/underwriting managers/wholesale brokers/Lloyds coverholders according to *Business Insurance* magazine's October 24, 2016 edition.

We anticipate growing our wholesale brokerage operations by increasing the number of broker-clients, developing new managing general agency and underwriter programs, and through mergers and acquisitions.

Risk Management Segment

Our risk management segment accounted for 13% of our revenues in 2016. Our risk management segment provides contract claim settlement and administration services for enterprises that choose to self-insure some or all of their property/casualty coverages and for insurance companies that choose to outsource some or all of their property/casualty claims departments. Approximately 68% of our risk management segment's revenues are from workers' compensation-related claims, 28% are from general and commercial auto liability-related claims and 4% are from property-related claims. In addition, we generate revenues from integrated disability management (employee absence management) programs, information services, risk control consulting (loss control) services and appraisal services, either individually or in combination with arising claims. Revenues for risk management services are comprised of fees generally negotiated in advance on a per-claim or per-service basis, depending upon the type and estimated volume of the services to be performed.

Risk management services are primarily marketed directly to Fortune 1000 companies, larger middle-market companies, not-for-profit organizations and public entities on an independent basis from our brokerage operations. We manage our third party claims adjusting operations through a network of more than 110 offices located throughout the U.S., Australia, Canada, New Zealand and the U.K. Most of these offices are fully staffed with claims adjusters and other service personnel. Our adjusters and service personnel act solely on behalf and under the instruction of our clients and customers.

While this segment complements our insurance brokerage offerings, more than 90% of our risk management segment's revenues come from customers not affiliated with our brokerage operations, such as insurance companies and clients of other insurance brokers. Based on revenues, our risk management operation ranked as one of the world's largest property/casualty third-party claims administrators according to *Business Insurance* magazine's March 24, 2016 edition.

We expect that the risk management segment's most significant growth prospects through the next several years will come from:

- Increased levels of business with Fortune 1000 companies;
- Larger middle-market companies, captives;
- Program business and the outsourcing of insurance company claims departments; and
- Mergers and acquisitions.

Corporate Segment

The corporate segment accounted for 24% of our revenues in 2016. The corporate segment reports the financial information related to our debt, clean energy investments, external acquisition-related expenses and other corporate costs. The revenues reported by this segment in 2016 resulted almost solely from our consolidation of refined fuel operations, of which we control and own more than 50% of those operations. At December 31, 2016, significant investments managed by this segment include:

Clean Coal-Related Ventures
We have a 46.5% interest in Chem-Mod LLC (Chem-Mod), a privately-held enterprise that has commercialized multi-pollutant reduction technologies to reduce mercury, sulfur dioxide and other emissions at coal-fired power plants. We also have a 12.0% interest in a privately-held start-up enterprise, C-Quest Technology LLC, which owns technologies that reduce carbon dioxide emissions created by burning fossil fuels.

Tax-Advantaged Investments
In 2009 and 2011, we built a total of 29 commercial clean coal production plants to produce refined coal using Chem-Mod's proprietary technologies and in 2013, we purchased a 99% interest in a limited liability company that has ownership interests in four limited liability companies that own five commercial clean coal production plants. We believe these operations produce refined coal that qualifies for tax credits under IRC Section 45. The law that provides for IRC Section 45 tax credits substantially expires in December 2019 for the fourteen plants we built and placed in service in 2009 (2009 Era Plants) and in December 2021 for the fifteen plants we built and placed in service in 2011, plus the five plants we purchased interests in that were placed in service in 2011 (2011 Era Plants).

International Operations

Our total revenues by geographic area for each of the three years in the period ended December 31, 2016 were as follows (in millions):

	2016		2015		2014	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Brokerage and risk management segments						
United States	$ 2,944.6	69%	$ 2,713.9	68%	$ 2,405.9	68%
United Kingdom	712.1	17%	766.9	19%	726.2	20%
Australia	245.5	6%	256.7	6%	236.6	7%
Canada	138.2	3%	136.6	3%	85.0	2%
New Zealand	125.9	3%	122.6	3%	81.3	2%
Other foreign	79.7	2%	54.4	1%	43.6	1%
Total brokerage and risk management	4,246.0	100%	4,051.1	100%	3,578.6	100%
Corporate segment, substantially all United States	1,348.8		1,341.3		1,047.9	
Total revenues	$ 5,594.8		$ 5,392.4		$ 4,626.5	

Total revenues generated by our U.K. and Australian based operations decreased in 2016 compared to 2015 due to unfavorable foreign currency translation. See Notes 6, 17 and 20 to our 2016 consolidated financial statements for additional financial information related to our foreign operations, including goodwill allocation, earnings before income taxes and identifiable assets, by segment, for 2016, 2015 and 2014.

International and Other Brokerage Related Operations
The majority of our international brokerage operations are in Australia, Bermuda, Canada, the Caribbean, New Zealand and the U.K., targeting small to medium enterprise risks.

We operate primarily as a retail commercial property and casualty broker throughout more than 35 locations in Australia, 35 locations in Canada and 25 locations in New Zealand. In the U.K., we operate as a retail broker from approximately 100 locations. We also have an underwriting operation for clients to access Lloyd's of London and other international insurance markets, and a program operation offering customized risk management products and services to U.K. public entities.

In Bermuda, we act principally as a wholesaler for clients looking to access the Bermuda insurance markets and also provide services relating to the formation and management of offshore captive insurance companies.

We also have strategic brokerage alliances with a variety of independent brokers in countries where we do not have a local office presence. Through this global network of correspondent insurance brokers and consultants, we are able to fully serve our clients' coverage and service needs in more than 150 countries around the world.

Captive insurance companies - We have ownership interests in several insurance and reinsurance companies based in the U.S., Bermuda, Gibraltar, Guernsey, Isle of Man and Malta that primarily operate segregated account "rent-a-captive" facilities. These "rent-a-captive" facilities enable our clients to receive the benefits of owning a captive insurance company without incurring certain disadvantages of ownership. Captive insurance companies, or "rent-a-captive" facilities, are created for clients to insure their risks and capture any underwriting profit and investment income, which would then be available for use by the insureds, generally to reduce future costs of their insurance programs. In general, these companies are set up as protected cell companies that are comprised of separate cell business units (which we refer to as Captive Cells) and the core regulated company (which we refer to as the Core Company). The Core Company is owned and operated by us and no insurance policies are assumed by the Core Company. All insurance is assumed or written within individual Captive Cells. Only the activity of the supporting Core Company of the rent-a-captive facility is recorded in our consolidated financial statements, including cash and stockholder's equity of the legal entity and any expenses incurred to operate the rent-a-captive facility. Most Captive Cells reinsure individual lines of insurance coverage from external insurance companies. In addition, some Captive Cells offer individual lines of insurance coverage from one of our insurance company subsidiaries. The different types of insurance coverage include special property, general liability, products liability, medical professional liability, other liability and medical stop loss. The policies are generally claims-made. Insurance policies are written by an insurance company and the risk is assumed by each of the Captive Cells. In general, we structure these operations to have no underwriting risk on a net written basis. In situations where we have assumed underwriting risk on a net written basis, we have managed that exposure by obtaining full collateral for the underwriting risk we have assumed from our clients. We typically require pledged assets including cash and/or investment accounts or letters of credit to limit our risk.

We have a wholly owned insurance company subsidiary based in the U.S. that cedes all of its insurance risk to reinsurers or captives under facultative and quota-share treaty reinsnrance agreements. These reinsurance arrangements diversify our business and minimize our exposure to losses or hazards of an unusual nature. The ceding of insurance does not discharge us of our primary liability to the policyholder. In the event that all or any of the reinsuring companies are unable to meet their obligations, we would be liable for such defaulted amounts. Therefore, we are subject to credit risk with respect to the obligations of our reinsnrers or captives. In order to minimize our exposure to losses from reinsurer credit risk and insolvencies, we have managed that exposure by obtaining full collateral for which we typically require pledged assets, including cash and/or investment accounts or letters of credit, to fully offset the risk. See Note 16 to our 2016 consolidated financial statements for additional financial information related to the insurance activity of our wholly owned insurance company subsidiary for 2016, 2015 and 2014.

International Risk Management Operations
Our international risk management operations are principally in Australia, Canada, New Zealand and the U.K. Services are similar to those provided in the U.S. and are provided primarily on behalf of commercial and public entity clients.

See Item 1A. "Risk Factors" for information regarding risks attendant to these foreign operations.

Markets and Marketing

We manage our brokerage operations through a network of more than 600 sales and service offices located throughout the U.S. and in 32 other countries. We manage our third party claims adjusting operations through a network of more than 110 offices located throughout the U.S., Australia, Canada, New Zealand and the U.K. Our customer base is highly diversified and includes commercial, industrial, public entity, religious and not-for-profit entities. No material part of our business depends upon a single customer or on a few customers. The loss of any one customer would not have a material adverse effect on our operations. In 2016, our largest single customer accounted for approximately 1% of our revenues from the combined brokerage and risk management segments and our ten largest customers represented 3% of our revenues from the combined brokerage and risk management segments in the aggregate. Our revenues are geographically diversified, with both domestic and interuational operations.

Each of our retail and wholesale brokerage operations has a small market-share position and, as a result, we believe has substantial organic growth potential. In addition, each of our retail and wholesale brokerage operations has the ability to grow through the acquisition of small- to medium-sized independent brokerages. See "Business Combinations" below.

While historically we have generally grown our risk management segment organically, and we expect to continue to do so, from time to time we consider acquisitions for this segment.

We require our employees serving in sales or marketing capacities, plus all of our executive officers, to enter into agreements with us restricting disclosure of confidential information and solicitation of our clients and prospects upon their termination of employment. The confidentiality and non-solicitation provisions of such agreements terminate in the event of a hostile change in control, as defined in the agreements.

Competition

Brokerage Segment
According to *Business Insurance* magazine's July 18, 2016 edition, we were the world's fourth largest insurance broker based on revenues. The insurance brokerage and service business is highly competitive and there are many insurance brokerage and service organizations and individuals throughout the world who actively compete with us in every area of our business.

Our retail and wholesale brokerage operations compete globally with Aon plc, Marsh & McLennan Companies, Inc. and Willis Towers Watson Public Limited Company, each of which has greater worldwide revenues than us. In addition, various other competing firms, such as Jardine Lloyd Thomson Group plc, Wells Fargo Insurance Services, Inc., Brown & Brown Inc., Hub International Ltd., Lockton Companies, Inc. and USI Holdings Corporation, operate globally or nationally or are strong in a particular region or locality and may have, in that region or locality, an office with revenues as large as or larger than those of our corresponding local office. We believe that the primary factors determining our competitive position with other organizations in our industry are the quality of the services we render and the overall costs to our clients. In addition, for health/welfare products and benefit consultant services, we compete with larger firms such as Aon Hewitt, Mercer (a subsidiary of Marsh & McLennan Companies, Inc.), Willis Towers Watson Public Limited Company; mid-market firms such as Lockton, USI Holdings, and Wells Fargo and the benefits consulting divisions of the national public accounting firms, as well as a vast number of local and regional brokerages and agencies.

Our wholesale brokerage and binding operations compete with large wholesalers such as CRC Insurance Services, Inc., RT Specialty, AmWINS Group, Inc., as well as a vast number of local and regional wholesalers.

We also compete with certain insurance companies that write insurance directly for their customers. Government benefits relating to health, disability, and retirement are also alternatives to private insurance and indirectly compete with us.

Risk Management Segment

Our risk management operation currently ranks as one of the world's largest property/casualty third party claims administrators based on revenues, according to *Business Insurance* magazine's March 24, 2016 edition. While many global and regional claims administrators operate within this space, we compete directly with Sedgwick Claims Management Services, Inc., Broadspire Services, Inc. (a subsidiary of Crawford & Company), ESIS (a subsidiary of Chubb Limited) and CorVel. Several large insurance companies, such as Travelers and Liberty Mutual, also maintain their own claims administration units, which can be strong competitors. In addition, we compete with various smaller third party claims administrators on a regional level. We believe that the primary factors determining our competitive position are reputation for outstanding service and the ability to resolve customers' losses in the most cost-efficient manner possible.

Regulation

We are required to be licensed or receive regulatory approval in nearly every state and foreign jurisdiction in which we do business. In addition, most jurisdictions require individuals who engage in brokerage, claim adjusting and certain other insurance service activities to be personally licensed. These licensing laws and regulations vary from jurisdiction to jurisdiction. In most jurisdictions, licensing laws and regulations generally grant broad discretion to supervisory authorities to adopt and amend regulations and to supervise regulated activities.

Business Combinations

We completed and integrated 420 acquisitions from January 1, 2002 through December 31, 2016, almost exclusively within our brokerage segment. The majority of these acquisitions have been smaller regional or local property/casualty retail or wholesale operations with a strong middle-market client focus or significant expertise in one of our niche/practice groups. Over the last decade, we have also increased our acquisition activity in the retail employee benefits brokerage and wholesale brokerage areas. The total purchase price for individual acquisitions has typically ranged from $1.0 million to $50.0 million, although in 2014 we completed three large acquisitions with an aggregate purchase price consideration in excess of $1.7 billion.

Through acquisitions, we seek to expand our talent pool, enhance our geographic presence and service capabilities, and/or broaden and further diversify our business mix. We also focus on identifying:

- A corporate culture that matches our sales-oriented culture;
- A profitable, growing business whose ability to compete would be enhanced by gaining access to our greater resources; and
- Clearly defined financial criteria.

See Note 3 to our 2016 consolidated financial statements for a summary of our 2016 acquisitions, the amount and form of the consideration paid and the dates of acquisition.

Employees

As of December 31, 2016, we had approximately 24,800 employees. We continuously review benefits and other matters of interest to our employees and consider our relations with our employees to be satisfactory.

Available Information

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, are available free of charge on our website at www.ajg.com as soon as reasonably practicable after electronically filing or furnishing such material to the Securities and Exchange Commission. Such reports may also be read and copied at the Securities and Exchange Commission's Public Reference Room at 100 F Street NE, Washington, D.C. 20549. Information regarding the operation of the Public Reference Room may be obtained by calling the Securities and Exchange Commission at (800) SEC-0330. The Securities and Exchange Commission also maintains a website (www.sec.gov) that includes our reports, proxy statements and other information.

Disclosure pursuant to Section 13(r) of the Exchange Act

In our Quarterly Reports on Form 10-Q for the first, second and third quarters of 2016, we disclosed certain activities required to be reported under Section 13(r) of the Exchange Act, and such disclosures are incorporated herein by reference. In the fourth quarter of 2016, our U.K. domiciled subsidiary, Arthur J. Gallagher (UK) Limited (AJGUK), acted as insurance broker and advised clients in obtaining insurance coverage for activities related to Iran's oil, gas and petroleum industries. AJGUK assisted clients in obtaining insurance, reinsurance and retrocession coverage for a variety of activities in Iran, including insurance coverage for:

- The supply of crude oil to and from Iran;
- The transport and storage of oil from Iran;
- The shipment of heavy fuel oil to and from Iran;
- The docking and loading of oil shipments in Iran;
- The operation of vessels providing support services to offshore oil platforms that supply oil to Iran; and
- Other closely related activities pertaining to the supply and transportation of oil to and from Iran.

On January 16, 2016, the U.S. lifted the nuclear-related "secondary sanctions" imposed against Iran. In connection with this event, the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) issued General License H, which authorizes U.S.-owned or U.S.-controlled foreign entities to engage in certain transactions involving Iran that would otherwise be prohibited by section 560.215 of the Iranian Transactions and Sanctions Regulations.

The activities described above were conducted in full compliance with General License H. AJGUK generated total gross revenue of approximately \$1,718 (in actual dollars) and net profit of approximately \$309 (in actual dollars) from these activities.

AJGUK intends to continue acting as an insurance broker in connection with insurance coverages authorized by General License H.

Item 1A. Risk Factors.

Risks Relating to our Business Generally

An overall economic downturn, as well as unstable economic conditions in the countries and regions in which we operate, could adversely affect our results of operations and financial condition.

An overall decline in economic activity could adversely impact us in future years as a result of reductions in the overall amount of insurance coverage that our clients purchase due to reductions in their headcount, payroll, properties, and the market values of assets, among other factors. Such reductions could also adversely impact future commission revenues when the carriers perform exposure audits if they lead to subsequent downward premium adjustments. We record the income effects of subsequent premium adjustments when the adjustments become known and, as a result, any improvement in our results of operations and financial condition may lag an improvement in the economy. In addition, some of our clients may experience liquidity problems or other financial difficulties in the event of a prolonged deterioration in the economy, which could have an adverse effect on our results of operations and financial condition. If our clients become financially less stable, enter bankruptcy, liquidate their operations or consolidate, our revenues and collectability of receivables could be adversely affected. Our growing operations in countries and regions undergoing economic downturns, particularly in the U.K., Australia and certain emerging markets, expose us to risks and uncertainties that could materially adversely affect our results of operations and financial condition. In addition, some of our clients may experience liquidity problems or other financial difficulties in the event of a prolonged deterioration in the economy, which could have an adverse effect on our results of operations and financial condition. For example, approximately 20% of our brokerage segment and approximately 3% of our risk management segment revenues came from the U.K. in 2016. In a referendum held on June 23, 2016, a majority of voters in the U.K. voted in favor of the U.K. leaving the European Union. This vote to leave has created significant uncertainty regarding the U.K. economic outlook, and could lead to a decline in economic activity, a recession, or reduced future growth prospects in the U.K., any of which could damage our clients' confidence and materially and adversely affect our business.

Economic conditions that result in financial difficulties for insurance companies or reduced insurer capacity could adversely affect our results of operations and financial condition.

We have a significant amount of trade accounts receivable from some of the insurance companies with which we place insurance. If those insurance companies experience liquidity problems or other financial difficulties, we could encounter delays or defaults in payments owed to us, which could have a significant adverse impact on our consolidated financial condition and results of operations. The failure of an insurer with whom we place business could result in errors and omissions claims against us by our clients, and the failure of errors and omissions insurance carriers could make the errors and omissions insurance we rely upon cost prohibitive or unavailable, which could adversely affect our results of operations and financial condition. In addition, if carriers merge or if a large carrier fails or withdraws from offering certain lines of coverage, overall underwriting capacity could be negatively affected, which could reduce our ability to place certain lines of coverage and, as a result, reduce our revenues and profitability.

Volatility or declines in premiums or other adverse trends in the insurance industry may seriously undermine our profitability.

We derive much of our revenue from commissions and fees for our brokerage services. We do not determine the insurance premiums on which our commissions are generally based. Moreover, insurance premiums are cyclical in nature and may vary widely based on market conditions. Because of market cycles for insurance product pricing, which we cannot predict or control, our brokerage revenues and profitability can be volatile or remain depressed for significant periods of time.

As traditional risk-bearing insurance companies continue to outsource the production of premium revenue to non-affiliated brokers or agents such as us, those insurance companies may seek to further minimize their expenses by reducing the commission rates payable to insurance agents or brokers. The reduction of these commission rates, along with general volatility and/or declines in premiums, may significantly affect our profitability. Because we do not determine the timing or extent of premium pricing changes, it is difficult to precisely forecast our commission revenues, including whether they will significantly decline. As a result, we may have to adjust our budgets for future acquisitions, capital expenditures, dividend payments, loan repayments and other expenditures to account for unexpected changes in revenues, and any decreases in premium rates may adversely affect the results of our operations.

In addition, there have been and may continue to be various trends in the insurance industry toward alternative insurance markets including, among other things, greater levels of self-insurance, captives, rent-a-captives, risk retention groups and non-insurance capital markets-based solutions to traditional insurance. While, historically, we have been able to participate in certain of these activities on behalf of our customers and obtain fee revenue for such services, there can be no assurance that we will realize revenues and profitability as favorable as those realized from our traditional brokerage activities. Our ability to generate premium-based commission revenue may also be challenged by the growing desire of some clients to compensate brokers based upon flat fees rather than variable commission rates. This could negatively impact us because fees are generally not indexed for inflation and do not automatically increase with premium as does commission-based compensation.

Contingent and supplemental commissions we receive from insurance companies are less predictable than standard commissions, and any decrease in the amount of these kinds of commissions we receive could adversely affect our results of operations.

A portion of our revenues consists of contingent and supplemental commissions we receive from insurance companies. Contingent commissions are paid by insurance companies based upon the profitability, volume and/or growth of the business placed with such companies during the prior year. Supplemental commissions are commissions paid by insurance companies that are established annually in advance based on historical performance criteria. If, due to the current economic environment or for any other reason, we are unable to meet insurance companies' profitability, volume or growth thresholds, or insurance companies increase their estimate of loss reserves (over which we have no control), actual contingent commissions or supplemental commissions we receive could be less than anticipated, which could adversely affect our results of operations.

We face significant competitive pressures in each of our businesses.

The insurance brokerage and service business is highly competitive and many insurance brokerage and service organizations actively compete with us in one or more areas of our business around the world. We compete with three firms in the global risk management and brokerage markets, which have revenues significantly larger than ours. In addition, various other competing firms that operate nationally or that are strong in a particular country, region or locality may have, in that country, region or locality, an office with revenues as large as or larger than those of our corresponding local office. Our third party claims administration operation also faces significant competition from stand-alone firms as well as divisions of larger firms.

The primary factors in determining our competitive position with other organizations in our industry are the quality of the services rendered and the overall costs to our clients. Losing business to competitors offering similar products at lower prices or having other competitive advantages would adversely affect our business.

In addition, any increase in competition due to new legislative or industry developments could adversely affect us. These developments include:

- Increased capital-raising by insurance underwriting companies, which could result in new capital in the industry, which in turn may lead to lower insurance premiums and commissions;
- Insurance companies selling insurance directly to insureds without the involvement of a broker or other intermediary;
- Changes in our business compensation model as a result of regulatory developments;
- Federal and state governments establishing programs to provide health insurance or, in certain cases, property insurance in catastrophe-prone areas or other alternative market types of coverage, that compete with, or completely replace, insurance products offered by insurance carriers; and

- Increased competition from new market participants such as banks, accounting firms, consulting firms and Internet or other technology firms offering risk management or insurance brokerage services, or new distribution channels for insurance such as payroll firms.

New competition as a result of these or other competitive or industry developments could cause the demand for our products and services to decrease, which could in turn adversely affect our results of operations and financial condition.

If we are unable to apply technology effectively in driving value for our clients through technology-based solutions or gain internal efficiencies and effective internal controls through the application of technology and related tools, our operating results, client relationships, growth and compliance programs could be adversely affected.

Our future success depends, in part, on our ability to anticipate and respond effectively to the threat of digital disruption and other technology change. We must also develop and implement technology solutions and technical expertise among our employees that anticipate and keep pace with rapid and continuing changes in technology, industry standards, client preferences and internal control standards. We may not be successful in anticipating or responding to these developments on a timely and cost-effective basis and our ideas may not be accepted in the marketplace. Additionally, the effort to gain technological expertise and develop new technologies in our business requires us to incur significant expenses. If we cannot offer new technologies as quickly as our competitors, or if our competitors develop more cost-effective technologies or product offerings, we could experience a material adverse effect on our operating results, client relationships, growth and compliance programs.

In some cases, we depend on key vendors and partners to provide technology and other support for our strategic initiatives. If these third parties fail to perform their obligations or cease to work with us, our ability to execute on our strategic initiatives could be adversely affected.

Damage to our reputation could have a material adverse effect on our business.

Our reputation is one of our key assets. We advise our clients on and provide services related to a wide range of subjects and our ability to attract and retain clients is highly dependent upon the external perceptions of our level of service, trustworthiness, business practices, financial condition and other subjective qualities. Negative perceptions or publicity regarding these or other matters, including our association with clients or business partners who themselves have a damaged reputation, or from actual or alleged conduct by us or our employees, could damage our reputation. Any resulting erosion of trust and confidence among existing and potential clients, regulators, stockholders and other parties important to the success of our business could make it difficult for us to attract new clients and maintain existing ones, which could have a material adverse effect on our business, financial condition and results of operations.

We have historically acquired large numbers of insurance brokers, benefits consulting firms and risk management firms. We may not be able to continue such an acquisition strategy in the future and there are risks associated with such acquisitions, which could adversely affect our growth and results of operations.

Our acquisition program has been an important part of our historical growth, particularly in our brokerage segment, and we believe that similar acquisition activity will be important to maintaining comparable growth in the future. Failure to successfully identify and complete acquisitions likely would result in us achieving slower growth. Continuing consolidation in our industry and growing interest in acquiring insurance brokers on the part of private equity firms and private equity-backed consolidators could make it more difficult for us to identify appropriate targets and could make them more expensive. Even if we are able to identify appropriate acquisition targets, we may not have sufficient capital to fund acquisitions, be able to execute transactions on favorable terms or integrate targets in a manner that allows us to realize the benefits we have historically experienced from acquisitions. When regulatory approval of acquisitions is required, our ability to complete acquisitions may be limited by an ongoing regulatory review or other issues with the relevant regulator. Our ability to finance and integrate acquisitions may also decrease if we complete a greater number of large acquisitions than we have historically.

Post-acquisition risks include those relating to retention of personnel, retention of clients, entry into unfamiliar markets or lines of business, contingencies or liabilities, such as violations of sanctions laws or anti-corruption laws including the FCPA and U.K. Bribery Act, risks relating to ensuring compliance with licensing and regulatory requirements, tax and accounting issues, the risk that the acquisition distracts management and personnel from our existing business, and integration difficulties relating to accounting, information technology, human resources, or organizational culture and fit, some or all of which could have an adverse effect on our results of operations and growth. The failure of acquisition targets to achieve anticipated revenue and earnings levels could also result in goodwill impairment charges.

We own interests in firms where we do not exercise management control (such as Jiang Tai Re, our joint venture with Jiang Tai Insurance Brokers in China, or Casanueva Perez S.A.P. de C.V. (Grupo CP) in Mexico) and are therefore unable to direct or manage the business to realize the anticipated benefits, including mitigation of risks, that could be achieved through full integration.

Our future success depends, in part, on our ability to attract and retain experienced and qualified personnel.

Our future success depends, in part, on our ability to attract and retain both new talent and experienced personnel, including our senior management, brokers and other key personnel. In addition, we could be adversely affected if we fail to adequately plan for the succession of members of our senior management team. The insurance brokerage industry has experienced intense competition for the services of leading brokers, and in the past we have lost key brokers and groups of brokers, along with their client and business relationships, to competitors. Such departures could lead to the loss of clients and intellectual property. The loss of our chief executive officer or any of our other senior managers, brokers or other key personnel (including the key personnel that manage our interests in our IRC Section 45 investments), or our inability to identify, recruit and retain highly skilled personnel, could materially and adversely affect our business, operating results and financial condition.

Our substantial operations outside the U.S. expose us to risks different than those we face in the U.S.

In 2016, we generated approximately 31% of our revenues outside the U.S., including in countries where the risk of political and economic uncertainty is relatively greater than that present in the U.S. and more stable countries. The global nature of our business creates operational and economic risks. Adverse geopolitical or economic conditions may temporarily or permanently disrupt our operations in these countries or create difficulties in staffing and managing foreign operations. For example, we have substantial operations in India to provide certain back-office services. To date, the dispute between India and Pakistan involving the Kashmir region, incidents of terrorism in India and general geopolitical uncertainties have not adversely affected our operations in India. However, such factors could potentially affect our operations there in the future. Should our access to these services be disrupted, our business, operating results and financial condition could be adversely affected.

Operating outside the U.S. may also present other risks that are different from, or greater than, the risks we face doing comparable business in the U.S. These include, among others, risks relating to:

- Maintaining awareness of and complying with a wide variety of labor practices and foreign laws, including those relating to export and import duties, environmental policies and privacy issues, as well as laws and regulations applicable to U.S. business operations abroad. These and other international regulatory risks are described below under "Regulatory, Legal and Accounting Risks;"
- The potential costs, difficulties and risks associated with local regulations across the globe, including the risk of personal liability for directors and officers and "piercing the corporate veil" risks under the corporate law regimes of certain countries;
- Difficulties in staffing and managing foreign operations;
- Less flexible employee relationships, which may limit our ability to prohibit employees from competing with us after they are no longer employed with us or recovering damages in the event they do so, and may make it more difficult and expensive to terminate their employment;
- Political and economic instability, including in the U.K., the Eurozone, Australia and certain emerging markets (including risks relating to undeveloped or evolving legal systems, unstable governments, acts of terrorism and outbreaks of war);
- Coordinating our communications and logistics across geographic distances and multiple time zones, including during times of crisis management;
- Adverse trade policies, and adverse changes to any of the policies of the U.S. or any of the foreign jurisdictions in which we operate;
- Unfavorable audits and exposure to additional liabilities relating to various non-income taxes (such as payroll, sales, use, value-added, net worth, property and goods and services taxes) in foreign jurisdictions. In addition, our future effective tax rates could be unfavorably affected by changes in tax rates, discriminatory or confiscatory taxation, changes in the valuation of our deferred tax assets or liabilities, changes in tax laws or their interpretation and the financial results of our international subsidiaries. The Organization for Economic Cooperation and Development issued reports and recommendations as part of its Base Erosion and Profit Shifting project (BEPS), and in response many countries in which we do business are expected to adopt rules which may change various aspects of the existing framework under which our tax obligations are determined. For example, in response to BEPS, the U.K. adopted rules in 2016 that will affect the deductibility of interest paid on intercompany debt, and other jurisdictions where we operate, including Australia and New Zealand, may do so as well in the near future;
- Legal or political constraints on our ability to maintain or increase prices;
- Cash balances held in foreign banks and institutions where governments have not specifically enacted formal guarantee programs;
- Lost business or other financial harm due to governmental actions affecting the flow of goods, services and currency, including protectionist policies that discriminate in favor of local competitors; and
- Governmental restrictions on the transfer of funds to us from our operations outside the U.S.

Following the recent presidential election in the U.S., the foreign and international trade policies of the U.S. could change in ways that exacerbate the risks described above, or introduce new risks for our international operations. If any of these risks materialize, our results of operations and financial condition could be adversely affected.

Significant changes in foreign exchange rates may adversely affect our results of operations.

A large and growing portion of our business is located outside the U.S. Some of our foreign subsidiaries receive revenues or incur obligations in currencies that differ from their functional currencies. We must also translate the financial results of our foreign subsidiaries into U.S. dollars. Although we have used foreign currency hedging strategies in the past and currently have some in place, such risks cannot be eliminated entirely, and significant changes in exchange rates may adversely affect our results of operations. In the U.K., the vote to leave the European Union may result in substantial volatility in foreign exchange markets and may lead to a sustained weakness in the British pound's exchange rate against the U.S. dollar. Any significant weakening of the British pound to the U.S. dollar will have an adverse impact on our brokerage and risk management segment revenues and earnings as reported in U.S. dollars.

We face a variety of risks in our third party claims administration operations that are distinct from those we face in our brokerage operations.

Our third party claims administration operations face a variety of risks distinct from those faced by our brokerage operations, including the risks that:

- The favorable trend among both insurers and insureds toward outsourcing various types of claims administration and risk management services will reverse or slow, causing our revenues or revenue growth to decline;
- Concentration of large amounts of revenue with certain clients results in greater exposure to the potential negative effects of lost business due to changes in management at such clients or changes in state government policies, in the case of our government-entity clients, or for other reasons;
- Contracting terms will become less favorable or that the margins on our services will decrease due to increased competition, regulatory constraints or other developments;
- We will not be able to satisfy regulatory requirements related to third party administrators or that regulatory developments (including unanticipated regulatory developments relating to security and data privacy outside the U.S.) will impose additional burdens, costs or business restrictions that make our business less profitable;
- Economic weakness or a slow-down in economic activity could lead to a reduction in the number of claims we process;
- If we do not control our labor and technology costs, we may be unable to remain competitive in the marketplace and profitably fulfill our existing contracts (other than those that provide cost-plus or other margin protection);
- We may be unable to develop further efficiencies in our claims-handling business and may be unable to obtain or retain certain clients if we fail to make adequate improvements in technology or operations; and
- Insurance companies or certain insurance consumers may create in-house servicing capabilities that compete with our third party administration and other administration, servicing and risk management products.

If any of these risks materialize, our results of operations and financial condition could be adversely affected.

Sustained increases in the cost of employee benefits could reduce our profitability.

The cost of current employees' medical and other benefits, as well as pension retirement benefits and postretirement medical benefits under our legacy defined benefit plans, substantially affects our profitability. In the past, we have occasionally experienced significant increases in these costs as a result of macro-economic factors beyond our control, including increases in health care costs, declines in investment returns on pension assets and changes in discount rates used to calculate pension and related liabilities. A significant decrease in the value of our defined benefit pension plan assets or decreases in the interest rates used to discount the pension plans' liabilities could cause an increase in pension plan costs in future years. Although we have actively sought to control increases in these costs, we can make no assurance that we will succeed in limiting future cost increases, and continued upward pressure in these costs could reduce our profitability.

Our inability to recover successfully should we experience a disaster, cybersecurity attack or other disruption to business continuity could have a material adverse effect on our operations, damage our reputation and impact client relationships.

Our ability to conduct business may be adversely affected, even in the short-term, by a disruption in the infrastructure that supports our business and the communities where we are located. For example, our third party claims administration operation is highly dependent on the continued and efficient functioning of RISX-FACS®, our proprietary risk management information system, to provide clients with insurance claim settlement and administration services.

Disruptions could be caused by, among other things, restricted physical site access, terrorist activities, disease pandemics, cybersecurity attacks, or outages to electrical, communications or other services we use, our employees or third parties with whom we conduct business. We have disaster recovery procedures in place and insurance to protect against such contingencies. However, such procedures may not be effective and any insurance or recovery procedures may not continue to be available at reasonable prices and may not address all such losses or compensate us for the possible loss of clients or increase in claims and lawsuits directed against us because of any period during which we are unable to provide services. We anticipate moving our corporate headquarters during the first quarter of 2017. Any major disruption in the move, or our inability to successfully recover should we experience a disaster or other disruption to business continuity could have a material adverse effect on our operations. The occurrence of such events could also cause reputational harm and damage our client relationships.

Regulatory, Legal and Accounting Risks

Improper disclosure of confidential, personal or proprietary data, whether due to human error, misuse of information by employees or vendors, or as a result of cyberattacks, could result in regulatory scrutiny, legal liability or reputational harm, and could have an adverse effect on our business or operations.

We maintain confidential, personal and proprietary information relating to our company, our employees and our clients. This information includes personally identifiable information, protected health information and financial information. In many jurisdictions, particularly in the U.S. and the European Union, we are subject to laws and regulations relating to the collection, use, retention, security and transfer of this information. These laws apply to transfers of information among our affiliates, as well as to transactions we enter into with third party vendors.

We have from time to time experienced cybersecurity breaches, such as computer viruses, unauthorized parties gaining access to our information technology systems and similar incidents, which to date have not had a material impact on our business. In the future, these types of incidents could disrupt the security of our internal systems and business applications, impair our ability to provide services to our clients and protect the privacy of their data, compromise confidential business information, result in intellectual property or other confidential information being lost or stolen, including client, employee or company data, which could harm our competitive position or otherwise adversely affect our business. Cyber threats are constantly evolving, which makes it more difficult to detect cybersecurity incidents, assess their severity or impact in a timely manner, and successfully defend against them.

We maintain policies, procedures and technical safeguards designed to protect the security and privacy of confidential, personal and proprietary information. Nonetheless, we cannot eliminate the risk of human error or inadequate safeguards against employee or vendor malfeasance. It is possible that the steps we follow, including our security controls over personal data and training of employees on data security, may not prevent improper access to, disclosure of, or misuse of confidential, personal or proprietary information. This could cause harm to our reputation, create legal exposure, or subject us to liability under laws that protect personal data, resulting in increased costs or loss of revenue.

Significant costs are involved with maintaining system safeguards for our technology infrastructure. If we are unable to effectively maintain and upgrade our system safeguards, including in connection with the integration of acquisitions, we may incur unexpected costs and certain of our systems may become more vulnerable to unauthorized access.

With respect to our commercial arrangements with third party vendors, we have processes designed to require third party IT outsourcing, offsite storage and other vendors to agree to maintain certain standards with respect to the storage, protection and transfer of confidential, personal and proprietary information. However, we remain at risk of a data breach due to the intentional or unintentional non-compliance by a vendor's employee or agent, the breakdown of a vendor's data protection processes, or a cyber attack on a vendor's information systems.

Data privacy is subject to frequently changing laws, rules and regulations in the various jurisdictions and countries in which we operate. For example, in 2015, the European Court of Justice invalidated a key safe harbor relied upon by many businesses to transfer personal data legally from the European Union to the U.S. There is a growing body of international data protection law, which, in part, includes security breach notification obligations, more stringent operational requirements and significant penalties for non-compliance. In addition, legislators in the U.S. are proposing new and more robust cybersecurity legislation in light of the recent broad-based cyberattacks at a number of companies. These and similar initiatives around the world could increase the cost of developing, implementing or securing our servers and require us to allocate more resources to improved technologies, adding to our IT and compliance costs. Our failure to adhere to, or successfully implement processes in response to, changing legal or regulatory requirements in this area could result in legal liability or damage to our reputation in the marketplace.

We are subject to regulation worldwide. If we fail to comply with regulatory requirements or if regulations change in a way that adversely affects our operations, we may not be able to conduct our business, or we may be less profitable.

Many of our activities throughout the world are subject to regulatory supervision and regulations promulgated by bodies such as the Securities and Exchange Commission (SEC), the Department of Justice (DOJ), the Internal Revenue Service (IRS) and the Office of Foreign Assets Control (OFAC) in the U.S., the Financial Conduct Authority (FCA) in the U.K., the Australian Securities and Investments Commission in Australia and insurance regulators in nearly every jurisdiction in which we operate. Our activities are also subject to a variety of other laws, rules and regulations addressing licensing, data privacy, wage-and-hour standards, employment and labor relations, anti-competition, anti-corruption, currency, reserves and the amount of local investment with respect to our operations in certain countries. This regulatory supervision could reduce our profitability or growth by increasing the costs of compliance, restricting the products or services we sell, the markets we enter, the methods by which we sell our products and services, or the prices we can charge for our services and the form of compensation we can accept from our clients, carriers and third parties. As our operations grow around the world, it is increasingly difficult to monitor and enforce regulatory compliance across the organization. A compliance failure by even one of our smallest branches could lead to litigation and/or disciplinary actions that may include compensating clients for loss, the imposition of penalties and the revocation of our authorization to operate. In all such cases, we would also likely incur significant internal investigation costs and legal fees.

The global nature of our operations increases the complexity and cost of compliance with laws and regulations, including increased staffing needs, the development of new policies, procedures and internal controls and providing training to employees in multiple locations, adding to our cost of doing business. Many of these laws and regulations may have differing or conflicting legal standards across jurisdictions, increasing further the complexity and cost of compliance. In emerging markets and other jurisdictions with less developed legal systems, local laws and regulations may not be established with sufficiently clear and reliable guidance to provide us with adequate assurance that we are aware of all necessary licenses to operate our business, that we are operating our business in a compliant manner, or that our rights are otherwise protected. In addition, in light of recent events associated with the planned exit of the U.K. from the European Union, we will likely face new regulatory costs and challenges. For example, our U.K. operations could lose their European Union financial services passport which provides them the license to operate across borders within the single European Union market without obtaining local regulatory approval.

Changes in legislation or regulations and actions by regulators, including changes in administration and enforcement policies, could from time to time require operational changes that could result in lost revenues or higher costs or hinder our ability to operate our business.

For example, the method by which insurance brokers are compensated has received substantial scrutiny in the past because of the potential for conflicts of interest. The potential for conflicts of interest arises when a broker is compensated by two parties in connection with the same or similar transactions. The vast majority of the compensation we receive for our work as insurance brokers is in the form of retail commissions and fees. We receive additional revenue from insurance companies, separate from retail commissions and fees, including, among other things, contingent and supplemental commissions and payments for consulting and analytics services provided to insurance carriers. Future changes in the regulatory environment may impact our ability to collect these additional revenue streams. Adverse regulatory, legal or other developments regarding these revenues could have a material adverse effect on our business, results of operations or financial condition, expose us to negative publicity and reputational damage and harm our client, insurer or other relationships.

We could be adversely affected by violations or alleged violations of laws that impose requirements for the conduct of our overseas operations, including the FCPA, the U.K. Bribery Act or other anti-corruption laws, sanctioned parties restrictions, and FATCA.

In foreign countries where we operate, a risk exists that our employees, third party partners or agents could engage in business practices prohibited by applicable laws and regulations, such as the FCPA and the U.K. Bribery Act. Such anti-corruption laws generally prohibit companies from making improper payments to foreign officials and require companies to keep accurate books and records and maintain appropriate internal controls. Our policies mandate strict compliance with such laws and we devote substantial resources to programs to ensure compliance. However, we operate in some parts of the world that have experienced governmental corruption, and, in certain circumstances, local customs and practice might not be consistent with the requirements of anti-corruption laws. In addition, in recent years, two of the five publicly traded insurance brokerage firms were investigated in the U.S. and the U.K. for improper payments to foreign officials. These firms undertook internal investigations and paid significant settlements.

We remain subject to the risk that our employees, third party partners or agents will engage in business practices that are prohibited by our policies and violate such laws and regulations. Violations by us or a third party acting on our behalf could result in significant internal investigation costs and legal fees, civil and criminal penalties, including prohibitions on the conduct of our business, and reputational harm.

We may also be subject to legal liability and reputational damage if we violate U.S. trade sanctions administered by OFAC, the European Union and the United Nations, and trade sanction laws such as the Iran Threat Reduction and Syria Human Rights Act of 2012.

In addition, FATCA requires certain of our subsidiaries, affiliates and other entities to obtain valid FATCA documentation from payees prior to remitting certain payments to such payees. In the event we do not obtain valid FATCA documents, we may be obliged to withhold a portion of such payments. This obligation is shared with our customers and clients who may fail to comply, in whole or in part. In such circumstances, we may incur FATCA compliance costs including withholding taxes, interest and penalties. In addition, regulatory initiatives and changes in the regulations and guidance promulgated under FATCA may increase our costs of operations, and could adversely affect the market for our services as intermediaries, which could adversely affect our results of operations and financial condition.

Our business could be negatively impacted if we are unable to adapt our services to changes resulting from the 2010 Health Care Reform Legislation.

The 2010 Health Care Reform Legislation, among other things, increases the level of regulatory complexity for companies that offer health and welfare benefits to their employees, and continues to be amended through regulations issued by various government agencies. Initiatives by the incoming presidential administration to change certain aspects of this legislation may increase such complexity. Many clients of our brokerage segment purchase health and welfare products for their employees and, therefore, are impacted by the 2010 Health Care Reform Legislation. We have made significant investments in product and knowledge development to assist clients as they navigate the complex requirements of this legislation. Depending on future changes to health legislation, these investments may not yield returns. In addition, if we are unable to adapt our services to changes resulting from this law and any subsequent regulations, our ability to grow our business or to provide effective services, particularly in our employee benefits consulting business, will be negatively impacted. In addition, if our clients reduce the role or extent of employer sponsored health care in response to this or any other law, our results of operations could be adversely impacted.

We are subject to a number of contingencies and legal proceedings which, if determined unfavorably to us, would adversely affect our financial results.

We are subject to numerous claims, tax assessments, lawsuits and proceedings that arise in the ordinary course of business. Such claims, lawsuits and other proceedings could, for example, include claims for damages based on allegations that our employees or sub-agents improperly failed to procure coverage, report claims on behalf of clients, provide insurance companies with complete and accurate information relating to the risks being insured, or provide clients with appropriate consulting, advisory and claims handling services. There is the risk that our employees or sub-agents may fail to appropriately apply funds that we hold for our clients on a fiduciary basis. Certain of our benefits and retirement consultants provide investment advice or decision-making services to clients. If these clients experience investment losses, our reputation could be damaged and our financial results could be negatively affected as a result of claims asserted against us and lost business. We have established provisions against these potential matters that we believe are adequate in light of current information and legal advice, and we adjust such provisions from time to time based on current material developments. The damages claimed in such matters are or may be substantial, including, in many instances, claims for punitive, treble or other extraordinary damages. It is possible that, if the outcomes of these contingencies and legal proceedings were not favorable to us, it could materially adversely affect our future financial results. In addition, our results of operations, financial condition or liquidity may be adversely affected if, in the future, our insurance coverage proves to be inadequate or unavailable or we experience an increase in liabilities for which we self-insure. We have purchased errors and omissions insurance and other insurance to provide protection against losses that arise in such matters. Accruals for these items, net of insurance receivables, when applicable, have been provided to the extent that losses are deemed probable and are reasonably estimable. These accruals and receivables are adjusted from time to time as current developments warrant.

As more fully described in Note 15 to our consolidated financial statements, we are a defendant in various legal actions incidental to our business, including but not limited to matters related to employment practices, alleged breaches of non-compete or other restrictive covenants, theft of trade secrets, breaches of fiduciary duties, intellectual property infringement and related causes of action. We are also periodically the subject of inquiries and investigations by regulatory and taxing authorities into various matters related to our business. For example, our micro-captive advisory services are currently the subject of an investigation by the IRS. In addition, we were named in a lawsuit asserting that we, our subsidiary, Gallagher Clean Energy, LLC, and Chem-Mod LLC are liable for infringement of a patent held by Nalco Company. An adverse outcome in connection with one or more of these matters could have a material adverse effect on our business, results of operations or financial condition in any given quarterly or annual period, or on an ongoing basis. In addition, regardless of any eventual monetary costs, any such matter could expose us to negative publicity, reputational damage, harm to our client or employee relationships, or diversion of personnel and management resources, which could adversely affect our ability to recruit quality brokers and other significant employees to our business, and otherwise adversely affect our results of operations.

Changes in our accounting estimates and assumptions could negatively affect our financial position and operating results.

We prepare our financial statements in accordance with U.S. generally accepted accounting principles (which we refer to as GAAP). These accounting principles require us to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of our consolidated financial statements. We are also required to make certain judgments that affect the reported amounts of revenues and expenses during each reporting period. We periodically evaluate our estimates and assumptions, including those relating to the valuation of goodwill and other intangible assets, investments (including our IRC Section 45 investments), income taxes, stock-based compensation, claims handling obligations, retirement plans, litigation and contingencies. We base our estimates on historical experience and various assumptions that we believe to be reasonable based on specific circumstances. Actual results could differ from these estimates. Additionally, changes in accounting standards (such as new standards relating to revenue recognition and leases) could increase costs to the organization and could have an adverse impact on our future financial position and results of operations. See Note 2 to our 2016 consolidated financial statements for information with respect to the potential impacts the new standards relating to revenue recognition and leases could have on our future financial position and operating results.

Risks Relating to our Investments, Debt and Common Stock

Our clean energy investments are subject to various risks and uncertainties.

We have invested in clean energy operations capable of producing refined coal that we believe qualify for tax credits under IRC Section 45.

See Note 13 to our consolidated financial statements for a description of these investments. Our ability to generate returns and avoid write-offs in connection with these investments is subject to various risks and uncertainties. These include, but are not limited to, the risks and uncertainties set forth below.

- **Availability of the tax credits under IRC Section 45.** Our ability to claim tax credits under IRC Section 45 depends upon the operations in which we have invested satisfying certain ongoing conditions set forth in IRC Section 45. These include, among others, the emissions reduction, "qualifying technology", "placed-in-service" and coal sales to unrelated parties requirements of IRC Section 45, as well as the requirement that at least one of the operations' owners qualifies as a "producer" of refined coal. While we have received some degree of confirmation from the IRS relating to our ability to claim these tax credits, the IRS could ultimately determine that the operations have not satisfied, or have not continued to satisfy, the conditions set forth in IRC Section 45.
- **Value of the tax credits.** The value of the tax credits could be impacted by changes in the tax code as a result of the recent presidential and congressional elections in the U.S. Congress could modify or repeal IRC Section 45 and remove the tax credits (either prospectively or through the elimination of the carryover of the credits), which would adversely affect the value of our investment. Also, if Congress reduces tax rates as proposed, although we might pay less in taxes overall, it would reduce the tax benefit of operating costs associated with the production of refined coal.
- **Co-investor tax credit risks.** We have co-investors in several of the operations currently producing refined coal, and are working to negotiate arrangements with potential co-investors for the purchase of equity stakes in other operations. If no satisfactory arrangements can be reached with these potential co-investors, or if in the future any one of our co-investors leaves a project, we could have difficulty finding replacements in a timely manner. On February 10, 2017, one of the refined coal partnerships in which we are an investor received a notice from the IRS setting forth its view that certain of our co-investors are unable to claim tax credits based on the structure of their partnership interests. The IRS notice does not challenge the validity of the tax credits or our ability to utilize tax credits. Our co-investors have the right to appeal and defend their position in tax court. While it is not possible to predict the ultimate outcome of any such appeal, an adverse ruling would likely make it more difficult for us to reach satisfactory arrangements with new co-investors. We could also be subject to claims against us from the co-investors affected by this IRS notice.
- **Operational risks.** Chem-Mod's multi-pollutant reduction technologies (The Chem-Mod™ Solution) require chemicals that may not be readily available in the marketplace at reasonable costs. Utilities that use the technologies could be idled for various reasons, including operational or environmental problems at the plants or in the boilers, disruptions in the supply or transportation of coal, revocation of their Chem-Mod technologies environmental permits, labor strikes, force majeure events such as hurricanes, or terrorist attacks, any of which could halt or impede the operations. Long-term operations using Chem-Mod's multi-pollutant reduction technologies could also lead to unforeseen technical or other problems not evident in the short- or medium-term. A serious injury or death of a worker connected with the production of refined coal using Chem-Mod's technologies could expose the operations to material liabilities, jeopardizing our investment, and could lead to reputational harm. In the event of any such operational problems, we may not be able to take full advantage of the tax credits. We could also be exposed to risk due to our lack of control over the operations if future developments, for example a regulatory change affecting public and private companies differently, causes our interests and those of our co-investors to diverge. Finally, our partners responsible for operation and management could fail to run the operations in compliance with IRC Section 45. If any of these developments occur, our investment returns may be negatively impacted.

- **Market demand for coal.** When the price of natural gas and/or oil declines relative to that of coal, some utilities may choose to burn natural gas or oil instead of coal. Market demand for coal may also decline as a result of an economic slowdown or mild weather and a corresponding decline in the use of electricity. Sustained low natural gas prices may also cause utilities to phase out or close existing coal-fired power plants. If utilities burn less coal or eliminate coal in the production of electricity, the availability of the tax credits would also be reduced.

- **Environmental concerns regarding coal.** Environmental concerns about greenhouse gases, toxic wastewater discharges and the potential hazardous nature of coal combustion waste could lead to public pressure to reduce, or regulations that discourage, the burning of coal. For example, regulations could mandate that electric power generating companies purchase a minimum amount of power from renewable energy sources such as wind, hydroelectric, solar and geothermal.

- **Demand for commercial refined coal plants.** The implementation of environmental regulations regarding certain pollution control and permitting requirements has been delayed from time to time due to various lawsuits. The uncertainty created by litigation and reconsiderations of rule-making by the Environmental Protection Agency could negatively impact power generational facilities' demand for commercial refined coal plants, should we need to move them as described below.

- **Incompatible coal.** If utilities purchase coal of a quality or type incompatible with their boilers and operations, treating such coal through a commercial refined coal plant could magnify the negative impacts of burning such coal. As a result, refined coal plants at such utilities may be removed from production until the incompatible coal has all been burned, which could cause us to be unable to take full advantage of the tax credits.

- **Moving a commercial refined coal plant.** Changes in circumstances, such as those described above, may cause a commercial refined coal plant to be moved to a different power generation facility, which could require us to invest additional capital. Three plants do not currently have long-term production contracts, and may have to be moved once negotiations for such contracts are finalized. In addition, if for any reason one or more of these operations are unable to satisfy regulatory permitting requirements and the utilities at which they are installed are unable to timely obtain long-term permits, we may not be able to generate additional earnings from these operations.

- **Intellectual property risks.** There is a risk that foreign laws will not protect the intellectual property associated with The Chem-Mod™ Solution to the same extent as U.S. laws, leaving us vulnerable to companies outside the U.S. who may attempt to copy such intellectual property. In addition, other companies may make claims of intellectual property infringement with respect to The Chem-Mod™ Solution. Such intellectual property claims, with or without merit, could require that Chem-Mod (or us and our investment and operational partners) obtain a license to use the intellectual property, which might not be obtainable on favorable terms, if at all. In July 2014, we were named in a lawsuit asserting that we and other defendants are liable for infringement of a patent held by Nalco Company. In response, we filed a motion to dismiss the complaint on behalf of all defendants, alleging no infringement of Nalco's intellectual property. This motion and similar motions attacking amended complaints filed by Nalco, were granted. On April 20, 2016 the court dismissed Nalco's complaint and disallowed any further opportunity to amend or refile. Although Nalco has appealed this ruling, we believe that the probability of a material loss is remote. However, litigation is inherently uncertain and it is not possible to predict the ultimate disposition of this proceeding. If Chem-Mod (or we and our investment and operational partners) cannot defeat or defend this or other such claims or obtain necessary licenses on reasonable terms, the operations may be precluded from using The Chem-Mod™ Solution.

- **Strategic alternatives risk.** While we currently expect to continue to hold at least a portion of these refined coal investments, if for any reason in the future we decide to sell more of our interests, the discount rate on future cash flows could be excessive, and could result in an impairment on our investment.

- **IRC Section 45 phase out provisions.** IRC Section 45 contains phase out provisions based upon the market price of coal, such that, if the price of coal rises to specified levels, we could lose some or all of the tax credits we expect to receive from these investments.

The IRC Section 45 operations in which we have invested and the by-products from such operations may result in environmental and product liability claims aud environmental compliance costs.

The construction and operation of the IRC Section 45 operations are subject to Federal, state and local laws, regulations and potential liabilities arising under or relating to the protection or preservation of the environment, natural resources and human health and safety. Such laws and regulations generally require the operations and/or the utilities at which the operations are located to obtain and comply with various environmental registrations, licenses, permits, inspections and other approvals. There are costs associated with ensuring compliance with all applicable laws and regulations, and failure to fully comply with all applicable laws and regulations could lead to the imposition of penalties or other liability. Failure of The Chem-Mod™ Solution utilized at coal-fired generation facilities, for example, could result in violations of air emissions permits, which could lead to the imposition of penalties or other liability. Additionally, some environmental laws, without regard to fault or the legality of a party's conduct, on certain entities that are considered to have contributed to, or are otherwise responsible for, the release or threatened release of hazardous substances into the environment. One party may, under certain circumstances, be required to bear more than its share or the entire share of investigation and cleanup costs at a site if payments or participation cannot be obtained from other responsible parties. By using The Chem-Mod™ Solution at locations owned and operated by others, we and our partners may be exposed to the risk of being held liable for environmental damage from releases of hazardous substances we may have had little, if any, involvement in creating. Such risk remains even after production ceases at an operation to the extent the environmental damage can be traced to the types of chemicals or compounds used or operations conducted in connection with The Chem-Mod™ Solution. In addition, we and our partners could face the risk of environmental and product liability claims related to concrete incorporating fly ash produced using The Chem-Mod™ Solution. No assurances can be given that contractual arrangements and precautions taken to ensure assumption of these risks by facility owners or operators, or other end users, will result in that facility owner or operator, or other end user, accepting full responsibility for any environmental or product liability claim. Nor can we or our partners be certain that facility owners or operators, or other end users, will fully comply with all applicable laws and regulations, and this could result in environmental or product liability claims. It is also not uncommon for private claims by third parties alleging contamination to also include claims for personal injury, property damage, nuisance, diminution of property value, or similar claims. Furthermore, many environmental, health and safety laws authorize citizen suits, permitting third parties to make claims for violations of laws or permits. Our insurance may not cover all environmental risk and costs or may not provide sufficient coverage in the event of an environmental or product liability claim, and defense of such claims can be costly, even when such defense prevails. If significant uninsured losses arise from environmental or product liability claims, or if the costs of environmental compliance increase for any reason, our results of operations and financial condition could be adversely affected.

We have historically benefited from IRC Section 29 tax credits and that law expired on December 31, 2007. The disallowance of IRC Section 29 tax credits would likely cause a material loss.

The law permitting us to claim IRC Section 29 tax credits related to our synthetic coal operations expired on December 31, 2007. We believe our claim for IRC Section 29 tax credits in 2007 and prior years is in accordance with IRC Section 29 and four private letter rulings previously obtained by IRC Section 29-related limited liability companies in which we had an interest. We understand these private letter rulings are consistent with those issued to other taxpayers and have received no indication from the IRS that it will seek to revoke or modify them. However, while our synthetic coal operations are not currently under audit, the IRS could place those operations under audit and an adverse outcome may cause a material loss or cause us to be subject to liability under indemnification obligations related to prior sales of partnership interests in partnerships claiming IRC Section 29 tax credits. For additional information about the potential negative effects of adverse tax audits and related indemnification contingencies, see the discussion on IRC Section 29 tax credits included in "Management's Discussion and Analysis of Financial Condition and Results of Operations."

We have debt outstanding that could adversely affect our financial flexibility and subjects us to restrictions and limitations that could significantly impact our ability to operate our business.

As of December 31, 2016, we had total consolidated debt outstanding of approximately $2.7 billion. The level of debt outstanding each period could adversely affect our financial flexibility. We also bear risk at the time debt matures. Our ability to make interest and principal payments, to refinance our debt obligations and to fund our acquisition program and planned capital expenditures will depend on our ability to generate cash from operations. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control, such as an environment of rising interest rates. It will also reduce the ability to use that cash for other purposes, including working capital, dividends to stockholders, acquisitions, capital expenditures, share repurchases, and general corporate purposes. If we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, strategic acquisitions, and investments, any of which could impede the implementation of our business strategy or prevent us from entering into transactions that would otherwise benefit our business. Additionally, we may not be able to effect such actions, if necessary, on commercially reasonable terms, or at all. We may not be able to refinance any of our indebtedness on commercially reasonable terms, or at all.

The agreements governing our debt contain covenants that, among other things, restrict our ability to dispose of assets, incur additional debt, engage in certain asset sales, mergers, acquisitions or similar transactions, create liens on assets, engage in certain transactions with affiliates, change our business or make investments, and require us to comply with certain financial covenants. The restrictions in the agreements governing our debt may prevent us from taking actions that we believe would be in the best interest of our business and our stockholders and may make it difficult for us to execute our business strategy successfully or effectively compete with companies that are not similarly restricted. We may also incur future debt obligations that might subject us to additional or more restrictive covenants that could affect our financial and operational flexibility, including our ability to pay dividends. We cannot make any assurances that we will be able to refinance our debt or obtain additional financing on terms acceptable to us, or at all. A failure to comply with the restrictions under the agreements governing our debt could result in a default under the financing obligations or could require us to obtain waivers from our lenders for failure to comply with these restrictions. The occurrence of a default that remains uncured or the inability to secure a necessary consent or waiver could cause our obligations with respect to our debt to be accelerated and have a material adverse effect on our financial condition and results of operations.

We are a holding company and, therefore, may not be able to receive dividends or other distributions in needed amounts from our subsidiaries.

We are organized as a holding company, a legal entity separate and distinct from our operating subsidiaries. As a holding company without significant operations of our own, we are dependent upon dividends and other payments from our operating subsidiaries to meet our obligations for paying principal and interest on outstanding debt obligations, for paying dividends to stockholders, repurchasing our common stock and for corporate expenses. In the event our operating subsidiaries are unable to pay sufficient dividends and other payments to us, we may not be able to service our debt, pay our obligations, pay dividends on or repurchase our common stock.

Further, we derive a significant portion of our revenue and operating profit from operating subsidiaries located outside the U.S. Since the majority of financing obligations as well as dividends to stockholders are paid from the U.S., it is important to be able to access the cash generated by our operating subsidiaries located outside the U.S in the event we are unable to meet these U.S. based cash requirements.

Funds from our operating subsidiaries outside the U.S. may be repatriated to the U.S. via stockholder distributions and intercompany financings, where necessary. A number of factors may arise that could limit our ability to repatriate funds or make repatriation cost prohibitive, including, but not limited to the imposition of currency controls and other government restrictions on repatriation in the jurisdictions in which our subsidiaries operate, fluctuations in foreign exchange rates, the imposition of withholding and other taxes on such payments and our ability to repatriate earnings in a tax-efficient manner.

In the event we are unable to generate or repatriate cash from our operating subsidiaries for any of the reasons discussed above, our overall liquidity could deteriorate and our ability to finance our obligations, including to pay dividends on or repurchase our common stock, could be adversely affected.

Future sales or other dilution of our equity could adversely affect the market price of our common stock.

We grow our business organically as well as through acquisitions. One method of acquiring companies or otherwise funding our corporate activities is through the issuance of additional equity securities. The issuance of any additional shares of common or of preferred stock or convertible securities could be substantially dilutive to holders of our common stock. Moreover, to the extent that we issue restricted stock units, performance stock units, options or warrants to purchase our shares of our common stock in the future and those options or warrants are exercised or as the restricted stock units or performance stock units vest, our stockholders may experience further dilution. Holders of our common stock have no preemptive rights that entitle holders to purchase their pro rata share of any offering of shares of any class or series and, therefore, such sales or offerings could result in increased dilution to our stockholders. The market price of our common stock could decline as a result of sales of shares of our common stock or the perception that such sales could occur.

The price of our common stock may fluctuate significantly, and this may make it difficult for you to resell shares of common stock owned by you at times or at prices you find attractive.

The trading price of our common stock may fluctuate widely as a result of a number of factors, including the risk factors described above, many of which are outside our control. In addition, the stock market is subject to fluctuations in the share prices and trading volumes that affect the market prices of the shares of many companies. These broad market fluctuations have adversely affected and may continue to adversely affect the market price of our common stock. Among the factors that could affect our stock price are:

- General economic and political conditions such as recessions, economic downturns and acts of war or terrorism;
- Quarterly variations in our operating results;
- Seasonality of our business cycle;

- Changes in the market's expectations about our operating results;
- Our operating results failing to meet the expectation of securities analysts or investors in a particular period;
- Changes in financial estimates and recommendations by securities analysts concerning us or the insurance brokerage or financial services industries in general;
- Operating and stock price performance of other companies that investors deem comparable to us;
- News reports relating to trends in our markets, including any expectations regarding an upcoming "hard" or "soft" market;
- Changes in laws and regulations affecting our business;
- Material announcements by us or our competitors;
- The impact or perceived impact of developments relating to our investments, including the possible perception by securities analysts or investors that such investments divert management attention from our core operations;
- Market volatility;
- A negative market reaction to announced acquisitions;
- Competitive pressures in each of our segments;
- General conditions in the insurance brokerage and insurance industries;
- Legal proceedings or regulatory investigations;
- Regulatory requirements, including international sanctions and the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act 2010 or other anti-corruption laws;
- Quarter-to-quarter volatility in the earnings impact of IRC Section 45 tax credits from our clean energy investments, due to the application of accounting standards applicable to the recognition of tax credits; and
- Sales of substantial amounts of common shares by our directors, executive officers or significant stockholders or the perception that such sales could occur.

Stockholder class action lawsuits may be instituted against us following a period of volatility in our stock price. Any such litigation could result in substantial cost and a diversion of management's attention and resources.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 2. Properties.

The executive offices of our corporate segment and certain subsidiary and branch facilities of our brokerage and risk management segments are located at Two Pierce Place, Itasca, Illinois, where we lease approximately 306,000 square feet of space, or approximately 60% of the building. The lease commitment on this property expires on February 28, 2018. We plan to relocate our headquarters to the city of Rolling Meadows, Illinois (a suburb of Chicago approximately 4 miles from our current location) during early 2017.

Elsewhere, we generally operate in leased premises related to the facilities of our brokerage and risk management operations. We prefer to lease office space rather than own real estate related to the branch facilities of our brokerage and risk management segments. Certain of our office space leases have options permitting renewals for additional periods. In addition to minimum fixed rentals, a number of our leases contain annual escalation clauses generally related to increases in an inflation index. See Note 15 to our 2016 consolidated financial statements for information with respect to our lease commitments as of December 31, 2016.

Item 3. Legal Proceedings.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Executive Officers

Our executive officers are as follows:

Name	Age	Position and Year First Elected
J. Patrick Gallagher, Jr.	64	Chairman since 2006, President since 1990, Chief Executive Officer since 1995
Walter D. Bay	53	Corporate Vice President, General Counsel, Secretary since 2007
Richard C. Cary	54	Controller since 1997, Chief Accounting Officer since 2001
Joel D. Cavaness	55	Corporate Vice President since 2000, President of our Wholesale Brokerage Operation since 1997
James W. Durkin, Jr.	67	Corporate Vice President, President of our Employee Benefit Brokerage Operation 1985 - 2016, Chairman beginning in 2017
Thomas J. Gallagher	58	Corporate Vice President since 2001, Chairman of our International Brokerage Operation 2010 - 2016, President of our Retail Property/Casualty Brokerage Operation beginning in 2017
James S. Gault	64	Corporate Vice President since 1992, President of our Retail Property/Casualty Brokerage Operation 2002 - 2016, Chairman beginning in 2017
Douglas K. Howell	55	Corporate Vice President, Chief Financial Officer since 2003
Scott R. Hudson	55	Corporate Vice President and President of our Risk Management Operation since 2010
Susan E. Pietrucha	49	Corporate Vice President, Chief Human Resource Officer since 2007
William F. Ziebell *	54	Corporate Vice President since 2011, regional leader in our Employee Benefits Brokerage Operations 2004 - 2016, President beginning in 2017

* Mr. Ziebell was designated as an executive officer in January 2017.

We have employed each such person principally in management capacities for more than the past five years. All executive officers are appointed annually and serve at the pleasure of our board of directors.

Part II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is listed on the New York Stock Exchange, trading under the symbol "AJG." The following table sets forth information as to the price range of our common stock for the two-year period from January 1, 2015 through December 31, 2016 and the dividends declared per common share for such period. The table reflects the range of high and low sales prices per share as reported on the New York Stock Exchange composite listing.

Quarterly Periods	High	Low	Dividends Declared per Common Share
2016			
First	$ 44.67	$ 35.96	$ 0.38
Second	48.64	43.17	0.38
Third	51.24	47.15	0.38
Fourth	52.34	47.16	0.38
2015			
First	$ 48.71	$ 44.24	$ 0.37
Second	49.59	46.30	0.37
Third	48.33	39.99	0.37
Fourth	44.54	39.43	0.37

As of January 31, 2017, there were approximately 1,000 holders of record of our common stock.

(c) Issuer Purchases of Equity Securities

The following table shows the purchases of our common stock made by or on behalf of Gallagher or any "affiliated purchaser" (as such term is defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934, as amended) of Gallagher for each fiscal month in the three-month period ended December 31, 2016:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share (2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (3)	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs (3)
October 1 through October 31, 2016	-	$ -	-	7,735,489
November 1 through November 30, 2016	4,684	48.44	-	7,735,489
December 1 through December 31, 2016	21,565	51.23	-	7,735,489
Total	26,249	$ 50.73	-	

(1) Amounts in this column represent shares of our common stock purchased by the trustees of rabbi trusts established under our Deferred Equity Participation Plan (which we refer to as the DEPP), our Deferred Cash Participation Plan (which we refer to as the DCPP) and our Supplemental Savings and Thrift Plan (which we refer to as the Supplemental Plan), respectively. The DEPP is a non-qualified deferred compensation plau that generally provides for distributions to certain of our key executives when they reach age 62 (or the one-year anniversary of the date of the grant for participants over the age of 61 as of the grant date) or upon or after their actual retirement. See Note 10 to the consolidated financial statements in this report for more information regarding the DEPP. The DCPP is a non-qualified deferred compensation plan for certain key employees, other than executive officers, that generally provides for vesting and/or distributions no sooner than five years from the date of awards. Under the terms of the DEPP and the DCPP, we may contribute cash to the rabbi trust and instruct the trustee to acquire a specified number of shares of our common stock on the open market or in privately negotiated transactions based on participant elections. In the fourth quarter of 2016, we instructed the rabbi trustee for the DEPP and the DCPP to reinvest dividends paid into the plans in our common stock and to purchase our common stock using the cash that was funded into these plans related to the 2016 awards. The Supplemental Plan is an unfunded, non-qualified deferred compensation plan that allows certain highly compensated employees to defer amounts, including company match amounts, on a before-tax basis or after-tax basis. Under the terms of the Supplemental Plan, all cash deferrals and company match amounts may be deemed invested, at the employee's election, in a number of investment options that include various mutual funds, an annuity product and a fund representing our common stock. When an employee elects to deem his or her amounts under the Supplemental Plan invested in the fund representing our common stock, the trustee of the rabbi trust purchases the number of shares of our common stock equivalent to the amount deemed invested in the fund representing our common stock. We established the rabbi trusts for the DEPP, the DCPP and the Supplemental Plan to assist us in discharging our deferred compensation obligations under these plans. All assets of the rabbi trusts, including any shares of our common stock purchased by the trustees, remain, at all times, assets of the Company, subject to the claims of our creditors. The terms of the DEPP, the DCPP and the Supplemental Plan do not provide for a specified limit on the number of shares of common stock that may be purchased by the respective trustees of the rabbi trusts.

(2) The average price paid per share is calculated on a settlement basis and does not include commissions.

(3) We have a common stock repurchase plan that the board of directors adopted on May 10, 1988 and has periodically amended since that date to authorize additional shares for repurchase (the last amendment was on January 24, 2008). We did not repurchase any shares of our common stock under the repurchase plan during the fourth quarter of 2016. The repurchase plan has no expiration date and we are under no commitment or obligation to repurchase any particular amount of our common stock nnder the plan. At our discretion, we may suspend the repurchase plan at any time.

Item 6. Selected Financial Data.

The following selected consolidated financial data for each of the five years in the period ended December 31, 2016 have been derived from our consolidated financial statements. Such data should be read in conjunction with our consolidated financial statements and notes thereto in Item 8 of this annual report.

	Year Ended December 31,				
	2016	2015	2014	2013	2012
	(In millions, except per share and employee data)				
Consolidated Statement of Earnings Data:					
Commissions	$ 2,439.1	$ 2,338.7	$ 2,083.0	$ 1,553.1	$ 1,302.5
Fees	1,492.8	1,432.3	1,258.3	1,059.5	971.7
Supplemental commissions	147.0	125.5	104.0	77.3	67.9
Contingent commissions	107.2	93.7	84.7	52.1	42.9
Investment income and other	1,408.7	1,402.2	1,096.5	437.6	135.3
Total revenues	5,594.8	5,392.4	4,626.5	3,179.6	2,520.3
Total expenses	5,237.9	5,098.9	4,335.0	2,888.6	2,259.2
Earnings before income taxes	356.9	293.5	291.5	291.0	261.1
Provision (benefit) for income taxes	(88.1)	(95.6)	(36.0)	6.4	50.3
Net earnings	445.0	389.1	327.5	284.6	210.8
Net earnings attributable to noncontrolling interests	30.6	32.3	24.1	16.0	15.8
Net earnings attributable to controlling interests	$ 414.4	$ 356.8	$ 303.4	$ 268.6	$ 195.0
Per Share Data:					
Diluted net earnings per share (1)	2.32	2.06	1.97	2.06	1.59
Dividends declared per common share (2)	1.52	1.48	1.44	1.40	1.36
Share Data:					
Shares outstanding at year end	178.3	176.9	164.6	133.6	125.6
Weighted average number of common shares outstanding	177.6	172.2	152.9	128.9	121.0
Weighted average number of common and common equivalent shares outstanding	178.4	173.2	154.3	130.5	122.5
Consolidated Balance Sheet Data:					
Total assets	$ 11,489.6	$ 10,910.5	$ 10,010.0	$ 6,860.5	$ 5,352.3
Long-term debt less current portion	2,150.0	2,075.0	2,125.0	825.0	725.0
Total stockholders' equity	3,655.8	3,688.2	3,305.1	2,114.8	1,672.8
Return on beginning stockholders' equity (3)	11%	11%	14%	16%	26%
Employee Data:					
Number of employees - at year end (4)	24,790	23,857	22,375	18,055	14,924

(1) Based on the weighted average number of common and common equivalent shares outstanding during the year.

(2) Based on the total dividends declared on a share of common stock outstanding during the entire year.

(3) Represents net earnings divided by total stockholders' equity, as of the beginning of the year.

(4) Prior to September 1, 2016, most of Gallagher's India-based workforce was provided by a third-party on a cost-pass-through basis. During the third quarter of 2016, Gallagher consummated a transaction whereby it now directly employees those associates, thereby adding approximately 2,700 employees to our global workforce counts shown above. We revised the workforce number as of December 31, 2015, 2014, 2013 and 2012 to conform to the current period presentation.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Introduction

The following discussion and analysis should be read in conjunction with our consolidated financial statements and the related notes included in Item 8 of this annual report. In addition, please see "Information Regarding Non-GAAP Measures and Other" beginning on page 31 for a reconciliation of the non-GAAP measures for adjusted total revenues, organic commission, fee and supplemental commission revenues and adjusted EBITDAC to the comparable GAAP measures, as well as other important information regarding these measures.

We are engaged in providing insurance brokerage and third party property/casualty claims settlement and administration services to entities in the U.S. and abroad. We believe that one of our major strengths is our ability to deliver comprehensively structured insurance and risk management services to our clients. Our brokers, agents and administrators act as intermediaries between insurers and our customers and we do not assume net underwriting risks. We are headquartered in Itasca, Illinois, have operations in 33 other countries and offer client-service capabilities in more than 150 countries globally through a network of correspondent brokers and consultants. In 2016, we expanded, and expect to continue to expand, our international operations through both acquisitions and organic growth. We generate approximately 69% of our revenues for the combined brokerage and risk management segments domestically, with the remaining 31% derived internationally, primarily in Australia, Bermuda, Canada, the Caribbean, New Zealand and the U.K. (based on 2016 revenues). We expect that our international revenue as a percentage of our total revenues in 2017 will be comparable to 2016. We have three reportable segments: brokerage, risk management and corporate, which contributed approximately 63%, 13% and 24%, respectively, to 2016 revenues. Our major sources of operating revenues are commissions, fees and supplemental and contingent commissions from brokerage operations and fees from risk management operations. Investment income is generated from invested cash and fiduciary funds, clean energy and other investments, and interest income from premium financing.

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains certain statements relating to future results which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Please see "Information Concerning Forward-Looking Statements" in Part I of this annual report, for certain cautionary information regarding forward-looking statements and a list of factors that could cause our actual results to differ materially from those predicted in the forward-looking statements.

Summary of Financial Results – Year Ended December 31,

See the reconciliations of non-GAAP measures on pages 27 and 28.

	Year 2016		Year 2015		Change	
	Reported GAAP	Adjusted Non-GAAP	Reported GAAP	Adjusted Non-GAAP	Reported GAAP	Adjusted Non-GAAP
	(In millions, except per share data)					
Brokerage Segment						
Revenues	$ 3,527.9	$ 3,521.3	$ 3,324.0	$ 3,232.0	6%	9%
Organic revenues		$ 3,286.7		$ 3,173.9		3.6%
Net earnings	$ 357.1		$ 268.1		33%	
Net earnings margin	10.1%		8.1%		+205 bpts	
Adjusted EBITDAC		$ 948.7		$ 856.8		11%
Adjusted EBITDAC margin		26.9%		26.5%		43 bpts
Diluted net earnings per share	$ 1.98	$ 2.30	$ 1.54	$ 2.13	29%	8%
Risk Management Segment						
Revenues	$ 718.1	$ 718.1	$ 727.1	$ 723.4	-1%	-1%
Organic revenues		$ 713.9		$ 705.1		1.3%
Net earnings	$ 57.2		$ 57.2		0%	
Net earnings margin	8.0%		7.9%		+10 bpts	
Adjusted EBITDAC		$ 124.4		$ 124.9		0%
Adjusted EBITDAC margin		17.3%		17.3%		+5 bpts
Diluted net earnings per share	$ 0.32	$ 0.33	$ 0.33	$ 0.36	-3%	-8%
Corporate Segment						
Diluted net earnings per share	$ 0.02	$ 0.11	$ 0.19	$ 0.09	-89%	22%
Total Company						
Diluted net earnings per share	$ 2.32	$ 2.74	$ 2.06	$ 2.58	13%	6%

In our corporate segment, net after tax earnings from our clean energy investments was $114.4 million in 2016. We anticipate our clean energy investments to generate between $117.0 million and $133.0 million in net after tax earnings in 2017. We expect to use these additional earnings to continue our mergers and acquisition strategy in our core brokerage and risk management operations.

The following provides information that management believes is helpful when comparing revenues, net earnings, EBITDAC and diluted net earnings per share for 2016 and 2015. In addition, these tables provide reconciliations to the most comparable GAAP measures for adjusted revenues, adjusted EBITDAC (non-GAAP measure) and adjusted diluted net earnings per share. Reconciliations of EBITDAC for the brokerage and risk management segments are provided on pages 35 and 42 of this filing.

Year Ended December 31 Reported GAAP to Adjusted Non-GAAP Reconciliation:

Segment	Revenues 2016	Revenues 2015	Net Earnings 2016	Net Earnings 2015	(Non-GAAP Measure) EBITDAC 2016	(Non-GAAP Measure) EBITDAC 2015	Diluted Net Earnings Per Share 2016	Diluted Net Earnings Per Share 2015
			(In millions, except per share data)					
Brokerage, as reported	$ 3,527.9	$ 3,324.0	$ 357.1	$ 268.1	$ 885.2	$ 746.2	$ 1.98	$ 1.54
Gains on book sales	(6.6)	(6.7)	(4.7)	(5.0)	(6.6)	(6.7)	(0.03)	(0.03)
Acquisition integration	-	-	32.8	69.2	45.7	100.9	0.18	0.40
Workforce & lease termination	-	-	15.1	16.3	20.7	23.0	0.09	0.09
Acquisition related adjustments	-	-	14.9	28.5	3.7	3.4	0.09	0.16
U.K. statutory income tax rate change	-	-	(1.5)	(4.2)	-	-	(0.01)	(0.02)
Levelized foreign currency translation	-	(85.3)	-	(1.1)	-	(10.0)	-	(0.01)
Brokerage, as adjusted *	3,521.3	3,232.0	413.7	371.8	948.7	856.8	2.30	2.13
Risk Management, as reported	718.1	727.1	57.2	57.2	122.2	119.1	0.32	0.33
Workforce & lease termination	-	-	1.5	2.1	2.2	2.9	0.01	0.01
Client run-off/bankruptcy	-	1.0	-	3.1	-	4.0	-	0.02
Acquisition related adjustments	-	-	-	(0.3)	-	-	-	-
Levelized foreign currency translation	-	(4.7)	-	(0.6)	-	(1.1)	-	-
Risk Management, as adjusted *	718.1	723.4	58.7	61.5	124.4	124.9	0.33	0.36
Corporate, as reported	1,348.8	1,341.3	30.7	63.8	(157.8)	(94.0)	0.02	0.19
Impact of 2015 litigation settlement	-	(31.0)	16.1	(17.7)	20.2	(16.2)	0.09	(0.10)
Corporate, as adjusted *	1,348.8	1,310.3	46.8	46.1	(137.6)	(110.2)	0.11	0.09
Total Company, as reported	$ 5,594.8	$ 5,392.4	$ 445.0	$ 389.1	$ 849.6	$ 771.3	$ 2.32	$ 2.06
Total Company, as adjusted *	$ 5,588.2	$ 5,265.7	$ 519.2	$ 479.4	$ 935.5	$ 871.5	$ 2.74	$ 2.58
Total Brokerage & Risk Management, as reported	$ 4,246.0	$ 4,051.1	$ 414.3	$ 325.3	$ 1,007.4	$ 865.3	$ 2.30	$ 1.87
Total Brokerage & Risk Management, as adjusted *	$ 4,239.4	$ 3,955.4	$ 472.4	$ 433.3	$ 1,073.1	$ 981.7	$ 2.63	$ 2.49

* For 2016, the pretax impact of the brokerage segment adjustments totals $80.5 million, with a corresponding adjustment to the provision for income taxes of $23.9 million relating to these items. The pretax impact of the risk management segment adjustments totals $2.2 million, with a corresponding adjustment to the provision for income taxes of $0.7 million relating to these items. The pretax impact of the corporate segment adjustments totals $20.2 million, with a corresponding adjustment to the provision for income taxes of $4.1 million relating to these items. For the year ended December 31, 2015, the pretax impact of the brokerage segment adjustments totals $155.2 million, with a corresponding adjustment to the provision for income taxes of $51.5 million relating to these items. The pretax impact of the risk management segment adjustments totals $5.6 million, with a corresponding adjustment to the provision for income taxes of $1.3 million relating to these items. The pretax impact of the corporate segment adjustments totals ($16.2) million, with a corresponding adjustment to the provision for income taxes of $1.5 million relating to these items.

Reconciliation of Non-GAAP Measures - Pre-tax Earnings and Diluted Net Earnings per Share

(In millions except share and per share data)

	Earnings (Loss) Before Income Taxes	Provision (Benefit) for Income Taxes	Net Earnings	Net Earnings (Loss) Attributable to Noncontrolling Interests	Net Earnings (Loss) Attributable to Controlling Interests	Diluted Net Earnings (Loss) per Share
Year Ended Dec 31, 2016						
Brokerage, as reported	**$ 551.2**	**$ 194.1**	**$ 357.1**	**$ 3.6**	**$ 353.5**	**$ 1.98**
Gains on book sales	(6.6)	(1.9)	(4.7)	-	(4.7)	(0.03)
Acquisition integration	45.7	12.9	32.8	-	32.8	0.18
Workforce & lease termination	20.7	5.6	15.1	-	15.1	0.09
Acquisition related adjustments	20.7	5.8	14.9	-	14.9	0.09
U.K. statutory income tax rate change	-	1.5	(1.5)	-	(1.5)	(0.01)
Brokerage, as adjusted	$ 631.7	$ 218.0	$ 413.7	$ 3.6	$ 410.1	$ 2.30
Risk Management, as reported	**$ 92.5**	**$ 35.3**	**$ 57.2**	**$ -**	**$ 57.2**	**$ 0.32**
Workforce & lease termination	2.2	0.7	1.5	-	1.5	0.01
Risk Management, as adjusted	$ 94.7	$ 36.0	$ 58.7	$ -	$ 58.7	$ 0.33
Corporate, as reported	**$ (286.8)**	**$ (317.5)**	**$ 30.7**	**$ 27.0**	**$ 3.7**	**$ 0.02**
Impact of 2015 litigation settlement	20.2	4.1	16.1	-	16.1	0.09
Corporate, as adjusted	$ (266.6)	$ (313.4)	$ 46.8	$ 27.0	$ 19.8	$ 0.11
Year Ended Dec 31, 2015						
Brokerage, as reported	**$ 413.4**	**$ 145.3**	**$ 268.1**	**$ 1.7**	**$ 266.4**	**$ 1.54**
Gains on book sales	(6.7)	(1.7)	(5.0)	-	(5.0)	(0.03)
Acquisition integration	100.9	31.7	69.2	-	69.2	0.40
Workforce & lease termination	23.0	6.7	16.3	-	16.3	0.09
Acquisition related adjustments	39.8	11.3	28.5	-	28.5	0.16
U.K. statutory income tax rate change	-	4.2	(4.2)	-	(4.2)	(0.02)
Levelized foreign currency translation	(1.8)	(0.7)	(1.1)	-	(1.1)	(0.01)
Brokerage, as adjusted	$ 568.6	$ 196.8	$ 371.8	$ 1.7	$ 370.1	$ 2.13
Risk Management, as reported	**$ 92.3**	**$ 35.1**	**$ 57.2**	**$ -**	**$ 57.2**	**$ 0.33**
Workforce & lease termination	2.9	0.8	2.1	-	2.1	0.01
Client run-off/bankruptcy	4.0	0.9	3.1	-	3.1	0.02
Acquisition related adjustments	(0.5)	(0.2)	(0.3)	-	(0.3)	-
Levelized foreign currency translation	(0.8)	(0.2)	(0.6)	-	(0.6)	-
Risk Management, as adjusted	$ 97.9	$ 36.4	$ 61.5	$ -	$ 61.5	$ 0.36
Corporate, as reported	**$ (212.2)**	**$ (276.0)**	**$ 63.8**	**$ 30.6**	**$ 33.2**	**$ 0.19**
Impact of 2015 litigation settlement	(16.2)	1.5	(17.7)	-	(17.7)	(0.10)
Corporate, as adjusted	$ (228.4)	$ (274.5)	$ 46.1	$ 30.6	$ 15.5	$ 0.09

Insurance Market Overview

Fluctuations in premiums charged by property/casualty insurance carriers have a direct and potentially material impact on the insurance brokerage industry. Commission revenues are generally based on a percentage of the premiums paid by insureds and normally follow premium levels. Insurance premiums are cyclical in nature and may vary widely based on market conditions. Various factors, including competition for market share among insurance carriers, increased underwriting capacity and improved economics of scale following consolidations, can result in flat or reduced property/casualty premium rates (a "soft" market). A soft market tends to put downward pressure on commission revenues. Various countervailing factors, such as greater than anticipated loss experience and capital shortages, can result in increasing property/casualty premium rates (a "hard" market). A hard market tends to favorably impact commission revenues. Hard and soft markets may be broad-based or more narrowly focused across individual product lines or geographic areas. As markets harden, certain insureds, who are the buyers of insurance (our brokerage clients), have historically resisted paying increased premiums and the higher commissions these premiums generate. Such resistance often causes some buyers to raise their deductibles and/or reduce the overall amount of insurance coverage they purchase. As the market softens, or costs decrease, these trends have historically reversed. During a hard market, buyers may switch to negotiated fee in lieu of commission arrangements to compensate us for placing their risks, or may consider the alternative insurance market, which includes self-insurance, captives, rent-a-captives, risk retention groups and capital market solutions to transfer risk. According to industry estimates, these mechanisms now account for 50% of the total U.S. commercial property/casualty market. Our brokerage units are very active in these markets as well. While increased use by insureds of these alternative markets historically has reduced commission revenue to us, such trends generally have been accompanied by new sales and renewal increases in the areas of risk management, claims management, captive insurance and self-insurance services and related growth in fee revenue. Inflation tends to increase the levels of insured values and risk exposures, resulting in higher overall premiums and higher commissions. However, the impact of hard and soft market fluctuations has historically had a greater impact on changes in premium rates, and therefore on our revenues, than inflationary pressures.

The Council of Insurance Agents & Brokers (which we refer to as the CIAB) 2016 quarterly surveys indicated that U.S. commercial property/casualty rates decreased by 3.7%, 3.9%, 3.2% and 3.3% on average across all lines, for the first, second, third and fourth quarters of 2016, respectively. The fourth quarter 2016 CIAB survey indicated that rates declined for the eighth straight quarter. CIAB survey respondents noted that the decrease in rates during the fourth quarter of 2016 were fairly consistent with the third quarter of 2016, signaling some stability in the market. In 2017, while we see retail property/casualty rates as a headwind, we do see property/casualty exposure growth offsetting this partially. We also see employment growth and complexity surrounding the Affordable Care Act as tailwinds for our employee benefit units. In addition, our history of strong new business generation, solid retentions and enhanced value-added services for our carrier partners should all result in further organic growth opportunities around the world. We believe similar conditions exist as we start the January 1, 2017 renewal season. Internationally, we see a similar market in U.K. retail, Canada, Australia and New Zealand, but more softening in London Specialty. Overall, we believe a modestly-down rate environment can be partially mitigated through exposure unit growth in certain lines and by our professionals demonstrating our expertise and high quality value added capabilities by strengthening our clients' insurance portfolio in these times. Based on our experience, insurance carriers appear to be making rational pricing decisions. In lines and accounts where rate increases or decreases are warranted, the underwriters are pricing accordingly. As carriers reach their profitability targets in lines, rates may start to flatten. In summary, in this environment, rates decreased at a moderate pace, clients can still obtain coverage, businesses continue to stay in standard-line markets and there is adequate capacity in the insurance market. It is not clear whether the rate retraction will continue due to the uncertainty of the current economic environment. The CIAB represents the leading domestic and international insurance brokers, who write approximately 85% of the commercial property/casualty premiums in the U.S.

Clean energy investments - In 2009 and 2011, we built a total of 29 commercial clean coal production plants to produce refined coal using Chem-Mod's (see below) proprietary technologies. On September 1, 2013, we purchased a 99% interest in a limited liability company that has ownership interests in four limited liability companies that own five clean coal production plants. On March 1, 2014, we purchased an additional ownership interest in seven of the 2009 Era Plants and five of the 2011 Era Plants from a co-investor. For all seven of the 2009 Era Plants, our ownership increased from 49.5% to 100.0%. For the 2011 Era Plants, our ownership increased from 48.8% to 90.0% for one of the plants, from 49.0% to 100.0% for three of the plants and from 98.0% to 100.0% for one of the plants. We believe these operations produce refined coal that qualifies for tax credits under IRC Section 45. The law that provides for IRC Section 45 tax credits expires in December 2019 for the fourteen plants we built and placed in service in 2009 (2009 Era Plants) and in December 2021 for the fifteen plants we built and placed in service in 2011, plus the five plants we purchased interests in that were placed in service in 2011 (2011 Era Plants).

Thirty-one plants are under long-term production contracts with several utilities. The remaining three plants are in early stages of seeking and negotiating long-term production contracts.

We also own a 46.5% controlling interest in Chem-Mod, which has been marketing The Chem-Mod™ Solution proprietary technologies principally to refined fuel plants that sell refined fuel to coal-fired power plants owned by utility companies, including those plants in which we hold interests. Based on current production estimates provided by licensees, Chem-Mod could generate for us approximately $4.0 million to $5.0 million of net after-tax earnings per quarter.

Our current estimate of the 2017 annual net after tax earnings that could be generated from all of our clean energy investments in 2017 is between $117.0 million to $133.0 million.

All estimates set forth above regarding the future results of our clean energy investments are subject to significant risks, including those set forth in the risk factors regarding our IRC Section 45 investments under Item 1A, "Risk Factors."

Critical Accounting Policies

Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (which we refer to as GAAP), which require management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We believe the following significant accounting policies may involve a higher degree of judgment and complexity. See Note 1 to our consolidated financial statements for other significant accounting policies.

Revenue Recognition - See Revenue Recognition in Note 1 to our consolidated financial statements. See Note 2 to our 2016 consolidated financial statements for information with respect to the potential impacts a new accounting standard relating to revenue recognition could have on our future financial position and operating results.

Income Taxes - See Income Taxes in Note 1 to our consolidated financial statements.

Uncertain tax positions are measured based upon the facts and circumstances that exist at each reporting period and involve significant management judgment. Subsequent changes in judgment based upon new information may lead to changes in recognition, derecognition and measurement. Adjustments may result, for example, upon resolution of an issue with the taxing authorities, or expiration of a statute of limitations barring an assessment for an issue. We recognize interest and penalties, if any, related to unrecognized tax benefits in our provision for income taxes. See Note 17 to our consolidated financial statements for a discussion regarding the possibility that our gross unrecognized tax benefits balance may change within the next twelve months.

Tax law requires certain items to be included in our tax returns at different times than such items are reflected in the financial statements. As a result, the annual tax expense reflected in our consolidated statements of earnings is different than that reported in the tax returns. Some of these differences are permanent, such as expenses that are not deductible in the returns, and some differences are temporary and reverse over time, such as depreciation expense and amortization expense deductible for income tax purposes. Temporary differences create deferred tax assets and liabilities. Deferred tax liabilities generally represent tax expense recognized in the financial statements for which a tax payment has been deferred, or expense which has been deducted in the tax return but has not yet been recognized in the financial statements. Deferred tax assets generally represent items that can be used as a tax deduction or credit in tax returns in future years for which a benefit has already been recorded in the financial statements.

We establish or adjust valuation allowances for deferred tax assets when we estimate that it is more likely than not that future taxable income will be insufficient to fully use a deduction or credit in a specific jurisdiction. In assessing the need for the recognition of a valuation allowance for deferred tax assets, we consider whether it is more likely than not that some portion, or all, of the deferred tax assets will not be realized and adjust the valuation allowance accordingly. We evaluate all significant available positive and negative evidence as part of our analysis. Negative evidence includes the existence of losses in recent years. Positive evidence includes the forecast of future taxable income by jurisdiction, tax-planning strategies that would result in the realization of deferred tax assets and the presence of taxable income in prior carryback years. The underlying assumptions we use in forecasting future taxable income require significant judgment and take into account our recent performance. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the periods in which temporary differences are deductible or creditable.

Intangible Assets/Earnout Obligations - See Intangible Assets in Note 1 to our consolidated financial statements.

Current accounting guidance related to business combinations requires us to estimate and recognize the fair value of liabilities related to potential earnout obligations as of the acquisition dates for all of our acquisitions subject to earnout provisions. The maximum potential earnout payables disclosed in the notes to our consolidated financial statements represent the maximum amount of additional consideration that could be paid pursuant to the terms of the purchase agreement for the applicable acquisition. The amounts recorded as earnout payables, which are primarily based upon the estimated future operating results of the acquired entities over a two- to three-year period subsequent to the acquisition date, are measured at fair value as of the acquisition date and are included on that basis in the recorded purchase price consideration. We will record subsequent changes in these estimated earnout obligations, including the accretion of discount, in our consolidated statement of earnings when incurred.

The fair value of these earnout obligations is based on the present value of the expected future payments to be made to the sellers of the acquired entities in accordance with the provisions outlined in the respective purchase agreements. In determining fair value, we estimate the acquired entity's future performance using financial projections that are developed by management for the acquired entity and market participant assumptions that are derived for revenue growth and/or profitability. We estimate future payments using the earnout formula and performance targets specified in each purchase agreement and these financial projections. We then discount these payments to present value using a risk-adjusted rate that takes into consideration market-based rates of return that reflect the ability of the acquired entity to achieve the targets. Changes in financial projections, market participant assumptions for revenue growth and/or profitability, or the risk-adjusted discount rate, would result in a change in the fair value of recorded earnout obligations. See Note 3 to our consolidated financial statements for additional discussion on our 2016 business combinations.

Business Combinations and Dispositions

See Note 3 to our consolidated financial statements for a discussion of our 2016 business combinations. We did not have any material dispositions in 2016, 2015 and 2014.

Results of Operations

Information Regarding Non-GAAP Measures and Other

In the discussion and analysis of our results of operations that follows, in addition to reporting financial results in accordance with GAAP, we provide information regarding EBITDAC, EBITDAC margin, adjusted EBITDAC, adjusted EBITDAC margin, diluted net earnings per share, as adjusted (adjusted EPS) for the brokerage and risk management segments, adjusted revenues, adjusted compensation and operating expenses, adjusted compensation expense ratio, adjusted operating expense ratio and organic revenue measures for each operating segment. These measures are not in accordance with, or an alternative to, the GAAP information provided in this report. We believe that these presentations provide useful information to management, analysts and investors regarding financial and business trends relating to our results of operations and financial condition. Our industry peers may provide similar supplemental non-GAAP information with respect to one or more of these measures, although they may not use the same or comparable terminology and may not make identical adjustments. The non-GAAP information we provide should be used in addition to, but not as a substitute for, the GAAP information provided. As disclosed in our most recent Proxy Statement, we do not make determinations regarding executive officer incentive compensation on the basis of "adjusted" measures such as those described below in "Adjusted revenues and expenses" or "Adjusted EBITDAC". Instead, incentive compensation determinations for executive officers are made on the basis of revenue and EBITAC (defined as earnings before interest, taxes, amortization and change in estimated earnout payables) for the combined brokerage and risk management segments. Certain reclassifications have been made to the prior-year amounts reported in this report in order to conform them to the current year presentation.

Adjusted Non-GAAP presentation - We believe that the adjusted Non-GAAP presentation of our 2016, 2015 and 2014 information, presented on the following pages, provides stockholders and other interested persons with useful information regarding certain financial metrics that may assist such persons in analyzing our operating results as they develop a future earnings outlook for us. The after-tax amounts related to the adjustments were computed using the normalized effective tax rate for each respective period.

- **Adjusted revenues and expenses** - We define these measures as revenues, compensation expense and operating expense, respectively, each adjusted to exclude the following:
    - Net gains realized from sales of books of business, which are primarily net proceeds received related to sales of books of business and other divestiture transactions.
    - Acquisition integration costs, which include costs related to certain of our large acquisitions, outside the scope of our usual tuck-in strategy, not expected to occur on an ongoing basis in the future once we fully assimilate the applicable acquisition. These costs are typically associated with redundant workforce, extra lease space, duplicate services and external costs incurred to assimilate the acquisition with our IT related systems.
    - Claim portfolio transfer ramp up fees/costs and client run-off/bankruptcy costs.
    - Workforce related charges, which primarily include severance costs related to employee terminations and other costs associated with redundant workforce.
    - Lease termination related charges, which primarily include costs related to terminations of real estate leases and abandonment of leased space.
    - Acquisition related adjustments, which include change in estimated acquisition earnout payables adjustments, impacts of acquisition valuation true-ups, impairment charges and acquisition related compensation charges.
    - The impact of foreign currency translation, as applicable. The amounts excluded with respect to foreign currency translation are calculated by applying current year foreign exchange rates to the same periods in the prior year.
- **Adjusted ratios** - Adjusted compensation expense ratio and adjusted operating expense ratio, respectively, each divided by adjusted revenues.

Non-GAAP Earnings Measures

- **EBITDAC and EBITDAC Margin** - EBITDAC is net earnings before interest, income taxes, depreciation, amortization and the change in estimated acquisition earnout payables and EBITDAC margin is EBITDAC divided by total revenues. These measures for the brokerage and risk management segments provide a meaningful representation of our operating performance and, for the overall business, provide a meaningful way to measure its financial performance on an ongoing basis.
- **Adjusted EBITDAC and Adjusted EBITDAC Margin** - Adjusted EBITDAC is EBITDAC adjusted to exclude gains realized from sales of books of business, acquisition integration costs, workforce related charges, lease termination related charges, claim portfolio transfer ramp up fees/costs, client run-off/bankruptcy costs, acquisition related adjustments, and the period-over-period impact of foreign currency translation, as applicable and Adjusted EBITDAC margin is Adjusted EBITDAC divided by total adjusted revenues (defined above). These measures for the brokerage and risk management segments provide a meaningful representation of our operating performance, and are also presented to improve the comparability of our results between periods by eliminating the impact of the items that have a high degree of variability.
- **Adjusted EPS for the Brokerage and Risk Management segments** - We define this measure as net earnings adjusted to exclude the after-tax impact of gains realized from sales of books of business, acquisition integration costs, claim portfolio transfer ramp up fees/costs, client run-off/bankruptcy costs, workforce related charges, lease termination related charges and acquisition related adjustments, the period-over-period impact of foreign currency translation, as applicable, divided by diluted weighted average shares outstanding. This measure provides a meaningful representation of our operating performance (and as such should not be used as a measure of our liquidity), and is also presented to improve the comparability of our results between periods by eliminating the impact of the items that have a high degree of variability.

Organic Revenues (a non-GAAP Measure) - For the brokerage segment, organic change in base commission and fee revenues excludes the first twelve months of net commission and fee revenues generated from acquisitions and the net commission and fee revenues related to operations disposed of in each year presented. These commissions and fees are excluded from organic revenues in order to help interested persons analyze the revenue growth associated with the operations that were a part of our business in both the current and prior year. In addition, change in base commission and fee revenue organic growth excludes the period-over-period impact of foreign currency translation. For the risk management segment, organic change in fee revenues excludes the first twelve months of fee revenues generated from acquisitions and the fee revenues related to operations disposed of in each year presented. In addition, change in organic growth excludes the impact of claim portfolio transfer ramp up fees, client run-off bankruptcy costs, and the period-over-period impact of foreign currency translation to improve the comparability of our results between periods by eliminating the impact of the items that have a high degree of variability or due to the limited-time nature of these revenue sources.

These revenue items are excluded from organic revenues in order to determine a comparable, but non-GAAP, measurement of revenue growth that is associated with the revenue sources that are expected to continue in 2017 and beyond. We have historically viewed organic revenue growth as an important indicator when assessing and evaluating the performance of our brokerage and risk management segments. We also believe that using this non-GAAP measure allows readers of our financial statements to measure, analyze and compare the growth from our brokerage and risk management segments in a meaningful and consistent manner.

Reconciliation of Non-GAAP Information Presented to GAAP Measures - This report includes tabular reconciliations to the most comparable GAAP measures for adjusted revenues, adjusted compensation expense and adjusted operating expense, EBITDAC, EBITDAC margin, adjusted EBITDAC, adjusted EBITDAC margin, diluted net earnings per share (as adjusted) and organic revenue measures.

Brokerage Segment

The brokerage segment accounted for 63% of our revenue in 2016. Our brokerage segment is primarily comprised of retail and wholesale brokerage operations. Our retail brokerage operations negotiate and place property/casualty, employer-provided health and welfare insurance and retirement solutions, principally for middle-market commercial, industrial, public entity, religious and not-for-profit entities. Many of our retail brokerage customers choose to place their insurance with insurance underwriters, while others choose to use alternative vehicles such as self-insurance pools, risk retention groups or captive insurance companies. Our wholesale brokerage operations assist our brokers and other unaffiliated brokers and agents in the placement of specialized, unique and hard-to-place insurance programs.

Our primary sources of compensation for our retail brokerage services are commissions paid by insurance companies, which are usually based upon a percentage of the premium paid by insureds, and brokerage and advisory fees paid directly by our clients. For wholesale brokerage services, we generally receive a share of the commission paid to the retail broker from the insurer. Commission rates are dependent on a number of factors, including the type of insurance, the particular insurance company underwriting the policy and whether we act as a retail or wholesale broker. Advisory fees are dependent on the extent and value of services we provide. In addition, under certain circumstances, both retail brokerage and wholesale brokerage services receive supplemental and contingent commissions. A supplemental commission is a commission paid by an insurance carrier that is above the base commission paid, is determined by the insurance carrier and is established annually in advance of the contractual period based on historical performance criteria. A contingent commission is a commission paid by an insurance carrier based on the overall profit and/or volume of the business placed with that insurance carrier during a particular calendar year and is determined after the contractual period.

Litigation and Regulatory Matters - A portion of our brokerage business includes the development and management of "micro-captives," through operations we acquired in 2010 in our acquisition of the assets of Tribeca Strategic Advisors (Tribeca). A "captive" is an insurance company that insures the risks of its owner, affiliates or a group of companies. Micro-captives are captive insurance companies that are subject to taxation only on net investment income under IRC Section 831(b). Our micro-captive advisory services are under investigation by the Internal Revenue Service (IRS). Additionally, the IRS has initiated audits for the 2012 tax year of over 100 of the micro-captive insurance companies organized and/or managed by us. Among other matters, the IRS is investigating whether we have been acting as a tax shelter promoter in connection with these operations. While the IRS has not made specific allegations relating to our operations or the pre-acquisition activities of Tribeca, if the IRS were to successfully assert that the micro-captives organized and/or managed by us do not meet the requirements of IRC Section 831(b), we could be subject to monetary claims by the IRS and/or our micro-captive clients, and our future earnings from our micro-captive operations could be materially adversely affected, any of which event could negatively impact the overall captive business and adversely affect our consolidated results of operations and financial condition. We may also experience lost earnings due to the negative effect of an extended IRS investigation on our clients' and potential clients' businesses. Annual renewals for micro-captive clients generally occur during the fourth quarter. Therefore, any negative impact from this investigation would likely have a disproportionate impact on fourth-quarter results. In 2016, 2015 and 2014, our micro-captive operations contributed less than $3.5 million of net earnings and less than $5.0 million of EBITDAC to our consolidated results in any one year. Due to the fact that the IRS has not made any allegation against us or completed all of its audits of our clients, we are not able to reasonably estimate the amount of any potential loss in connection with this investigation.

Financial information relating to our brokerage segment results for 2016, 2015 and, 2014 (in millions, except per share, percentages and workforce data):

Statement of Earnings	2016	2015	Change	2015	2014	Change
Commissions	$ 2,439.1	$ 2,338.7	$ 100.4	$ 2,338.7	$ 2,083.0	$ 255.7
Fees	775.7	705.8	69.9	705.8	577.0	128.8
Supplemental commissions	147.0	125.5	21.5	125.5	104.0	21.5
Contingent commissions	107.2	93.7	13.5	93.7	84.7	9.0
Investment income	52.3	53.6	(1.3)	53.6	40.3	13.3
Gains realized on books of business sales	6.6	6.7	(0.1)	6.7	7.3	(0.6)
Total revenues	3,527.9	3,324.0	203.9	3,324.0	2,896.3	427.7
Compensation	2,041.8	1,939.7	102.1	1,939.7	1,703.1	236.6
Operating	600.9	638.1	(37.2)	638.1	530.1	108.0
Depreciation	57.2	54.4	2.8	54.4	44.4	10.0
Amortization	244.7	237.3	7.4	237.3	186.3	51.0
Change in estimated acquisition earnout payables	32.1	41.1	(9.0)	41.1	17.6	23.5
Total expenses	2,976.7	2,910.6	66.1	2,910.6	2,481.5	429.1
Earnings before income taxes	551.2	413.4	137.8	413.4	414.8	(1.4)
Provision for income taxes	194.1	145.3	48.8	145.3	151.0	(5.7)
Net earnings	357.1	268.1	89.0	268.1	263.8	4.3
Net earnings attributable to noncontrolling interests	3.6	1.7	1.9	1.7	0.9	0.8
Net earnings attributable to controlling interests	$ 353.5	$ 266.4	$ 87.1	$ 266.4	$ 262.9	$ 3.5
Diluted net earnings per share	$ 1.98	$ 1.54	$ 0.44	$ 1.54	$ 1.70	$ (0.16)
Other Information						
Change in diluted net earnings per share	29%	(9%)		(9%)	9%	
Growth in revenues	6%	15%		15%	36%	
Organic change in commissions and fees	3%	3%		3%	4%	
Compensation expense ratio	58%	58%		58%	59%	
Operating expense ratio	17%	19%		19%	18%	
Effective income tax rate	35%	35%		35%	36%	
Workforce at end of period (includes acquisitions) *	18,635	17,841		17,841	16,681	
Identifiable assets at December 31	$ 9,183.4	$ 8,969.7		$ 8,969.7	$ 8,386.2	

* Prior to September 1, 2016, most of our India-based workforce was provided by a third party on a cost-pass-through basis. During 2016, we consummated a transaction whereby we now directly employ those associates thereby adding approximately 2,700 employees to our global workforce counts, of which approximately 2,200 employees were included in the 2016 number above. We revised the workforce number as of December 31, 2015 and 2014 to conform to the current period presentation.

The following provides information that management believes is helpful when comparing EBITDAC and adjusted EBITDAC for 2016, 2015 and 2014 (in millions):

	2016	2015	Change	2015	2014	Change
Net earnings, as reported	$ 357.1	$ 268.1	33.2%	$ 268.1	$ 263.8	1.6%
Provision for income taxes	194.1	145.3		145.3	151.0	
Depreciation	57.2	54.4		54.4	44.4	
Amortization	244.7	237.3		237.3	186.3	
Change in estimated acquisition earnout payables	32.1	41.1		41.1	17.6	
EBITDAC	885.2	746.2	18.6%	746.2	663.1	12.5%
Gains from books of business sales	(6.6)	(6.7)		(6.7)	(7.3)	
Acquisition integration	45.7	100.9		100.9	67.1	
Acquisition related adjustments	3.7	3.4		3.4	1.1	
Workforce and lease termination related charges	20.7	23.0		23.0	7.8	
Levelized foreign currency translation	-	(10.0)		-	(22.3)	
EBITDAC, as adjusted	$ 948.7	$ 856.8	10.7%	$ 866.8	$ 709.5	22.2%
Net earnings margin, as reported	10.1%	8.1%	+205 bpts	8.1%	9.1%	-104 bpts
EBITDAC margin, as adjusted	26.9%	26.5%	+43 bpts	26.1%	25.4%	+75 bpts
Reported revenues	$ 3,527.9	$ 3,324.0		$ 3,324.0	$ 2,896.3	
Adjusted revenues - see page 27	$ 3,521.3	$ 3,232.0		$ 3,317.3	$ 2,795.0	

Acquisition integration costs include costs related to our July 2, 2014 acquisition of Noraxis Capital Corporation (which we refer to as Noraxis), our June 16, 2014 acqnisition of Crombie/OAMPS (which we refer to as Crombie/OAMPS), our April 1, 2014 acquisition of Oval Group of Companies (which we refer to as Oval), our November 14, 2013 acquisition of Giles Group of Companies (which we refer to as Giles) and our August 1, 2015 acquisition of William Gallagher Associates Insurance Brokers (which we refer to WGA) that are not expected to occur on an ongoing basis in the future once we fully assimilate these acquisitions. These costs relate to on-boarding of employees, communication system conversion costs, related performance compensation, redundant workforce, extra lease space, duplicate services and external costs incurred to assimilate the acquired businesses with our IT related systems. The WGA integration costs in 2016 totaled $5.0 million and were primarily related to retention and incentive compensation. The Noraxis integration costs in 2016 totaled $1.9 million and were primarily related to the consolidation of offices, technology costs and incentive compensation. The Crombie/OAMPS integration costs in 2016 totaled $3.2 million, and were primarily related to technology costs and incentive compensation. The Giles and Oval integration costs in 2016 totaled $35.6 million and were primarily related to the consolidation of offices in the U.K., technology costs, branding and incentive compensation. The Noraxis integration costs in 2015 totaled $7.4 million and were primarily related to the consolidation of offices, technology costs and incentive compensation. The Crombie/OAMPS integration costs in 2015 totaled $23.4 million, and were primarily related to technology costs and incentive compensation. The Giles and Oval integration costs in 2015 totaled $69.0 million and were primarily related to the consolidation of offices in the U.K., technology costs, branding and incentive compensation. Integration costs related to these acquisitions for the full year in 2017 are estimated to be less than a third of what they were in 2016.

Commissions and fees - The aggregate increase in commissions and fees for 2016 was principally due to revenues associated with acquisitions that were made during 2016 ($173.2 million). Commissions and fees in 2016 included new business production of $359.7 million, which was offset by lost business and renewal rate decreases of $362.6 million. The aggregate increase in commissions and fees for 2015 was principally due to revenues associated with acquisitions that were made during 2015 ($390.6 million). Commissions and fees in 2015 included new business production of $345.2 million, which was offset by lost business and renewal rate decreases of $287.3 million. Commission revenues increased 4% and fee revenues increased 10% in 2016 compared to 2015, respectively. Commission revenues increased 12% and fee revenues increased 22% in 2015 compared to 2014, respectively. The organic change in base commission and fee revenues was 3% in 2016, 3% in 2015 and 4% in 2014.

Items excluded from organic revenue computations yet impacting revenue comparisons for 2016, 2015 and 2014 include the following (in millions):

	2016 Organic Revenue			2015 Organic Revenue		
	2016	2015	Change	2015	2014	Change
Base Commissions and Fees						
Commission and fees, as reported	$ 3,214.8	$ 3,044.5	5.6%	$ 3,044.5	$ 2,660.0	14.5%
Less commission and fee revenues from acquisitions	(173.2)	-		(390.6)	-	
Less disposed of operations	-	(3.3)		-	(9.1)	
Levelized foreign currency translation	-	(78.7)		-	(82.1)	
Organic base commission and fees	$ 3,041.6	$ 2,962.5	2.7%	$ 2,653.9	$ 2,568.8	3.3%
Supplemental Commissions						
Supplemental commissions, as reported	$ 147.0	$ 125.5	17.1%	$ 125.5	$ 104.0	20.7%
Less supplemental commissions from acquisitions	(1.5)	-		(9.1)	-	
Less disposed of operations	-	(0.3)		-	-	
Levelized foreign currency translation	-	(6.3)		-	(3.5)	
Organic supplemental commissions	$ 145.5	$ 118.9	22.4%	$ 116.4	$ 100.5	15.8%
Contingent Commissions						
Contingent commissions, as reported	$ 107.2	$ 93.7	14.4%	$ 93.7	$ 84.7	10.6%
Less contingent commissions from acquisitions	(7.6)	-		(11.6)	-	
Less disposed of operations	-	(0.2)		-	-	
Levelized foreign currency translation	-	(1.0)		-	(1.4)	
Organic contingent commissions	$ 99.6	$ 92.5	7.7%	$ 82.1	$ 83.3	-1.4%
Total reported commissions, fees, supplemental commissions and contingent commissions	$ 3,469.0	$ 3,263.7	6.3%	$ 3,263.7	$ 2,848.7	14.6%
Less commission and fee revenues from acquisitions	(182.3)	-		(411.3)	-	
Less disposed of operations	-	(3.8)		-	(9.1)	
Levelized foreign currency translation	-	(86.0)		-	(87.0)	
Total organic commissions, fees supplemental commissions and contingent commissions	$ 3,286.7	$ 3,173.9	3.6%	$ 2,852.4	$ 2,752.6	3.6%

	2015 Organic Revenue			2014 Organic Revenue		
	2015	2014	Change	2014	2013	Change
Base Commissions and Fees						
Commission and fees, as reported	$ 3,044.5	$ 2,660.0	14.5%	$ 2,660.0	$ 1,985.6	34.0%
Less commission and fee revenues from acquisitions	(390.6)	-		(595.2)	-	
Less disposed of operations	-	(9.1)		-	(8.5)	
Levelized foreign currency translation	-	(82.1)		-	9.7	
Organic base commission and fees	$ 2,653.9	$ 2,568.8	3.3%	$ 2,064.8	$ 1,986.8	3.9%
Supplemental Commissions						
Supplemental commissions, as reported	$ 125.5	$ 104.0	20.7%	$ 104.0	$ 77.3	34.5%
Less supplemental commissions from acquisitions	(9.1)	-		(25.2)	-	
Levelized foreign currency translation	-	(3.5)		-	1.0	
Organic supplemental commissions	$ 116.4	$ 100.5	15.8%	$ 78.8	$ 78.3	0.6%
Contingent Commissions						
Contingent commissions, as reported	$ 93.7	$ 84.7	10.6%	$ 84.7	$ 52.1	62.6%
Less contingent commissions from acquisitions	(11.6)	-		(19.9)	-	
Levelized foreign currency translation	-	(1.4)		-	(0.2)	
Organic contingent commissions	$ 82.1	$ 83.3	-1.4%	$ 64.8	$ 51.9	24.9%
Total reported commissions, fees, supplemental commissions and contingent commissions	$ 3,263.7	$ 2,848.7	14.6%	$ 2,848.7	$ 2,115.0	34.7%
Less commission and fee revenues from acquisitions	(411.3)	-		(640.3)	-	
Less disposed of operations	-	(9.1)		-	(8.5)	
Levelized foreign currency translation	-	(87.0)		-	10.5	
Total organic commissions, fees supplemental commissions and contingent commissions	$ 2,852.4	$ 2,752.6	3.6%	$ 2,208.4	$ 2,117.0	4.3%

<u>Acquisition Activity</u>	2016	2015	2014
Number of acquisitions closed *	37	42	60
Estimated annualized revenues acquired (in millions)	$ 137.9	$ 223.2	$ 761.2

* For 2016, we issued 1,998,000 shares in connection with tax-free exchange acquisitions and repurchased 2,265,000 shares to fully offset the impact of the issued shares.

Through January 26, 2017, we closed an additional 5 acquisitions with estimated annualized revenues of approximately $32.2 million. No shares were issued related to these acquisitions.

Supplemental and contingent commissions - Reported supplemental and contingent commission revenues recognized in 2016, 2015 and 2014 by quarter are as follows (in millions):

	Q1	Q2	Q3	Q4	Full Year
2016					
Reported supplemental commissions	$ 32.9	$ 38.6	$ 35.3	$ 40.2	$ 147.0
Reported contingent commissions	55.2	25.1	16.4	10.5	107.2
Reported supplemental and contingent commissions	$ 88.1	$ 63.7	$ 51.7	$ 50.7	$ 254.2

	Q1		Q2		Q3		Q4		Full Year	
2015										
Reported supplemental commissions	$	26.9	$	34.8	$	29.2	$	34.6	$	125.5
Reported contingent commissions		44.5		22.8		14.5		11.9		93.7
Reported supplemental and contingent commissions	$	71.4	$	57.6	$	43.7	$	46.5	$	219.2
2014										
Reported supplemental commissions	$	25.4	$	27.9	$	24.2	$	26.5	$	104.0
Reported contingent commissions		32.2		21.8		14.4		16.3		84.7
Reported supplemental and contingent commissions	$	57.6	$	49.7	$	38.6	$	42.8	$	188.7

Investment income and gains realized on books of business sales - This primarily represents interest income earned on cash, cash equivalents and restricted funds, interest income from premium financing and one-time gains related to sales of books of business, which were $6.6 million, $6.7 million and $7.3 million in 2016, 2015 and 2014, respectively. Investment income in 2016 decreased compared to 2015 primarily due to decreases in interest income from our premium financing business and in interest income earned on client held funds, both of which were related to a decline in interest rates in Australia and New Zealand. Investment income in 2015 increased compared to 2014 primarily due to the interest income from premium financing generated by our Australia and New Zealand operations which were acquired on June 16, 2014.

Compensation expense - The following provides non-GAAP information that management believes is helpful when comparing 2016 and 2015 compensation expense and 2015 and 2014 compensation expense (in millions):

	2016		2015		2015		2014	
Compensation expense, as reported	$	2,041.8	$	1,939.7	$	1,939.7	$	1,703.1
Acquisition integration		(16.9)		(38.3)		(38.3)		(45.3)
Workforce related charges		(17.5)		(20.0)		(20.0)		(7.2)
Acquisition related adjustments		(3.7)		(3.4)		(3.4)		(1.1)
Levelized foreign currency translation		-		(52.9)		-		(53.6)
Compensation expense, as adjusted	$	2,003.7	$	1,825.1	$	1,878.0	$	1,595.9
Reported compensation expense ratios		57.9%		58.4%		58.4%		58.8%
Adjusted compensation expense ratios		56.9%		56.5%		56.6%		57.1%
Reported revenues	$	3,527.9	$	3,324.0	$	3,324.0	$	2,896.3
Adjusted revenues - see page 27	$	3,521.3	$	3,232.0	$	3,317.3	$	2,795.0

The increase in compensation expense in 2016 compared to 2015 was primarily due to an increase in the average number of employees, salary increases, one-time compensation payments and increases in incentive compensation linked to our overall operating results ($81.1 million in the aggregate), increases in employee benefits expense ($15.7 million), stock compensation expense ($4.7 million), deferred compensation ($3.5 million) and temporary staffing ($0.5 million), offset by decreases in severance related costs ($2.5 million) and earnout related compensation expense ($0.9 million). The increase in employee headcount in 2016 compared to 2015 primarily relates to the addition of employees associated with the acquisitions that we completed in 2016 and new production hires.

The increase in compensation expense in 2015 compared to 2014 was primarily due to an increase in the average number of employees, salary increases, one-time compensation payments and increases in incentive compensation linked to our overall operating results ($195.6 million in the aggregate), increases in employee benefits expense ($27.2 million), severance related costs ($12.8 million), stock compensation expense ($4.4 million), and temporary staffing ($0.6 million), offset by a decrease in deferred compensation ($4.0 million). The increase in employee headcount in 2015 compared to 2014 primarily relates to the addition of employees associated with the acquisitions that we completed in 2015 and new production hires.

Operating expense - The following provides non-GAAP information that management believes is helpful when comparing 2016 and 2015 operating expense and 2015 and 2014 operating expense (in millions):

	2016	2015	2015	2014
Operating expense, as reported	$ 600.9	$ 638.1	$ 638.1	$ 530.1
Acquisition integration	(28.8)	(62.6)	(62.6)	(21.8)
Workforce and lease termination related charges	(3.2)	(3.0)	(3.0)	(0.6)
Levelized foreign currency translation	-	(22.4)	-	(18.1)
Operating expense, as adjusted	$ 568.9	$ 550.1	$ 572.5	$ 489.6
Reported operating expense ratios	17.0%	19.2%	19.2%	18.3%
Adjusted operating expense ratios	16.2%	17.0%	17.3%	17.5%
Reported revenues	$ 3,527.9	$ 3,324.0	$ 3,324.0	$ 2,896.3
Adjusted revenues - see page 27	$ 3,521.3	$ 3,232.0	$ 3,317.3	$ 2,795.0

The decrease in operating expense in 2016 compared to 2015 was due primarily to favorable foreign currency translation ($3.2 million), decreases in business insurance ($15.3 million), technology expenses ($11.4 million), professional and banking fees ($5.6 million), licenses and fees ($3.7 million), other expense ($3.4 million), bad debt expense ($2.4 million), employee expense ($1.0 million), premium financing interest expense ($0.7 million), real estate expenses ($0.3 million), slightly offset by increases in meeting and client entertainment expenses ($4.2 million), outside consulting fees ($2.9 million), office supplies ($1.3 million) and lease termination charges ($0.2 million). Also contributing to the increase in operating expense in 2016 were increased expenses associated with the acquisitions completed in 2016.

The increase in operating expense in 2015 compared to 2014 was due primarily to increases in technology expenses ($30.5 million), outside consulting fees ($16.3 million), business insurance ($12.9 million), real estate expenses ($11.4 million), meeting and client entertainment expenses ($10.0 million), professional and banking fees ($7.7 million), bad debt expense ($6.4 million), licenses and fees ($4.8 million), employee expense ($2.4 million), lease termination charges ($2.4 million), other expense ($2.3 million), outside services expense ($0.6 million), premium financing interest expense ($0.4 million), interest expense ($0.1 million) and unfavorable foreign currency translation ($1.3 million), slightly offset by a decrease in office supplies ($1.4 million). Also contributing to the increase in operating expense in 2015 were increased expenses associated with the acquisitions completed in 2015.

Depreciation - The increases in depreciation expense in 2016 compared to 2015 and in 2015 compared to 2014 were due primarily to the purchases of furniture, equipment and leasehold improvements related to office expansions and moves, and expenditures related to upgrading computer systems. Also contributing to the increases in depreciation expense in 2016, 2015 and 2014 were the depreciation expenses associated with acquisitions completed during these years.

Amortization - The increases in amortization in 2016 compared to 2015 and in 2015 compared to 2014 were due primarily to amortization expense of intangible assets associated with acquisitions completed during these years. Expiration lists, non-compete agreements and trade names are amortized using the straight-line method over their estimated useful lives (three to fifteen years for expiration lists, three to five years for non-compete agreements and five to ten years for trade names). Based on the results of impairment reviews in 2016, 2015 and 2014, we wrote off $1.8 million, $11.5 million and $1.8 million of amortizable intangible assets related to the brokerage segment acquisitions.

Change in estimated acquisition earnout payables - The change in the expense from the change in estimated acquisition earnout payables in 2016 compared to 2015 and 2015 compared to 2014 was due primarily to adjustments made to the estimated fair value of earnout obligations related to revised projections of future performance. During 2016, 2015 and 2014, we recognized $16.9 million, $16.2 million and $14.5 million, respectively, of expense related to the accretion of the discount recorded for earnout obligations in connection with our 2016, 2015 and 2014 acquisitions. During 2016, 2015 and 2014, we recognized $15.2 million, $24.9 million and $3.1 million of expense, respectively, related to net adjustments in the estimated fair market values of earnout obligations in connection with revised projections of future performance for 101, 103 and 67 acquisitions, respectively.

The amounts initially recorded as earnout payables for our 2012 to 2016 acquisitions were measured at fair value as of the acquisition date and are primarily based upon the estimated future operating results of the acquired entities over a two- to three-year period subsequent to the acquisition date. The fair value of these earnout obligations is based on the present value of the expected future payments to be made to the sellers of the acquired entities in accordance with the provisions outlined in the respective purchase agreements. In determining fair value, we estimate the acquired entity's future performance using financial projections developed by management for the acquired entity and market participant assumptions that were derived for revenue growth and/or profitability. We estimate future earnout payments using the earnout formula and performance targets specified in each purchase agreement and these financial projections. Subsequent changes in the underlying financial projections or assumptions will cause the estimated earnout obligations to change and such adjustments are recorded in our consolidated statement of earnings when incurred. Increases in the earnout payable obligations will result in the recognition of expense and decreases in the earnout payable obligations will result in the recognition of income.

Provision for income taxes - We allocate the provision for income taxes to the brokerage segment using local statutory rates. The brokerage segment's effective tax rate in 2016, 2015 and 2014 was 35.2% (35.4% on a controlling basis), 35.1% and 36.4%, respectively. We anticipate reporting an effective tax rate on adjusted results of approximately 34.0% to 36.0% in our brokerage segment for the foreseeable future. In third quarter 2016, new tax legislation was enacted in the U.K., which will decrease the U.K. corporation tax rate from the current 18% to 17% effective April 1, 2020. Accordingly, we adjusted our deferred tax asset and liability balances in 2016 to reflect these rate changes, which decreased the provision for income taxes in the brokerage segment by $1.5 million, or $0.01 per share. In fourth quarter 2015, new tax legislation was enacted in the U.K., which will decrease the U.K. corporation tax rate from the current 20% to 19% effective April 1, 2017 and from 19% to 18% effective April 1, 2020. Accordingly, we adjusted our deferred tax asset and liability balances in 2015 to reflect these rate changes, which decreased the provision for income taxes in the brokerage segment by $4.2 million, or $0.02 per share.

Net earnings (loss) attributable to noncontrolling interests - The amounts reported in this line for 2016, 2015 and 2014 include non-controlling interest earnings of $3.6 million, $1.7 million and $0.9 million, respectively, primarily related to our investment in Capsicum Reinsurance Brokers LLP (which we refer to as Capsicum). We are partners in this venture with Grahame Chilton, the CEO of our International Brokerage Division. We are the controlling partner, participating in 33% of Capsicum's net operating results and Mr. Chilton owns approximately 50% of Capsicum.

Risk Management Segment

The risk management segment accounted for 13% of our revenue in 2016. The risk management segment provides contract claim settlement and administration services for enterprises that choose to self-insure some or all of their property/casualty coverages and for insurance companies that choose to outsource some or all of their property/casualty claims departments. In addition, this segment generates revenues from integrated disability management programs, information services, risk control consulting (loss control) services and appraisal services, either individually or in combination with arising claims. Revenues for risk management services are substantially in the form of fees that are generally negotiated in advance on a per-claim or per-service basis, depending upon the type and estimated volume of the services to be performed.

Financial information relating to our risk management segment results for 2016, 2015 and 2014 (in millions, except per share, percentages and workforce data):

Statement of Earnings	**2016**	**2015**	**Change**	**2015**	**2014**	**Change**
Fees	$ 717.1	$ 726.5	$ (9.4)	$ 726.5	$ 681.3	$ 45.2
Investment income	1.0	0.6	0.4	0.6	1.0	(0.4)
Total revenues	718.1	727.1	(9.0)	727.1	682.3	44.8
Compensation	424.5	427.2	(2.7)	427.2	414.2	13.0
Operating	171.4	180.8	(9.4)	180.8	176.4	4.4
Depreciation	27.2	24.3	2.9	24.3	21.2	3.1
Amortization	2.5	3.0	(0.5)	3.0	3.2	(0.2)
Change in estimated acquisition earnout payables	-	(0.5)	0.5	(0.5)	(0.1)	(0.4)
Total expenses	625.6	634.8	(9.2)	634.8	614.9	19.9
Earnings before income taxes	92.5	92.3	0.2	92.3	67.4	24.9
Provision for income taxes	35.3	35.1	0.2	35.1	25.3	9.8
Net earnings	57.2	57.2	(0.0)	57.2	42.1	15.1
Net earnings attributable to noncontrolling interests	-	-	-	-	-	-
Net earnings attributable to controlling interests	$ 57.2	$ 57.2	$ (0.0)	$ 57.2	$ 42.1	$ 15.1
Diluted earnings per share	$ 0.32	$ 0.33	$ (0.01)	$ 0.33	$ 0.28	$ 0.05
Other information						
Change in diluted earnings per share	(3%)	18%		18%	(24%)	
Growth in revenues	(1%)	7%		7%	8%	
Organic change in fees	1%	11%		11%	10%	
Compensation expense ratio	59%	59%		59%	61%	
Operating expense ratio	24%	25%		25%	26%	
Effective income tax rate	38%	38%		38%	38%	
Workforce at end of period (includes acquisitions) *	5,449	5,439		5,439	5,156	
Identifiable assets at December 31	$ 666.4	$ 660.1		$ 660.1	$ 574.9	

* Prior to September 1, 2016, most of our India-based workforce was provided by a third party on a cost-pass-through basis. During 2016, we consummated a transaction whereby we now directly employ those associates thereby adding approximately 2,700 employees to our global workforce counts, of which approximately 300 employees were included in the 2016 number above. We revised the workforce number as of December 31, 2015 and 2014 to conform to the current period presentation.

On November 18, 2014, we announced that a contract for the administration of workers' compensation claims with the New South Wales Workers Compensation Scheme in Australia would be moved to run-off status on December 31, 2014. Our net earnings from this contract were approximately $3.5 million in 2014. We took a $12.9 million charge in the fourth quarter of 2014 primarily relating to a non-cash impairment of capitalized software and personnel costs dedicated to servicing the New South Wales run-off contract, and in 2015 during we broke even on this contract in the run-off period.

The following provides non-GAAP information that management believes is helpful when comparing 2016 and 2015 EBITDAC and adjusted EBITAC and 2015 and 2014 EBITDAC and adjusted EBITDAC (in millions):

	2016	2015	Change	2015	2014	Change
Net earnings, as reported	$ 57.2	$ 57.2	0.0%	$ 57.2	$ 42.1	35.9%
Provision for income taxes	35.3	35.1		35.1	25.3	
Depreciation	27.2	24.3		24.3	21.2	
Amortization	2.5	3.0		3.0	3.2	
Change in estimated acquisition earnout payables	-	(0.5)		(0.5)	(0.1)	
Total EBITDAC	122.2	119.1	2.6%	119.1	91.7	29.9%
Workforce and lease termination related charges	2.2	2.9		2.9	1.0	
Claim portfolio transfer and ramp up	-	-		-	6.4	
Client run-off/bankruptcy	-	4.0		4.0	12.9	
Levelized foreign currency translation	-	(1.1)		-	(5.4)	
EBITDAC, as adjusted	$ 124.4	$ 124.9	-0.4%	$ 126.0	$ 106.6	18.2%
Net earnings margin, as reported	8.0%	7.9%	+10 bpts	7.9%	6.2%	+170 bpts
EBITDAC margin, as adjusted	17.3%	17.3%	+5 bpts	17.3%	16.1%	+117 bpts
Reported revenues	$ 718.1	$ 727.1		$ 727.1	$ 682.3	
Adjusted revenues - see page 27	$ 718.1	$ 723.4		$ 728.1	$ 660.4	

Fees - The decrease in fees for 2016 compared to 2015 was primarily due to lost business of $68.2 million, which was offset by new business and the impact of increased claim counts (total of $58.8 million) in 2016. The increase in fees for 2015 compared to 2014 was primarily due to new business and the impact of increased claim counts (total of $75.3 million), which were partially offset by lost business of $30.1 million in 2015. Organic change in fee revenues was 1% in 2016, 11% in 2015 and 10% in 2014.

Items excluded from organic fee computations yet impacting revenue comparisons in 2016, 2015 and 2014 include the following (in millions):

	2016 Organic Revenue			2015 Organic Revenue		
	2016	2015	Change	2015	2014	Change
Fees	$ 713.5	$ 710.9	0.4%	$ 710.9	$ 662.6	7.3%
International performance bonus fees	3.6	15.6	-76.9%	15.6	18.7	-16.6%
Fees as reported	717.1	726.5	-1.3%	726.5	681.3	6.6%
Less fees from acquisitions	(3.1)	-		(3.9)	-	
Less client run-off	(0.1)	(16.7)		(17.5)	(25.8)	
Levelized foreign currency translation	-	(4.7)		-	(21.8)	
Organic fees	$ 713.9	$ 705.1	1.3%	$ 705.1	$ 633.7	11.3%

	2015 Organic Revenue				2014 Organic Revenue				
	2015		2014	Change	2014		2013		Change
Fees	$	710.9	$ 662.6	7.3%	$	662.6	$	607.0	9.2%
International performance bonus fees		15.6	18.7	-16.6%		18.7		20.0	-6.5%
Fees as reported		726.5	681.3	6.6%		681.3		627.0	8.7%
Less fees from acquisitions		(3.9)	-			(4.1)		-	
Less client run-off and ramp up fees		(17.5)	(25.8)			(30.4)		(33.5)	
Levelized foreign currency translation		-	(21.8)			-		(5.3)	
Organic fees	$	705.1	$ 633.7	11.3%	$	646.8	$	588.2	10.0%

Investment income - Investment income primarily represents interest income earned on our cash and cash equivalents. Investment income in 2016 increased compared to 2015 primarily due to higher levels of invested assets in 2016. Investment income in 2015 decreased compared to 2014 primarily due to lower levels of invested assets in 2015.

Compensation expense - The following provides non-GAAP information that management believes is helpful when comparing 2016 and 2015 compensation expense and 2015 and 2014 compensation expense (in millions):

	2016	2015	2015	2014
Compensation expense, as reported	$ 424.5	$ 427.2	$ 427.2	$ 414.2
Client run-off	-	(0.7)	(0.7)	(1.7)
Claim portfolio transfer ramp up costs	-	-	-	(3.6)
Workforce and lease termination related charges	(1.9)	(2.2)	(2.2)	(0.8)
Levelized foreign currency translation	-	(2.6)	-	(12.5)
Compensation expense, as adjusted	$ 422.6	$ 421.7	$ 424.3	$ 395.6
Reported compensation expense ratios	59.1%	58.8%	58.8%	60.7%
Adjusted compensation expense ratios	58.9%	58.3%	58.3%	59.9%
Reported revenues	$ 718.1	$ 727.1	$ 727.1	$ 682.3
Adjusted revenues - see page 27	$ 718.1	$ 723.4	$ 728.1	$ 660.4

The decrease in compensation expense in 2016 compared to 2015 was primarily due to favorable foreign currency translation ($2.6 million) and decreases in salaries ($0.4 million in the aggregate), temporary-staffing expense ($2.2 million) and severance related costs ($0.3 million), offset by increased headcount, increases in employee benefits ($1.6 million), stock compensation expense ($0.9 million) and deferred compensation ($0.3 million).

The increase in compensation expense in 2015 compared to 2014 was primarily due to increased headcount and increases in salaries ($27.9 million in the aggregate), employee benefits ($1.8 million), severance related costs ($1.4 million), offset by favorable foreign currency translation ($12.6 million), decreases in claim portfolio transfer ramp up costs ($3.6 million), temporary-staffing expense ($1.3 million) and deferred compensation ($0.6 million).

Operating expense - The following provides non-GAAP information that management believes is helpful when comparing 2016 and 2015 operating expense and 2015 and 2014 operating expense (in millions):

	2016	2015	2015	2014
Operating expense, as reported	$ 171.4	$ 180.8	$ 180.8	$ 176.4
Clinet run-off	-	(2.3)	(2.3)	(11.2)
Claim portfolio transfer ramp up costs	-	-	-	(2.8)
Workforce and lease termination related charges	(0.3)	(0.7)	(0.7)	(0.2)
Levelized foreign currency translation	-	(1.0)	-	(4.0)
Operating expense, as adjusted	$ 171.1	$ 176.8	$ 177.8	$ 158.2
Reported compensation expense ratios	23.9%	24.9%	24.9%	25.9%
Adjusted compensation expense ratios	23.8%	24.4%	24.4%	24.0%
Reported revenues	$ 718.1	$ 727.1	$ 727.1	$ 682.3
Adjusted revenues - see page 27	$ 718.1	$ 723.4	$ 728.1	$ 660.4

The decrease in operating expense in 2016 compared to 2015 was primarily due to decreases in business insurance ($5.7 million), other expense ($2.7 million), real estate expenses ($2.3 million), bad debt expense ($1.8 million), licenses and fees ($1.4 million), meeting and client entertainment expense ($0.9 million), employee expense ($0.9 million), technology expenses ($0.4 million), office supplies ($0.4 million), lease termination related charges ($0.4 million), offset by increases in professional and banking fees ($4.4 million), outside consulting fees ($2.8 million) and outside services ($0.3 million).

The increase in operating expense in 2015 compared to 2014 was primarily due to increases in professional and banking fees ($6.3 million), outside consulting fees ($5.2 million), technology expenses ($4.3 million), business insurance ($2.5 million), licenses and fees ($1.1 million), meeting and client entertainment expense ($0.7 million), bad debt expense ($0.5 million), lease termination related charges ($0.5 million) and outside services ($0.4 million), offset by decreases in other expense ($10.6 million), claim portfolio transfer ramp up costs ($2.8 million), office supplies ($2.0 million), real estate expenses ($1.1 million) and employee expense ($0.3 million).

Depreciation - Depreciation expense increased in 2016 compared to 2015 and 2015 compared to 2014, which reflects the impact of purchases of furniture, equipment and leasehold improvements related to office expansions and moves and expenditures related to upgrading computer systems.

Amortization - Amortization expense decreased in 2016 compared to 2015 and 2015 compared to 2014. Historically, the risk management segment has made few acquisitions. We made no material acquisitions in this segment in 2016, 2015 or 2014. No indicators of impairment were noted in 2016, 2015 or 2014.

Change in estimated acquisition earnout payables - The increase in income from the change in estimated acquisition earnout payables in 2016 compared to 2015 and the decrease in income from the change in estimated acquisition earnout payable 2015 compared to 2014 was due primarily to adjustments made in 2015 to the estimated fair value of an earnout obligation related to a revised projections of future performance for two acquisitions. During 2016, 2015 and 2014, we recognized zero, $0.5 million and $0.1 million, respectively, of income related to net adjustments in the estimated fair value of earnout obligations related to revised projections of future performance for two acquisitions.

Provision for income taxes - We allocate the provision for income taxes to the risk management segment using local statutory rates. The risk management segment's effective tax rate in 2016, 2015 and 2014 was 38.2%, 38.0% and 37.5%, respectively. We anticipate reporting an effective tax rate on adjusted results of approximately 36.0% to 38.0% in our risk management segment for the foreseeable future.

Corporate Segment

The corporate segment reports the financial information related to our clean energy and other investments, our debt, and certain corporate and acquisition-related activities. See Note 13 to our consolidated financial statements for a summary of our investments at December 31, 2016 and 2015 and a detailed discussion of the nature of these investments. See Note 7 to our consolidated financial statements for a summary of our debt at December 31, 2016 and 2015.

Financial information relating to our corporate segment results for 2016, 2015 and 2014 (in millions, except per share and percentages):

Statement of Earnings	2016	2015	Change	2015	2014	Change
Revenues from consolidated clean coal production plants	$ 1,303.8	$ 1,254.6	$ 49.2	$ 1,254.6	$ 975.5	$ 279.1
Royalty income from clean coal licenses	48.1	57.5	(9.4)	57.5	57.4	0.1
Loss from unconsolidated clean coal production plants	(1.8)	(1.3)	(0.5)	(1.3)	(3.4)	2.1
Other net revenues	(1.3)	30.5	(31.8)	30.5	18.4	12.1
Total revenues	1,348.8	1,341.3	7.5	1,341.3	1,047.9	293.4
Cost of revenues from consolidated clean coal production plants	1,408.6	1,351.5	57.1	1,351.5	1,058.9	292.6
Compensation	72.6	62.0	10.6	62.0	50.3	11.7
Operating	25.4	21.8	3.6	21.8	36.6	(14.8)
Interest	109.8	103.0	6.8	103.0	89.0	14.0
Depreciation	19.2	15.2	4.0	15.2	3.8	11.4
Total expenses	1,635.6	1,553.5	82.1	1,553.5	1,238.6	314.9
Loss before income taxes	(286.8)	(212.2)	(74.6)	(212.2)	(190.7)	(21.5)
Benefit for income taxes	(317.5)	(276.0)	(41.5)	(276.0)	(212.3)	(63.7)
Net earnings	30.7	63.8	(33.1)	63.8	21.6	42.2
Net earnings attributable to noncontrolling interests	27.0	30.6	(3.6)	30.6	23.2	7.4
Net earnings (loss) attributable to controlling interests	$ 3.7	$ 33.2	$ (29.5)	$ 33.2	$ (1.6)	$ 34.8
Diluted net earnings (loss) per share	$ 0.02	$ 0.19	$ (0.17)	$ 0.19	$ (0.01)	$ 0.20
Identifiable assets at December 31	$ 1,639.8	$ 1,284.0		$ 1,284.0	$ 1,048.9	
EBITDAC						
Net earnings	$ 30.7	$ 63.8	$ (33.1)	$ 63.8	$ 21.6	$ 42.2
Benefit for income taxes	(317.5)	(276.0)	(41.5)	(276.0)	(212.3)	(63.7)
Interest	109.8	103.0	6.8	103.0	89.0	14.0
Depreciation	19.2	15.2	4.0	15.2	3.8	11.4
EBITDAC	$ (157.8)	$ (94.0)	$ (63.8)	$ (94.0)	$ (97.9)	$ 3.9

Revenues - Revenues in the corporate segment consist of the following:

- Revenues from consolidated clean coal production plants represents revenues from the consolidated IRC Section 45 facilities that we operate and control under lease arrangements, and the investments in which we have a majority ownership position and maintain control over the operations of the related plants, including those that are currently not operating. When we relinquish control in connection with the sale of majority ownership interests in our investments, we deconsolidate these operations.

  The increases in 2016 and 2015 are due to increased production of clean coal.

- Royalty income from clean coal licenses represents revenues related to Chem-Mod LLC. We held a 46.5% controlling interest in Chem-Mod. As Chem-Mod's manager, we are required to consolidate its operations.

  The decrease in royalty income in 2016 compared to 2015 was due to reductions in production of refined coal by Chem-Mod's licenses. The increase in royalty income in 2015 compared to 2014 was due to increased production of refined coal by Chem-Mod's licensees.

  Expenses related to royalty income of Chem-Mod were $2.4 million, $3.0 million and $3.1 million in 2016, 2015 and 2014, respectively. These expenses are included in the operating expenses discussed below.

- Loss from unconsolidated clean coal production plants represents our equity portion of the pretax operating results from the unconsolidated clean coal production plants. The production of refined coal generates pretax operating losses.

  The losses in 2016, 2015 and 2014 were low because the vast majority of our operations are now consolidated.

- Other net revenues include the following: In 2016, we recorded $0.8 million of rental income related to our new headquarters facility. We also recognized $0.8 million of equity basis accounting losses related to our legacy investments. In addition, we recognized a $1.3 million impairment loss related to clean coal production plants including engineering costs of $0.7 million incurred for two locations that will not be used.

  In 2015, we settled litigation against certain former U.K. executives and their advisors for a pretax $31.0 million gain ($22.3 million net of costs and taxes). Incremental expenses that arose in connection with this matter will result in after-tax charges of approximately $4.5 million per quarter through June 30, 2017, which will also be presented as an adjustment to the corporate segment. Also in 2015 we recognized $0.7 million of equity basis accounting losses related to our legacy investments and $0.2 million of rental income related to our new headquarters facility.

  In 2014, other net revenues primarily included a pretax gains of $25.6 million, related to the 2014 acquisition of an additional ownership interest in seven 2009 Era Plants and five 2011 Era Plants from a co-investor. We have consolidated the operations of the limited liability companies that own these plants effective as of the acquisition dates. In addition, in 2014 we also recognized a $1.8 million gain adjustment related to the 2013 acquisition of additional ownership interests in twelve 2009 Era Plants, a $2.0 million impairment loss, under equity method accounting, of an additional 4% investment in the global operations of C-Quest Technologies LLC and C-Quest Technologies International LLC, a $0.5 million loss related to two legacy investments and a $10.9 million impairment loss related to two of our clean coal production plants which permanently stopped operations. We also realized a $1.9 million hedge gain related to the funding of the Crombie/OAMPS acquisition and earned $2.5 million of interest on cash deposited in Australia to fund the Crombie/OAMPS acquisition.

Cost of revenues - Cost of revenues from consolidated clean coal production plants in 2016, 2015 and 2014 consists of the cost of coal, labor, equipment maintenance, chemicals, supplies, management fees and depreciation incurred by the clean coal production plants to generate the consolidated revenues discussed above, including the costs to run the leased facilities.

Compensation expense - Compensation expense for 2016, 2015 and 2014, respectively, was $72.6 million, $62.0 million and $50.3 million.

The $10.6 million increase in 2016 compared to 2015 was primarily due to an increase in retention agreement compensation related to the litigation settlement, an increase in incentive compensation due to clean energy performance and an increase in benefits expense.

The $11.7 million increase in 2015 compared to 2014 was primarily due to retention agreement compensation related to the litigation settlement, compensation for corporate staff working outside the U.S., an increase in incentive compensation due to clean energy performance, offset by the reduction in expense related to the 2014 de-risking strategy of our U.S. defined pension plan.

Operating expense - Operating expense for 2016 includes banking and related fees of $3.2 million, external professional fees and other due diligence costs related to 2016 acquisitions of $3.9 million, other corporate and clean energy related expenses of $5.7 million, $4.8 million for a biennial corporate-wide meeting, corporate related marketing costs of $7.0 million and $0.8 million related to the litigation settlement.

Operating expense for 2015 includes banking and related fees of $2.7 million, external professional fees and other due diligence costs related to 2015 acquisitions of $3.7 million, other corporate and clean energy related expenses of $9.9 million, $3.8 million for a biennial corporate-wide meeting and $1.7 million related to the litigation settlement.

Operating expense for 2014 includes banking and related fees of $2.7 million, external professional fees and other due diligence costs related to 2014 acquisitions of $18.9 million, other corporate and clean energy related expenses of $12.8 million and $2.2 million for a biennial corporate-wide meeting.

Interest expense - The increase in interest expense in 2016 compared to 2015 and 2015 compared to 2014 was due to the following:

Change in interest expense related to	2016 / 2015	2015 / 2014
Interest on borrowings from our Credit Agreement	$ 2.2	$ (0.2)
Interest on the $600.0 million note funded on February 27, 2014	-	5.2
Interest on the $700.0 million note funded on June 24, 2014	-	13.1
Interest on the $100.0 million Series A Note that was paid off on August 3, 2014	-	(3.7)
Interest on the $275.0 million note funded on June 2, 2016	7.2	-
Interest on the $50.0 million 2016 maturity of the Series B Note that was paid off on November 30, 2016	(0.3)	-
Interest on the $100.0 million note funded on December 1, 2016	0.3	-
Capitalization of interest costs related to the purchase and development of our new headquarters building	(2.6)	(0.4)
Net change in interest expense	$ 6.8	$ 14.0

The capitalization of interest costs related to the purchase and development of our new corporate headquarters building will occur until the development of it is completed in early 2017.

Depreciation - The increase in depreciation expense in 2016 compared to 2015 primarily relates to clean coal plants re-deployed in 2016 and 2015. The increase in depreciation expense in 2015 compared to 2014, primarily relates to the assets of the additional ownership interests in the clean coal plants that we acquired from co-investors in 2014 and clean coal plants re-deployed in 2015.

Benefit for income taxes - We allocate the provision for income taxes to the brokerage and risk management segments using local statutory rates. As a result, the provision for income taxes for the corporate segment reflects the entire benefit to us of the IRC Section 45 credits generated, because that is the segment which produced the credits. The law that provides for IRC Section 45 tax credits substantially expires in December 2019 for our fourteen 2009 Era Plants and in December 2021 for our twenty 2011 Era Plants. Our consolidated effective tax rate was (24.7)%, (32.6)% and (12.3)% for 2016, 2015 and 2014, respectively. The tax rates for 2016, 2015 and 2014 were lower than the statutory rate primarily due to the amount of IRC Section 45 tax credits recognized during the year. There were $194.4 million, $181.3 million and $145.5 million of tax credits produced and recognized in 2016, 2015 and 2014, respectively.

Potential U.S. Federal income tax law changes - The value of our tax credits could be impacted by changes in the tax code as a result of the recent presidential and congressional elections in the U.S. Congress could modify or repeal IRC Section 45 and remove the tax credits (either prospectively or through the elimination of the carryover of the credits), which would adversely affect the value of our investment. Also, if Congress reduces tax rates, although we might pay less in taxes overall, it would reduce the tax benefit of operating costs associated with the production of refined coal. Although we are unable to predict how a reduction in tax rates during 2017 would affect our cash taxes paid in 2017, we estimate that if the U.S. Federal corporate income tax rate had been reduced from 35% to 20% and if the Alternative Minimum Tax had been eliminated as of January 1, 2016, our cash taxes paid for fiscal 2016 would have been $39.1 million rather than $66.1 million.

Net earnings attributable to noncontrolling interests - The amounts reported in this line for 2016, 2015 and 2014 primarily include noncontrolling interest earnings of $32.7 million, $36.9 million and $35.3 million, respectively, related to the non-Gallagher owned interest in Chem-Mod. As of December 31, 2016, 2015 and 2014, we held a 46.5% controlling interest in Chem-Mod. Also, included in net earnings attributable to noncontrolling interests are offsetting amounts related to non-Gallagher owned interests in several clean energy investments.

The following provides non-GAAP information that we believe is helpful when comparing 2016, 2015 and 2014 operating results for the corporate segment (in millions):

	2016			2015			2014		
Description	Pretax Loss	Income Tax Benefit	Net Earnings (Loss)	Pretax Loss	Income Tax Benefit	Net Earnings (Loss)	Pretax Loss	Income Tax Benefit	Net Earnings (Loss)
Interest and banking costs	$ (112.8)	$ 45.1	$ (67.7)	$ (105.4)	$ 42.1	$ (63.3)	$ (91.2)	$ 36.5	$ (54.7)
Clean energy related (1)	(133.2)	247.6	114.4	(116.1)	217.0	100.9	(88.7)	179.2	90.5
Acquisition costs	(4.6)	0.7	(3.9)	(4.3)	0.6	(3.7)	(23.1)	3.3	(19.8)
Corporate	(43.0)	20.0	(23.0)	(33.2)	14.8	(18.4)	(21.5)	2.3	(19.2)
Impact from re-consolidation accounting gains (2)	-	-		-	-	-	22.6	(8.5)	14.1
Litigation settlement (3)	(20.2)	4.1	(16.1)	16.2	1.5	17.7	-	-	-
Retirement plan de-risking strategies (4)	-	-	-	-	-	-	(12.0)	(0.5)	(12.5)
Reported full year	(313.8)	317.5	3.7	(242.8)	276.0	33.2	(213.9)	212.3	(1.6)
Impact from re-consolidation accounting gains (2)	-	-	-	-	-	-	(22.6)	8.5	(14.1)
Litigation settlement (3)	20.2	(4.1)	16.1	(16.2)	(1.5)	(17.7)	-	-	-
Retirement plan de-risking strategies (4)	-	-	-	-	-	-	12.0	0.5	12.5
Adjusted full year	$ (293.6)	$ 313.4	$ 19.8	$ (259.0)	$ 274.5	$ 15.5	$ (224.5)	$ 221.3	$ (3.2)

(1) Pretax earnings are presented net of amounts attributable to noncontrolling interests of $27.0 million in 2016, $30.6 million in 2015 and $23.2 million in 2014.

(2) Non-cash gain from re-consolidation accounting gains related to clean-energy investments recorded in the first quarter of 2014 and related tax credit recognition.

(3) During the third quarter of 2015, we settled litigation against certain former U.K. executives and their advisors for a pretax gain of $31.0 million ($22.3 million net of costs and taxes in third quarter). Incremental expenses that arose in connection with this matter will result in after-tax charges of up to $4.5 million per quarter through June 30, 2017.

(4) In fourth quarter 2014, we recognized a non-cash after-tax settlement charge of $12.5 million related to retirement plan de-risking strategies.

During 2017 we will be relocating our corporate office headquarters to a nearby suburb of Chicago. One-time move and after-tax lease abandonment charges are expected to total approximately $2.5 million, $4.0 million and $1.5 million in first, second and third quarters of 2017. These charges will be presented in the corporate segment.

Interest and banking costs includes expenses related to our debt. Clean energy related includes the operating results related to our investments in clean coal production plants and Chem-Mod. Acquisition costs include professional fees, due diligence and other costs incurred related to our acquisitions. Corporate consists of overhead allocations mostly related to corporate staff compensation, costs related to biennial company-wide award, cross-selling and motivational meetings for our production staff and field management, expenses related to our new corporate headquarters, corporate related marketing costs, and in 2016 and 2015, retention agreement compensation related to the litigation settlement.

Clean energy investments - We have investments in limited liability companies that own 29 clean coal production plants developed by us and five clean coal production plants we purchased from a third party on September 1, 2013. All 34 plants produce refined coal using propriety technologies owned by Chem-Mod. We believe that the production and sale of refined coal at these plants are qualified to receive refined coal tax credits under IRC Section 45. The fourteen plants which were placed in service prior to December 31, 2009 (which we refer to as the 2009 Era Plants) can receive tax credits through 2019 and the twenty plants which were placed in service prior to December 31, 2011 (which we refer to as the 2011 Era Plants) can receive tax credits through 2021.

The following table provides a summary of our clean coal plant investments as of December 31, 2016 (in millions):

	Our Tax-Effected Book Value At December 31, 2016	Additional Required Tax-Effected Capital Investment	Low Range 2017 After-tax Earnings	High Range 2017 After-tax Earnings
Investments that own 2009 Era Plants				
12 Under long-term production contracts	$ 8.6	$ -	$ 19.0	$ 21.0
2 In early stages of negotiations for long-term production contracts	-	Not Estimable	Not Estimable	Not Estimable
Investments that own 2011 Era Plants				
19 Under long-term production contracts	41.6	1.6	82.0	92.0
1 In early stages of negotiations for long-term production contracts	0.2	Not Estimable	Not Estimable	Not Estimable
Chem-Mod royalty income, net of noncontrolling interests	2.4	-	16.0	20.0

The estimated earnings information in the table reflects management's current best estimate of the 2017 low and high ranges of after-tax earnings based on early production estimates from the host utilities, other operating assumptions, and U.S. Federal income tax laws in place at December 31, 2016. However, coal-fired power plants may not ultimately produce refined fuel at estimated levels due to seasonal electricity demand, production costs, natural gas prices, weather conditions, as well as many other operational, regulatory and environmental compliance reasons. Future changes in EPA regulations or U.S. Federal income tax laws might materially impact these estimates.

Our investment in Chem-Mod generates royalty income from refined coal production plants owned by those limited liability companies in which we invest as well as refined coal production plants owned by other unrelated parties. Future changes in EPA regulations or U.S. Federal income tax laws might materially impact these estimates.

We may sell ownership interests in some or all of the plants to co-investors and relinquish control of the plants, thereby becoming a non-controlling, minority investor. In any limited liability company where we are a non-controlling, minority investor, the membership agreement for the operations contains provisions that preclude an individual member from being able to make major decisions that would denote control. As of any future date we become a non-controlling, minority investor, we would deconsolidate the entity and subsequently account for the investment using equity method accounting.

We currently have $2.7 million of construction commitments related to our refined coal plants.

We are aware that some of the coal-fired power plants that purchase the refined coal are considering changing to burning natural gas rather than coal, or shutting down completely for economic reasons. The entities that own such plants are prepared to move the refined coal plants to another coal-fired power plant, if necessary. If these potential developments were to occur, we estimate those refined coal plants will not operate for 12 to 18 months during their movement and redeployment, and the new coal-fired power plant may be a higher or lower volume plant, all of which could have a material impact on the amount of tax credits that are generated by these plants.

There is a provision in IRC Section 45 that phases out the tax credits if the coal reference price per ton, based on market prices, reaches certain levels as follows:

Calendar Year	IRS Reference Price per Ton	IRS Beginning Phase Out Price	IRS 100% Phase Out Price	Conclusion
2005	$36.36	$67.94	$76.69	No phase out
2006	42.78	70.40	79.15	No phase out
2007	48.35	72.85	81.60	No phase out
2008	45.56	75.13	83.88	No phase out
2009	39.72	76.84	85.59	No phase out
2010	54.74	77.78	86.53	No phase out
2011	55.66	78.41	87.16	No phase out
2012	58.49	80.25	89.00	No phase out
2013	58.23	81.69	90.44	No phase out
2014	56.88	81.82	90.57	No phase out
2015	57.64	83.17	91.92	No phase out
2016	53.74	84.38	93.13	No phase out
2017	(1)	(1)	(1)	(1)

(1) The IRS will not release the factors for 2017 until April or May 2017. Based on our analysis of the factors used in the IRS' phase out calculations, it is our belief that there will be no phase out in 2017.

See the risk factors regarding our IRC Section 45 investments under Item 1A, "Risk Factors," for a more detailed discussion of these and other factors could impact the information above. See Note 13 to the consolidated financial statements for more information regarding risks and uncertainties related to these investments.

Financial Condition and Liquidity

Liquidity describes the ability of a company to generate sufficient cash flows to meet the cash requirements of its business operations. The insurance brokerage industry is not capital intensive. Historically, our capital requirements have primarily included dividend payments on our common stock, repurchases of our common stock, funding of our investments, acquisitions of brokerage and risk management operations and capital expenditures.

Cash Flows From Operating Activities

Historically, we have depended on our ability to generate positive cash flow from operations to meet a substantial portion of our cash requirements. We believe that our cash flows from operations and borrowings under our Credit Agreement will provide us with adequate resources to meet our liquidity needs in the foreseeable future. To fund acquisitions made during 2016, 2015 and 2014, we relied on a combination of net cash flows from operations, proceeds from borrowings under our Credit Agreement, proceeds from issuances of senior unsecured notes, issuances of our common stock, and a secondary public offering of our common stock in April 2014, in which 21.85 million shares of our stock were issued for net proceeds, after underwriting discounts and other expenses related to this offering, of $911.4 million.

Cash provided by operating activities was $622.1 million, $652.6 million and $436.6 million for 2016, 2015 and 2014, respectively. The decrease in cash provided by operating activities in 2016 compared to 2015 was primarily due to timing differences in the receipts and disbursements of client fiduciary related balances in 2016 compared to 2015. The following table summarizes three lines from our consolidated statement of cash flows and provides information that management believes is helpful when comparing changes in client fiduciary related balances for 2016, 2015 and 2014 (in millions):

	2016	2015	2014
Change in restricted cash	$ (50.3)	$ (45.6)	$ (62.1)
Change in premiums receivable	(242.8)	(209.3)	95.3
Change in premiums payable	352.9	406.6	60.0
Net cash provided by client fiduciary related balances	$ 59.8	$ 151.7	$ 93.2

In addition, cash provided by operating activities for 2016 was impacted by an unrealized foreign currency measurement loss of $112.7 million compared to an unrealized foreign currency measurement loss of $154.4 million in 2015 and by acquisition related integration costs in 2016 and 2015. The increase in cash provided by operating activities in 2015 compared to 2014 was primarily due to favorable timing differences in the payment of accrued liabilities and an increased amount of non-cash charges in 2015 compared to 2014, partially offset by cash used in 2015 in the production and sale of refined coal at the plants qualified to receive refined coal tax credits under IRC Section 45. In addition, cash provided by operating activities for 2015 was adversely impacted by an unrealized foreign currency measurement loss of $154.4 million compared to an unrealized foreign currency measurement loss of $141.5 million in 2014 and an increase in acquisition related integration costs in 2015. Also negatively impacting cash provided by operating activities between 2015 and 2014 was cash payments related to compensation-based retention agreements. During second quarter 2015, we entered into compensation-based retention agreements with certain key employees of our international brokerage operations. We estimate that these retention agreements will add after-tax charges of approximately $4.5 million per quarter through June 30, 2017 to our compensation expense. Our cash flows from operating activities are primarily derived from our earnings from operations, as adjusted for realized gains and losses, and our non-cash expenses, which include depreciation, amortization, change in estimated acquisition earnout payables, deferred compensation, restricted stock, and stock-based and other non-cash compensation expenses. Cash provided by operating activities can be unfavorably impacted by the amount of IRC Section 45 tax credits recognized compared to the amount of tax credits actually used during the respective periods. Excess tax credits produced during the period result in an increase to our deferred tax assets, which is a net use of cash related to operating activities.

When assessing our overall liquidity, we believe that the focus should be on net earnings as reported in our consolidated statement of earnings, adjusted for non-cash items (i.e., EBITDAC), and cash provided by operating activities in our consolidated statement of cash flows. Net earnings attributable to controlling interests were $414.4 million and $356.8 million. Consolidated EBITDAC was $849.6 million and $771.3 million for 2016 and 2015, respectively. We believe that EBITDAC items are indicators of trends in liquidity. From a balance sheet perspective, we believe the focus should not be on premium and fees receivable, premiums payable or restricted cash for trends in liquidity. Net cash flows provided by operations will vary substantially from quarter to quarter and year to year because of the variability in the timing of premiums and fees receivable and premiums payable. We believe that in order to consider these items in assessing our trends in liquidity, they should be looked at in a combined manner, because changes in these balances are interrelated and are based on the timing of premium payments, both to and from us. In addition, funds legally restricted as to our use relating to premiums and clients' claim funds held by us in a fiduciary capacity are presented in our consolidated balance sheet as "Restricted Cash" and have not been included in determining our overall liquidity.

Our policy for funding our defined benefit pension plan is to contribnte amounts at least sufficient to meet the minimum funding requirements under the IRC. The Employee Retirement Security Act of 1974, as amended (which we refer to as ERISA), could impose a minimum funding requirement for our plan. We were not required to make any minimum contributions to the plan for the 2016 and 2015 plan years. Funding requirements are based on the plan being frozen and the aggregate amount of our historical funding. The plan's actuaries determine contribution rates based on our funding practices and requirements. Funding amounts may be influenced by future asset performance, the level of discount rates and other variables impacting the assets and/or liabilities of the plan. In addition, amounts funded in the future, to the extent not due under regulatory requirements, may be affected by alternative uses of our cash flows, including dividends, acquisitions and common stock repurchases. During 2016 and 2015 we did not make discretionary contributions to the plan. We are not considering making additional discretionary contributions to the plan in 2017, but may be required to make significantly larger minimum contributions to the plan in future periods.

See Note 12 to our consolidated financial statements for additional information required to be disclosed relating to our defined benefit postretirement plans. We are required to recognize an accrued benefit plan liability for our underfunded defined benefit pension and unfunded retiree medical plans (which we refer to together as the Plans). The offsetting adjustment to the liabilities required to be recognized for the Plans is recorded in "Accumulated Other Comprehensive Earnings (Loss)," net of tax, in our consolidated balance sheet. We will recognize subsequent changes in the funded status of the Plans through the income statement and as a component of comprehensive earnings, as appropriate, in the year in which they occur. Numerous items may lead to a change in funded status of the Plans, including actual results differing from prior estimates and assumptions, as well as changes in assumptions to reflect information available at the respective measurement dates.

In August 2014, we decided to pursue a pension de-risking strategy to reduce the size of onr long-term U.S. defined benefit pension plan obligations and the volatility of these obligations on our balance sheet. On September 12, 2014, the fiduciaries of the plan began offering certain former employees who were participants in the plan, the option of receiving the value of their pension benefit in a lump sum payment or as an accelerated reduced annuity, in lieu of monthly annuity payments when they retire. The voluntary offer was made to approximately 2,500 terminated, vested participants in the plan whose employment terminated with the company prior to August 1, 2014 and who had not commenced benefit payments as of November 1, 2014. Eligible participants had from September 12, 2014 to November 30, 2014 to accept the offer, and the lump-sum payments were made in November and December of 2014, and the accelerated reduced annuity payments began as of December 1, 2014. The aggregate lump sum payout made in fourth quarter 2014 was $43.3 million. All payouts related to this offer were made using assets from the plan. This lump sum payout project reduced the Plan's pension benefit obligation by approximately $60.0 million, while improving its pension underfunding by almost $17.0 million as of December 31, 2014. Due to this significant obligation settlement, we incurred a non-cash pre-tax charge of approximately $12.0 million in fourth quarter 2014, as a result of the U.S. GAAP requirement to expense the portion of the unrealized actuarial losses currently recognized as accumulated other comprehensive loss, based on a ratio of the liability settled to the total liability within the plan at December 31, 2014.

In 2016, the funded status of the Plans was unfavorably impacted by a decrease in the discount rates used in the measurement of the pension liabilities at December 31, 2016, the impact of which was approximately $8.2 million. However, the funded status was favorably impacted by returns on the plan's assets being higher in 2016 than anticipated by approximately $0.3 million and improvements in the mortality assumptions of $4.3 million and other pension gains of $4.4 million. The net change in the funded status of the Plan in 2016 resulted in a decrease in noncurrent liabilities in 2016 of $0.8 million. While the change in funded status of the Plans had no direct impact on our cash flows from operations in 2016, 2015 and 2014, potential changes in the pension regulatory environment and investment losses in our pension plan have an effect on our capital position and could require us to make significant contributions to our defined benefit pension plan and increase our pension expense in future periods.

Cash Flows From Investing Activities

Capital Expenditures - Net capital expenditures were $217.8 million, $99.0 million and $81.5 million for 2016, 2015 and 2014, respectively, of which $112.1 million, $13.3 million and $16.3 million, respectively, related to expenditures on our new corporate headquarters building. In 2017, we expect total expenditures for capital improvements to be approximately $135.0 million, part of which is related to expenditures on our new corporate headquarters building (approximately $20.0 million), office moves and expansions and updating computer systems and equipment. Relating to the development of our new corporate headquarters, we expect to receive property tax related credits under a tax-increment financing note from Rolling Meadows, Illinois and an Illinois state Edge tax credit. Incentives from these two programs could total between $60.0 million and $80.0 million over a fifteen-year period. The net capital expenditures in 2016, 2015 and 2014 primarily related to capitalized costs associated with expenditures on our new corporate headquarters building in 2016 and 2015 and the implementation of new accounting and financial reporting systems and several other system initiatives that occurred in 2016, 2015 and 2014.

Acquisitions - Cash paid for acquisitions, net of cash acquired, was $327.3 million, $342.3 million and $1,918.3 million in 2016, 2015 and 2014, respectively. The decreased use of cash for acquisitions in 2016 compared to 2015 was primarily due to a decrease in the number of acquisitions that occurred in 2016. The decreased use of cash for acquisitions in 2015 compared to 2014 was primarily due to a decrease in the number of acquisitions that occurred in 2015. In addition, during 2016, 2015 and 2014 we issued 2.0 million shares ($89.6 million), 7.3 million shares ($338.9 million) and 6.5 million shares ($292.8 million), respectively, of our common stock as payment for a portion of the total consideration paid for acquisitions and earnout payments. We completed 37, 44 and 60 acquisitions in 2016, 2015 and 2014, respectively. Annualized revenues of businesses acquired in 2016, 2015 and 2014 totaled approximately $137.9 million, $230.8 million and $761.2 million, respectively. In 2017, we expect to use our debt, cash from operations and our common stock to fund all or a portion of acquisitions we complete.

Dispositions - During 2016, 2015 and 2014, we sold several books of business and recognized one-time gains of $6.6 million, $6.7 million and $7.3 million, respectively. We received cash proceeds of $7.8 million, $9.2 million and $8.2 million, respectively, related to these transactions.

Clean Energy Investments - During the period from 2009 through 2016, we have made significant investments in clean energy operations capable of producing refined coal that we believe qualifies for tax credits under IRC Section 45. Our current estimate of the 2017 annual net after tax earnings, including IRC Section 45 tax credits, which will be produced from all of our clean energy investments in 2017, is $117.0 million to $133.0 million. The IRC Section 45 tax credits generate positive cash flow by reducing the amount of Federal income taxes we pay, which is offset by the operating expenses of the plants, by capital expenditures related to the redeployment, and in some cases the relocation of refined coal plants. We anticipate positive net cash flow related to IRC Section 45 activity in 2017. However, there are several variables that can impact net cash flow from clean energy investments in any given year. Therefore, accurately predicting positive or negative cash flow in particular future periods is not possible at this time. Nonetheless, if current ownership interests remain the same, if capital expenditures related to redeployment and relocation of refined coal plants remain as currently anticipated, and if we continue to generate sufficient taxable income to use the tax credits produced by our IRC Section 45 investments, we anticipate that these investments will continue to generate positive net cash flows for the period 2017 through at least 2021. While we cannot precisely forecast the cash flow impact in any particular period, we anticipate that the net cash flow impact of these investments will be positive overall. Please see "Clean energy investments" on pages 48 to 50 for a more detailed description of these investments (including the reference therein to risks and uncertainties).

Cash Flows From Financing Activities

On April 8, 2016 we entered into an amendment and restatement to our multicurrency credit agreement dated September 19, 2013 (which we refer to as the Credit Agreement), with a group of fifteen financial institutions. The amendment and restatement, among other things, extended the expiration date of the Credit Agreement from September 19, 2018 to April 8, 2021 and increased the revolving credit commitment from $600.0 million to $800.0 million, of which $75.0 million may be used for issuances of standby or commercial letters of credit and up to $75.0 million may be used for the making of swing loans, (as defined in the Credit Agreement). We may from time to time request, subject to certain conditions, an increase in the revolving credit commitment under the Credit Agreement up to a maximum aggregate revolving credit commitment of $1,100.0 million. There were $278.0 million of borrowings outstanding under the Credit Agreement at December 31, 2016. Due to the outstanding borrowing and letters of credit, $500.9 million remained available for potential borrowings under the Credit Agreement at December 31, 2016.

We use the Credit Agreement to post letters of credit and to borrow funds to supplement our operating cash flows from time to time. During 2016, we borrowed an aggregate of $2,740.0 million and repaid $2,657.0 million under our Credit Agreement. Principal uses of the 2016 borrowings under the Credit Agreement were to fund acquisitions, earnout payments related to acquisitions and general corporate purposes. During 2015, we borrowed an aggregate of $849.0 million and repaid $794.0 million under our Credit Agreement. Principal uses of the 2015 borrowings under the Credit Agreement were to fund acquisitions, earnout payments related to acquisitions and general corporate purposes. During 2014, we borrowed an aggregate of $1,109.9 million and repaid $1,500.4 million under our Credit Agreement. Principal uses of the 2014 borrowings under the Credit Agreement were to fund acquisitions, earnout payments related to acquisitions and general corporate purposes.

We have a secured revolving loan facility (which we refer to as the Premium Financing Debt Facility), that provides funding for the three Australian (AU) and New Zealand (NZ) premium finance subsidiaries. The Premium Financing Debt Facility is comprised of: (i) Facility B, with is separated into AU$150.0 million and NZ$35.0 million tranches, (ii) Facility C, an AU$25.0 million equivalent multi-currency overdraft tranche and (iii) Facility D, a NZ$15.0 million equivalent multi-currency overdraft tranche. The Premium Financing Debt Facility expires May 18, 2017. At December 31, 2016, $125.6 million of borrowings were outstanding under the Premium Financing Debt Facility.

We use the Premium Financing Debt Facility to borrow funds to fund the premium financing activities of three of our Australian (AU) and New Zealand (NZ) subsidiaries. In 2016 and 2015, we had net borrowings of $(12.2) million and $23.9 million, respectively, on the Premium Financing Debt Facility.

At December 31, 2016, we had $2,728.0 million of corporate-related borrowings outstanding under separate note purchase agreements entered into in the period 2007 to 2016 and a cash and cash equivalent balance of $545.5 million. See Note 7 to our consolidated financial statements for a discussion of the terms of the note purchase agreements and the Credit Agreement.

We completed a $275.0 million, ten year maturity, private placement debt transaction in 2016, with a weighted average interest rate of 4.47%. In 2016, we entered into a pre-issuance interest rate hedging transaction related to the $175.0 million 10 year tranche of the $275.0 million private placement debt. We realized a cash gain of approximately $1.0 million on the hedging transaction that will be recognized on a pro rata basis as a reduction in our reported interest expense over the ten year life of the debt.

On November 30, 2016, we funded the $50.0 million 2016 maturity of our Series C note.

We completed a $100.0 million, eleven year maturity, private placement debt transaction on December 1, 2016, with an interest rate of 3.46%. A portion of the proceeds was used to fund the $50.0 million of private placement debt that matured on November 30, 2016.

We anticipate raising at least $300.0 million in the second half of 2017, primarily to refinance the August 2017, $300.0 million maturity of our Series B note.

The note purchase agreements, the Credit Agreement and the Premium Financing Debt Facility contain various financial covenants that require us to maintain specified financial ratios. We were in compliance with these covenants as of December 31, 2016.

Dividends - Our board of directors determines our dividend policy. Our board of directors determines dividends on our common stock on a quarterly basis after considering our available cash from earnings, our anticipated cash needs and current conditions in the economy and financial markets.

In 2016, we declared $272.5 million in cash dividends on our common stock, or $1.52 per common share. On December 16, 2016, we paid a fourth quarter dividend of $0.38 per common share to shareholders of record as of December 2, 2016. On January 25, 2017, we announced a quarterly dividend for first quarter 2017 of $0.39 per common share. If the dividend is maintained at $0.39 per common share throughout 2017, this dividend level would result in an annualized net cash used by financing activities in 2017 of approximately $278.1 million (based on the outstanding shares as of December 31, 2016), or an anticipated increase in cash used of approximately $5.9 million compared to 2016. We can make no assurances regarding the amount of any future dividend payments.

Common Stock Repurchases - We have in place a common stock repurchase plan approved by our board of directors. We repurchased 2.3 million shares of our common stock at cost of $101.0 million (7.7 million remain available). We did not repurchase any shares in 2015 and 2014. Under the provisions of the repurchase plan, we were authorized to repurchase approximately 10,000,000 additional shares at December 31, 2016. The plan authorizes the repurchase of our common stock at such times and prices as we may deem advantageous, in transactions on the open market or in privately negotiated transactions. We are under no commitment or obligation to repurchase any particular number of shares, and the plan may be suspended at any time at our discretion. Funding for share repurchases may come from a variety of sources, including cash from operations, short-term or long-term borrowings under our Credit Agreement or other sources. There were no common stock repurchases made in 2015 and 2014 that impacted our consolidated financial statements.

At-the-Market Equity Program - On November 20, 2013, we entered into an Equity Distribution Agreement with Morgan Stanley & Co. LLC, pursuant to which we may offer and sell, from time to time, up to $200 million (of which $15.6 million is remaining) of our common stock through Morgan Stanley as sales agent. Pursuant to the agreement, shares may be sold by means of ordinary brokers' transactions, including on the New York Stock Exchange, at market prices prevailing at the time of sale, at prices related to the prevailing market prices, or at negotiated prices, in block transactions, or as otherwise agreed upon by us and Morgan Stanley. During 2016, we did not sell any shares of our common stock under the program.

Common Stock Issuances - Another source of liquidity to us is the issuance of our common stock pursuant to our stock option and employee stock purchase plans. Proceeds from the issuance of common stock under these plans were $45.6 million in 2016, $54.1 million in 2015 and $56.3 million in 2014.

Outlook - We believe that we have sufficient capital to meet our short- and long-term cash flow needs.

Contractual Obligations and Commitments

In connection with our investing and operating activities, we have entered into certain contractual obligations and commitments. See Notes 7, 13 and 15 to our consolidated financial statements for additional discussion of these obligations and commitments. Our future minimum cash payments, including interest, associated with our contractual obligations pursuant to our note purchase agreements and Credit Agreement, operating leases and purchase commitments as of December 31, 2016 are as follows (in millions):

	Payments Due by Period						
Contractual Obligations	**2017**	**2018**	**2019**	**2020**	**2021**	**Thereafter**	**Total**
Note purchase agreements	$ 300.0	$ 100.0	$ 100.0	$ 100.0	$ 75.0	$ 1,775.0	$ 2,450.0
Credit Agreement	278.0	-	-	-	-	-	278.0
Premium Financing Debt Facility	125.6	-	-	-	-	-	125.6
Interest on debt	113.5	93.3	89.0	84.4	79.5	280.5	740.2
Total debt obligations	817.1	193.3	189.0	184.4	154.5	2,055.5	3,593.8
Operating lease obligations	101.1	83.8	68.4	56.4	45.8	112.9	468.4
Less sublease arrangements	(0.8)	(0.4)	(0.1)	(0.1)	-	(0.1)	(1.5)
Outstanding purchase obligations	50.6	32.1	16.6	7.7	1.7	-	108.7
Total contractual obligations	$ 968.0	$ 308.8	$ 273.9	$ 248.4	$ 202.0	$ 2,168.3	$ 4,169.4

The amounts presented in the table above may not necessarily reflect our actual future cash funding requirements, because the actual timing of the future payments made may vary from the stated contractual obligation. Outstanding purchase commitments in the table above include $10.6 million related to expenditures on our new corporate headquarters building. In addition, due to the uncertainty with respect to the timing of future cash flows associated with our unrecognized tax benefits at December 31, 2016, we are unable to make reasonably reliable estimates of the period in which cash settlements may be made with the respective taxing authorities. Therefore, $14.5 million of unrecognized tax benefits have been excluded from the contractual obligations table above. See Note 17 to our consolidated financial statements for a discussion on income taxes.

See Note 7 to our consolidated financial statements for a discussion of the terms of the Credit Agreement and note purchase agreements.

Off-Balance Sheet Arrangements

Off-Balance Sheet Commitments - Our total unrecorded commitments associated with outstanding letters of credit, financial guarantees and funding commitments as of December 31, 2016 are as follows (in millions):

	Amount of Commitment Expiration by Period						Total Amounts
Off-Balance Sheet Commitments	**2017**	**2018**	**2019**	**2020**	**2021**	**Thereafter**	**Committed**
Letters of credit	$ -	$ -	$ -	$ -	$ -	$ 21.1	$ 21.1
Financial guarantees	0.2	0.2	0.2	0.2	0.2	1.4	2.4
Funding commitments	2.7	-	-	-	-	0.7	3.4
Total commitments	$ 2.9	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 23.2	$ 26.9

Since commitments may expire unused, the amounts presented in the table above do not necessarily reflect our actual future cash funding requirements. See Note 15 to our consolidated financial statements for a discussion of our funding commitments related to our corporate segment and the Off-Balance Sheet Debt section below for a discussion of other letters of credit. All of the letters of credit represent multiple year commitments that have annual, automatic renewing provisions and are classified by the latest commitment date.

Since January 1, 2002, we have acquired 420 companies, all of which were accounted for using the acquisition method for recording business combinations. Substantially all of the purchase agreements related to these acquisitinns contain provisions for potential earnout obligations. For all of our acquisitions made in the period from 2013 to 2016 that contain potential earnout obligations, such obligations are measured at fair value as of the acquisition date and are included on that basis in the recorded purchase price consideration for the respective acquisition. The amounts recorded as earnout payables are primarily based upon estimated future operating results of the acquired entities over a two- to three-year period subsequent to the acquisition date. The aggregate amount of the maximum earnout obligations related to these acquisitions was $527.2 million, of which $242.3 million was recorded in our consolidated balance sheet as of December 31, 2016 based on the estimated fair value of the expected future payments to be made.

Off-Balance Sheet Debt - Our unconsolidated investment portfolio includes investments in enterprises where our ownership interest is between 1% and 50%, in which management has determined that our level of influence and economic interest is not sufficient to require consolidation. As a result, these investments are accounted for under the equity method. None of these unconsolidated investments had any outstanding debt at December 31, 2016 and 2015 that was recourse to us.

At December 31, 2016, we had posted two letters of credit totaling $9.3 million, in the aggregate, related to our self-insurance deductibles, for which we have recorded a liability of $12.3 million. We have an equity investment in a rent-a-captive facility, which we use as a placement facility for certain of our insurance brokerage operations. At December 31, 2016, we had posted seven letters of credit totaling $6.3 million to allow certain of our captive operations to meet minimum statutory surplus requirements and for additional collateral related to premium and claim funds held in a fiduciary capacity, one letter of credit totaling $5.0 million to support our potential obligation under a client's insurance program and one letter of credit totaling $0.5 million as a security deposit for a 2015 acquisition's lease. These letters of credit have never been drawn upon.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to various market risks in our day to day operations. Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest and foreign currency exchange rates and equity prices. The following analyses present the hypothetical loss in fair value of the financial instruments held by us at December 31, 2016 that are sensitive to changes in interest rates. The range of changes in interest rates used in the analyses reflects our view of changes that are reasonably possible over a one-year period. This discussion of market risks related to nur consolidated balance sheet includes estimates of future economic environments caused by changes in market risks. The effect of actual changes in these market risk factors may differ materially from our estimates. In the ordinary course of business, we also face risks that are either nonfinancial or unquantifiable, including credit risk and legal risk. These risks are not included in the following analyses.

Our invested assets are primarily held as cash and cash equivalents, which are subject to various market risk exposures such as interest rate risk. The fair value of our portfolio of cash and our cash equivalents as of December 31, 2016 approximated its carrying value due to its short-term duration. We estimated market risk as the potential decrease in fair value resulting from a hypothetical one-percentage point increase in interest rates for the instruments contained in the cash and cash equivalents investment portfolio. The resulting fair values were not materially different from their carrying values at December 31, 2016.

As of December 31, 2016, we had $2,450.0 million of borrowings outstanding under our various note purchase agreements. The aggregate estimated fair value of these borrowings at December 31, 2016 was $2,545.0 million due to the long-term duration and fixed interest rates associated with these debt obligations. No active or observable market exists for our private placement long-term debt. Therefore, the estimated fair value of this debt is based on the income valuation approach, which is a valuation technique that converts future amounts (for example, cash flows or income and expenses) to a single current (that is, discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. Because our debt issuances generate a measurable income stream for each lender, the income approach was deemed to be an appropriate methodology for valuing the private placement long-term debt. The methodology used calculated the original deal spread at the time of each debt issuance, which was equal to the difference between the yield of each issuance (the coupon rate) and the equivalent benchmark treasury yield at that time. The market spread as of the valuation date was calculated, which is equal to the difference between an index for investment grade insurers and the equivalent benchmark treasury yield today. An implied premium or discount to the par value of each debt issuance based on the difference between the origination deal spread and market as of the valuation date was then calculated. The index we relied on to represent investment graded insurers was the Bloomberg Valuation Services (BVAL) U.S. Insurers BBB index. This index is comprised primarily of insurance brokerage firms and was representative of the industry in which we operate. For the purposes of our analysis, the average BBB rate was assumed to be the appropriate borrowing rate for us based on our current estimated credit rating.

We estimated market risk as the potential impact on the value of the debt recorded in our consolidated balance sheet resulting from a hypothetical one-percentage point decrease in our weighted average borrowing rate as of December 31, 2016 and the resulting fair values would be $241.6 million higher than their carrying value (or $2,691.6 million). We estimated market risk as the potential impact on the value of the debt recorded in our consolidated balance sheet resulting from a hypothetical one-percentage point increase in our weighted average borrowing rate as of December 31, 2016 and the resulting fair values would be $40.5 million lower than their carrying value (or $2,409.5 million).

As of December 31, 2016, we had $278.0 million of borrowings outstanding under our Credit Agreement. The fair value of these borrowings approximate their carrying value due to their short-term duration and variable interest rates associated with these debt obligations. Market risk is estimated as the potential increase in fair value resulting from a hypothetical one-percentage point decrease in our weighted average short-term borrowing rate at December 31, 2016 and the resulting fair value is not be materially different from their carrying value.

At December 31, 2016, we had $125.6 million of borrowings outstanding under our Premium Financing Debt Facility. The fair value of these borrowings approximate their carrying value due to their short-term duration and variable interest rates associated with these debt obligations. Market risk is estimated as the potential increase in fair value resulting from a hypothetical one-percentage point decrease in our weighted average short-term borrowing rate at December 31, 2016, and the resulting fair value is not materially different from their carrying value.

We are subject to foreign currency exchange rate risk primarily from one of our larger U.K. based brokerage subsidiaries that incurs expenses denominated primarily in British pounds while receiving a substantial portion of its revenues in U.S. dollars. In addition, we are subject to foreign currency exchange rate risk from our U.K., Australian, Canadian, Indian, Jamaican, New Zealand, Norwegian, Singaporean and various Caribbean and South American operations because we transact business in their local denominated currencies. Foreign currency gains (losses) related to this market risk are recorded in earnings before income taxes as transactions occur. Assuming a hypothetical adverse change of 10% in the average foreign currency exchange rate for 2016 (a weakening of the U.S. dollar), earnings before income taxes would have increased by approximately $6.7 million. Assuming a hypothetical favorable change of 10% in the average foreign currency exchange rate for 2016 (a strengthening of the U.S. dollar), earnings before income taxes would have decreased by approximately $11.5 million. We are also subject to foreign currency exchange rate risk associated with the translation of local currencies of our foreign subsidiaries into U.S. dollars. We manage the balance sheets of our foreign subsidiaries, where practical, such that foreign liabilities are matched with equal foreign assets, maintaining a "balanced book" which minimizes the effects of currency fluctuations. However, our consolidated financial position is exposed to foreign currency exchange risk related to intra-entity loans between our U.S. based subsidiaries and our non-U.S. based subsidiaries that are denominated in the respective local foreign currency. A transaction that is in a foreign currency is first remeasured at the entity's functional (local) currency, where applicable, (which is an adjustment to consolidated earnings) and then translated to the reporting (U.S. dollar) currency (which is an adjustment to consolidated stockholders' equity) for consolidated reporting purposes. If the transaction is already denominated in the foreign entity's functional currency, only the translation to U.S. dollar reporting is necessary. The remeasurement process required by U.S. GAAP for such foreign currency loan transactions will give rise to a consolidated unrealized foreign exchange gain or loss, which could be material, that is recorded in accumulated other comprehensive earnings (loss).

Historically, we have not entered into derivatives or other similar financial instruments for trading or speculative purposes. However, with respect to managing foreign currency exchange rate risk in India, Norway and the U.K., we have periodically purchased financial instruments when market opportunities arose to minimize our exposure to this risk. During 2016, 2015 and 2014, we had several monthly put/call options in place with an external financial institution that are designed to hedge a significant portion of our future U.K. currency revenues (in 2016) and disbursements (in 2015) through various future payment dates. In addition, during 2016, we had several monthly put/call options in place with an external financial institution that were designed to hedge a significant portion of our Indian currency disbursements through various future payment dates. Although these hedging strategies were designed to protect us against significant U.K. and India currency exchange rate movements, we are still exposed to some foreign currency exchange rate risk for the portion of the payments and currency exchange rate that are unhedged. The impact of these hedging strategies was not material to our consolidated financial statements for 2016, 2015 and 2014. See Note 18 to our consolidated financial statements for the changes in fair value of these derivative instruments reflected in comprehensive earnings in 2016, 2015 and 2014. We entered into an AU$400.0 million foreign currency derivative investment contract that we executed on April 16, 2014 in connection with the signing of the agreement to acquire the Crombie/OAMPS operations. This contract was designed to hedge a portion of the AU dollar denominated purchase price consideration of this acquisition. The derivative investment contract was exercised on June 16, 2014, the date that the Crombie/OAMPS transaction closed. In second quarter 2014, we recorded a pretax gain of $1.9 million related to this derivative investment contract. These contracts were designed to hedge a portion of the GBP denominated purchase price consideration of this acquisition.

Item 8. Financial Statements and Supplementary Data.

Arthur J. Gallagher & Co.

Consolidated Statement of Earnings
(In millions, except per share data)

	Year Ended December 31,		
	2016	2015	2014
Commissions	$ 2,439.1	$ 2,338.7	$ 2,083.0
Fees	1,492.8	1,432.3	1,258.3
Supplemental commissions	147.0	125.5	104.0
Contingent commissions	107.2	93.7	84.7
Investment income	53.3	54.2	41.3
Gains on books of business sales	6.6	6.7	7.3
Revenues from clean coal activities	1,350.1	1,310.8	1,029.5
Other net revenues	(1.3)	30.5	18.4
Total revenues	5,594.8	5,392.4	4,626.5
Compensation	2,538.9	2,428.9	2,167.6
Operating	797.7	840.7	743.1
Cost of revenues from clean coal activities	1,408.6	1,351.5	1,058.9
Interest	109.8	103.0	89.0
Depreciation	103.6	93.9	69.4
Amortization	247.2	240.3	189.5
Change in estimated acquisition earnout payables	32.1	40.6	17.5
Total expenses	5,237.9	5,098.9	4,335.0
Earnings before income taxes	356.9	293.5	291.5
Benefit for income taxes	(88.1)	(95.6)	(36.0)
Net earnings	445.0	389.1	327.5
Net earnings attributable to noncontrolling interests	30.6	32.3	24.1
Net earnings attributable to controlling interests	$ 414.4	$ 356.8	$ 303.4
Basic net earnings per share	$ 2.33	$ 2.07	$ 1.98
Diluted net earnings per share	2.32	2.06	1.97
Dividends declared per common share	1.52	1.48	1.44

See notes to consolidated financial statements.

Arthur J. Gallagher & Co.

Consolidated Statement of Comprehensive Earnings
(In millions)

	Year Ended December 31,		
	2016	2015	2014
Net earnings	$ 445.0	$ 389.1	$ 327.5
Change in pension liability, net of taxes	(4.4)	1.3	(18.6)
Foreign currency translation	(231.8)	(261.1)	(238.4)
Change in fair value of derivative instruments, net of taxes	(4.9)	(2.1)	(1.0)
Comprehensive earnings	203.9	127.2	69.5
Comprehensive earnings attributable to noncontrolling interests	35.1	25.9	31.5
Comprehensive earnings attributable to controlling interests	$ 168.8	$ 101.3	$ 38.0

See notes to consolidated financial statements

Arthur J. Gallagher & Co.

Consolidated Balance Sheet
(In millions)

	December 31, 2016	December 31, 2015
Cash and cash equivalents	$ 545.5	$ 480.4
Restricted cash	1,392.1	1,412.1
Premiums and fees receivable	1,844.8	1,734.0
Other current assets	633.7	587.2
Total current assets	4,416.1	4,213.7
Fixed assets - net	377.6	249.0
Deferred income taxes	796.5	643.5
Other noncurrent assets	504.3	442.6
Goodwill - net	3,767.8	3,662.9
Amortizable intangible assets - net	1,627.3	1,698.8
Total assets	$ 11,489.6	$ 10,910.5
Premiums payable to insurance and reinsurance companies	$ 2,996.1	$ 2,877.1
Accrued compensation and other accrued liabilities	772.1	812.7
Unearned fees	69.0	61.3
Other current liabilities	70.9	54.0
Premium financing borrowings	125.6	137.0
Corporate related borrowings - current	578.0	245.0
Total current liabilities	4,611.7	4,187.1
Corporate related borrowings - noncurrent	2,144.6	2,071.7
Other noncurrent liabilities	1,077.5	963.5
Total liabilities	7,833.8	7,222.3
Stockholders' equity:		
Common stock - authorized 400.0 shares; issued and outstanding 178.3 shares in 2016 and 176.9 shares in 2015	178.3	176.9
Capital in excess of par value	3,265.5	3,209.4
Retained earnings	916.4	774.5
Accumulated other comprehensive loss	(763.6)	(522.5)
Stockholders' equity attributable to controlling interests	3,596.6	3,638.3
Stockholders' equity attributable to noncontrolling interests	59.2	49.9
Total stockholders' equity	3,655.8	3,688.2
Total liabilities and stockholders' equity	$ 11,489.6	$ 10,910.5

See notes to consolidated financial statements.

Arthur J. Gallagher & Co.

Consolidated Statement of Cash Flows
(In millions)

	Year Ended December 31,		
	2016	2015	2014
Cash flows from operating activities:			
Net earnings	$ 445.0	$ 389.1	$ 327.5
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Net gain on investments and other	(6.5)	(6.6)	(23.0)
Depreciation and amortization	350.8	334.2	258.9
Change in estimated acquisition earnout payables	32.1	40.6	17.5
Amortization of deferred compensation and restricted stock	28.5	22.7	22.9
Stock-based and other noncash compensation expense	14.7	11.2	10.6
Effect of changes in foreign exchange rate	(3.0)	(0.2)	(0.5)
Net change in restricted cash	(50.3)	(45.6)	(62.1)
Net change in premiums receivable	(242.8)	(209.3)	95.3
Net change in premiums payable	352.9	406.6	60.0
Net change in other current assets	(55.2)	(34.7)	(150.5)
Net change in accrued compensation and other accrued liabilities	69.1	217.8	191.6
Net change in fees receivable/unearned fees	2.8	(49.6)	(26.0)
Net change in income taxes payable	(10.8)	(18.5)	4.9
Net change in deferred income taxes	(158.0)	(161.2)	(126.1)
Net change in other noncurrent assets and liabilities	(34.5)	(89.5)	(22.9)
Unrealized foreign currency remeasurement loss	(112.7)	(154.4)	(141.5)
Net cash provided by operating activities	622.1	652.6	436.6
Cash flows from investing activities:			
Net additions to fixed assets	(217.8)	(99.0)	(81.5)
Cash paid for acquisitions, net of cash acquired	(327.3)	(342.3)	(1,918.3)
Net proceeds from sales of operations/books of business	7.8	9.2	8.2
Net funding of investment transactions	(31.9)	(29.5)	(20.1)
Net cash used by investing activities	(569.2)	(461.6)	(2,011.7)
Cash flows from financing activities:			
Proceeds from issuance of common stock	45.6	203.3	997.0
Tax impact from issuance of common stock	6.5	5.3	6.9
Repurchases of common stock	(101.0)	-	-
Payments to noncontrolling interests	(41.8)	(39.9)	(34.3)
Dividends paid	(272.2)	(257.5)	(223.1)
Net borrowings on premium financing debt facility	(12.2)	23.9	7.5
Borrowings on line of credit facilities	2,740.0	849.0	1,109.9
Repayments on line of credit facilities	(2,657.0)	(794.0)	(1,500.4)
Borrowings of corporate related long-term debt	376.0	-	1,300.0
Repayments of corporate related long-term debt	(50.0)	-	(100.0)
Net cash provided (used) by financing activities	33.9	(9.9)	1,563.5
Effect of changes in foreign exchange rates on cash and cash equivalents	(21.7)	(15.1)	27.9
Net increase in cash and cash equivalents	65.1	166.0	16.3
Cash and cash equivalents at beginning of year	480.4	314.4	298.1
Cash and cash equivalents at end of year	$ 545.5	$ 480.4	$ 314.4
Supplemental disclosures of cash flow information:			
Interest paid	$ 112.8	$ 103.9	$ 82.5
Income taxes paid	66.1	78.3	72.9

See notes to consolidated financial statements.

Arthur J. Gallagher & Co.
Consolidated Statement of Stockholders' Equity
(In millions)

	Common Stock Shares	Common Stock Amount	Excess of Par Value	Retained Earnings	Comprehensive Earnings (Loss)	Noncontrolling Interests	Total
Balance at December 31, 2013	133.6	$133.6	$ 1,358.1	$ 596.4	$ (2.6)	$ 29.3	$ 2,114.8
Net earnings	-	-	-	303.4	-	24.1	327.5
Net purchase of subsidiary shares from noncontrolling interests	-	-	-	-	-	49.3	49.3
Dividends paid to noncontrolling interests	-	-	-	-	-	(34.4)	(34.4)
Net change in pension asset/liability, net of taxes of ($12.4) million	-	-	-	-	(18.6)	-	(18.6)
Foreign currency translation	-	-	-	-	(238.4)	7.4	(231.0)
Change in fair value of derivative instruments, net of taxes of ($0.7) million	-	-	-	-	(1.0)	-	(1.0)
Compensation expense related to stock option plan grants	-	-	9.5	-	-	-	9.5
Tax impact from issuance of common stock	-	-	6.9	-	-	-	6.9
Common stock issued in:							
Fifty-three purchase transactions	6.5	6.5	292.8	-	-	-	299.3
Stock option plans	1.6	1.6	42.6	-	-	-	44.2
Employee stock purchase plan	0.3	0.3	12.1	-	-	-	12.4
Deferred compensation and restricted stock	0.1	0.1	8.4	-	-	-	8.5
Stock issuance under dribble-out program	0.6	0.6	28.4	-	-	-	29.0
Stock issuance from public offering	21.9	21.9	889.5	-	-	-	911.4
Other compensation expense	-	-	1.1	-	-	-	1.1
Cash dividends declared on common stock	-	-	-	(223.8)	-	-	(223.8)
Balance at December 31, 2014	164.6	164.6	2,649.4	676.0	(260.6)	75.7	3,305.1
Net earnings	-	-	-	356.8	-	32.3	389.1
Net purchase of subsidiary shares from noncontrolling interests	-	-	-	-	-	(15.0)	(15.0)
Dividends paid to noncontrolling interests	-	-	-	-	-	(36.7)	(36.7)
Net change in pension asset/liability, net of taxes of $0.9 million	-	-	-	-	1.3	-	1.3
Foreign currency translation	-	-	-	-	(261.1)	(6.4)	(267.5)
Change in fair value of derivative instruments, net of taxes of ($1.4) million	-	-	-	-	(2.1)	-	(2.1)
Compensation expense related to stock option plan grants	-	-	11.2	-	-	-	11.2
Tax impact from issuance of common stock	-	-	5.3	-	-	-	5.3
Common stock issued in:							
Thirty-nine purchase transactions	7.3	7.3	338.9	-	-	-	346.2
Stock option plans	1.4	1.4	39.0	-	-	-	40.4
Employee stock purchase plan	0.3	0.3	13.5	-	-	-	13.8
Deferred compensation and restricted stock	0.2	0.2	6.0	-	-	-	6.2
Stock issuance under dribble-out program	3.1	3.1	146.1	-	-	-	149.2
Cash dividends declared on common stock	-	-	-	(258.3)	-	-	(258.3)
Balance at December 31, 2015	176.9	$176.9	$ 3,209.4	$ 774.5	$ (522.5)	$ 49.9	$ 3,688.2

See notes to consolidated financial statements.

Arthur J. Gallagher & Co.
Consolidated Statement of Stockholders' Equity (continued)
(In millions)

	Common Stock Shares	Common Stock Amount	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Earnings (Loss)	Noncontrolling Interests	Total
Balance at December 31, 2015	176.9	$176.9	$ 3,209.4	$ 774.5	$ (522.5)	$ 49.9	$ 3,688.2
Net earnings	-	-	-	414.4	-	30.6	445.0
Net purchase of subsidiary shares from noncontrolling interests	-	-	-	-	-	8.3	8.3
Dividends paid to noncontrolling interests	-	-	-	-	-	(34.1)	(34.1)
Net change in pension asset/liability, net of taxes of ($2.9) million	-	-	-	-	(4.4)	-	(4.4)
Foreign currency translation	-	-	-	-	(231.8)	4.5	(227.3)
Change in fair value of derivative instruments, net of taxes of ($3.2) million	-	-	-	-	(4.9)	-	(4.9)
Compensation expense related to stock option plan grants	-	-	14.7	-	-	-	14.7
Tax impact from issuance of common stock	-	-	6.5	-	-	-	6.5
Common stock issued in:							
Nine purchase transactions	2.0	2.0	89.6	-	-	-	91.6
Stock option plans	1.1	1.1	28.6	-	-	-	29.7
Employee stock purchase plan	0.4	0.4	15.5	-	-	-	15.9
Deferred compensation and restricted stock	0.2	0.2	(0.1)	-	-	-	0.1
Common stock repurchases	(2.3)	(2.3)	(98.7)	-	-	-	(101.0)
Cash dividends declared on common stock	-	-	-	(272.5)	-	-	(272.5)
Balance at December 31, 2016	178.3	$178.3	$ 3,265.5	$ 916.4	$ (763.6)	$ 59.2	$ 3,655.8

See notes to consolidated financial statements.

Arthur J. Gallagher & Co.

Notes to Consolidated Financial Statements

December 31, 2016

1. Summary of Significant Accounting Policies

Nature of Operations - Arthur J. Gallagher & Co. and its subsidiaries, collectively referred to herein as we, our, us or the company, provide insurance brokerage and risk management services to a wide variety of commercial, industrial, institutional and governmental organizations through three reportable operating segments. Commission and fee revenue generated by the brokerage segment is primarily related to the negotiation and placement of insurance for our clients. Fee revenue generated by the risk management segment is primarily related to claims management, information management, risk control consulting (loss control) services and appraisals in the property/casualty market. Investment income and other revenue are generated from our premium financing operations and our investment portfolio, which includes invested cash and restricted funds, as well as clean energy and other investments. We are headquartered in Itasca, Illinois, have operations in 33 countries and offer client-service capabilities in more than 150 countries globally through a network of correspondent insurance brokers and consultants.

Basis of Presentation - The accompanying consolidated financial statements include our accounts and all of our majority-owned subsidiaries (50% or greater ownership). Substantially all of our investments in partially owned entities in which our ownership is less than 50% are accounted for using the equity method based on the legal form of our ownership interest and the applicable ownership percentage of the entity. However, in situations where a less than 50%-owned investment has been determined to be a variable interest entity (which we refer to as a VIE) and we are deemed to be the primary beneficiary in accordance with the variable interest model of consolidation, we will consolidate the investment into our consolidated financial statements. For partially owned entities accounted for using the equity method, our share of the net earnings of these entities is included in consolidated net earnings. All material intercompany accounts and transactions have been eliminated in consolidation.

In the preparation of our consolidated financial statements as of December 31, 2016, management evaluated all material subsequent events or transactions that occurred after the balance sheet date through the date on which the financial statements were issued for potential recognition in our consolidated financial statements and/or disclosure in the notes thereto.

Use of Estimates - The preparation of our consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Revenue Recognition - Our revenues are derived from commissions, fees and investment income.

We recognize commission revenues at the later of the billing or the effective date of the related insurance policies, net of an allowance for estimated policy cancellations. We recognize commission revenues related to installment premiums as the installments are billed. We recognize supplemental commission revenues using internal data and information received from insurance carriers that allows us to reasonably estimate the supplemental commissions earned in the period. A supplemental commission is a commission paid by an insurance carrier that is above the base commission paid, is determined by the insurance carrier, and is established annually in advance of the contractual period based on historical performance criteria. We recognize contingent commissions and commissions on premiums directly billed by insurance carriers as revenue when we have obtained the data necessary to reasonably determine such amounts. Typically, we cannot reasonably determine these types of commission revenues until we have received the cash or the related policy detail or other carrier specific information from the insurance carrier. A contingent commission is a commission paid by an insurance carrier based on the overall profit and/or volume of the business placed with that insurance carrier during a particular calendar year and is determined after the contractual period. Commissions on premiums billed directly by insurance carriers to the insureds generally relate to a large number of property/casualty insurance policy transactions, each with small premiums, and comprise a substantial portion of the revenues generated by our employee benefit brokerage operations. Under these direct bill arrangements, the insurance carrier controls the entire billing and policy issuance process. We record the income effects of subsequent premium adjustments when the adjustments become known.

Fee revenues generated from the brokerage segment primarily relate to fees negotiated in lieu of commissions that we recognize in the same manner as commission revenues. Fee revenues generated from the risk management segment relate to third party claims administration, loss control and other risk management consulting services, which we provide over a period of time, typically one year. We recognize these fee revenues ratably as the services are rendered, and record the income effects of subsequent fee adjustments when the adjustments become known.

We deduct brokerage expense from gross revenues in our determination of our total revenues. Brokerage expense represents commissions paid to sub-brokers related to the placement of certain business by our brokerage segment. We recognize this expense in the same manner as commission revenues.

Premiums and fees receivable in the accompanying consolidated balance sheet are net of allowances for estimated policy cancellations and doubtful accounts. The allowance for estimated policy cancellations was $7.1 million and $7.4 million at December 31, 2016 and 2015, respectively, which represents a reserve for future reversals in commission and fee revenues related to the potential cancellation of client insurance policies that were in force as of each year end. The allowance for doubtful accounts was $12.8 million and $13.3 million at December 31, 2016 and 2015, respectively. We establish the allowance for estimated policy cancellations through a charge to revenues and the allowance for doubtful accounts through a charge to operating expenses. Both of these allowances are based on estimates and assumptions using historical data to project future experience. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein. We periodically review the adequacy of these allowances and make adjustments as necessary.

Investment income primarily includes interest and dividend income (including interest income from our premium financing operations), which is accrued as it is earned. Gains on books of business sales represent one-time gains related to sales of brokerage related businesses, which are primarily recognized on a cash received basis. Revenues from clean coal activities include revenues from consolidated clean coal production plants, royalty income from clean coal licenses and income (loss) related to unconsolidated clean coal production plants, all of which are recognized as earned. Revenues from consolidated clean coal production plants represent sales of refined coal. Royalty income from clean coal licenses represents fee income related to the use of clean coal technologies. Income (loss) from unconsolidated clean coal production plants includes income (losses) related to our equity portion of the pretax results of the clean coal production plants and production based installment sale income from majority investors.

Claims Handling Obligations - We are obligated under certain circumstances to provide future claims handling and certain administrative services for our former global risks brokerage clients in the U.K. Our obligation is the result of following the industry practice of insurance brokers providing future claims handling and administrative services to former clients. In addition, under certain circumstances, our risk management segment operations are contractually obligated to provide contract claim settlement and administration services to our former clients. Accordingly, we record a liability for these deferred run-off obligations based on the estimated costs to provide these future services to former clients. This liability is based on estimates and assumptions using historical data to project future experience. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein. We periodically review (at least annually) the adequacy of this liability and will make adjustments as necessary.

Earnings per Share - Basic net earnings per share is computed by dividing net earnings by the weighted average number of common shares outstanding during the reporting period. Diluted net earnings per share is computed by dividing net earnings by the weighted average number of common and common equivalent shares outstanding during the reporting period. Common equivalent shares include incremental shares from dilutive stock options, which are calculated from the date of grant under the treasury stock method using the average market price for the period.

Cash and Cash Equivalents - Short-term investments, consisting principally of cash and money market accounts that have average maturities of 90 days or less, are considered cash equivalents.

Restricted Cash - In our capacity as an insurance broker, we collect premiums from insureds and, after deducting our commissions and/or fees, remit these premiums to insurance carriers. We hold unremitted insurance premiums in a fiduciary capacity until we disburse them, and the use of such funds is restricted by laws in certain states and foreign jurisdictions in which our subsidiaries operate. Various state and foreign agencies regulate insurance brokers and provide specific requirements that limit the type of investments that may be made with such funds. Accordingly, we invest these funds in cash and U.S. Treasury fund accounts. We can earn interest income on these unremitted funds, which is included in investment income in the accompanying consolidated statement of earnings. These unremitted amounts are reported as restricted cash in the accompanying consolidated balance sheet, with the related liability reported as premiums payable to insurance and reinsurance companies. Additionally, several of our foreign subsidiaries are required by various foreign agencies to meet certain liquidity and solvency requirements. We were in compliance with these requirements at December 31, 2016.

Related to our third party administration business and in certain of our brokerage operations, we are responsible for client claim funds that we hold in a fiduciary capacity. We do not earn any interest income on the funds held. These client funds have been included in restricted cash, along with a corresponding liability in premiums payable to insurance and reinsurance companies in the accompanying consolidated balance sheet.

Derivative Instruments - In the normal course of business, we are exposed to the impact of foreign currency fluctuations that impact our results of operations and cash flows. We utilize a foreign currency risk management program involving foreign currency derivatives that consist of several monthly put/call options designed to hedge a portion of our future foreign currency disbursements through various future payment dates. To mitigate the counterparty credit risk we only enter into contracts with carefully selected major financial institutions based upon their credit ratings and other factors. These derivative instrument contracts are cash flow hedges that qualify for hedge accounting and primarily hedge against fluctuations between changes in the GBP and Indian Rupee versus the U.S. dollar. Changes in fair value of the derivative instruments are reflected in other comprehensive earnings in the accompanying consolidated balance sheet. The impact of the hedge at maturity is recognized in the income statement as a component of investment income, compensation and operating expenses depending on the nature of the hedged item. These derivative instrument contracts are periodically monitored for hedge ineffectiveness, the amount of which has not been material to the accompanying consolidated financial statements. We do not use derivatives for trading or speculative purposes. In 2014, other net revenues also includes a gain of $1.9 million related to an AU$400.0 million foreign currency derivative investment contract that we executed on April 16, 2014 in connection with the signing of the agreement to acquire the Crombie/OAMPS operations, headquartered in Australia. This contract was designed to hedge a portion of the AU dollar denominated purchase price consideration of this acquisition. The derivative investment contract was exercised on June 16, 2014, the date that the Crombie/OAMPS transaction closed.

Premium Financing - Seven subsidiaries of the brokerage segment make short-term loans (generally with terms of twelve months or less) to our clients to finance premiums. These premium financing contracts are structured to minimize potential bad debt expense to us. Such receivables are generally considered delinquent after seven days of the payment due date. In normal course, insurance policies are cancelled within one month of the contractual payment due date if the payment remains delinquent. We recognize interest income as it is earned over the life of the contract using the "level-yield" method. Unearned interest related to contracts receivable is included in the receivable balance in the accompanying consolidated balance sheet. The outstanding loan receivable balance was $241.2 million and $220.2 million at December 31, 2016 and 2015, respectively.

Fixed Assets - We carry fixed assets at cost, less accumulated depreciation, in the accompanying consolidated balance sheet. We periodically review long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying value of the assets may not be recoverable. Under those circumstances, if the fair valne were less than the carrying amount of the asset, we would recognize a loss for the difference. Depreciation for fixed assets is computed using the straight-line method over the following estimated useful lives:

	Useful Life
Office equipment	Three to ten years
Furniture and fixtures	Three to ten years
Computer equipment	Three to five years
Building	Fifteen to forty years
Software	Three to five years
Refined fuel plants	Ten years
Leasehold improvements	Shorter of the lease term or useful life of the asset

Intangible Assets - Intangible assets represent the excess of cost over the estimated fair value of net tangible assets of acquired businesses. Our primary intangible assets are classified as either goodwill, expiration lists, non-compete agreements or trade names. Expiration lists, non-compete agreements and trade names are amortized using the straight-line method over their estimated useful lives (three to fifteen years for expiration lists, three to five years for non-compete agreements and five to fifteen years for trade names), while goodwill is not subject to amortization. The establishment of goodwill, expiration lists, non-compete agreements and trade names and the determination of estimated useful lives are primarily based on valuations we receive from qualified independent appraisers. The calculations of these amounts are based on estimates and assumptions using historical and projected financial information and recognized valuation methods. Different estimates or assumptions could produce different results. We carry intangible assets at cost, less accumulated amortization, in the accompanying consolidated balance sheet.

We review all of our intangible assets for impairment periodically (at least annually for goodwill) and whenever events or changes in business circumstances indicate that the carrying value of the assets may not be recoverable. We perform such impairment reviews at the division (i.e., reporting unit) level with respect to goodwill and at the business unit level for amortizable intangible assets. In reviewing intangible assets, if the fair value were less than the carrying amount of the respective (or underlying) asset, an indicator of impairment would exist and further analysis would be required to determine whether or not a loss would need to be charged against current period earnings as a component of amortization expense. Based on the results of impairment reviews in 2016, 2015 and 2014, we wrote off $1.8 million, $11.5 million and $1.8 million, respectively, of amortizable intangible assets primarily related to prior year acquisitions of our brokerage segment, which is included in amortization expense in the accompanying consolidated statement of earnings. The determinations of impairment indicators and fair value are based on estimates and assumptions related to the amount and timing of future cash flows and future interest rates. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein.

Income Taxes - Our tax rate reflects the statutory tax rates applicable to our taxable earnings and tax planning in the various jurisdictions in which we operate. Significant judgment is required in determining the annual effective tax rate and in evaluating uncertain tax positions. We report a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in our tax return. We evaluate our tax positions using a two-step process. The first step involves recognition. We determine whether it is more likely than not that a tax position will be sustained upon tax examination based solely on the technical merits of the position. The technical merits of a tax position are derived from both statutory and judicial authority (legislation and statutes, legislative intent, regulations, rulings and case law) and their applicability to the facts and circumstances of the position. If a tax position does not meet the "more likely than not" recognition threshold, we do not recognize the benefit of that position in the financial statements. The second step is measurement. A tax position that meets the "more likely than not" recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured as the largest amount of benefit that has a likelihood of greater than 50% of being realized upon ultimate resolution with a taxing authority.

Uncertain tax positions are measured based upon the facts and circumstances that exist at each reporting period and involve significant management judgment. Subsequent changes in judgment based upon new information may lead to changes in recognition, derecognition and measurement. Adjustments may result, for example, upon resolution of an issue with the taxing authorities, or expiration of a statute of limitations barring an assessment for an issue. We recognize interest and penalties, if any, related to unrecognized tax benefits in our provision for income taxes.

Tax law requires certain items to be included in our tax returns at different times than such items are reflected in the financial statements. As a result, the annual tax expense reflected in our consolidated statements of earnings is different than that reported in our tax returns. Some of these differences are permanent, such as expenses that are not deductible in our tax returns, and some differences are temporary and reverse over time, such as depreciation expense and amortization expense deductible for income tax purposes. Temporary differences create deferred tax assets and liabilities. Deferred tax liabilities generally represent tax expense recognized in the financial statements for which a tax payment has been deferred, or expense which has been deducted in the tax return but has not yet been recognized in the financial statements. Deferred tax assets generally represent items that can be used as a tax deduction or credit in tax returns in future years for which a benefit has already been recorded in the financial statements.

We establish or adjust valuation allowances for deferred tax assets when we estimate that it is more likely than not that future taxable income will be insufficient to fully use a deduction or credit in a specific jurisdiction. In assessing the need for the recognition of a valuation allowance for deferred tax assets, we consider whether it is more likely than not that some portion, or all, of the deferred tax assets will not be realized and adjust the valuation allowance accordingly. We evaluate all significant available positive and negative evidence as part of our analysis. Negative evidence includes the existence of losses in recent years. Positive evidence includes the forecast of future taxable income by jurisdiction, tax-planning strategies that would result in the realization of deferred tax assets and the presence of taxable income in prior carryback years. The underlying assumptions we use in forecasting future taxable income require significant judgment and take into account our recent performance. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the periods in which temporary differences are deductible or creditable.

Fair Value of Financial Instruments - Fair value accounting establishes a framework for measuring fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). This framework includes a fair value hierarchy that prioritizes the inputs to the valuation technique used to measure fair value.

The classification of a financial instrument within the valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels of the hierarchy in order of priority of inputs to the valuation technique are defined as follows:

- Level 1 - Valuations are based on unadjusted quoted prices in active markets for identical financial instruments;
- Level 2 - Valuations are based on quoted market prices, other than quoted prices included in Level 1, in markets that are not active or on inputs that are observable either directly or indirectly for the full term of the financial instrument; and
- Level 3 - Valuations are based on pricing or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement of the financial instrument. Such inputs may reflect management's own assumptions about the assumptions a market participant would use in pricing the financial instrument.

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety.

The carrying amounts of financial assets and liabilities reported in the accompanying consolidated balance sheet for cash and cash equivalents, restricted cash, premiums and fees receivable, premiums payable to insurance carriers, accrued salaries and bonuses, accounts payable and other accrued liabilities, unearned fees and income taxes payable, at December 31, 2016 and 2015, approximate fair value because of the short-term duration of these instruments. See Note 3 to our consolidated financial statements for the fair values related to the establishment of intangible assets and the establishment and adjustment of earnout payables. See Note 7 to our consolidated financial statements for the fair values related to borrowings outstanding at December 31, 2016 and 2015 under our debt agreements. See Note 12 to our consolidated financial statements for the fair values related to investments at December 31, 2016 and 2015 under our defined benefit pension plan.

Litigation - We are the defendant in various legal actions related to claims, lawsuits and proceedings incident to the nature of our business. We record liabilities for loss contingencies, including legal costs (such as fees and expenses of external lawyers and other service providers) to be incurred, when it is probable that a liability has been incurred on or before the balance sheet date and the amount of the liability can be reasonably estimated. We do not discount such contingent liabilities. To the extent recovery of such losses and legal costs is probable under our insurance programs, we record estimated recoveries concurrently with the losses recognized. Significant management judgment is required to estimate the amounts of such contingent liabilities and the related insurance recoveries. In order to assess our potential liability, we analyze our litigation exposure based on available information, including consultation with outside counsel handling the defense of these matters. As these liabilities are uncertain by their nature, the recorded amounts may change due to a variety of different factors, including new developments in, or changes in approach, such as changing the settlement strategy as applicable to each matter.

Retention bonus arrangements - In connection with the hiring and retention of both new talent and experienced personnel, including our senior management, brokers and other key personnel, we have entered into various agreements with key employees setting up the conditions for the cash payment of certain retention bonuses. These bonuses are an incentive for these employees to remain with the company, for a fixed period of time, to allow us to capitalize on their knowledge and experience. We have various forms of retention bonus arrangements; some are paid up front and some are paid at the end of the term, but all are contingent upon successfully completing a minimum period of employment. A retention bonus that is paid to an employee upfront that is contingent on a certain minimum period of employment, will be initially classified as a prepaid asset and amortized to compensation expense as the future services are rendered over the duration of the stay period. A retention bonus that is paid to an employee at the end of the term that is contingent on a certain minimum period of employment, will be accrued as a liability through compensation expense as the future services are rendered over the duration of the stay period. If an employee leaves prior to the required time frame to earn the retention bonus outright, then all or any portion that is ultimately unearned or refundable, and recovered by the company if prepaid, is forfeited and reversed through compensation expense.

Stock-Based Compensation - We have several employee equity-settled and cash-settled share-based compensation plans. Equity-settled share-based payments to employees include grants of stock options, performance stock units and restricted stock units and are measured based on estimated grant date fair value. We have elected to use the Black-Scholes option pricing model to determine the fair value of stock options on the dates of grant. Performance stock units are measured on the probable outcome of the performance conditions applicable to each grant. Restricted stock units are measured based on the fair market values of the underlying stock on the dates of grant. Shares are issued on the vesting dates net of the minimum statutory tax withholding requirements, as applicable, to be paid by us on behalf of our employees. As a result, the actual number of shares issued will be fewer than the actual number of performance stock units and restricted stock units outstanding. Furthermore, we record the liability for withholding amounts to be paid by us as a reduction to additional paid-in capital when paid.

Cash-settled share-based payments to employees include awards under our Performance Unit Program and stock appreciation rights. The fair value of the amount payable to employees in respect of cash-settled share-based payments is recognized as compensation expense, with a corresponding increase in liabilities, over the vesting period. The liability is remeasured at each reporting date and at settlement date. Any changes in fair value of the liability are recognized as compensation expense.

We recognize share-based compensation expense over the requisite service period for awards expected to ultimately vest. Forfeitures are estimated on the date of grant and revised if actual or expected forfeiture activity differs from original estimates.

Employee Stock Purchase Plan - We have an employee stock purchase plan (which we refer to as the ESPP), under which the sale of 8.0 million shares of our common stock has been authorized. Eligible employees may contribute up to 15% of their compensation towards the quarterly purchase of our common stock at a purchase price equal to 95% of the lesser of the fair market value of our common stock on the first business day or the last business day of the quarterly offering period. Eligible employees may annually purchase shares of our common stock with an aggregate fair market value of up to $25,000 (measured as of the first day of each quarterly offering period of each calendar year), provided that no employee may purchase more than 2,000 shares of our common stock under the ESPP during any calendar year. At December 31, 2016, 7.5 million shares of our common stock was reserved for future issuance under the ESPP.

Defined Benefit Pension and Other Postretirement Plans - We recognize in our consolidated balance sheet, an asset for our defined benefit postretirement plans' overfunded status or a liability for our plans' underfunded status. We recognize changes in the funded status of our defined benefit postretirement plans in comprehensive earnings in the year in which the changes occur. We use December 31 as the measurement date for our plans' assets and benefit obligations. See Note 12 to our consolidated financial statements for additional information required to be disclosed related to our defined benefit postretirement plans.

2. Effect of New Accounting Pronouncements

Leases
In February 2016, the Financial Accounting Standards Board (which we refer to as the FASB) issued Accounting Standards Update (which we refer to as ASU) 2016-02, Leases (Topic 842). Under this new accounting guidance, an entity is required to recognize right-of-use assets and lease liabilities on its balance sheet and disclose key information about leasing arrangements. This new guidance offers specific accounting guidance for a lessee, a lessor and sale and leaseback transactions. Lessees and lessors are required to disclose qualitative and quantitative information about leasing arrangements to enable a user of the financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. This new guidance is effective for first quarter 2019, and requires a modified retrospective adoption, with early adoption permitted.

We anticipate this guidance will have a material impact on our consolidated financial statements. While we are continuing to assess all potential impacts of the new guidance, we currently believe the most significant impact relates to our real estate operating leases and the related recognition of right-of-use assets and lease liabilities in both noncurrent assets and noncurrent liabilities in our consolidated balance sheet.

Stock Compensation
In March 2016, the FASB issued ASU No. 2016-09, Improvements to Employee Share-Based Payment Accounting. This new accounting guidance requires that all companies recognize the income tax effects of awards in the income statement when the awards vest or are settled, rather than maintaining an APIC pool and recognizing the tax benefits in excess of compensation costs through stockholders' equity. As it relates to forfeitures, the new guidance allows for companies to choose whether to continue to estimate forfeitures or account for forfeitures as they occur. This new guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption was permitted and the new guidance may be applied either retrospectively or on a prospective basis. Management believes that the adoption of this guidance will not have a material impact on our consolidated financial statements.

Cash Receipts and Cash Payments
In August 2016, the FASB issued ASU No. 2016-15, Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force), (ASU 2016-15). The amendments in ASU 2016-15 address eight specific cash flow issues and apply to all entities that are required to present a statement of cash flows under ASC 230, Statement of Cash Flows. This new guidance is effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, including adoption in an interim period. We are currently reviewing the new guidance, and the impact from its adoption on our consolidated financial statements cannot be determined at this time.

Consolidations
In October 2016, the FASB issued ASU No. 2016-17, Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control. This new accounting guidance affects consolidation of variable interest entities in certain situations involving entities under common control. This new guidance is effective beginning on January 1, 2017 and is to be applied to all periods since adoption of ASU No. 2015-02, which we adopted effective January 1, 2016. We do not expect that the adoption of this new guidance will have a material effect on our consolidated financial statements.

Income Taxes
In October 2016, the FASB issued ASU No. 2016-16, Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory. This new accounting guidance allows entities to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. Current guidance does not allow recognition until the asset has been sold to an outside party. This new guidance is effective beginning on January 1, 2018 and is to be applied on a modified retrospective basis. Early adoption is permitted. We have not yet determined the effect that adoption of this guidance will have on our consolidated financial statements.

Restricted Cash
In November 2016, the FASB issued Accounting Standards Update 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. This new accounting guidance addresses the classification and presentation of changes in restricted cash on the statement of cash flows under Topic 230, Statement of Cash Flows. This guidance is effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted for all entities. We are currently assessing the impact that adopting this new guidance will have on our consolidated financial statements.

Consolidations
In February 2015, the FASB issued ASU No. 2015-02, Amendments to the Consolidation Analysis. This new accounting guidance on consolidations eliminates the deferral granted to investment companies from applying the variable interest entities guidance and makes targeted amendments to the current consolidation guidance. The new guidance applies to all entities involved with limited partnerships or similar entities and will require re-evaluation of these entities under the revised guidance, which could have changed previous consolidation conclusions. The new guidance was effective in first quarter 2016 and has been applied by us. The adoption of this guidance did not have a material impact on our consolidated financial statements.

Debt Issuance Costs
In April 2015, the FASB issued ASU No. 2015-03, Simplifying the Presentation of Debt Issuance Costs. This new accounting guidance requires debt issuance costs to be presented in the balance sheet as a direct deduction from the associated debt liability. The new guidance was effective in first quarter 2016 and has been applied by us on a retrospective basis. Accordingly, we have reclassified debt issuance costs of $3.3 million previously included in Other non-current assets to Corporate related borrowings - noncurrent in our consolidated balance sheet as of December 31, 2015.

Intangibles - Goodwill and Other
In April 2015, the FASB issued ASU No. 2015-05, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement. This new guidance provides additional information to help entities determine whether a cloud computing arrangement contains a software license that should be accounted for as internal-use software or as a service contract. The new guidance was effective in first quarter 2016 and has been applied by us. The adoption of this guidance did not have a material impact on our consolidated financial statements.

Business Combinations
In September 2015, the FASB issued ASU No. 2015-16, Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments. The new accounting guidance requires that measurement period adjustments be recognized in the reporting period in which the adjustment amount is determined rather than retrospectively applying the change to the acquisition date. The new guidance was effective in first quarter 2016 and was applied by us. The adoption of this guidance did not have a material impact on our consolidated financial statements.

Income Taxes
In November 2015, the FASB issued ASU No. 2015-17, Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes. The new accounting guidance requires that deferred tax assets and liabilities be classified as noncurrent on the balance sheet rather than being separated into current and noncurrent components. ASU 2015-17 is effective in first quarter 2017. Early adoption is permitted and the standard may be applied either retrospectively or on a prospective basis to all deferred tax assets and liabilities. We early adopted ASU 2015-17 during first quarter 2016 on a retrospective basis. Accordingly, we reclassified the current deferred taxes to noncurrent in our December 31, 2015 consolidated balance sheet, which increased Noncurrent deferred tax assets by $122.1 million and increased Other noncurrent liabilities by $4.6 million. See Note 17 to our consolidated financial statements for a discussion on income tax balances.

Revenue Recognition
In 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, as a Topic, ASC 606, which will supersede nearly all existing revenue recognition guidance under U.S. GAAP. The core principal of the new accounting guidance is that an entity should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance is effective for us in first quarter 2018 and early adoption is permitted beginning in first quarter 2017. Two methods of transition are permitted upon adoption: full retrospective and modified retrospective. Under the full retrospective method, prior periods would be restated under the new revenue standard, providing a comparable view across all periods presented. Under the modified retrospective method, prior periods would not be restated. Rather, revenues and other disclosures for pre-2018 periods would be provided in the notes to the financial statements as previously reported under the current revenue guidance. We will adopt this new guidance in the first quarter 2018. We are evaluating both methods of transition; however, we currently anticipate adopting the new guidance using the full retrospective method to restate each prior reporting period presented.

A preliminary assessment to determine the impacts of the new accounting standard has been performed. We are currently implementing new accounting and operational processes which will be impacted by the new guidance, but we are unable to provide information on quantitative impacts at this time. We anticipate this standard will have a material impact on individual lines in our consolidated financial statements, but we do not expect it will have as material an impact on our results of operations on an annual basis. The primary impacts of the new standard to our product and service lines are anticipated to be as follows:

Brokerage segment
Revenue - We currently recognize revenue for some of our brokerage activities such as direct bill and contingent commission revenue over a period of time either due to the transfer of value to our customers or as the remuneration becomes determinable. Under the new guidance, these revenues will be substantially recognized at a point in time on the effective date of the associated policies when control of the policy transfers to the customer. Conversely under the new guidance we may need to defer certain revenues to reflect delivery of services over the contract period. As a result, revenue from certain arrangements will be recognized in earlier periods under the new guidance in comparison to our current accounting policies and others will be recognized in later periods. We have not yet identified the net effect of all of these changes on the timing and amount of revenue recognized for annual and interim periods.

Expense - Amendments to ASC Topic 340, Other Assets and Deferred Costs, require the capitalization of costs to obtain and costs to fulfill customer contracts, which are currently expensed as incurred. The assets recognized for the costs to obtain and/or fulfill a contract will be amortized on a systematic basis that is consistent with the transfer of the services to which the asset relates. We are currently determining the nature and quantifying the amount of costs that would qualify for capitalization and the amount of amortization that will be recognized in each period.

Risk management segment
We are currently assessing the timing and measurement of revenue recognition under the new guidance for our risk management segment, specifically third party administration contracts among others, and anticipate that more revenue will be initially deferred and recognized over a longer future period of time than under our current accounting policies.

Corporate segment
We expect that the timing related to recognition of revenue in our corporate segment will remain substantially unchanged.

3. Business Combinations

During 2016, we acquired substantially all of the net assets of the following firms in exchange for our common stock and/or cash. These acquisitions have been accounted for using the acquisition method for recording business combinations (in millions except share data):

Name and Effective Date of Acquisition	Common Shares Issued (000s)	Common Share Value	Cash Paid	Accrued Liability	Escrow Deposited	Recorded Earnout Payable	Total Recorded Purchase Price	Maximum Potential Earnout Payable
Bomford, Couch & Wilson, Inc. February 1, 2016	-	$ -	$ 0.9	$ -	$ -	$ 1.4	$ 2.3	$ 2.1
White & Company Insurance, Inc. February 1, 2016	494	17.4	-	-	1.9	-	19.3	-
Joseph Distel & Company, Inc. March 1, 2016	-	-	1.3	-	0.2	-	1.5	-
Vincent L. Braband Insurance, Inc. March 1, 2016	-	-	3.0	-	0.3	0.4	3.7	1.1
Kane's Insurance Management Operations (KIM) March 31, 2016	-	-	30.8	-	-	-	30.8	-
Capitol Benefits Group, Inc. April 1, 2016	-	-	3.3	-	0.1	0.4	3.8	2.8
Charles Allen Agency, Inc. April 1, 2016	-	-	2.8	-	0.2	0.2	3.2	0.7
Hagan Newkirk Financial Services, Inc. April 1, 2016	-	-	4.3	-	0.1	0.9	5.3	3.1
Insurance Plans Agency, Inc. April 1, 2016	51	2.3	-	-	0.1	0.2	2.6	1.5
KDC Associates, LLC (KDC) April 1, 2016	-	-	20.7	-	1.8	3.9	26.4	7.5
Hogan Insurance Services, Inc. May 1, 2016	172	7.4	-	-	0.8	1.1	9.3	2.0

Name and Effective Date of Acquisition	Common Shares Issued (000s)	Common Share Value	Cash Paid	Accrued Liability	Escrow Deposited	Recorded Earnout Payable	Total Recorded Purchase Price	Maximum Potential Earnout Payable
McNeary, Inc. (MNI) May 1, 2016	572	$ 22.0	$ -	$ -	$ 5.0	$ 0.4	$ 27.4	$ 5.5
Ashmore & Associates Insurance Agency, LLC May 1, 2016	-	-	7.7	-	0.4	0.6	8.7	1.7
KRW Insurance Agency, Inc. June 1, 2016	139	5.9	-	-	0.7	1.0	7.6	1.6
Buchholz Planning Corporation June 1, 2016	-	-	3.9	-	0.1	2.5	6.5	6.0
Blue Horizon Insurance Services, Inc. July 1, 2016	-	-	3.4	-	0.4	0.5	4.3	1.0
Brim AB (BRM) July 1, 2016	-	-	23.5	6.5	-	-	30.0	-
Gabor Insurance Services, Inc. July 1, 2016	-	-	14.1	-	0.5	-	14.6	-
Victory Insurance Agency, Inc. (VIA) July 1, 2016	422	20.9	-	2.3	-	2.6	25.8	4.5
Orb Financial Services Limited August 1, 2016	-	-	3.1	-	0.4	2.0	5.5	2.7
Altman & Cronin Benefit Consultants, LLC (ACB) November 1, 2016	-	-	31.4	-	2.5	6.6	40.5	19.3
Regency Insurance Group, Inc. (RIG) November 1, 2016	-	-	19.2	-	1.0	-	20.2	-
Argentis (ARG) November 1, 2016	-	-	15.1	0.2	2.2	5.0	22.5	14.5
Group Insurance Associates, Inc. December 1, 2016	-	-	9.2	-	0.3	3.0	12.5	6.5
MW Bagnall Company December 1, 2016	-	-	5.3	-	0.2	1.1	6.6	5.4
National Ethics Association December 1, 2016	-	-	15.6	-	1.7	-	17.3	-
Eleven other acquisitions completed in 2016	-	-	29.4	0.1	1.3	10.7	41.5	18.0
	1,850	$ 75.9	$ 248.0	$ 9.1	$ 22.2	$ 44.5	$ 399.7	$ 107.5

Common shares issued in connection with acquisitions are valued at closing market prices as of the effective date of the applicable acquisition. We record escrow deposits that are returned to us as a result of adjustments to net assets acquired as reductions of goodwill when the escrows are settled. The maximum potential earnout payables disclosed in the foregoing table represent the maximum amount of additional consideration that could be paid pursuant to the terms of the purchase agreement for the applicable acquisition. The amounts recorded as earnout payables, which are primarily based upon the estimated future operating results of the acquired entities over a two- to three-year period subsequent to the acquisition date, are measured at fair value as of the acquisition date and are included on that basis in the recorded purchase price consideration in the foregoing table. We will record subsequent changes in these estimated earnout obligations, including the accretion of discount, in our consolidated statement of earnings when incurred.

The fair value of these earnout obligations is based on the present value of the expected future payments to be made to the sellers of the acquired entities in accordance with the provisions outlined in the respective purchase agreements, which is a Level 3 fair value measurement. In determining fair value, we estimated the acquired entity's future performance using financial projections developed by management for the acquired entity and market participant assumptions that were derived for revenue growth and/or profitability. Revenue growth rates generally ranged from 3.5% to 16.0% for our 2016 acquisitions. We estimated future payments using the earnout formula and performance targets specified in each purchase agreement and these financial projections. We then discounted these payments to present value using a risk-adjusted rate that takes into consideration market-based rates of return that reflect the ability of the acquired entity to achieve the targets. These discount rates generally ranged from 8.0% to 9.5% for our 2016 acquisitions. Changes in financial projections, market participant assumptions for revenue growth and/or profitability, or the risk-adjusted discount rate, would result in a change in the fair value of recorded earnout obligations.

During 2016, 2015 and 2014, we recognized $16.9 million, $16.2 million and $14.5 million, respectively, of expense in our consolidated statement of earnings related to the accretion of the discount recorded for earnout obligations in connection with our acquisitions. In addition, during 2016, 2015 and 2014, we recognized $15.2 million, $24.4 million and $3.0 million of expense, respectively, related to net adjustments in the estimated fair value of the liability for earnout obligations in connection with revised projections of future performance for 101, 105 and 67 acquisitions, respectively. The aggregate amount of maximum earnout obligations related to acquisitions made in 2013 and subsequent years was $527.2 million as of December 31, 2016, of which $242.3 million was recorded in the consolidated balance sheet as of that date based on the estimated fair value of the expected future payments to be made. The aggregate amount of maximum earnout obligations related to acquisitions made in 2012 and subsequent years was $565.4 million as of December 31, 2015, of which $229.7 million was recorded in the consolidated balance sheet as of that date based on the estimated fair value of the expected future payments to be made.

The following is a summary of the estimated fair values of the net assets acquired at the date of each acquisition made in 2016 (in millions):

	KIM	KDC	MNI	BRM	VIA	ACB	RIG	ARG	Twenty-nine Other Acquisitions	Total
Cash	$ 2.2	$ 0.3	$ 3.0	$ 0.5	$ 0.2	$ -	$ 0.6	$ 1.4	$ 5.1	$ 13.3
Other current assets	1.8	9.3	1.7	36.0	2.1	1.3	0.6	0.4	14.0	67.2
Fixed assets	0.4	0.1	0.1	0.6	0.1	-	-	-	2.3	3.6
Noncurrent assets	1.2	-	-	-	-	-	-	0.3	-	1.5
Goodwill	9.2	12.1	19.5	19.7	18.5	19.9	10.5	12.1	103.9	225.4
Expiration lists	20.0	13.8	13.8	14.6	11.3	18.9	9.3	24.1	92.3	218.1
Non-compete agreements	-	0.1	0.1	0.6	0.4	0.4	0.2	-	1.0	2.8
Trade names	-	-	0.1	0.3	-	-	-	-	-	0.4
Total assets acquired	34.8	35.7	38.3	72.3	32.6	40.5	21.2	38.3	218.6	532.3
Current liabilities	3.9	8.9	2.2	33.2	2.2	-	1.0	0.8	14.8	67.0
Noncurrent liabilities	0.1	0.4	8.7	9.1	4.6	-	-	15.0	27.7	65.6
Total liabilities assumed	4.0	9.3	10.9	42.3	6.8	-	1.0	15.8	42.5	132.6
Total net assets acquired	$ 30.8	$ 26.4	$ 27.4	$ 30.0	$ 25.8	$ 40.5	$ 20.2	$ 22.5	$ 176.1	$ 399.7

Among other things, these acquisitions allow us to expand into desirable geographic locations, further extend our presence in the retail and wholesale insurance brokerage services and risk management industries and increase the volume of general services currently provided. The excess of the purchase price over the estimated fair value of the tangible net assets acquired at the acquisition date was allocated to goodwill, expiration lists, non-compete agreements and trade names in the amounts of $225.4 million, $218.1 million, $2.8 million and $0.4 million, respectively, within the brokerage segment.

Provisional estimates of fair value are established at the time of the acquisition and are subsequently reviewed within the first year of operations subsequent to the acquisition date to determine the necessity for adjustments. The fair value of the tangible assets and liabilities for each applicable acquisition at the acquisition date approximated their carrying values. The fair value of expiration lists was established using the excess earnings method, which is an income approach based on estimated financial projections developed by management for each acquired entity using market participant assumptions. Revenue growth and attrition rates generally ranged from 1.0% to 3.0% and 2.5% to 12.5% for our 2016 acquisitions, respectively, for which a valuation was performed. We estimate the fair value as the present value of the benefits anticipated from ownership of the subject customer list in excess of returns required on the investment in contributory assets necessary to realize those benefits. The rate used to discount the net benefits was based on a risk-adjusted rate that takes into consideration market-based rates of return and reflects the risk of the asset relative to the acquired business. These discount rates generally ranged from 12.0% to 19.0% for our 2016 acquisitions, for which a valuation was performed. The fair value of non-compete agreements was established using the profit differential method, which is an income approach based on estimated financial projections developed by management for the acquired company using market participant assumptions and various non-compete scenarios.

Of the $218.1 million of expiration lists, $2.8 million of non-compete agreements and $0.4 million of trade names related to the 2016 acquisitions, $92.6 million, $1.4 million and $0.4 million, respectively, is not expected to be deductible for income tax purposes. Accordingly, we recorded a deferred tax liability of $27.3 million, and a corresponding amount of goodwill, in 2016 related to the nondeductible amortizable intangible assets.

Our consolidated financial statements for the year ended December 31, 2016 include the operations of the acquired entities from their respective acquisition dates. The following is a summary of the unaudited pro forma historical results, as if these entities had been acquired at January 1, 2015 (in millions, except per share data):

	Year Ended December 31,	
	2016	**2015**
Total revenues	$ 5,663.7	$ 5,528.6
Net earnings attributable to controlling interests	420.6	361.9
Basic earnings per share	2.36	2.08
Diluted earnings per share	2.35	2.07

The unaudited pro forma results above have been prepared for comparative purposes only and do not purport to be indicative of the results of operations which actually would have resulted had these acquisitions occurred at January 1, 2015, nor are they necessarily indicative of future operating results. Annualized revenues of entities acquired in 2016 totaled approximately $137.9 million. Total revenues and net earnings recorded in our consolidated statement of earnings for 2016 related to the 2016 acquisitions in the aggregate were $73.3 million and $4.2 million, respectively.

4. Other Current Assets

Major classes of other current assets consist of the following (in millions):

	December 31,	
	2016	**2015**
Premium finance advances and loans	$ 241.2	$ 220.2
Accrued supplemental, direct bill and other receivables	177.2	181.1
Refined coal production related receivables	136.9	108.1
Prepaid expenses	78.4	77.8
Total other current assets	$ 633.7	$ 587.2

The premium finance loans represent short-term loans which we make to many of our brokerage related clients and other non-brokerage clients to finance their premiums paid to insurance carriers. These premium finance loans are primarily generated by the three Australian and New Zealand premium finance subsidiaries. Financing receivables are carried at amortized cost. Given that these receivables are collateralized, carry a fairly rapid delinquency period of only seven days post payment date, and that contractually the majority of the underlying insurance policies will be cancelled within one month of the payment due date in normal course, there historically has been a minimal risk of not receiving payment, and therefore we do not maintain any significant allowance for losses against this balance.

5. Fixed Assets

Major classes of fixed assets consist of the following (in millions):

	December 31, 2016	December 31, 2015
Office equipment	$ 22.5	$ 21.1
Furniture and fixtures	96.7	92.7
Leasehold improvements	107.8	106.1
Computer equipment	131.4	143.4
Land and buildings - corporate headquarters	141.7	-
Software	268.4	228.3
Other	10.0	10.0
Work in process - includes $30.0 million related to our corporate headquarters in 2015	10.6	46.3
	789.1	647.9
Accumulated depreciation	(411.5)	(398.9)
Net fixed assets	$ 377.6	$ 249.0

The amounts in work in process in the table above primarily are for capitalized expenditures incurred related to IT development projects in 2016 and 2015. Also included in work in process in 2015 are capitalized expenditures incurred related to our new corporate headquarters building. In fourth quarter 2016, we reclassified work in process type assets related to our new corporate headquarters and other projects of $46.3 million, included in Other noncurrent assets, to Fixed assets in our consolidated balance sheet as of December 31, 2015.

6. Intangible Assets

The carrying amount of goodwill at December 31, 2016 and 2015 allocated by domestic and foreign operations is as follows (in millions):

	Brokerage	Risk Management	Corporate	Total
At December 31, 2016				
United States	$ 2,115.0	$ 23.5	$ -	$ 2,138.5
United Kingdom	662.2	4.3	-	666.5
Canada	292.2	-	-	292.2
Australia	382.7	-	-	382.7
New Zealand	205.0	0.3	-	205.3
Other foreign	79.8	-	2.8	82.6
Total goodwill - net	$ 3,736.9	$ 28.1	$ 2.8	$ 3,767.8
At December 31, 2015				
United States	$ 1,946.9	$ 23.5	$ -	$ 1,970.4
United Kingdom	779.3	3.5	-	782.8
Canada	282.6	-	-	282.6
Australia	380.1	-	-	380.1
New Zealand	204.2	0.3	-	204.5
Other foreign	42.5	-	-	42.5
Total goodwill - net	$ 3,635.6	$ 27.3	$ -	$ 3,662.9

The changes in the carrying amount of goodwill for 2016 and 2015 are as follows (in millions):

	Brokerage	Risk Management	Corporate	Total
Balance as of January 1, 2015	$ 3,427.5	$ 22.1	$ -	$ 3,449.6
Goodwill acquired during the year	352.6	2.0	-	354.6
Goodwill related to transfers of operations between segments	(3.4)	3.4	-	-
Goodwill adjustments related to appraisals and other acquisition adjustments	25.3	-	-	25.3
Foreign currency translation adjustments during the year	(166.4)	(0.2)	-	(166.6)
Balance as of December 31, 2015	3,635.6	27.3	-	3,662.9
Goodwill acquired during the year	222.6	-	2.8	225.4
Goodwill adjustments related to appraisals and other acquisition adjustments	1.8	1.6	-	3.4
Foreign currency translation adjustments during the year	(123.1)	(0.8)	-	(123.9)
Balance as of December 31, 2016	$ 3,736.9	$ 28.1	$ 2.8	$ 3,767.8

Major classes of amortizable intangible assets consist of the following (in millions):

	December 31, 2016	December 31, 2015
Expiration lists	$ 2,757.6	$ 2,613.3
Accumulated amortization - expiration lists	(1,143.0)	(934.7)
	1,614.6	1,678.6
Non-compete agreements	49.3	43.7
Accumulated amortization - non-compete agreements	(42.1)	(34.8)
	7.2	8.9
Trade names	24.0	25.7
Accumulated amortization - trade names	(18.5)	(14.4)
	5.5	11.3
Net amortizable assets	$ 1,627.3	$ 1,698.8

Estimated aggregate amortization expense for each of the next five years is as follows (in millions):

2017	$ 239.6
2018	226.8
2019	213.1
2020	197.0
2021	174.5
Total	$ 1,051.0

7. Credit and Other Debt Agreements

The following is a summary of our corporate and other debt (in millions):

	December 31, 2016	December 31, 2015
Note Purchase Agreements:		
Semi-annual payments of interest, fixed rate of 6.44%, balloon due 2017	$ 300.0	$ 300.0
Semi-annual payments of interest, fixed rate of 5.85%, $50 million due in 2018 and 2019	100.0	150.0
Semi-annual payments of interest, fixed rate of 2.80%, balloon due 2018	50.0	50.0
Semi-aunual payments of interest, fixed rate of 3.20%, balloon due 2019	50.0	50.0
Semi-annual payments of interest, fixed rate of 3.99%, balloon due 2020	50.0	50.0
Semi-annual payments of interest, fixed rate of 3.48%, balloon due 2020	50.0	50.0
Semi-annual payments of interest, fixed rate of 5.18%, balloon due 2021	75.0	75.0
Semi-annual payments of interest, fixed rate of 3.69%, balloon due 2022	200.0	200.0
Semi-annual payments of interest, fixed rate of 5.49%, balloon due 2023	50.0	50.0
Semi-annual payments of interest, fixed rate of 4.13%, balloon due 2023	200.0	200.0
Semi-annual payments of interest, fixed rate of 4.58%, balloon due 2024	325.0	325.0
Semi-annual payments of interest, fixed rate of 4.31%, balloon due 2025	200.0	200.0
Semi-annual payments of interest, fixed rate of 4.73%, balloon due 2026	175.0	175.0
Semi-annual payments of interest, fixed rate of 4.36%, balloon due 2026	150.0	150.0
Semi-annual payments of interest, fixed rate of 4.40%, balloon due 2026	175.0	-
Semi-annual payments of interest, fixed rate of 3.46%, balloon due 2027	100.0	-
Semi-annual payments of interest, fixed rate of 4.55%, balloon due 2028	75.0	-
Semi-annual payments of interest, fixed rate of 4.98%, balloon due 2029	100.0	100.0
Semi-annual payments of interest, fixed rate of 4.70%, balloon due 2031	25.0	-
Total Note Purchase Agreements	2,450.0	2,125.0
Credit Agreement:		
Periodic payments of interest and principal, prime or LIBOR plus up to 1.45%, was to expires September 19, 2018, replaced with amended and restated facility on April 8, 2016 (see below)	278.0	195.0
Premium Financing Debt Facility - expires May 18, 2017:		
Periodic payments of interest and principal, Interbank rates plus 1.05% for Facility B; plus 0.55% for Facilities C and D		
Facility B		
AUD denominated tranche	100.7	101.2
NZD denominated tranche	9.0	8.5
Facility C and D		
AUD denomiuated tranche	5.6	17.2
NZD denominated tranche	10.3	10.1
Total Premium Financing Debt Facility	125.6	137.0
Total corporate and other debt	2,853.6	2,457.0
Less unamortized debt acquisition costs on Note Purchase Agreements	(5.4)	(3.3)
Net total corporate and other debt	$ 2,848.2	$ 2,453.7

Note Purchase Agreements - We are a party to an amended and restated note purchase agreement dated December 19, 2007, with certain accredited institutional investors, pursuant to which we issued and sold $300.0 million in aggregate principal amount of our 6.44% Senior Notes, Series B, due August 3, 2017, in a private placement. These notes require semi-annual payments of interest that are due in February and August of each year.

We are a party to a note purchase agreement dated November 30, 2009, with certain accredited institutional investors, pursuant to which we issued and sold $150.0 million in aggregate principal amount of our 5.85% Senior Notes, Series C, due in three equal installments on November 30, 2016, November 30, 2018 and November 30, 2019, in a private placement. These notes require semi-annual payments of interest that are due in May and November of each year. On November 30, 2016, we funded the $50.0 million 2016 maturity of our Series C note.

We are a party to a note purchase agreement dated February 10, 2011, with certain accredited institutional investors, pursuant to which we issued and sold $75.0 million in aggregate principal amount of our 5.18% Senior Notes, Series D, due February 10, 2021 and $50.0 million in aggregate principal amount of our 5.49% Senior Notes, Series E, due February 10, 2023, in a private placement. These notes require semi-annual payments of interest that are due in February and August of each year.

We are a party to a note purchase agreement dated July 10, 2012, with certain accredited institutional investors, pursuant to which we issued and sold $50.0 million in aggregate principal amount of our 3.99% Senior Notes, Series F, due July 10, 2020, in a private placement. These notes require semi-annual payments of interest that are due in January and July of each year.

We are a party to a note purchase agreement dated June 14, 2013, with certain accredited institutional investors, pursuant to which we issued and sold $200.0 million in aggregate principal amount of our 3.69% Senior Notes, Series G, due June 14, 2022, in a private placement. These notes require semi-annual payments of interest that are due in June and December of each year.

We are a party to a note purchase agreement dated December 20, 2013, with certain accredited investors, pursuant to which we issued and sold $325.0 million in aggregate principle amount of our 4.58% Senior Notes, Series H, due February 27, 2024, $175.0 million in aggregate principle amount of our 4.73% Senior Notes, Series I, due February 27, 2026 and $100.0 million in aggregate principle amount of our 4.98% Senior Notes, Series J, due February 27, 2029. These notes will require semi-annual payments of interest that due in February and August of each year. The funding of this note purchase agreement occurred on February 27, 2014. We incurred approximately $1.4 million of debt acquisition costs that was capitalized and will be amortized on a pro rata basis over the life of the debt.

We are a party to a note purchase agreement dated June 24, 2014, with certain accredited institutional investors, pursuant to which we issued and sold $50.0 million in aggregate principal amount of our 2.80% Senior Notes, Series K, due June 24, 2018, $50.0 million in aggregate principal amount of our 3.20% Senior Notes, Series L, due June 24, 2019, $50.0 million in aggregate principal amount of our 3.48% Senior Notes, Series M, due June 24, 2020, $200.0 million in aggregate principal amount of our 4.13% Senior Notes, Series N, due June 24, 2023, $200.0 million in aggregate principal amount of our 4.31% Senior Notes, Series O, due June 24, 2025 and $150.0 million in aggregate principal amount of our 4.36% Senior Notes, Series P, due June 24, 2026. These notes require semi-annual payments of interest that are due in June and December of each year. We incurred approximately $2.6 million of debt acquisition costs that was capitalized and will be amortized on a pro rata basis over the life of the debt.

We are a party to a note purchase agreement dated June 2, 2016, with certain accredited institutional investors, pursuant to which we issued and sold $175.0 million in aggregate principal amount of our 4.40% Senior Notes, Series Q, due June 2, 2026, $75.0 million in aggregate principal amount of our 4.55% Senior Notes, Series R, due June 2, 2028 and $25.0 million in aggregate principal amount of our 4.70% Senior Notes, Series S, due June 2, 2031. These notes require semi-annual payments of interest that are due in June and December of each year. We incurred approximately $1.2 million of debt acquisition costs that was capitalized and will be amortized on a pro rata basis over the life of the debt. In addition, we realized a cash gain of approximately $1.0 million on the hedging transaction that will be recognized on a pro rata basis as a reduction in our reported interest expense over the ten year life of the debt.

We are a party to a note purchase agreement dated December 1, 2016, with certain accredited institutional investors, pursuant to which we issued and sold $100.0 million in aggregate principal amount of our 3.46% Senior Notes, Series T, due December 1, 2027, in a private placement. These notes require semi-annual payments of interest that are due in June and December of each year.

Under the terms of the note purchase agreements described above, we may redeem the notes at any time, in whole or in part, at 100% of the principal amount of such notes being redeemed, together with accrued and unpaid interest and a "make-whole amount". The "make-whole amount" is derived from a net present value computation of the remaining scheduled payments of principal and interest using a discount rate based on the U.S. Treasury yield plus 0.5% and is designed to compensate the purchasers of the notes for their investment risk in the event prevailing interest rates at the time of prepayment are less favorable than the interest rates under the notes. We do not currently intend to prepay any of the notes.

The note purchase agreements described above contain customary provisions for transactions of this type, including representations and warranties regarding us and our subsidiaries and various financial covenants, including covenants that require us to maintain specified financial ratios. We were in compliance with these covenants as of December 31, 2016. The note purchase agreements also provide customary events of default, generally with corresponding grace periods, including, without limitation, payment defaults with respect to the notes, covenant defaults, cross-defaults to other agreements evidencing our or our subsidiaries' indebtedness, certain judgments against us or our subsidiaries and events of bankruptcy involving us or our material subsidiaries.

The notes issued under the note purchase agreement are senior unsecured obligations of ours and rank equal in right of payment with our Credit Agreement discussed below.

Credit Agreement - On April 8, 2016, we entered into an amendment and restatement to our multicurrency credit agreement dated September 19, 2013, (which we refer to as the Credit Agreement) with a group of fifteen financial institutions. The amendment and restatement, among other things, extended the expiration date of the Credit Agreement from September 19, 2018 to April 8, 2021 and increased the revolving credit commitment from $600.0 million to $800.0 million, of which up to $75.0 million may be used for issuances of standby or commercial letters of credit and up to $75.0 million may be used for the making of swing loans (as defined in the Credit Agreement). We may from time to time request, subject to certain conditions, an increase in the revolving credit commitment under the Credit Agreement up to a maximum aggregate revolving credit commitment of $1,100.0 million.

The Credit Agreement provides that we may elect that each borrowing in U.S. dollars be either base rate loans or eurocurrency loans, each as defined in the Credit Agreement. However, the Credit Agreement provides that all loans denominated in currencies other than U.S. dollars will be eurocurrency loans. Interest rates on base rate loans and outstanding drawings on letters of credit in U.S. dollars under the Credit Agreement will be based on the base rate, as defined in the Credit Agreement, plus a margin of 0.00% to 0.45%, depending on the financial leverage ratio we maintain. Interest rates on eurocurrency loans or outstanding drawings on letters of credit in currencies other than U.S. dollars under the Credit Agreement will be based on adjusted LIBOR, as defined in the Credit Agreement, plus a margin of 0.85% to 1.45%, depending on the financial leverage ratio we maintain. Interest rates on swing loans will be based, at our election, on either the base rate or an alternate rate that may be quoted by the lead lender. The annual facility fee related to the Credit Agreement is 0.15% and 0.30% of the revolving credit commitment, depending on the financial leverage ratio we maintain. In connection with entering into the Credit Agreement, we incurred approximately $2.0 million of debt acquisition costs that were capitalized and will be amortized on a pro rata basis over the term of the Credit Agreement.

The terms of the Credit Agreement include various financial covenants, including covenants that require us to maintain specified financial ratios. We were in compliance with these covenants as of December 31, 2016. The Credit Agreement also includes customary provisions for transactions of this type, including events of default, with corresponding grace periods and cross-defaults to other agreements evidencing our indebtedness.

At December 31, 2016, $21.1 million of letters of credit (for which we had $12.3 million of liabilities recorded at December 31, 2016) were outstanding under the Credit Agreement. See Note 15 to our consolidated financial statements for a discussion of the letters of credit. There were $278.0 million of borrowings outstanding under the Credit Agreement at December 31, 2016. Accordingly, at December 31, 2016, $500.9 million remained available for potential borrowings, of which $53.9 million was available for additional letters of credit.

Premium Financing Debt Facility - On May 18, 2015 we entered into a Syndicated Facility Agreement, revolving loan facility, which we refer to as the Premium Financing Debt Facility, that provides funding for the three acquired Australian (AU) and New Zealand (NZ) premium finance subsidiaries. The Premium Financing Debt Facility is comprised of: (i) Facility B is separate AU$150.0 million and NZ$35.0 million tranches, (ii) Facility C is an AU$25.0 million equivalent multi-currency overdraft tranche and (iii) Facility D is a NZ$15.0 million equivalent multi-currency overdraft tranche. The Premium Financing Debt Facility expires May 18, 2017.

The interest rates on Facility B are Interbank rates, which vary by tranche, duration and currency, plus a margin of 1.05%. The interest rates on Facilities C and D are 30 day Interbank rates, plus a margin of 0.55%. The annual fee for Facility B is 0.4725% of the undrawn commitments for the two tranches of the facility. The annual fee for Facilities C and D is 0.50% of the total commitments of the facilities.

The terms of our Premium Financing Debt Facility include various financial covenants, including covenants that require us to maintain specified financial ratios. We were in compliance with these covenants as of December 31, 2016. The Premium Financing Debt Facility also includes customary provisions for transactions of this type, including events of default, with corresponding grace periods and cross-defaults to other agreements evidencing our indebtedness. Facilities B, C and D are secured by the premium finance receivables of the Australian and New Zealand premium finance subsidiaries.

At December 31, 2016, AU$139.0 million and NZ$13.0 million of borrowings were outstanding under Facility B, AU$7.7 million of borrowings were outstanding under Facility C and NZ$14.9 million of borrowings were outstanding under Facility D. Accordingly, as of December 31, 2016, AU$11.0 million and NZ$22.0 million remained available for potential borrowing under Facility B, and AU$17.3 million and NZ$0.1 million under Facilities C and D, respectively.

See Note 15 to these consolidated financial statements for additional discussion on our contractual obligations and commitments as of December 31, 2016.

The aggregate estimated fair value of the $2,450.0 million in debt under the note purchase agreements at December 31, 2016 was $2,545.0 million due to the long-term duration and fixed interest rates associated with these debt obligations. No active or observable market exists for our private long-term debt. Therefore, the estimated fair value of this debt is based on discounted future cash flows, which is a Level 3 fair value measurement, using current interest rates available for debt with similar terms and remaining maturities. The estimated fair value of this debt is based on the income valuation approach, which is a valuation technique that converts future amounts (for example, cash flows or income and expenses) to a single current (that is, discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. Because our debt issuances generate a measurable income stream for each lender, the income approach was deemed to be an appropriate methodology for valuing the private placement long-term debt. The methodology used calculated the original deal spread at the time of each debt issuance, which was equal to the difference between the yield of each issuance (the coupon rate) and the equivalent benchmark treasury yield at that time. The market spread as of the valuation date was calculated, which is equal to the difference between an index for investment grade insurers and the equivalent benchmark treasury yield today. An implied premium or discount to the par value of each debt issuance based on the difference between the origination deal spread and market as of the valuation date was then calculated. The index we relied on to represent investment graded insurers was the Bloomberg Valuation Services (BVAL) U.S. Insurers BBB index. This index is comprised primarily of insurance brokerage firms and was representative of the industry in which we operate. For the purposes of our analysis, the average BBB rate was assumed to be the appropriate borrowing rate for us based on our current estimated credit rating. The estimated fair value of the $278.0 million of borrowings outstanding under our Credit Agreement approximate their carrying value due to their short-term duration and variable interest rates. The estimated fair value of the $125.6 million of borrowings outstanding under our Premium Financing Debt Facility approximates their carrying value due to their short-term duration and variable interest rates.

8. Earnings per Share

The following table sets forth the computation of basic and diluted net earnings per share (in millions, except per share data):

	Year Ended December 31,		
	2016	2015	2014
Net earnings attributable to controlling interests	$ 414.4	$ 356.8	$ 303.4
Weighted average number of common shares outstanding	177.6	172.2	152.9
Dilutive effect of stock options using the treasury stock method	0.8	1.0	1.4
Weighted average number of common and common equivalent shares outstanding	178.4	173.2	154.3
Basic net earnings per share	$ 2.33	$ 2.07	$ 1.98
Diluted net earnings per share	$ 2.32	$ 2.06	$ 1.97

Options to purchase 5.9 million, 3.5 million and 1.6 million shares of our common stock were outstanding at December 31, 2016, 2015 and 2014, respectively, but were not included in the computation of the dilutive effect of stock options for the year then ended. These stock options were excluded from the computation because the options' exercise prices were greater than the average market price of our common shares during the respective period and, therefore, would be anti-dilutive to earnings per share under the treasury stock method.

9. Stock Option Plans

On May 13, 2014, our stockholders approved the Arthur J. Gallagher 2014 Long-Term Incentive Plan (which we refer to as the LTIP), which replaced our previous stockholder-approved Arthur J. Gallagher & Co. 2011 Long-Term Incentive Plan (which we refer to as the 2011 LTIP). The LTIP term began May 13, 2014 and terminates on the date of the annual meeting of stockholders in 2021, unless terminated earlier by our board of directors. All of our officers, employees and non-employee directors are eligible to receive awards under the LTIP. The compensation committee of our board of directors determines the participants under the LTIP. The LTIP provides for non-qualified and incentive stock options, stock appreciation rights, restricted stock, restricted stock units and performance units, any or all of which may be made contingent upon the achievement of performance criteria. A stock appreciation right entitles the holder to receive, upon exercise and subject to withholding taxes, cash or shares of our common stock (which may be restricted stock) with a value equal to the difference between the fair market value of our common stock on the exercise date and the base price of the stock appreciation right. Subject to the LTIP limits, the compensation committee has the discretionary authority to determine the size of an award.

Shares of our common stock available for issuance under the LTIP include authorized and unissued shares of common stock or authorized and issued shares of common stock reacquired and held as treasury shares or otherwise, or a combination thereof. The number of available shares will be reduced by the aggregate number of shares that become subject to outstanding awards granted under the LTIP. To the extent that shares subject to an outstanding award granted under either the LTIP or the 2011 LTIP are not issued or delivered by reason of the expiration, termination, cancellation or forfeiture of such award or by reason of the settlement of such award in cash, then such shares will again be available for grant under the LTIP. Shares withheld to satisfy tax withholding requirements upon the vesting of awards other than stock options and stock appreciation rights will also be available for grant under the LTIP. Shares that are subject to a stock appreciation right and were not issued upon the net settlement or net exercise of such stock appreciation right, shares that are used to pay the exercise price of an option, delivered to or withheld by us to pay withholding taxes related to stock options or stock appreciation rights, and shares that are purchased on the open market with the proceeds of an option exercise, may not again be made available for issuance.

The maximum number of shares available under the LTIP for restricted stock, restricted stock unit awards and performance unit awards settled with stock (i.e., all awards other than stock options and stock appreciation rights) is 1.0 million as of December 31, 2016. To the extent necessary to be qualified performance-based compensation under Section 162(m) of the Internal Revenue Code (which we refer to as the IRC); (i) the maximum number of shares with respect to which options or stock appreciation rights or a combination thereof that may be granted during any fiscal year to any person is 200,000; (ii) the maximum number of shares with respect to which performance-based restricted stock or restricted stock units that may be granted during any fiscal year to any person is 100,000; and (iii) the maximum amount that may be payable with respect to cash-settled performance units granted during any fiscal year to any person is $5.0 million; and (iv) the maximum number of shares with respect to which stock-settled performance units may be granted during any fiscal year to any person is 100,000.

The LTIP provides for the grant of stock options, which may be either tax-qualified incentive stock options or non-qualified options and stock appreciation rights. The compensation committee determines the period for the exercise of a non-qualified stock option, tax-qualified incentive stock option or stock appreciation right, provided that no option can be exercised later than seven years after its date of grant. The exercise price of a non-qualified stock option or tax-qualified incentive stock option and the base price of a stock appreciation right cannot be less than 100% of the fair market value of a share of our common stock on the date of grant, provided that the base price of a stock appreciation right granted in tandem with an option will be the exercise price of the related option.

Upon exercise, the option exercise price may be paid in cash, by the delivery of previously owned shares of our common stock, through a net-exercise arrangement, or through a broker-assisted cashless exercise arrangement. The compensation committee determines all of the terms relating to the exercise, cancellation or other disposition of an option or stock appreciation right upon a termination of employment, whether by reason of disability, retirement, death or any other reason. Stock option and stock appreciation right awards under the LTIP are non-transferable.

On March 17, 2016, the compensation committee granted 2,576,000 options to our officers and key employees that become exercisable at the rate of 34%, 33% and 33% on the anniversary date of the grant in 2019, 2020 and 2021, respectively. On March 11, 2015, the compensation committee granted 1,941,000 options to our officers and key employees that become exercisable at the rate of 34%, 33% and 33% on the anniversary date of the grant in 2018, 2019 and 2020, respectively. On March 12, 2014, the compensation committee granted 1,923,000 options to our officers and key employees that become exercisable at the rate of 34%, 33% and 33% on the anniversary date of the grant in 2017, 2018 and 2019, respectively. The 2016, 2015 and 2014 options expire seven years from the date of grant, or earlier in the event of termination of the employee. For certain of our executive officers age 55 or older, stock options awarded in 2016, 2015, 2014 and 2013 are no longer subject to forfeiture upon such officers' departure from the company after two years from the date of grant.

Our stock option plans provide for the immediate vesting of all outstanding stock option grants in the event of a change in control of our company, as defined in the applicable plan documents.

During 2016, 2015 and 2014, we recognized $14.7 million, $11.2 million and $9.5 million, respectively, of compensation expense related to our stock option grants.

For purposes of expense recognition in 2016, 2015 and 2014, the estimated fair values of the stock option grants are amortized to expense over the options' vesting period. We estimated the fair value of stock options at the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	Year Ended December 31,		
	2016	**2015**	**2014**
Expected dividend yield	3.0%	3.0%	3.0%
Expected risk-free interest rate	1.6%	1.8%	1.8%
Volatility	27.7%	28.2%	28.9%
Expected life (in years)	5.5	5.5	5.5

Option valuation models require the input of highly subjective assumptions including the expected stock price volatility. The Black-Scholes option pricing model was developed for use in estimating the fair value of traded options which have no vesting restrictions and are fully transferable. Because our employee and director stock options have characteristics significantly different from those of traded options, and because changes in the selective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of our employee and non-employee director stock options. The weighted average fair value per option for all options granted during 2016, 2015 and 2014, as determined on the grant date using the Black-Scholes option pricing model, was $8.45, $9.25 and $9.66, respectively.

The following is a summary of our stock option activity and related information for 2016, 2015 and 2014 (in millions, except exercise price and year data):

	Shares Under Option	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Year Ended December 31, 2016				
Beginning balance	8.8	$ 39.25		
Granted	2.6	43.72		
Exercised	(1.1)	29.50		
Forfeited or canceled	-	-		
Ending balance	10.3	$ 41.40	4.15	$ 108.8
Exercisable at end of year	2.2	$ 32.37	1.73	$ 43.7
Ending vested and expected to vest	10.1	$ 41.34	4.12	$ 107.5
Year Ended December 31, 2015				
Beginning balance	8.4	$ 35.49		
Granted	1.9	46.19		
Exercised	(1.4)	27.59		
Forfeited or canceled	(0.1)	27.59		
Ending balance	8.8	$ 39.25	4.16	$ 36.7
Exercisable at end of year	2.1	$ 28.54	1.92	$ 25.9
Ending vested and expected to vest	8.7	$ 39.15	4.13	$ 36.6
Year Ended December 31, 2014				
Beginning balance	8.3	$ 31.35		
Granted	1.9	46.86		
Exercised	(1.6)	28.80		
Forfeited or canceled	(0.2)	28.36		
Ending balance	8.4	$ 35.49	3.96	$ 97.2
Exercisable at end of year	2.6	$ 26.91	1.87	$ 52.8
Ending vested and expected to vest	8.3	$ 35.38	3.93	$ 96.6

Options with respect to 4.4 million shares (less any shares of restricted stock issued under the LTIP - see Note 11 to our consolidated financial statements) were available for grant under the LTIP at December 31, 2016.

The total intrinsic value of options exercised during 2016, 2015 and 2014 amounted to $19.3 million, $27.0 million and $30.5 million, respectively. At December 31, 2016, we had approximately $41.4 million of total unrecognized compensation cost related to nonvested options. We expect to recognize that cost over a weighted average period of approximately four years.

Other information regarding stock options outstanding and exercisable at December 31, 2016 is summarized as follows (in millions, except exercise price and year data):

Range of Exercise Prices	Options Outstanding: Number Outstanding	Options Outstanding: Weighted Average Remaining Contractual Term (in years)	Options Outstanding: Weighted Average Exercise Price	Options Exercisable: Number Exercisable	Options Exercisable: Weighted Average Exercise Price
$ 23.76 - $ 35.71	2.3	1.52	$ 31.54	1.8	$ 30.65
35.95 - 39.17	1.5	3.20	39.15	0.4	39.12
43.71 - 43.71	2.6	6.21	43.71	-	-
46.17 - 49.55	3.9	4.70	46.53	-	-
$ 23.76 - $ 49.55	10.3	4.15	$ 41.40	2.2	$ 32.37

10. Deferred Compensation

We have a Deferred Equity Participation Plan, (which we refer to as the DEPP), which is a non-qualified plan that generally provides for distributions to certain of our key executives when they reach age 62 (or the one-year anniversary of the date of the grant for participants over the age of 61 as of the grant date) or upon or after their actual retirement. Under the provisions of the DEPP, we typically contribute cash in an amount approved by the compensation committee to a rabbi trust on behalf of the executives participating in the DEPP, and instruct the trustee to acquire a specified number of shares of our common stock on the open market or in privately negotiated transactions based on participant elections. Distributions under the DEPP may not normally be made until the participant reaches age 62 (or the one-year anniversary of the date of the grant for participants over the age of 61 as of the grant date) and are subject to forfeiture in the event of voluntary termination of employment prior to then. DEPP awards are generally made annually in the first quarter. In the second quarter of 2016, we made awards under sub-plans of the DEPP for certain production staff, which generally provide for vesting and/or distributions no sooner than five years from the date of awards, although certain awards vest and/or distribute after earlier of fifteen years or the participant reaching age 65. All contributions to the plan (including sub-plans) deemed to be invested in shares of our common stock are distributed in the form of our common stock and all other distributions are paid in cash.

Our common stock that is purchased by the rabbi trust as a contribution under DEPP is valued at historical cost, which equals its fair market value at the date of grant or date of purchase. When common stock is issued, we record an unearned deferred compensation obligation as a reduction of capital in excess of par value in the accompanying consolidated balance sheet, which is amortized to compensation expense ratably over the vesting period of the participants. Future changes in the fair market value of our common stock owed to the participants do not have any impact on the amounts recorded in our consolidated financial statements.

In the first quarter of each of 2016, 2015 and 2014, the compensation committee approved $10.1 million, $8.9 million and $9.2 million, respectively, of awards in the aggregate to certain key executives under the DEPP that were contributed to the rabbi trust in the first quarters of 2016, 2015 and 2014. We contributed cash to the rabbi trust and instructed the trustee to acquire a specified number of shares of our common stock on the open market to fund these 2016, 2015 and 2014 awards. In the second quarter of 2013, we instructed the trustee for the DEPP to liquidate all investments held under the DEPP, other than our common stock, and use the proceeds to purchase additional shares of our common stock on the open market. As a result, the DEPP sold all of the funded cash award assets and purchased 1.2 million shares of our common stock at an aggregate cost of $52.4 million during the second quarter of 2013. During 2016, 2015 and 2014, we charged $7.5 million, $7.2 million and $7.4 million, respectively, to compensation expense related to these awards.

In 2016, the compensation committee approved $13.6 million of awards under the sub-plans referred to above, which were contributed to the rabbi trust in second quarter 2016. During 2016, we charged $1.3 million to compensation expense related to these awards. There were no distributions from the sub-plans during 2016.

At December 31, 2016 and 2015, we recorded $46.8 million (related to 2.4 million shares) and $33.5 million (related to 2.1 million shares), respectively, of unearned deferred compensation as an reduction of capital in excess of par value in the accompanying consolidated balance sheet. The total intrinsic value of our unvested equity based awards under the plan at December 31, 2016 and 2015 was $125.5 million and $85.2 million, respectively. During 2016, 2015 and 2014, cash and equity awards with an aggregate fair value of $7.6 million, $2.3 million and $18.8 million, respectively, were vested and distributed to employees under the DEPP.

We have a Deferred Cash Participation Plan (which we refer to as the DCPP), which is a non-qualified deferred compensation plan for certain key employees, other than executive officers, that generally provides for vesting and/or distributions no sooner than five years from the date of awards. Under the provisions of the DCPP, we typically contribute cash in an amount approved by the compensation committee to the rabbi trust on behalf of the executives participating in the DCPP, and instruct the trustee to acquire a specified number of shares of our common stock on the open market or in privately negotiated transactions based on participant elections. In the first quarter of each of 2016 and 2015, the compensation committee approved $3.1 million and $2.7 million, respectively, of awards in the aggregate to certain key executives under the DCPP that were contributed to the rabbi trust in first quarter 2016 and 2015, respectively. During 2016 and 2015 we charged $1.5 million and $1.1 million to compensation expense related to these awards. There were no distributions from the DCPP during 2016 and 2015.

11. Restricted Stock, Performance Share and Cash Awards

Restricted Stock Awards

As discussed in Note 9 to our consolidated financial statements, on May 13, 2014, our stockholders approved the LTIP, which replaced our previous stockholder-approved 2011 LTIP. The LTIP provides for the grant of a stock award either as restricted stock or as restricted stock units. In either case, the compensation committee may determine that the award will be subject to the attainment of performance measures over an established performance period. Stock awards and the related dividend equivalents are non-transferable and subject to forfeiture if the holder does not remain continuously employed with us during the applicable restriction period or, in the case of a performance-based award, if applicable performance measures are not attained. The compensation committee will determine all of the terms relating to the satisfaction of performance measures and the termination of a restriction period, or the forfeiture and cancellation of a restricted stock award upon a termination of employment, whether by reason of disability, retirement, death or any other reason. The compensation committee may grant unrestricted shares of common stock or units representing the right to receive shares of common stock to employees who have attained age 62.

The agreements awarding restricted stock units under the LTIP will specify whether such awards may be settled in shares of our common stock, cash or a combination of shares and cash and whether the holder will be entitled to receive dividend equivalents, on a current or deferred basis, with respect to such award. Prior to the settlement of a restricted stock unit, the holder of a restricted stock unit will have no rights as a stockholder of the company. The maximum number of shares available under the LTIP for restricted stock, restricted stock units and performance unit awards settled with stock (i.e., all awards other than stock options and stock appreciation rights) is 2.0 million. At December 31, 2016, 1.0 million shares were available for grant under the LTIP for such awards.

Prior to May 12, 2009, we had a restricted stock plan for our directors, officers and certain other employees, which was superseded by the 2009 LTIP. Under the provisions of that plan, we were authorized to issue 4.0 million restricted shares or related stock units of our common stock. The compensation committee was responsible for the administration of the plan. Each award granted under the plan represented a right of the holder of the award to receive shares of our common stock, cash or a combination of shares and cash, subject to the holder's continued employment with us for a period of time after the date the award is granted. The compensation committee determined each recipient of an award under the plan, the number of shares of common stock subject to such award and the period of continued employment required for the vesting of such award.

In 2016, 2015 and 2014, we granted 479,167, 394,975 and 376,541 restricted stock units, respectively, to employees under the LTIP, with an aggregate fair value of $20.4 million, $16.7 million and $16.0 million, respectively, at the date of grant.

The 2016, 2015 and 2014 restricted stock units vest as follows: 466,600 units granted in first quarter 2016, 362,600 units granted in first quarter 2015 and 323,550 units granted in first quarter 2014, vest in full based on continued employment through March 17, 2021, March 11, 2020 and March 12, 2018, respectively, while the other 2016, 2015 and 2014 restricted stock unit awards generally vest in full based on continued employment through the vesting period on the anniversary date of the grant. In the third quarter of 2014, we granted 33,741 restricted stock units to employees with an aggregate fair value of $1.5 million at the date of grant. These grants vest at the rate of 34%, 33% and 33% on the anniversary date of the grant in 2015, 2016 and 2017, respectively from the date of grant. For certain of our executive officers age 55 or older, restricted stock units awarded in 2016, 2015 and 2014 are no longer subject to forfeiture upon such officers' departure from the company after two years from the date of grant.

The vesting periods of the 2016, 2015 and 2014 restricted stock unit awards are as follows (in actual shares):

	Restricted Stock Units Granted		
Vesting Period	**2016**	**2015**	**2014**
One year	27,417	22,175	19,250
Three years	-	-	33,741
Four years	-	9,200	323,550
Five years	451,750	363,600	-
Total shares granted	479,167	394,975	376,541

We account for restricted stock unit awards at historical cost, which equals its fair market value at the date of grant, which is amortized to compensation expense ratably over the vesting period of the participants. Future changes in the fair value of our common stock that is owed to the participants do not have any impact on the amounts recorded in our consolidated financial statements. During 2016, 2015 and 2014, we charged $18.2 million, $14.4 million and $12.7 million, respectively, to compensation expense related to restricted stock awards granted in 2007 through 2016. The total intrinsic value of unvested restricted stock at December 31, 2016 and 2015 was $80.0 million and $56.1 million, respectively. During 2016 and 2015, equity awards (including accrued dividends) with an aggregate fair value of $14.2 million and $10.2 million were vested and distributed to employees under this plan.

Performance Share Awards
On March 17, 2016, March 11, 2015 and March 12, 2014, pursuant to the LTIP, the compensation committee approved 72,900, 53,900 and 48,850, respectively of provisional performance unit awards, with an aggregate fair value of $3.2 million, $2.5 million and $2.3 million, respectively, for future grants to our officers. Each performance unit award was equivalent to the value of one share of our common stock on the date such provisional award was approved. These awards are subject to a one-year performance period based on our financial performance and a two-year vesting period. At the discretion of the compensation committee and determined based on our performance, the eligible officer will be granted a percentage of the provisional performance unit award that equates to the EBITAC growth achieved (as specified in the applicable grant agreement). At the end of the performance period, eligible participants will be granted a number of units based on achievement of the performance goal and subject to approval by the compensation committee. Granted units for the 2016, 2015 and 2014 provisional awards will fully vest based on continuous employment through March 17, 2019, March 11, 2018 and March 12, 2017, respectively, and will be settled in shares of our common stock on a one-for-one basis as soon as practicable in 2019, 2018 and 2017, respectively. For certain of our executive officers age 55 or older, awards granted in 2016 and 2015 are no longer subject to forfeiture upon such officers' departure from the company after two years from the date of grant. If an eligible employee leaves us prior to the vesting date, the entire award will be forfeited. During 2016, we charged $2.9 million to compensation expense related to performance share unit awards. The total intrinsic value of unvested restricted stock at December 31, 2016 was $8.9 million.

Cash Awards
On March 17, 2016, pursuant to our Performance Unit Program (which we refer to as the Program), the compensation committee approved provisional cash awards of $17.4 million in the aggregate for future grants to our officers and key employees that are denominated in units (397,000 units in the aggregate), each of which was equivalent to the value of one share of our common stock on the date the provisional award was approved. The Program consists of a one-year performance period based on our financial performance and a two-year vesting period. At the discretion of the compensation committee and determined based on our performance, the eligible officer or key employee will be granted a percentage of the provisional cash award units that equates to the EBITAC growth achieved (as defined in the Program). At the end of the performance period, eligible participants will be granted a number of units based on achievement of the performance goal and subject to approval by the compensation committee. Granted units for the 2016 provisional award will fully vest based on continuous employment through January 1, 2019. For certain of our executive officers age 55 or older, awards granted under the Program in 2016 are no longer subject to forfeiture upon such officers' departure from the company after two years from the date of the provisional award. The ultimate award value will be equal to the trailing twelve-month stock price on December 31, 2018, multiplied by the number of units subject to the award, but limited to between 0.5 and 1.5 times the original value of the units determined as of the grant date. The fair value of the awarded units will be paid out in cash as soon as practicable in 2019. If an eligible employee leaves us prior to the vesting date, the entire award will be forfeited. We did not recognize any compensation expense during 2016 related to the 2016 provisional award under the Program. Based on company performance for 2016, we expect to grant 385,000 units under the Program in first quarter 2017 that will fully vest on January 1, 2019.

On March 11, 2015, pursuant to the Program, the compensation committee approved the provisional cash awards of $14.6 million in the aggregate for future grants to our officers and key employees that are denominated in units (315,000 units in the aggregate), each of which was equivalent to the value of one share of our common stock on the date the provisional awards were approved. Terms of the 2015 provisional award were similar to the terms of the 2016 provisional awards. Based on our performance for 2015, we granted 294,000 units under the Program in first quarter 2016 that will fully vest on January 1, 2018. During 2016, we charged $6.6 million to compensation expense related to these awards. We did not recognize any compensation expense during 2015 related to the 2015 awards.

On March 12, 2014, pursuant to the Program, the compensation committee approved the provisional cash awards of $10.8 million in the aggregate for future grants to our officers and key employees that are denominated in units (229,000 units in the aggregate), each of which was equivalent to the value of one share of our common stock on the date the provisional awards were approved. Terms of the 2014 provisional award were similar to the terms of the 2015 provisional awards. Based on our performance for 2014, we granted 220,000 units under the Program in first quarter 2015 that will fully vest on January 1, 2017. During 2016 and 2015, we charged $4.5 million and $4.9 million to compensation expense related to these awards. We did not recognize any compensation expense during 2014 related to the 2014 awards.

On March 13, 2013, pursuant to the Program, the compensation committee approved the provisional cash awards of $10.5 million in the aggregate for future grants to our officers and key employees that are denominated in units (269,000 units in the aggregate), each of which was equivalent to the value of one share of our common stock on the date the provisional awards were approved. Terms of the 2013 provisional award were similar to the terms of the 2015 provisional awards. Based on our performance for 2013, we granted 263,000 units under the Program in the first quarter of 2014 that will fully vest on January 1, 2016. During 2015 and 2014, we charged $5.3 million and $5.9 million, respectively, to compensation expense related to the 2013 awards. We did not recognize any compensation expense during 2016 related to the 2013 awards. During 2016, cash awards related to the 2013 provisional awards with an aggregate fair value of $11.2 million (246,000 units in the aggregate) were vested and distributed to employees under the Program.

During 2015, cash awards related to the 2012 provisional awards with an aggregate fair value of $15.8 million (342,000 units in the aggregate) were vested and distributed to employees under the Program. During 2014, cash awards related to the 2011 provisional awards with an aggregate fair value of $17.6 million (411,000 units in the aggregate) were vested and distributed to employees under the Program.

12. Retirement Plans

We have a noncontributory defined benefit pension plan that, prior to July 1, 2005, covered substantially all of our domestic employees who had attained a specified age and one year of employment. Benefits under the plan were based on years of service and salary history. In 2005, we amended our defined benefit pension plan to freeze the accrual of future benefits for all U.S. employees, effective on July 1, 2005. Since the plan is frozen, there is no difference between the projected benefit obligation and accumulated benefit obligation at December 31, 2016 and 2015. In the table below, the service cost component represents plan administration costs that are incurred directly by the plan. A reconciliation of the beginning and ending balances of the pension benefit obligation and fair value of plan assets and the funded status of the plan is as follows (in millions):

	Year Ended December 31, 2016	Year Ended December 31, 2015
Change in pension benefit obligation:		
Benefit obligation at beginning of year	$ 261.8	$ 272.0
Service cost	1.5	1.1
Interest cost	10.8	10.8
Net actuarial loss (gain)	1.8	(10.4)
Benefits paid	(14.6)	(11.7)
Benefit obligation at end of year	$ 261.3	$ 261.8
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 207.5	$ 217.2
Actual return on plan assets	14.9	2.0
Contributions by the company	-	-
Benefits paid	(14.6)	(11.7)
Fair value of plan assets at end of year	$ 207.8	$ 207.5
Funded status of the plan (underfunded)	$ (53.5)	$ (54.3)
Amounts recognized in the consolidated balance sheet consist of:		
Noncurrent liabilities - accrued benefit liability	$ (53.5)	$ (54.3)
Accumulated other comprehensive loss - net actuarial loss	67.9	71.8
Net amount included in retained earnings	$ 14.4	$ 17.5

The components of the net periodic pension benefit cost for the plan and other changes in plan assets and obligations recognized in earnings and other comprehensive earnings consist of the following (in millions):

	Year Ended December 31,		
	2016	2015	2014
Net periodic pension cost:			
Service cost	$ 1.5	$ 1.1	$ 0.7
Interest cost on benefit obligation	10.8	10.8	12.7
Expected return on plan assets	(14.6)	(15.3)	(18.7)
Amortization of net loss	5.3	6.2	2.3
Settlement	-	-	12.0
Net periodic benefit cost	3.0	2.8	9.0
Other changes in plan assets and obligations recognized in other comprehensive earnings:			
Net loss incurred	1.4	2.9	42.5
Settlement recognition	-	-	(12.0)
Amortization of net loss	(5.3)	(6.2)	(2.3)
Total recognized in other comprehensive loss	(3.9)	(3.3)	28.2
Total recognized in net periodic pension cost and other comprehensive loss	$ (0.9)	$ (0.5)	$ 37.2
Estimated amortization for the following year:			
Amortization of net loss	$ 5.5	$ 5.9	$ 6.0

The following weighted average assumptions were used at December 31 in determining the plan's pension benefit obligation:

	December 31,	
	2016	2015
Discount rate	4.00%	4.25%
Weighted average expected long-term rate of return on plan assets	7.25%	7.25%

The following weighted average assumptions were used at January 1 in determining the plan's net periodic pension benefit cost:

	Year Ended December 31,		
	2016	2015	2014
Discount rate	4.25%	4.00%	4.75%
Weighted average expected long-term rate of return on plan assets	7.25%	7.25%	7.50%

The following benefit payments are expected to be paid by the plan (in millions):

2017	$ 11.8
2018	12.3
2019	12.9
2020	13.4
2021	14.1
Years 2022 to 2026	77.5

The following is a summary of the plan's weighted average asset allocations at December 31 by asset category:

	December 31,	
Asset Category	2016	2015
Equity securities	61.0%	59.0%
Debt securities	33.0%	33.0%
Real estate	6.0%	8.0%
Total	100.0%	100.0%

Plan assets are invested in various pooled separate accounts under annuity contracts managed by two life insurance carriers. The plan's investment policy provides that investments will be allocated in a manner designed to provide a long-term investment return greater than the actuarial assumptioos, maximize investment return commensurate with risk and to comply with the Employee Income Retirement Security Act of 1974, as amended (which we refer to as ERISA), by investing the funds in a manner consistent with ERISA's fiduciary standards. The weighted average expected long-term rate of return on plan assets assumption was determined based on a review of the asset allocation strategy of the plan using expected ten-year return assumptions for all of the asset classes in which the plan was invested at December 31, 2016 and 2015. The ten-year return assumptions used in the valuation were based on data provided by the plan's external investment advisors.

The following is a summary of the plan's assets carried at fair value as of December 31 by level within the fair value hierarchy (in millions):

Fair Value Hierarchy	December 31, 2016	December 31, 2015
Level 1	$ -	$ -
Level 2	108.1	106.8
Level 3	99.7	100.7
Total fair value	$ 207.8	$ 207.5

The plan's Level 2 assets consist of ownership interests in various pooled separate accounts within a life insurance carrier's group annuity contract. The fair value of the pooled separate accounts is determined based on the net asset value of the respective funds, which is obtained from the carrier and determined each business day with issuances and redemptions of units of the funds made based on the net asset value per unit as determined on the valuation date. We have not adjusted the net asset values provided by the carrier. There are no restrictions as to the plan's ability to redeem its investment at the net asset value of the respective funds as of the reporting date. The plan's Level 3 assets consist of pooled separate accounts within another life insurance carrier's annuity contracts for which fair value has been determined by an independent valuation. Due to the nature of these annuity contracts, our management makes assumptions to determine how a market participant would price these Level 3 assets. In determining fair value, the future cash flows to be generated by the annuity contracts were estimated using the underlying benefit provisions specified in each contract, market participant assumptions and various actuarial and financial models. These cash flows were then discounted to present value using a risk-adjusted rate that takes into consideration market based rates of return and probability-weighted present values.

The following is a reconciliation of the beginning and ending balances for the Level 3 assets of the plan measured at fair value (in millions):

	Year Ended December 31, 2016	Year Ended December 31, 2015
Fair value at January 1	$ 100.7	$ 101.1
Settlements	(7.5)	-
Unrealized gains	6.5	(0.4)
Fair value at December 31	$ 99.7	$ 100.7

We were not required under the Internal Revenue Code (which we refer to as IRC) to make any minimum contributions to the plan for each of the 2016, 2015 and 2014 plan years. This level of required funding is based on the plan being frozen and the aggregate amount of our historical funding. During 2016, 2015 and 2014 we did not make discretionary contributions to the plan.

In August 2014, we decided to pursue a pension de-risking strategy to reduce the size of our long-term U.S. defined benefit pension plan obligations and the volatility of these obligations on our balance sheet. On September 12, 2014, the fiduciaries of the plan began offering certain former employees who were participants in the plan, the option of receiving the value of their pension benefit in a lump sum payment or as an accelerated redneed annuity, in lieu of monthly annuity payments when they retire. The voluntary offer was made to approximately 2,500 terminated, vested participants in the plan whose employment terminated with the company prior to August 1, 2014 and who had not commenced benefit payments as of November 1, 2014. Eligible participants had from September 12, 2014 to November 30, 2014 to accept the offer, and the lump-sum payments were made in November and December of 2014, and the accelerated reduced annuity payments began as of December 1, 2014. The aggregate lump sum payout made in fourth quarter 2014 was $43.3 million. All payouts related to this offer were made using assets from the plan. This lump sum payout project reduced the Plan's pension benefit obligation by approximately $60.0 million, while improving its pension underfunding by almost $17.0 million as of December 31, 2014. We recorded a non-cash pretax settlement charge of $12.0 million in the fourth quarter of 2014 based on the number of participants accepting the lump sum payment option, the actual return on plan assets and various actuarial assumptions, including discount rate, long-term rate of return on assets, retirement age and mortality at the remeasurement date.

We also have a qualified contributory savings and thrift (401(k)) plan covering the majority of our domestic employees. For eligible employees who have met the plan's age and service requirements to receive matching contributions, we match 100% of pre-tax and Roth elective deferrals up to a maximum of 5.0% of eligible compensation, subject to Federal limits on plan contributions and not in excess of the maximum amount deductible for Federal income tax purposes. Effective January 1, 2014, employees must be employed and eligible for the plan on the last day of the plan year to receive a matching contribution, subject to certain exceptions enumerated in the plan document. Matching contributions are subject to a five-year graduated vesting schedule. We expensed $48.7 million, $42.5 million and $38.0 million related to the plan in 2016, 2015 and 2014, respectively.

We also have a nonqualified deferred compensation plan, the Supplemental Savings and Thrift Plan, for certain employees who, due to Internal Revenue Service (which we refer to as the IRS) rules, cannot take full advantage of our matching contributions under the 401(k) plan. The plan permits these employees to annually elect to defer a portion of their compensation until their retirement or a future date. Our matching contributions to this plan (up to a maximum of the lesser of a participant's elective deferral of base salary, annual bonus and commissions or 5.0% of eligible compensation, less matching amounts contributed under the 401(k) plan) are also at the discretion of our board of directors. We contributed $5.6 million, $4.7 million and $3.7 million to a rabbi trust maintained under the plan in 2016, 2015 and 2014, respectively. The fair value of the assets in the plan's rabbi trust at December 31, 2016 and 2015, including employee contributions and investment earnings, was $263.3 million and $201.2 million, respectively, and has been included in other noncurrent assets and the corresponding liability has been included in other noncurrent liabilities in the accompanying consolidated balance sheet.

We also have several foreign benefit plans, the largest of which is a defined contribution plan that provides for us to make contributions of 5.0% of eligible compensation. In addition, the plan allows for voluntary contributions by U.K. employees, which we match 100%, up to a maximum of an additional 5.0% of eligible compensation. Net expense for foreign retirement plans amounted to $30.6 million, $31.7 million and $29.7 million in 2016, 2015 and 2014, respectively.

In 1992, we amended our health benefits plan to eliminate retiree coverage, except for retirees and those employees who had already attained a specified age and length of service at the time of the amendment. The retiree health plan is contributory, with contributions adjusted annually, and is funded on a pay-as-you-go basis. The postretirement benefit obligation and the unfunded status of the plan as of December 31, 2016 and 2015 were $2.7 million and $2.7 million, respectively. The net periodic postretirement benefit (income) cost of the plan amounted to ($0.3 million), ($0.3 million) and ($0.5 million) in 2016, 2015 and 2014, respectively.

13. Investments

The following is a summary of our investments and the related funding commitments (in millions):

	December 31, 2016		December 31, 2015
	Assets	Funding Commitments	Assets
Chem-Mod LLC	$ 4.0	$ -	$ 4.0
Chem-Mod International LLC	2.0	-	2.0
C-Quest Technology LLC and C-Quest Technologies International LLC	-	-	-
Clean-coal investments:			
Controlling interest in six limited liability companies that own fourteen 2009 Era Clean Coal Plants	14.3	-	13.9
Non-controlling interest in one limited liability companies that owns one 2011 Era Clean Coal Plants	0.7	-	0.8
Controlling interest in seventeen limited liability companies that own nineteen 2011 Era Clean Coal Plants	69.0	2.7	60.3
Other investments	3.7	0.7	2.6
Total investments	$ 93.7	$ 3.4	$ 83.6

Chem-Mod LLC - At December 31, 2016, we held a 46.5% controlling interest in Chem-Mod. Chem-Mod possesses the exclusive marketing rights, in the U.S. and Canada, for technologies used to reduce emissions created during the combustion of coal. The refined coal production plants discussed below, as well as those owned by other unrelated parties, license and use Chem-Mod's proprietary technologies, The Chem-Mod™ Solution, in the production of refined coal. The Chem-Mod™ Solution uses a dual injection sorbent system to reduce mercury, sulfur dioxide and other emissions at coal-fired power plants.

We believe that the application of The Chem-Mod™ Solution qualifies for refined coal tax credits under IRC Section 45 when used with refined coal production plants placed in service by December 31, 2011 or 2009. Chem-Mod has been marketing its technologies principally to coal-fired power plants owned by utility companies, including those utilities that are operating with the IRC Section 45 refined coal production plants in which we hold an investment.

Chem-Mod is determined to be a variable interest entity (which we refer to as a VIE). We are the manager (decision maker) of Chem-Mod and therefore consolidate its operations into our consolidated financial statements. At December 31, 2016, total assets and total liabilities of this VIE included in our consolidated balance sheet were $11.1 million and $0.8 million, respectively. At December 31, 2015, total assets and total liabilities of this VIE were $10.3 million and $0.9 million, respectively. For 2016, total revenues and expenses were $63.5 million and $2.4 million, respectively. For 2015, total revenues and expenses were $72.1 million and $3.0 million, respectively. We are under no obligation to fund Chem-Mod's operations in the future.

Chem-Mod International LLC - At December 31, 2016, we held a 31.5% non-controlling ownership interest in Chem-Mod International. Chem-Mod International has the rights to market The Chem-Mod™ Solution in countries other than the U.S. and Canada. Such marketing activity has been limited to date.

C-Quest Technology LLC and C-Quest Technologies International LLC (together, C-Quest) - At December 31, 2016, we held a non-controlling 12% interest in C-Quest's global entities. C-Quest possesses rights, information and technology for the reduction of carbon dioxide emissions created by burning fossil fuels. Thus far, C-Quest's operations have been limited to laboratory testing. C-Quest is determined to be a VIE, but we do not consolidate this investment into our consolidated financial statements because we are not the primary beneficiary or decision maker. We have an option to acquire an additional 15% interest in C-Quest's global entities for $7.5 million at any time on or prior to August 1, 2017.

Clean Coal Investments -

- We have investments in limited liability companies that own 34 refined coal production plants which produce refined coal using proprietary technologies owned by Chem-Mod. We believe the production and sale of refined coal at these plants is qualified to receive refined coal tax credits under IRC Section 45. The fourteen plants placed in service prior to December 31, 2009 (which we refer to as the 2009 Era Plants) are eligible to receive tax credits through 2019 and the twenty plants placed in service prior to December 31, 2011 (which we refer to as the 2011 Era Plants) are eligible to receive tax credits through 2021.
- As of December 31, 2016:
  - Thirty-one of the plants has long-term production contracts.
  - The remaining three plants are in early stages of seeking and negotiating long-term production contracts.
  - We have a non-controlling interest in one plant, which is owned by a limited liability company (which we refer to as a LLC). We have determined that this LLC is a VIE, for which we are not the primary beneficiary. At December 31, 2016, total assets and total liabilities of this VIE were $15.7 million and $13.4 million, respectively. For 2016, total revenues and expenses of this VIE were $57.4 million and $71.1 million, respectively.
- We and our co-investors each fund our portion of the on-going operations of the limited liability companies in proportion to our investment ownership percentages. Other than our portion of the on-going operational funding, there are no additional amounts that we are committed to related to funding these investments.

Other Investments - At December 31, 2016, we owned a non-controlling, minority interest in four venture capital funds totaling $3.7 million, twelve certified low-income housing developments with zero carrying value and two real estate entities with zero carrying value. The low-income housing developments and real estate entities have been determined to be VIEs, but are not required to be consolidated due to our lack of control over their respective operations. At December 31, 2016, total assets and total liabilities of these VIEs were approximately $60.0 million and $20.0 million, respectively.

14. Derivatives and Hedging Activity

We are exposed to market risks, including changes in foreign currency exchange rates and interest rates. To manage the risk related to these exposures, we enter into various derivative instruments that reduce these risks by creating offsetting exposures. We generally do not enter into derivative transactions for trading or speculative purposes.

Foreign Exchange Risk Management
We are exposed to foreign exchange risk when it earns revenues, pays expenses, or enters into monetary intercompany transfers denominated in a currency that differs from its functional currency, or other transactions that are denominated in a currency other than its functional currency. We use foreign exchange derivatives, typically forward contracts and options, to reduce its overall exposure to the effects of currency fluctuations on cash flows. These exposures are hedged, on average, for less than two years.

Interest Rate Risk Management
We enter into various long term debt agreements. We use interest rate derivatives, typically swaps, to reduce its exposure to the effects of interest rate fluctuations on the forecasted interest rates for up to two years into the future.

We has not received or pledged any collateral related to derivative arrangements at December 31, 2016.

The notional and fair values of derivative instruments are as follows at December 31, 2016 and 2015 (in millions):

	Notional Amount		Derivatives Assets (1)		Derivative Liabilities (2)	
	2016	2015	2016	2015	2016	2015
Derivatives accounted for as hedges:						
Interest rate contracts	$ 200.0	$ -	$ 11.4	$ -	$ -	$ -
Foreign exchange contracts (3)	4.1	93.7	2.1	-	17.5	1.7
Total	$ 204.1	$ 93.7	$ 13.5	$ -	$ 17.5	$ 1.7

(1) Included within other current assets $12.5 million and zero at December 31, 2016 and 2015, respectively and other non-current assets $1.0 million and zero at December 31, 2016 and 2015, respectively.

(2) Included within other current liabilities $11.8 million and $1.7 million at December 31, 2016 and 2015, respectively and other non-current liabilities $5.7 million and zero at December 31, 2016 and 2015, respectively.

(3) Included within foreign exchange contracts at December 31, 2016 were $78.3 million of call options offset with $78.3 million of put options and $61.6 million of buy forwards offset with $57.5 million of sell forwards. Included within foreign exchange contracts at December 31, 2015 were $137.6 million of buy forwards, partially offset by $43.9 million of sell forwards.

The amounts of derivative gains (losses) recognized in accumulated other comprehensive loss were as follows (in millions):

	Commission Revenue	Compensation Expense	Operating Expense	Interest Expense	Total
Year Ended December 31, 2016					
Cash flow hedges:					
Interest rate contracts	$ -	$ -	$ -	$ 12.4	$ 12.4
Foreign exchange contracts	(24.0)	0.1	-	-	(23.9)
Total	$ (24.0)	$ 0.1	$ -	$ 12.4	$ (11.5)
Year Ended December 31, 2015					
Cash flow hedges:					
Interest rate contracts	$ -	$ -	$ -	$ -	$ -
Foreign exchange contracts	(3.3)	0.3	0.2	-	(2.8)
Total	$ (3.3)	$ 0.3	$ 0.2	$ -	$ (2.8)
Year Ended December 31, 2014					
Cash flow hedges:					
Interest rate contracts	$ -	$ -	$ -	$ -	$ -
Foreign exchange contracts	(2.5)	0.2	0.1	-	(2.2)
Total	$ (2.5)	$ 0.2	$ 0.1	$ -	$ (2.2)

The amounts of derivative gains (losses) reclassified from accumulated other comprehensive loss into income (effective portion) were as follows (in millions):

	Commission Revenue	Compensation Expense	Operating Expense	Interest Expense	Total
Year Ended December 31, 2016					
Cash flow hedges:					
Interest rate contracts	$ -	$ -	$ -	$ 0.1	$ 0.1
Foreign exchange contracts	(9.1)	0.5	0.3	-	(8.3)
Total	$ (9.1)	$ 0.5	$ 0.3	$ 0.1	$ (8.2)
Year Ended December 31, 2015					
Cash flow hedges:					
Interest rate contracts	$ -	$ -	$ -	$ -	$ -
Foreign exchange contracts	0.7	-	-	-	0.7
Total	$ 0.7	$ -	$ -	$ -	$ 0.7
Year Ended December 31, 2014					
Cash flow hedges:					
Interest rate contracts	$ -	$ -	$ -	$ -	$ -
Foreign exchange contracts	0.9	(0.7)	(0.7)	-	(0.5)
Total	$ 0.9	$ (0.7)	$ (0.7)	$ -	$ (0.5)

We estimate that approximately $0.4 million of pretax losses currently included within accumulated other comprehensive loss will be reclassified into earnings in the next twelve months. The amount of gain (loss) recognized in earnings on the ineffective portion of derivatives for 2016, 2015 and 2014 was $1.6 million, $0.7 million and zero, respectively.

15. Commitments, Contingencies and Off-Balance Sheet Arrangements

In connection with our investing and operating activities, we have entered into certain contractual obligations and commitments. See Notes 7 and 13 to our consolidated financial statements for additional discussion of these obligatinns and commitments. Our future minimum cash payments, including interest, associated with our contractual obligations pursuant to the note purchase agreements, Credit Agreement, Premium Financing Debt Facility, operating leases and purchase commitments at December 31, 2016 were as follows (in millions):

	Payments Due by Period						
Contractual Obligations	**2017**	**2018**	**2019**	**2020**	**2021**	**Thereafter**	**Total**
Note purchase agreements	$ 300.0	$ 100.0	$ 100.0	$ 100.0	$ 75.0	$ 1,775.0	$ 2,450.0
Credit Agreement	278.0	-	-	-	-	-	278.0
Premium Financing Debt Facility	125.6	-	-	-	-	-	125.6
Interest on debt	113.5	93.3	89.0	84.4	79.5	280.5	740.2
Total debt obligations	817.1	193.3	189.0	184.4	154.5	2,055.5	3,593.8
Operating lease obligations	101.1	83.8	68.4	56.4	45.8	112.9	468.4
Less sublease arrangements	(0.8)	(0.4)	(0.1)	(0.1)	-	(0.1)	(1.5)
Outstanding purchase obligations	50.6	32.1	16.6	7.7	1.7	-	108.7
Total contractual obligations	$ 968.0	$ 308.8	$ 273.9	$ 248.4	$ 202.0	$ 2,168.3	$ 4,169.4

The amounts presented in the table above may not necessarily reflect our actual future cash funding requirements, because the actual timing of the future payments made may vary from the stated contractual obligation. Outstanding purchase commitments in the table above include $10.6 million related to expenditures on our new corporate headquarters building.

Note Purchase Agreements, Credit Agreement and Premium Financing Debt Facility - See Note 7 to our consolidated financial statements for a discussion of the terms of the note purchase agreements, the Credit Agreement and Premium Debt Facility.

Operating Lease Obligations - Our corporate segment's executive offices and certain subsidiary and branch facilities of our brokerage and risk management segments are located at Two Pierce Place, Itasca, Illinois, where we lease approximately 306,000 square feet of space, or approximately 60% of the building. The lease commitment on this property expires February 28, 2018. In August 2015, we announced that we will be relocating our headquarters to the city of Rolling Meadows, Illinois, which will have approximately 360,000 square feet of space and will accommodate 2,000 employees at peak capacity. We anticipate moving to the Rolling Meadows site sometime in the first quarter of 2017. Relating to the development of our new corporate headquarters, we expect to receive property tax related credits under a tax-increment financing note from Rolling Meadows and an Illinois state Economic Development for a Growing Economy (which we refer to as Edge) tax credit. Incentives from these two programs could total between $60.0 million and $80.0 million over a fifteen-year period.

We generally operate in leased premises at our other locations. Certain of these leases have options permitting renewals for additional periods. In addition to minimum fixed rentals, a number of leases contain annual escalation clauses which are generally related to increases in an inflation index.

Total rent expense, including rent relating to cancelable leases and leases with initial terms of less than one year, amounted to $134.2 million in 2016, $121.6 million in 2015 and $122.0 million in 2014.

We have leased certain office space to several non-affiliated tenants under operating sublease arrangements. In the normal course of business, we expect that certain of these leases will not be renewed or replaced. We adjust charges for real estate taxes and common area maintenance annually based on actual expenses, and we recognize the related revenues in the year in which the expenses are incurred. These amounts are not included in the minimum future rentals to be received in the contractual obligations table above.

Outstanding Purchase Obligations - We typically do not have a material amount of outstanding purchase obligations at any point in time. The amount disclosed in the contractual obligations table above represents the aggregate amount of unrecorded purchase obligations that we had outstanding at December 31, 2016. These obligations represent agreements to purchase goods or services that were executed in the normal course of business.

Off-Balance Sheet Commitments - Our total unrecorded commitments associated with outstanding letters of credit, financial guarantees and funding commitments at December 31, 2016 were as follows (in millions):

	Amount of Commitment Expiration by Period						Total Amounts
Off-Balance Sheet Commitments	**2017**	**2018**	**2019**	**2020**	**2021**	**Thereafter**	**Committed**
Letters of credit	$ -	$ -	$ -	$ -	$ -	$ 21.1	$ 21.1
Financial guarantees	0.2	0.2	0.2	0.2	0.2	1.4	2.4
Funding commitments	2.7	-	-	-	-	0.7	3.4
Total commitments	$ 2.9	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 23.2	$ 26.9

Since commitments may expire unused, the amounts presented in the table above do not necessarily reflect our actual future cash funding requirements. See Note 13 to our consolidated financial statements for a discussion of our funding commitments related to our corporate segment and the Off-Balance Sheet Debt section below for a discussion of other letters of credit. All of the letters of credit represent multiple year commitments that have annual, automatic renewing provisions and are classified by the latest commitment date.

Since January 1, 2002, we have acquired 420 companies, all of which were accounted for using the acquisition method for recording business combinations. Substantially all of the purchase agreements related to these acquisitions contain provisions for potential earnout obligations. For all of our acquisitions made in the period from 2013 to 2016 that contain potential earnout obligations, such obligations are measured at fair value as of the acquisition date and are included on that basis in the recorded purchase price consideration for the respective acquisition. The amounts recorded as earnout payables are primarily based upon estimated future potential operating results of the acquired entities over a two- to three-year period subsequent to the acquisition date. The aggregate amount of the maximum earnout obligations related to these acquisitions was $527.2 million, of which $242.3 million was recorded in our consolidated balance sheet as of December 31, 2016 based on the estimated fair value of the expected future payments to be made.

Off-Balance Sheet Debt - Our unconsolidated investment portfolio includes investments in enterprises where our ownership interest is between 1% and 50%, in which management has determined that our level of influence and economic interest is not sufficient to require consolidation. As a result, these investments are accounted for under the equity method. None of these unconsolidated investments had any outstanding debt at December 31, 2016 or 2015 that was recourse to us.

At December 31, 2016, we had posted two letters of credit totaling $9.3 million in the aggregate, related to our self-insurance deductibles, for which we had a recorded liability of $12.3 million. We have an equity investment in a rent-a-captive facility, which we use as a placement facility for certain of our insurance brokerage operations. At December 31, 2016, we had posted seven letters of credit totaling $6.3 million to allow certain of our captive operations to meet minimum statutory surplus requirements and for additional collateral related to premium and claim funds held in a fiduciary capacity, one letter of credit totaling $5.0 million to support our potential obligation under a client's insurance program and one letter of credit totaling $0.5 million as a security deposit for a 2015 acquisition's lease. These letters of credit have never been drawn upon.

Our commitments associated with outstanding letters of credit, financial guarantees and funding commitments at December 31, 2016 were as follows (all dollar amounts in table are in millions):

Description, Purpose and Trigger	Collateral	Compensation to Us	Maximum Exposure	Liability Recorded
Venture capital funds				
Funding commitment to one fund - expires in 2023 Trigger - Agreed conditions met	None	None	$ 0.7	$ -
Other				
Credit support under letters of credit for deductibles due by us on our own insurance coverages - expires after 2021 Trigger - We do not reimburse the insurance companies for deductibles the insurance companies advance on behalf of us	None	None	9.3	12.3
Credit enhancement under letters of credit for our captive insurance operations to meet minimum statutory capital requirements - expires after 2021 Trigger - Dissolution or catastrophic financial results of the operation	None	Reimbursement of LOC fees	6.3	-
Credit support under letters of credit for clients' claim funds held by our Bermuda captive insurance operation in a fiduciary capacity - expires after 2021 Trigger - Investments fall below prescribed levels	None	Reimbursement of LOC fees	5.0	-
Funding commitments on a clean energy investment - expires when payment is made Trigger - Agreed conditions met	None	None	2.7	-
Credit support under letters of credit in lieu of a security deposit for an acquisition's lease - expires 2023 Trigger - Lease payments do not get made	None	None	0.5	-
Financial guarantees of loans to 8 Canadian-based employees - expires when loan balances are reduced to zero through May 2029 - Principal and interest payments are paid quarterly Trigger - Default on loan payments	(1)	None	2.4	-
			$ 26.9	$ 12.3

(1) The guarantees are collateralized by shares in minority holdings of our Canadian operating companies.

Since commitments may expire unused, the amounts presented in the table above do not necessarily reflect our actual future cash funding requirements.

Litigation, Regulatory and Taxation Matters - We are a defendant in various legal actions incidental to the nature of our business including but not limited to matters related to employment practices, alleged breaches of non-compete or other restrictive covenants, theft of trade secrets, breaches of fiduciary duties and related causes of action. We are also periodically the subject of inquiries, investigations and reviews by regulatory and taxing authorities into various matters related to our business, including our operational, compliance and finance functions. Neither the outcomes of these matters nor their effect upon our business, financial condition or results of operations can be determined at this time.

In July 2014, we were named in a lawsuit which asserts that we and other defendants are liable for infringement of a patent held by Nalco Company. The complaint sought a judgment of infringement, damages, costs and attorneys' fees, and injunctive relief. Along with the other defendants, we disputed the allegation of infringement and have defended this matter vigorously. We filed a motion to dismiss the complaint on behalf of all defendants, alleging no infringement of Nalco's intellectual property. This motion and similar motions attacking amended complaints filed by Nalco, were granted. On April 20, 2016, the court dismissed Nalco's complaint and disallowed any further opportunity to amend or refile. Although Nalco has appealed this ruling, we believe that the probability of a material loss is remote. However, litigation is inherently uncertain and it is not possible for us to predict the ultimate disposition of this proceeding.

Our micro-captive advisory services are the subject of an investigation by the Internal Revenue Service (IRS). Additionally, the IRS has initiated audits for the 2012 tax year of over 100 of the micro-captive insurance companies organized and/or managed by us. Among other matters, the IRS is investigating whether we have been acting as a tax shelter promoter in connection with these operations. While the IRS has not made any specific allegations relating to our operations, if the IRS were to successfully assert that the micro-captives organized and/or managed by us do not meet the requirements of IRC Section 831(b), we could be held liable to pay monetary claims by the IRS and/or our micro-captive clients, and our future earnings from our micro-captive operations could be materially adversely affected, any of which events, could negatively impact the overall captive business and adversely affect our consolidated results of operations and financial condition. Due to the fact that the IRS has not made any allegation against us or completed all of its audits of our clients, we are not able to reasonably estimate the amount of any potential loss in connection with this investigation.

Contingent Liabilities - We purchase insurance to provide protection from errors and omissions (which we refer to as E&O) claims that may arise during the ordinary course of business. We currently retain the first $5.0 million of each and every E&O claim. Our E&O insurance provides aggregate coverage for E&O losses up to $175.0 million in excess of our retained amounts. We have historically maintained self-insurance reserves for the portion of our E&O exposure that is not insured. We periodically determine a range of possible reserve levels using actuarial techniques that rely heavily on projecting historical claim data into the future. Our E&O reserve in the December 31, 2016 consolidated balance sheet is above the lower end of the most recently determined actuarial range by $1.7 million and below the upper end of the actuarial range by $7.6 million. We can make no assurances that the historical claim data used to project the current reserve levels will be indicative of future claim activity. Thus, the E&O reserve level and corresponding actuarial range could change in the future as more information becomes known, which could materially impact the amounts reported and disclosed herein.

Tax-advantaged Investments No Longer Held - Between 1996 and 2007, we developed and then sold portions of our ownership in various energy related investments, many of which qualified for tax credits under IRC Section 29. In connection with the sales to other investors, we provided various indemnifications. As of December 31, 2016, the potential liability under these indemnifications has expired. We recorded tax benefits in connection with our ownership in these investments. At December 31, 2016, we had exposure on $109.0 million of previously earned tax credits. In 2004, 2007 and 2009, the IRS examined several of these investments and all examinations were closed without any changes being proposed by the IRS. However, any future adverse tax audits, administrative rulings or judicial decisions could disallow any previously claimed tax credits. Because of the contingent nature of this exposure and our related assessment of its likelihood, no reserve has been recorded in our December 31, 2016 consolidated balance sheet related to this exposure.

16. Insurance Operations

We have ownership interests in several insurance and reinsurance companies based in the U.S., Bermuda, Gibraltar, Guernsey, Isle of Man and Malta that primarily operate segregated account "rent-a-captive" facilities. These "rent-a-captive" facilities enable our clients to receive the benefits of owning a captive insurance company without incurring certain disadvantages of ownership. Captive insurance companies, or "rent-a-captive" facilities, are created for clients to insure their risks and capture any underwriting profit and investment income, which would then be available for use by the insureds, generally to reduce future costs of their insurance programs. In general, these companies are set up as protected cell companies that are comprised of separate cell business units (which we refer to as Captive Cells) and the core regulated company (which we refer to as the Core Company). The Core Company is owned and operated by us and no insurance policies are assumed by the Core Company. All insurance is assumed or written within individual Captive Cells. Only the activity of the supporting Core Company of the rent-a-captive facility is recorded in our consolidated financial statements, including cash and stockholder's equity of the legal entity and any expenses incurred to operate the rent-a-captive facility. Most Captive Cells reinsure individual lines of insurance coverage from external insurance companies. In addition, some Captive Cells offer individual lines of insurance coverage from one of our insurance company subsidiaries. The different types of insurance coverage include special property, general liability, products liability, medical professional liability, other liability and medical stop loss. The policies are generally claims-made. Insurance policies are written by an insurance company and the risk is assumed by each of the Captive Cells. In general, we structure these operations to have no underwriting risk on a net written basis. In situations where we have assumed underwriting risk on a net written basis, we have managed that exposure by obtaining full collateral for the underwriting risk we have assumed from our clients. We typically require pledged assets including cash and/or investment accounts or letters of credit to limit our risk.

We have a wholly owned insurance company subsidiary based in the U.S. that cedes all of its insurance risk to reinsurers or captives under facultative and quota share treaty reinsurance agreements. This company was established in fourth quarter 2014 and began writing business in December 2014. These reinsurance arrangements diversify our business and minimize our exposure to losses or hazards of an unusual nature. The ceding of insurance does not discharge us of our primary liability to the policyholder. In the event that all or any of the reinsuring companies are unable to meet their obligations, we would be liable for such defaulted amounts. Therefore, we are subject to credit risk with respect to the obligations of our reinsurers or captives. In order to minimize our exposure to losses from reinsurer credit risk and insolvencies, we have managed that exposure by obtaining full collateral for which we typically require pledged assets, including cash and/or investment accounts or letters of credit, to fully offset the risk.

Reconciliations of direct to net premiums, on a written and earned basis, for 2016, 2015 and 2014 related to the wholly-owned insurance company subsidiary discussed above are as follows (in millions):

	2016		2015		2014	
	Written	Earned	Written	Earned	Written	Earned
Direct	$ 71.8	$ 69.6	$ 71.5	$ 71.7	$ 34.9	$ 2.4
Assumed	5.2	4.9	4.4	5.1	2.3	0.2
Ceded	(77.0)	(74.5)	(75.9)	(76.8)	(37.2)	(2.6)
Net	$ -	$ -	$ -	$ -	$ -	$ -

At December 31, 2016 and 2015, our insurance company subsidiary had reinsurance recoverables of $48.3 million and $40.1 million, respectively, related to liabilities established for ceded unearned premium reserves and loss and loss adjustment expense reserves. These reinsurance recoverables relate to direct and assumed business that has been fully ceded to our reinsurers or captives and have been included in premiums and fees receivables in the accompanying consolidated balance sheet.

17. Income Taxes

We and our principal domestic subsidiaries are included in a consolidated U.S. Federal income tax return. Our international subsidiaries file various income tax returns in their jurisdictions. The foreign earnings (losses) before income taxes were $5.6 million in 2016, $(52.1) million in 2015 and $3.4 million in 2014. Earnings before income taxes include the impact of intercompany interest expense between domestic and foreign legal entities. Foreign intercompany interest expense was $110.7 million in 2016, $107.0 million in 2015 and $76.5 million in 2014. Domestic intercompany interest income was $110.7 million in 2016, $107.0 million in 2015 and $76.5 million in 2014. Significant components of earnings before income taxes and the provision for income taxes are as follows (in millions):

	Year Ended December 31,		
	2016	2015	2014
Earnings (losses) before income taxes:			
United States	$ 351.3	$ 345.6	$ 288.1
Foreign, principally Australia, Canada, New Zealand and the U.K.	5.6	(52.1)	3.4
Total earnings before income taxes	$ 356.9	$ 293.5	$ 291.5
Provision (benefit) for income taxes:			
Federal:			
Current	$ 45.9	$ 43.9	$ 38.8
Deferred	(146.7)	(139.4)	(96.6)
	(100.8)	(95.5)	(57.8)
State and local:			
Current	8.4	18.9	19.5
Deferred	(0.3)	(3.3)	(1.1)
	8.1	15.6	18.4
Foreign:			
Current	22.4	22.9	30.5
Deferred	(17.8)	(38.6)	(27.1)
	4.6	(15.7)	3.4
Total benefit for income taxes	$ (88.1)	$ (95.6)	$ (36.0)

A reconciliation of the provision for income taxes with the U.S. Federal statutory income tax rate is as follows (in millions, except percentages):

	Year Ended December 31,					
	2016		2015		2014	
	Amount	% of Pretax Earnings	Amount	% of Pretax Earnings	Amount	% of Pretax Earnings
Federal statutory rate	$ 124.9	35.0	$ 102.7	35.0	$ 102.0	35.0
State income taxes - net of Federal benefit	5.3	1.5	10.2	3.5	12.0	4.1
Differences related to non U.S. operations	(34.1)	(9.6)	(22.6)	(7.7)	(11.2)	(3.8)
Alternative energy, foreign and other tax credits	(194.4)	(54.5)	(181.3)	(61.8)	(145.5)	(49.9)
Other permanent differences	(4.8)	(1.3)	(4.9)	(1.7)	(2.5)	(0.9)
Nondeductible employee compensation	-	-	-	-	5.4	1.9
Changes in unrecognized tax benefits	2.2	0.6	3.0	1.0	2.4	0.8
Change in valuation allowance	14.0	3.9	1.7	0.6	-	-
Change in U.K. tax rate	(1.5)	(0.4)	(4.2)	(1.4)	-	-
Other	0.3	0.1	(0.2)	(0.1)	1.4	0.5
Benefit for income taxes	$ (88.1)	(24.7)	$ (95.6)	(32.6)	$ (36.0)	(12.3)

A reconciliation of the beginning and ending balances of the total amounts of gross unrecognized tax benefits is as follows (in millions):

	December 31,	
	2016	2015
Gross unrecognized tax benefits at January 1	$ 15.7	$ 12.5
Increases in tax positions for current year	2.4	2.9
Settlements	(1.4)	-
Lapse in statute of limitations	(1.8)	(1.3)
Increases in tax positions for prior years	1.8	2.1
Decreases in tax positions for prior years	(2.2)	(0.5)
Gross unrecognized tax benefits at December 31	$ 14.5	$ 15.7

The total amount of net unrecognized tax benefits that, if recognized, would affect the effective tax rate was $10.0 million and $10.8 million at December 31, 2016 and 2015, respectively. We accrue interest and penalties related to unrecognized tax benefits in our provision for income taxes. At December 31, 2016 and 2015, we had accrued interest and penalties related to unrecognized tax benefits of $2.8 million and $1.1 million, respectively.

We file income tax returns in the U.S. and in various state, local and foreign jurisdictions. We are routinely examined by tax authorities in these jurisdictions. At December 31, 2016, our corporate returns had been examined by the IRS through calendar year 2010. The IRS is currently conducting various examinations of calendar years 2011 and 2012. In addition, a number of foreign, state, local and partnership examinations are currently ongoing. It is reasonably possible that our gross unrecognized tax benefits may change within the next twelve months. However, we believe any changes in the recorded balance would not have a significant impact on our consolidated financial statements.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of our deferred tax assets and liabilities are as follows (in millions):

	December 31,	
	2016	2015
Deferred tax assets:		
Alternative minimum tax and other credit carryforwards	$ 477.9	$ 341.6
Accrued and unfunded compensation and employee benefits	219.0	197.0
Amortizable intangible assets	38.8	39.4
Compensation expense related to stock options	16.9	12.6
Accrued liabilities	31.7	34.3
Accrued pension liability	22.9	23.4
Investments	7.7	9.5
Net operating loss carryforwards	20.4	19.2
Capital loss carryforwards	16.0	2.9
Deferred rent liability	8.1	8.7
Other	3.9	7.7
Total deferred tax assets	863.3	696.3
Valuation allowance for deferred tax assets	(66.8)	(52.8)
Deferred tax assets	796.5	643.5
Deferred tax liabilities:		
Nondeductible amortizable intangible assets	310.2	307.1
Investment-related partnerships	34.5	28.7
Depreciable fixed assets	18.2	11.7
Hedging instruments	4.1	-
Other prepaid items	4.1	4.6
Total deferred tax liabilities	371.1	352.1
Net deferred tax assets	$ 425.4	$ 291.4

At December 31, 2016 and 2015, $371.1 million and $352.1 million, respectively, have been included in noncurrent liabilities in the accompanying consolidated balance sheet. Alternative minimum tax credits of $108.2 million have an indefinite life, general business tax credits of $368.8 million begin to expire, if not utilized, in 2033, and state credits of $0.9 million expire, if not used, in 2021. We expect the historically favorable trend in earnings before income taxes to continue in the foreseeable future. Accordingly, we expect to make full use of the net deferred tax assets. Valuation allowances have been established for certain foreign intangible assets and various state net operating loss carryforwards that may not be utilized in the future.

We do not provide for U.S. Federal income taxes on the undistributed earnings ($243.0 million and $231.9 million at December 31, 2016 and 2015, respectively) of foreign subsidiaries which are considered permanently invested outside of the U.S. The amount of unrecognized deferred tax liability on these undistributed earnings was $15.6 million and $10.4 million at December 31, 2016 and 2015, respectively.

18. Accumulated Other Comprehensive Earnings

The after-tax components of our accumulated comprehensive earnings (loss) attributable to controlling interests consist of the following:

	Pension Liability	Foreign Currency Translation	Fair Value of Derivative Instruments	Accumulated Comprehensive Earnings (Loss)
Balance as of January 1, 2014	$ (25.6)	$ 22.1	$ 0.9	$ (2.6)
Net change in period	(18.6)	(238.4)	(1.0)	(258.0)
Balance as of December 31, 2014	(44.2)	(216.3)	(0.1)	(260.6)
Net change in period	1.3	(261.1)	(2.1)	(261.9)
Balance as of December 31, 2015	(42.9)	(477.4)	(2.2)	(522.5)
Net change in period	(4.4)	(231.8)	(4.9)	(241.1)
Balance as of December 31, 2016	$ (47.3)	$ (709.2)	$ (7.1)	$ (763.6)

The foreign currency translation in 2016, 2015 and 2014 primarily relates to the net impact of changes in the value of the local currencies relative to the U.S. dollar for our operations in Australia, Canada, the Caribbean, India, New Zealand and the U.K. During 2016, 2015 and 2014, $5.3 million, $6.2 million and $14.3 million, respectively, of expense related to the pension liability was reclassified from accumulated other comprehensive loss to compensation expense in the statement of earnings. During 2016, 2015 and 2014, $8.2 milliou of expense, $0.7 million of income and $0.5 million of expense, respectively, related to the fair value of derivative investments was reclassified from accumulated other comprehensive loss to the statement of earnings. During 2016, 2015 and 2014, no amounts related to foreign currency translation were reclassified from accumulated other comprehensive loss to the statement of earnings.

19. Quarterly Operating Results (unaudited)

Quarterly operating results for 2016 and 2015 were as follows (in millions, except per share data):

	1st	2nd	3rd	4th
2016				
Total revenues	$ 1,300.4	$ 1,427.1	$ 1,482.3	$ 1,385.0
Total expenses	1,244.7	1,289.6	1,387.4	1,316.2
Earnings before income taxes	$ 55.7	$ 137.5	$ 94.9	$ 68.8
Net earnings attributable to controlling interests	$ 46.5	$ 150.0	$ 122.8	$ 95.1
Basic net earnings per share	$ 0.26	$ 0.85	$ 0.69	$ 0.53
Diluted net earnings per share	$ 0.26	$ 0.84	$ 0.69	$ 0.53
2015				
Total revenues	$ 1,231.3	$ 1,371.4	$ 1,454.8	$ 1,334.9
Total expenses	1,200.4	1,242.9	1,349.1	1,306.5
Earnings before income taxes	$ 30.9	$ 128.5	$ 105.7	$ 28.4
Net earnings attributable to controlling interests	$ 21.9	$ 139.3	$ 133.3	$ 62.3
Basic net earnings per share	$ 0.13	$ 0.82	$ 0.76	$ 0.35
Diluted net earnings per share	$ 0.13	$ 0.81	$ 0.75	$ 0.35

20. Segment Information

We have three reportable operating segments: brokerage, risk management and corporate. The brokerage segment is primarily comprised of our retail and wholesale insurance brokerage operations. The brokerage segment generates revenues through commissions paid by insurance underwriters and through fees charged to our clients. Our brokers, agents and administrators act as intermediaries between insurers and their customers and we do not assume net underwriting risks. The risk management segment provides contract claim settlement and administration services for enterprises that choose to self-insure some or all of their property/casualty coverages and for insurance companies that choose to outsource some or all of their property/casualty claims departments. These operations also provide claims management, loss control consulting and insurance property appraisal services. Revenues are principally generated on a negotiated per-claim or per-service fee basis. The corporate segment manages our clean energy and other investments. This segment also holds all of our corporate debt. Allocations of investment income and certain expenses are based on reasonable assumptions and estimates primarily using revenue, headcount and other information. We allocate the provision for income taxes to the brokerage and risk management segments using the local county statutory rates. Reported operating results by segment would change if different methods were applied.

Financial information relating to our segments for 2016, 2015 and 2014 is as follows (in millions):

Year Ended December 31, 2016	Brokerage	Risk Management	Corporate	Total
Revenues:				
Commissions	$ 2,439.1	$ -	$ -	$ 2,439.1
Fees	775.7	717.1	-	1,492.8
Supplemental commissions	147.0	-	-	147.0
Contingent commissions	107.2	-	-	107.2
Investment income	52.3	1.0	-	53.3
Gains on books of business sales and other	6.6	-	-	6.6
Revenue from clean coal activities	-	-	1,350.1	1,350.1
Other - net gain	-	-	(1.3)	(1.3)
Total revenues	3,527.9	718.1	1,348.8	5,594.8
Compensation	2,041.8	424.5	72.6	2,538.9
Operating	600.9	171.4	25.4	797.7
Cost of revenues from clean coal activities	-	-	1,408.6	1,408.6
Interest	-	-	109.8	109.8
Depreciation	57.2	27.2	19.2	103.6
Amortization	244.7	2.5	-	247.2
Change in estimated acquisition earnout payables	32.1	-	-	32.1
Total expenses	2,976.7	625.6	1,635.6	5,237.9
Earnings (loss) before income taxes	551.2	92.5	(286.8)	356.9
Provision (benefit) for income taxes	194.1	35.3	(317.5)	(88.1)
Net earnings	357.1	57.2	30.7	445.0
Net earnings attributable to noncontrolling interests	3.6	-	27.0	30.6
Net earnings attributable to controlling interests	$ 353.5	$ 57.2	$ 3.7	$ 414.4
Net foreign exchange gain	$ 2.9	$ -	$ 0.1	$ 3.0
Revenues:				
United States	$ 2,334.4	$ 610.3	$ 1,327.9	$ 4,272.6
United Kingdom	686.5	25.6	-	712.1
Australia	172.5	73.0	-	245.5
Canada	134.1	4.1	-	138.2
New Zealand	120.7	5.1	-	125.8
Other foreign	79.7	-	20.9	100.6
Total revenues	$ 3,527.9	$ 718.1	$ 1,348.8	$ 5,594.8
At December 31, 2016				
Identifiable assets:				
United States	$ 4,393.6	$ 540.5	$ 1,622.2	$ 6,556.3
United Kingdom	2,321.9	61.8	-	2,383.7
Australia	894.4	56.9	-	951.3
Canada	573.3	2.8	-	576.1
New Zealand	668.9	4.4	-	673.3
Other foreign	331.3	-	17.6	348.9
Total identifiable assets	$ 9,183.4	$ 666.4	$ 1,639.8	$ 11,489.6
Goodwill - net	$ 3,736.9	$ 28.1	$ 2.8	$ 3,767.8
Amortizable intangible assets - net	1,613.6	13.7	-	1,627.3

Year Ended December 31, 2015	Brokerage	Risk Management	Corporate	Total
Revenues:				
Commissions	$ 2,338.7	$ -	$ -	$ 2,338.7
Fees	705.8	726.5	-	1,432.3
Supplemental commissions	125.5	-	-	125.5
Contingent commissions	93.7	-	-	93.7
Investment income	53.6	0.6	-	54.2
Gains on books of business sales and other	6.7	-	-	6.7
Revenue from clean coal activities	-	-	1,310.8	1,310.8
Other - net gain	-	-	30.5	30.5
Total revenues	3,324.0	727.1	1,341.3	5,392.4
Compensation	1,939.7	427.2	62.0	2,428.9
Operating	638.1	180.8	21.8	840.7
Cost of revenues from clean coal activities	-	-	1,351.5	1,351.5
Interest	-	-	103.0	103.0
Depreciation	54.4	24.3	15.2	93.9
Amortization	237.3	3.0	-	240.3
Change in estimated acquisition earnout payables	41.1	(0.5)	-	40.6
Total expenses	2,910.6	634.8	1,553.5	5,098.9
Earnings (loss) before income taxes	413.4	92.3	(212.2)	293.5
Provision (benefit) for income taxes	145.3	35.1	(276.0)	(95.6)
Net earnings	268.1	57.2	63.8	389.1
Net earnings attributable to noncontrolling interests	1.7	-	30.6	32.3
Net earnings attributable to controlling interests	$ 266.4	$ 57.2	$ 33.2	$ 356.8
Net foreign exchange gain (loss)	$ (0.2)	$ -	$ 0.4	$ 0.2
Revenues:				
United States	$ 2,122.1	$ 591.8	$ 1,327.5	$ 4,041.4
United Kingdom	738.5	28.4	-	766.9
Australia	157.3	99.4	-	256.7
Canada	133.1	3.5	-	136.6
New Zealand	118.6	4.0	-	122.6
Other foreign	54.4	-	13.8	68.2
Total revenues	$ 3,324.0	$ 727.1	$ 1,341.3	$ 5,392.4
At December 31, 2015				
Identifiable assets:				
United States	$ 4,092.8	$ 525.2	$ 1,264.9	$ 5,882.9
United Kingdom	2,580.0	72.1	-	2,652.1
Australia	895.8	55.6	-	951.4
Canada	575.0	3.1	-	578.1
New Zealand	623.1	4.1	-	627.2
Other foreign	203.0	-	19.1	222.1
Total identifiable assets	$ 8,969.7	$ 660.1	$ 1,284.0	$ 10,913.8
Goodwill - net	$ 3,635.6	$ 27.3	$ -	$ 3,662.9
Amortizable intangible assets - net	1,677.8	21.0	-	1,698.8

Year Ended December 31, 2014	Brokerage	Risk Management	Corporate	Total
Revenues:				
Commissions	$ 2,083.0	$ -	$ -	$ 2,083.0
Fees	577.0	681.3	-	1,258.3
Supplemental commissions	104.0	-	-	104.0
Contingent commissions	84.7	-	-	84.7
Investment income	40.3	1.0	-	41.3
Gains on books of business sales and other	7.3	-	-	7.3
Revenue from clean coal activities	-	-	1,029.5	1,029.5
Other - net gain	-	-	18.4	18.4
Total revenues	2,896.3	682.3	1,047.9	4,626.5
Compensation	1,703.1	414.2	50.3	2,167.6
Operating	530.1	176.4	36.6	743.1
Cost of revenues from clean coal activities	-	-	1,058.9	1,058.9
Interest	-	-	89.0	89.0
Depreciation	44.4	21.2	3.8	69.4
Amortization	186.3	3.2	-	189.5
Change in estimated acquisition earnout payables	17.6	(0.1)	-	17.5
Total expenses	2,481.5	614.9	1,238.6	4,335.0
Earnings (loss) before income taxes	414.8	67.4	(190.7)	291.5
Provision (benefit) for income taxes	151.0	25.3	(212.3)	(36.0)
Net earnings	263.8	42.1	21.6	327.5
Net earnings attributable to noncontrolling interests	0.9	-	23.2	24.1
Net earnings (loss) attributable to controlling interests	$ 262.9	$ 42.1	$ (1.6)	$ 303.4
Net foreign exchange gain (loss)	$ 1.1	$ -	$ (0.6)	$ 0.5
Revenues:				
United States	$ 1,873.3	$ 532.6	$ 1,036.9	$ 3,442.8
United Kingdom	696.8	29.4	-	726.2
Australia	122.4	114.2	-	236.6
Canada	81.8	3.2	-	85.0
New Zealand	78.4	2.9	-	81.3
Other foreign	43.6	-	11.0	54.6
Total revenues	$ 2,896.3	$ 682.3	$ 1,047.9	$ 4,626.5
At December 31, 2014				
Identifiable assets:				
United States	$ 3,557.1	$ 457.5	$ 1,032.0	$ 5,046.6
United Kingdom	2,376.4	74.0	-	2,450.4
Australia	992.2	39.0	-	1,031.2
Canada	639.2	2.8	-	642.0
New Zealand	614.1	1.6	-	615.7
Other foreign	207.2	-	16.9	224.1
Total identifiable assets	$ 8,386.2	$ 574.9	$ 1,048.9	$ 10,010.0
Goodwill - net	$ 3,427.5	$ 22.1	$ -	$ 3,449.6
Amortizable intangible assets - net	1,757.3	18.7	-	1,776.0

Report of Independent Registered Public Accounting Firm on Financial Statements

Board of Directors and Stockholders
Arthur J. Gallagher & Co.

We have audited the accompanying consolidated balance sheet of Arthur J. Gallagher & Co. (Gallagher) as of December 31, 2016 and 2015, and the related consolidated statements of earnings, comprehensive earnings, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2016. Our audits also included the financial statement schedule listed in the Index at Item 15(2)(a). These financial statements and schedule are the responsibility of Gallagher's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Arthur J. Gallagher & Co. at December 31, 2016 and 2015, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2016, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Gallagher's internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report, dated February 10, 2017, expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP
Ernst & Young LLP

Chicago, Illinois
February 10, 2017

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) under the Exchange Act. Under the supervision and with the participation of management, including our principal executive officer and principal financial officer, we conducted an assessment of the effectiveness of our internal control over financial reporting based on the framework in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

In conducting our assessment of the effectiveness of its internal control over financial reporting, we have excluded eleven of the thirty-seven entities acquired in 2016, which are included in our 2016 consolidated financial statements. Collectively, these acquired entities constituted approximately 0.3% of total assets as of December 31, 2016 and approximately 0.2% of total revenues and approximately 0.1% of net earnings for the year then ended.

Based on our assessment under the framework in Internal Control – Integrated Framework, management concluded that our internal control over financial reporting was effective as of December 31, 2016. In addition, the effectiveness of our internal control over financial reporting as of December 31, 2016 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their attestation report which is included herein.

Arthur J. Gallagher & Co.
Itasca, Illinois
February 10, 2017

/s/ J. Patrick Gallagher, Jr.
J. Patrick Gallagher, Jr.
Chairman, President and Chief Executive Officer

/s/ Douglas K. Howell
Douglas K. Howell
Chief Financial Officer

Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting

Board of Directors and Stockholders
Arthur J. Gallagher & Co.

We have audited Arthur J. Gallagher & Co.'s (Gallagher) internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). Gallagher's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on Gallagher's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of eleven of the thirty-seven entities acquired in 2016, which are included in the 2016 consolidated financial statements of Gallagher. Collectively, these acquired entities constituted approximately 0.3% of total assets as of December 31, 2016 and approximately 0.2% of total revenues and approximately 0.1% of net earnings for the year then ended. Our audit of internal control over financial reporting of Gallagher also did not include an evaluation of the internal control over financial reporting of these acquired entities.

In our opinion, Arthur J. Gallagher & Co. maintained in all material respects, effective internal control over financial reporting as of December 31, 2016, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Arthur J. Gallagher & Co. as of December 31, 2016 and 2015, and the related consolidated statements of earnings, comprehensive earnings, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2016 of Arthur J. Gallagher & Co. and our report dated February 10, 2017 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP
Ernst & Young LLP

Chicago, Illinois
February 10, 2017

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

There were no changes in or disagreements with our accountants on matters related to accounting and financial disclosure.

Item 9A. Controls and Procedures.

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures.

As of December 31, 2016, our management, including our chief executive officer and chief financial officer, have conducted an evaluation of the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) of the Exchange Act. Based on that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2016.

Design and Evaluation of Internal Control Over Financial Reporting.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, we included a report of management's assessment of the design and effectiveness of our internal controls as part of this annual report for the fiscal year ended December 31, 2016. Our independent registered public accounting firm also attested to, and reported on, the effectiveness of internal control over financial reporting. Management's report and the independent registered public accounting firm's attestation report are included in Item 8, "Financial Statements and Supplementary Data," under the captions entitled "Management's Report on Internal Control Over Financial Reporting" and "Report of Independeut Registered Public Accounting Firm on Internal Control Over Financial Reporting."

Changes in Internal Control Over Financial Reporting.

There has been no change in our internal control over financial reporting during the fourth fiscal quarter ended December 31, 2016, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

Not applicable.

Part III

Item 10. Directors, Executive Officers and Corporate Governance.

Our 2017 Proxy Statement will include the information required by this item under the headings "Board of Directors," "Security Ownership by Certain Beneficial Owners and Management - Section 16 (a) Beneficial Ownership Reporting Compliance" and "Corporate Governance," which we incorporate herein by reference.

Item 11. Executive Compensation.

Our 2017 Proxy Statement will include the information required by this item under the headings "Compensation Committee Report" and "Compensation Discussion and Analysis," which we incorporate herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Our 2017 Proxy Statement will include the information required by this item under the headings "Security Ownership by Certain Beneficial Owners and Management" and "Equity Compensation Plan Information," which we incorporate herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Our 2017 Proxy Statement will include the information required by this item under the headings "Certain Relationships and Related Transactions" and "Corporate Governance," which we incorporate herein by reference.

Item 14. Principal Accountant Fees and Services.

Our 2017 Proxy Statement will include the information required by this item under the heading "Ratification of Appointment of Independent Auditor - Principal Accountant Fees and Services," which we incorporate herein by reference.

Part IV

Item 15. Exhibits and Financial Statement Schedules.

The following documents are filed as a part of this report:

1. Consolidated Financial Statements:

    (a) Consolidated Statement of Earnings for each of the three years in the period ended December 31, 2016.

    (b) Consolidated Balance Sheet as of December 31, 2016 and 2015.

    (c) Consolidated Statement of Cash Flows for each of the three years in the period ended December 31, 2016.

    (d) Consolidated Statement of Stockholders' Equity for each of the three years in the period ended December 31, 2016.

    (e) Notes to Consolidated Financial Statements.

    (f) Report of Independent Registered Public Accounting Firm on Financial Statements.

    (g) Management's Report on Internal Control Over Financial Reporting.

    (h) Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting.

2. Consolidated Financial Statement Schedules required to be filed by Item 8 of this Form:

    (a) Schedule II - Valuation and Qualifying Accounts.

    All other schedules are omitted because they are not applicable, or not required, or because the required information is included in our consolidated financial statements or the notes thereto.

3. Exhibits:

    Included in this Form 10-K.

*10.16	Arthur J. Gallagher & Co. Deferred Equity Participation Plan amended and restated as of January 18, 2017.
21.1	Subsidiaries of Arthur J. Gallagher & Co., including state or other jurisdiction of incorporation or organization and the names under which each does business.
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.
24.1	Power of Attorney.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certification of Chief Executive Officer.

32.2 Section 1350 Certification of Chief Financial Officer.

101.INS XBRL Instance Document.

101.SCH XBRL Taxonomy Extension Schema Document.

101.CAL XBRL Taxonomy Extension Calculation Linkbase Document.

101.LAB XBRL Taxonomy Extension Label Linkbase Document.

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document.

101.DEF XBRL Taxonomy Extension Definition Linkbase Document.

Incorporated by reference into this Form 10-K.

2.1 Agreement and Plan of Reorganization, dated as of August 12, 2013, by and among Arthur J. Gallagher & Co., Bollinger Holdings, Inc., Bollinger, Inc., JPGAC, LLC, Evercore Capital Partners II L.P., Evercore Partners Inc. and Management Group, LLC (incorporated by reference to the same exhibit number to the post-effective amendment No. 2 to our Form S-4 Registration Statement dated September 6, 2013, File No. 333-188651).

2.2 Share Purchase Agreement, dated September 4, 2013, between Gallagher, Giles and the Seller (incorporated by reference to Exhibit 2.1 to our Form 8-K Current Report dated September 6, 2013, File No. 1 09761).

2.3 Share Purchase Agreement, dated April 1, 2014, between Arthur J. Gallagher & Co., Oval Limited, Oval EBT Trustees Limited and certain institutional sellers, individual sellers and option holders (incorporated by reference to Exhibit 2.1 to our Form 10-Q Quarterly Report for the quarterly period ended March 31, 2014, File No. 1-09761).

2.4 Share Sale Agreement, amended and restated as of June 15, 2014, by and among Arthur J. Gallagher & Co., Wesfarmers Insurance Investments Pty Ltd, OAMPS Ltd, Wesfarmers Limited and Pastel Purchaser Party Limited (incorporated by reference to Exhibit 2.1 to our Form 8-K Current Report dated June 16, 2014, File No. 1 09761).

2.5 Share Purchase Agreement, dated as of May 19, 2014, by and among Arthur J. Gallagher & Co., Roins Financial Services Limited and Noraxis Capital Corporation (incorporated by reference to Exhibit 2.1 to our Form 8-K Current Report dated May 19, 2014, File No. 1-09761).

3.1 Amended and Restated Certificate of Incorporation of Arthur J. Gallagher & Co. (incorporated by reference to the same exhibit number to our Form 10-Q Quarterly Report for the quarterly period ended June 30, 2008, File No. 1-09761).

3.2 Amended and Restated By-Laws of Arthur J. Gallagher & Co. (incorporated by reference to Exhibit 3.1 to our Form 8-K Current Report dated October 23, 2015, File No. 1-09761).

4.1 Multicurrency Credit Agreement, dated as of September 19, 2013, among Arthur J. Gallagher & Co., the other borrowers party thereto, the lenders party thereto, Bank of Montreal, as administrative agent, BMO Capital Markets, as joint lead arranger and joint book runner, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citibank N.A., Barclays Bank PLC, and J.P. Morgan Securities LLC, as joint lead arrangers, joint book runners and co-syndication agents and U.S. Bank National Association, as documentation agent (incorporated by reference to the same exhibit number to our Form 8-K Current Report dated September 19, 2013, File No. 1-09761).

10.5 Lease Agreement between Arthur J. Gallagher & Co. and Itasca Center III Limited Partnership, a Texas limited partnership, dated July 26, 1989 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 1989, File No. 1-09761).

10.5.1 Amendments No. 1 to No. 15 to the Lease Agreement between Arthur J. Gallagher & Co. and HGC/Two Pierce Limited Partnership, an Illinois limited partnership, as successor to Itasca Center III Limited Partnership, a Texas limited partnership, dated May 20, 1991 to October 15, 2005 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2005, File No. 1-09761).

10.5.2 Amendment No. 16 to the Lease Agreement between Arthur J. Gallagher & Co. and Wells REIT-Two Pierce Place, LLC, a Delaware limited liability company, dated December 7, 2006 (incorporated by reference to the same exhibit number to our Form 8-K Current Report dated December 7, 2006, File No. 1-09761).

*10.11	Form of Indemnity Agreement between Arthur J. Gallagher & Co. and each of our directors and corporate officers (incorporated by reference to the same exhibit number to our Form 10-Q Quarterly Report for the quarterly period ended March 31, 2009, File No. 1-09761).
*10.12	Arthur J. Gallagher & Co. Deferral Plan for Nonemployee Directors (amended and restated as of January 1, 2011) (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2010, File No. 1-09761).
*10.14.1	Form of Change in Control Agreement between Arthur J. Gallagher & Co. and those Executive Officers hired prior to January 1, 2008 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2011, File No. 1-09761).
*10.14.2	Form of Change in Control Agreement between Arthur J. Gallagher & Co. and those Executive Officers hired after January 1, 2008 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2011, File No. 1-09761).
*10.15	The Arthur J. Gallagher & Co. Supplemental Savings and Thrift Plan, as amended and restated effective January 1, 2015 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2014, File No. 1-09761).
*10.16.1	Form of Deferred Equity Participation Plan Award Agreement (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2014, File No. 1-09761).
*10.17	Arthur J. Gallagher & Co. Severance Plan (effective September 15, 1997, as amended and restated effective January 1, 2010) (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2008, File No. 1-09761).
*10.17.1	First Amendment to the Arthur J. Gallagher & Co. Severance Plan (effective September 15, 1997, as amended and restated effective January 1, 2009) (incorporated by reference to Exhibit 10.1 to our Form 10-Q Quarterly Report for the quarterly period ended June 30, 2010, File No. 1-09761).
*10.18	Arthur J. Gallagher & Co. Deferred Cash Participation Plan, amended and restated as of March 11, 2015 (incorporated by reference to the same exhibit number to our Form 10-Q Quarterly Report for the quarterly period ended March 31, 2015, File No. 1-09761).
*10.26	Conformed copy of the Arthur J. Gallagher & Co. 1988 Incentive Stock Option Plan, through Amendment No. 1 as of January 19, 2005 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2009, File No. 1-09761).
*10.27	Conformed copy of the Arthur J. Gallagher & Co. 1988 Nonqualified Stock Option Plan, through Amendment No. 6 as of January 19, 2005 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2009, File No. 1-09761).
*10.28	Conformed copy of the Arthur J. Gallagher & Co. 1989 Non-Employee Directors' Stock Option Plan, through Amendment No. 6 as of May 17, 2005 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2009, File No. 1-09761).
*10.29	Arthur J. Gallagher & Co. Restricted Stock Plan (incorporated by reference to Exhibit 4.6 to our Form S-8 Registration Statement, File No. 333-106539).
10.38	Operating Agreement of Chem-Mod LLC dated as of June 23, 2004, by and among NOx II, Ltd., an Ohio limited liability company, AJG Coal, Inc., a Delaware corporation, and IQ Clean Coal LLC, a Delaware limited liability company (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2005, File No. 1-09761).
10.40	Operating Agreement of Chem-Mod International LLC dated as of July 8, 2005, between NOx II International, Ltd., an Ohio limited liability company and AJG Coal, Inc., a Delaware corporation, together with Amendment No. 1 dated August 2, 2005 (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2005, File No. 1-09761).
*10.42	Arthur J. Gallagher & Co. 2009 Long-Term Incentive Plan (incorporated by reference to Exhibit 4.4 to our Form S-8 Registration Statement, File No. 333-159150).
*10.42.1	Form of Long-Term Incentive Plan Restricted Stock Unit Award Agreement (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2010, File No. 1-09761).

*10.42.2	Form of Long-Term Incentive Plan Stock Option Award Agreement (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2010, File No. 1-09761).
*10.42.3	Form of Long-Term Incentive Plan Stock Appreciation Rights Award Agreement (incorporated by reference to the same exhibit number to our Form 10-K Annual Report for 2010, File No. 1-09761).
*10.42.4	Form of Long-Term Incentive Plan Restricted Stock Unit Award Agreement for executive officers over the age of 55 (incorporated by reference to the same exhibit number to our Form 10 Q Quarterly Report for the quarterly period ended March 31, 2013, File No. 1-09761).
*10.42.5	Form of Long-Term Incentive Plan Stock Option Award Agreement for executive officers over the age of 55 (incorporated by reference to the same exhibit number to our Form 10 Q Quarterly Report for the quarterly period ended March 31, 2013, File No. 1-09761),
*10.43	Arthur J. Gallagher & Co. Performance Unit Program (incorporated by reference to the same exhibit number to our Form 10-Q Quarterly Report for the quarterly period ended June 30, 2007, File No. 1-09761).
*10.43.1	Form of Performance Unit Grant Agreement under the Performance Unit Program (incorporated by reference to Exhibit 10.45.1 to our Form 10-Q Quarterly Report for the quarterly period ended March 31, 2014, File No. 1-09761).
*10.43.2	Form of Performance Unit Grant Agreement under the Performance Unit Program for executive officers over the age of 55 (incorporated by reference to the same exhibit number to our Form 10 Q Quarterly Report for the quarterly period ended March 31, 2013, File No. 1-09761).
*10.44	Senior Management Incentive Plan (incorporated by reference to Exhibit 10.44 to our Form 10-Q Quarterly Report for the quarterly period ended June 30, 2015, File No. 1-09761).
*10.45	Arthur J. Gallagher & Co. 2011 Long-Term Incentive Plan (incorporated by reference to Exhibit 99.1 to our Form S-8 Registration Statement, File No. 333-174497).
10.46	Share Purchase Agreement, dated May 12, 2011, between Gallagher Holdings Two (UK) Limited, HLG Holdings Limited and the Shareholders of HLG Holdings Limited named therein (incorporated by reference to Exhibit 2.1 to our Form 8-K Current Report dated May 17, 2011, File No. 1-09761).
*10.47	Arthur J. Gallagher & Co. 2014 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.46 to our Form 10-Q Quarterly Report for the quarterly period ended June 30, 2014, File No. 1-09761).

All other exhibits are omitted because they are not applicable, or not required, or because the required information is included in our consolidated financial statements or the notes thereto. The registrant agrees to furnish to the Securities and Exchange Commission upon request a copy of any long-term debt instruments that have been omitted pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K.

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* Such exhibit is a management contract or compensatory plan or arrangement required to be filed as an exhibit to this form pursuant to item 601 of Regulation S-K.

Item 16. Form 10-K Summary.

Not applicable.

Signatures

Pnrsuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on the 10th day of February, 2017.

ARTHUR J. GALLAGHER & CO.

/s/ J. PATRICK GALLAGHER, JR.

By________________________

J. Patrick Gallagher, Jr.

Chairman, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on the 10th day of February, 2017 by the following persons on behalf of the Registrant in the capacities indicated.

Name	Title
/s/ J. PATRICK GALLAGHER, JR. J. Patrick Gallagher, Jr.	Chairman, President and Director (Principal Executive Officer)
/s/ DOUGLAS K. HOWELL Douglas K. Howell	Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ RICHARD C. CARY Richard C. Cary	Controller (Principal Accounting Officer)
*SHERRY S. BARRAT Sherry S. Barrat	Director
*WILLIAM L. BAX William L. Bax	Director
* D. JOHN COLDMAN D. John Coldman	Director
* FRANK E. ENGLISH, JR. Frank E. English, Jr.	Director
*ELBERT O. HAND Elbert O. Hand	Director
*DAVID S. JOHNSON David S. Johnson	Director
*KAY W. MC CURDY Kay W. Mc Curdy	Director
* RALPH J. NICOLETTI Ralph J. Nicoletti	Director
*NORMAN L. ROSENTHAL Norman L. Rosenthal	Director

/s/ WALTER D. BAY

*By: ________________________

Walter D. Bay, Attorney-in-Fact

Schedule II
Arthur J. Gallagher & Co.
Valuation and Qualifying Accounts

	Balance at Beginning of Year	Amounts Recorded in Earnings	Adjustments		Balance at End of Year
		(In millions)			
Year ended December 31, 2016					
Allowance for doubtful accounts	$ 13.3	$ 4.9	$ (5.4)	(1)	$ 12.8
Allowance for estimated policy cancellations	7.4	0.2	(0.5)	(2)	7.1
Accumulated amortization of expiration lists, noncompete agreements and trade names	983.9	247.2	(27.5)	(3)	1,203.6
Year ended December 31, 2015					
Allowance for doubtful accounts	$ 10.7	$ 5.7	$ (3.1)	(1)	$ 13.3
Allowance for estimated policy cancellations	6.8	3.6	(3.0)	(2)	7.4
Accumulated amortization of expiration lists, noncompete agreements and trade names	758.8	240.3	(15.2)	(3)	983.9
Year ended December 31, 2014					
Allowance for doubtful accounts	$ 6.7	$ 2.7	$ 1.3	(1)	$ 10.7
Allowance for estimated policy cancellations	4.2	(0.2)	2.8	(2)	6.8
Accumulated amortization of expiration lists, noncompete agreements and trade names	544.1	189.5	25.2	(3)	758.8

(1) Net activity of bad debt write offs and recoveries and acquired businesses.

(2) Additions to allowance related to acquired businesses.

(3) Elimination of fully amortized expiration lists, non-compete agreements and trade names, intangible asset/amortization reclassifications and disposal of acquired businesses.

Arthur J. Gallagher & Co.

Annual Report on Form 10-K

For the Fiscal Year Ended December 31, 2016

Exhibit Index

*10.16	Arthur J. Gallagher & Co. Deferred Equity Participation Plan amended and restated as of January 18, 2017.
21.1	Subsidiaries of Arthur J. Gallagher & Co., including state or other jurisdiction of incorporation or organization and the names under which each does business.
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.
24.1	Power of Attorney.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certification of Chief Executive Officer.
32.2	Section 1350 Certification of Chief Financial Officer.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.

The registrant agrees to furnish to the Securities and Exchange Commission upon request a copy of any long-term debt instruments that have been omitted pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K.

* Such exhibit is a management contract or compensatory plan or arrangement required to be filed as an exhibit to this form pursuant to item 601 of Regulation S-K.

Exhibit 31.1

Rule 13a-14(a) Certification of Chief Executive Officer

Certification

I, J. Patrick Gallagher, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Arthur J. Gallagher & Co.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a.) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b.) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c.) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d.) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a.) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b.) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 10, 2017

/s/ J. Patrick Gallagher, Jr.

J. Patrick Gallagher, Jr.
Chairman, President and Chief Executive Officer
(principal executive officer)

Exhibit 31.2

Rule 13a-14(a) Certification of Chief Financial Officer

Certification

I, Douglas K. Howell, certify that:

1. I have reviewed this annual report on Form 10-K of Arthur J. Gallagher & Co.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a.) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b.) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c.) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d.) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a.) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b.) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 10, 2017

/s/ Douglas K. Howell

Douglas K. Howell
Vice President
Chief Financial Officer
(principal financial officer)

Exhibit 32.1

Section 1350 Certification of Chief Executive Officer

I, J. Patrick Gallagher, Jr., the chief executive officer of Arthur J. Gallagher & Co., certify that (i) the Annual Report on Form 10-K of Arthur J. Gallagher & Co. for the twelve month period ended December 31, 2016 (the "Form 10-K") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Arthur J. Gallagher & Co. and its subsidiaries.

Date: February 10, 2017

/s/ J. Patrick Gallagher, Jr.
J. Patrick Gallagher, Jr.
Chairman, President and Chief Executive Officer
(principal executive officer)

Exhibit 32.2

Section 1350 Certification of Chief Financial Officer

I, Douglas K. Howell, the chief financial officer of Arthur J. Gallagher & Co., certify that (i) the Annual Report on Form 10-K of Arthur J. Gallagher & Co. for the twelve month period ended December 31, 2016 (the "Form 10-K") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Arthur J. Gallagher & Co. and its subsidiaries.

Date: February 10, 2017

/s/ Douglas K. Howell
Douglas K. Howell
Vice President
Chief Financial Officer
(principal financial officer)

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BOARD OF DIRECTORS

J. PATRICK GALLAGHER, JR.
Chairman of the Board,
President and Chief Executive Officer

SHERRY S. BARRAT [2,3]
Former Vice Chairman
Northern Trust Corporation

WILLIAM L. BAX [1]
Former Managing Partner of
PricewaterhouseCoopers' Chicago office

D. JOHN COLDMAN [2]
Former Chairman of The Benfield Group

FRANK E. ENGLISH, JR. [1]
Former Managing Director and Vice Chairman of
Investment Banking, Morgan Stanley & Co.

ELBERT O. HAND [2,3]
Former Chairman of the Board and Chief Executive Officer
Hartmarx Corporation

DAVID S. JOHNSON [2,3]
President and Chief Executive Officer of the Americas,
Barry Callebaut AG

KAY W. MCCURDY [2,3]
Of Counsel, Locke Lord LLP

RALPH J. NICOLETTI [1]
Executive Vice President and Chief Financial Officer,
Newell Brands, Inc.

NORMAN L. ROSENTHAL, PH.D. [1]
President, Norman L. Rosenthal & Associates, Inc.

[1] Member of the Audit Committee
[2] Member of the Compensation Committee
[3] Member of the Nominating/Governance Committee

EXECUTIVE MANAGEMENT COMMITTEE

WALTER D. BAY
General Counsel and Secretary

JOEL D. CAVANESS
Corporate VP and President – U.S. Wholesale Brokerage

JAMES W. DURKIN, JR.
Corporate VP and Chairman – Employee Benefit Consulting
and Brokerage

THOMAS J. GALLAGHER
Corporate VP and CEO – Global Property/Casualty Brokerage

JAMES S. GAULT
Corporate VP and Chairman – Global Property/Casualty Brokerage

DOUGLAS K. HOWELL
Chief Financial Officer

SCOTT R. HUDSON
Corporate VP and CEO – Risk Management

SUSAN E. PIETRUCHA
Chief Human Resources Officer

WILLIAM F. ZIEBELL
Corporate VP and CEO – Employee Benefit Consulting
and Brokerage

2017 WORLD'S MOST ETHICAL COMPANIES® ™
WWW.ETHISPHERE.COM

Arthur J. Gallagher & Co. has been recognized as one of the World's Most
Ethical Companies® in 2012, 2013, 2014, 2015, 2016 and 2017

STOCKHOLDER INFORMATION

ANNUAL MEETING

Arthur J. Gallagher & Co.'s 2017 Annual Meeting of Stockholders will be held on May 16, 2017, at 9:00 a.m. CDT at Arthur J. Gallagher & Co., 2850 Golf Road, Rolling Meadows, IL, 60008-4050.

REGISTRAR AND TRANSFER AGENT

Computershare Investor Services
211 Quality Circle, Suite 210
College Station, TX 77845
312.360.5386
computershare.com/investor

AUDITORS

Ernst & Young LLP

STOCKHOLDER INQUIRIES

Communications regarding direct stock purchases, dividends, lost stock certificates, direct deposit of dividends, dividend reinvestment and changes of address should be directed to Stockholder Services, Computershare Investor Services (see contact information at right).

STOCKHOLDER SERVICES

Computershare Investor Services
P.O. Box 30170
College Station, TX 77842-3170
312.360.5386
computershare.com/investor
Online Inquiries:
www-us.computershare.com/investor/contact

TRADING INFORMATION

Our common stock is listed on the New York Stock Exchange, trading under the symbol "AJG." The following Quarterly Periods table sets forth information as to the price range of our common stock for the two-year period from January 1, 2015 through December 31, 2016 and the dividends declared per common share for such period. The table reflects the range of high and low sales prices per share as reported on the New York Stock Exchange composite listing.

QUARTERLY PERIODS

2016	High	Low	Dividends Declared Per Common Share
First	**$44.67**	**$35.96**	**$0.38**
Second	**48.64**	**43.17**	**0.38**
Third	**51.24**	**47.15**	**0.38**
Fourth	**52.34**	**47.16**	**0.38**
2015			
First	$48.71	$44.24	$0.37
Second	49.59	46.30	0.37
Third	48.33	39.99	0.37
Fourth	44.54	39.43	0.37

COMPARATIVE PERFORMANCE GRAPH

The following graph demonstrates a five-year comparison of cumulative total returns for our company, the S&P 500 and a Peer Group consisting of Arthur J. Gallagher & Co.; Aon plc; Marsh & McLennan Companies, Inc.; Willis Group Holdings Ltd.; and Brown & Brown, Inc. The chart shows the performance of $100 invested in our company, the S&P 500 and the Peer Group on December 31, 2011, with dividend reinvestment.

Comparison of 5-Year Cumulative Total Return

Assumes Initial Investment of $100

December 2016

CLIENT CAPABILITIES IN THE FOLLOWING COUNTRIES

ABU DHABI
ALBANIA
ANGOLA
ANGUILLA
ANTIGUA
ARGENTINA
ARUBA
AUSTRALIA
AUSTRIA
AZERBAIJAN
BAHAMAS
BAHRAIN
BARBADOS
BELGIUM
BENIN
BERMUDA
BOLIVIA
BONAIRE, NETHERLAND ANTILLES
BOSNIA
BRAZIL
BRITISH VIRGIN ISLANDS
BULGARIA
BURKINA FASO
CAMEROON
CANADA
CAYMAN ISLANDS
CENTRAL AFRICA
CHAD
CHANNEL ISLANDS
CHILE
CHINA
COLOMBIA
CONGO
CONGO, DEMOCRATIC REPUBLIC OF
COSTA RICA
CROATIA
CURACAO, NETHERLANDS ANTILLES
CZECH REPUBLIC
DENMARK
DOMINICA
DOMINICAN REPUBLIC
DUBAI
ECUADOR
EGYPT
ENGLAND
EQUATORIAL GUINEA
ESTONIA
ETHIOPIA
FIJI
FINLAND
FRANCE
GABON
GEORGIA
GERMANY
GHANA
GREECE
GRENADA
GRENADINES, THE
GUAM
GUATEMALA
GUERNSEY
GUINEE CONAKRY
HONG KONG
HUNGARY

ICELAND
INDIA
INDONESIA
IRAQ
IRELAND
ISLE OF MAN
ISRAEL
ITALY
IVORY COAST
JAMAICA
JAPAN
JERSEY
JORDAN
KAZAKHSTAN
KENYA
KUWAIT
LATVIA
LEBANON
LITHUANIA
LUXEMBOURG
MACAU
MADAGASCAR
MALAYSIA
MALDIVES
MALI
MALTA
MAURITANIA
MAURITIUS
MEXICO
MONACO
MONTENEGRO
MOROCCO
MYANMAR (BURMA)
NETHERLANDS
NEVIS
NEW ZEALAND
NIGER
NIGERIA
NORTHERN IRELAND
NORWAY
OMAN
PAKISTAN
PANAMA
PAPUA NEW GUINEA
PARAGUAY
PERU
PHILIPPINES
POLAND
PORTUGAL
PUERTO RICO
QATAR
ROMANIA
RUSSIA
RWANDA
SABA, NETHERLANDS ANTILLES
SAINT EUSTATIUS, NETHERLANDS ANTILLES
SAINT KITTS
SAINT LUCIA
SAINT MAARTEN, NETHERLANDS ANTILLES
SAINT VINCENT
SAUDI ARABIA
SCOTLAND
SENEGAL
SERBIA
SINGAPORE
SLOVAKIA
SLOVENIA
SOUTH AFRICA
SOUTH KOREA
SPAIN
SRI LANKA
SWEDEN
SWITZERLAND
TAIWAN
TANZANIA
THAILAND
TOGO
TRINIDAD AND TOBAGO
TUNISIA
TURKEY
TURKS AND CAICOS ISLANDS
UGANDA
UKRAINE
UNITED ARAB EMIRATES
UNITED STATES
URUGUAY
VENEZUELA
VIETNAM
VIRGIN ISLANDS (U.S.)
WALES
ZAMBIA

Arthur J. Gallagher & Co.

ARTHUR J. GALLAGHER & CO.

Global Headquarters
2850 Golf Road
Rolling Meadows, IL 60008-4050
630.773.3800

www.ajg.com

GALLAGHER BASSETT

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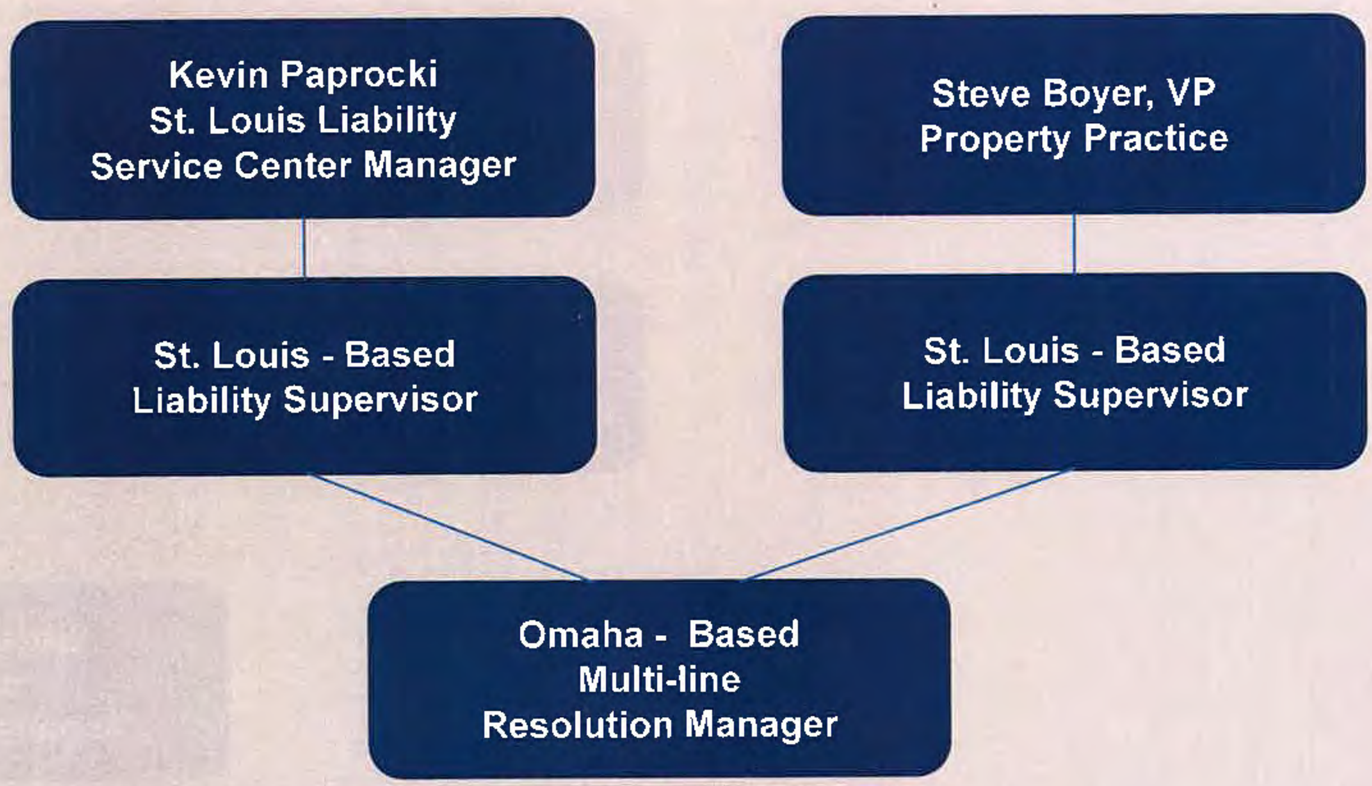
State of Nebraska
Claims Service Team



Kevin Paprocki, AIC
Assistant Vice President
St. Louis, MO

PROFESSIONAL EXPERIENCE:	Gallagher Bassett Services, Inc., St. Louis, MO 04/2017 – Present Assistant Vice President Management of St. Louis National Liability Hub and our National Subrogation Unit to include a staff of some 120 employees and some 100+ active programs. Leads recruitment and hiring of all branch personnel; leads and monitors new hire staffing, and their continuing education and training. Coordinates and facilitates staff meetings and program claim reviews and meetings with clients and their brokers and carriers. Accountable for overall branch, client program and individual staff performances. Manages in tandem each client's service expectations with Gallagher Best Practices to ensure day-to-day compliance throughout the claim adjudication process. Gallagher Bassett Services, Inc., Downers Grove, IL Branch Manager: October 2012-March 2017 Assistant Branch Manager: February 2011-September 2012 Claims Supervisor: January 2009-February 2011 Senior Claim Representative: November2007-January 2009 Claim Representative: February 2006-November 2007
PROFESSIONAL LICENSES:	AL, CA, CT, DE, FL, ID, IN, KY, LA, ME, MI, MN, MS, MT, NC,NH, NM, NY, OR, SC, TX, UT, WA, WV
EDUCATION:	Northern Illinois University B.A. degree, Communication-Media Studies
INDUSTRY DESIGNATIONS:	Associate's degree in Claims (AIC), Insurance Institute of America
PROFESSIONAL REFERENCES:	Andrew G. Wehl Corporate Claim Service Vendor Manager (North America) Enterprise Holdings, Inc. 314-512-2448 Bradley D. Alexander Sanchez Daniels Hoffman LLP 312-214-3026 Christopher T. Lee Shareholder Dickey McCamey Attorneys At Law 412-281-7272

GALLAGHER BASSETT
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Steven Boyer
Vice President, Property Practice
Fort Myers, FL

PROFESSIONAL EXPERIENCE:	<u>Gallagher Bassett Services, Inc.</u> 2002 – Present Vice President, Property Practice Steve has over 33 years of experience in the property claims field. He has worked numerous catastrophes including Hurricanes Hugo, Andrew, the eight Southeastern U.S. hurricanes of 2004 and 2005, as well as the San Francisco earthquake of 1989 along with too many wind and hail storms to mention. Steve was instrumental in assisting in the revising of the GB Property Product Standards back in the late 1990's and also instigated the first property training for GB employees during the mid '90's, which continues today. 2002 - 2003 Assistant Vice President of Property Oversaw all aspects of property claims handling. 1994- 2002 Regional General Adjuster 1991 - 1994 Senior Claims Representative <u>Boyer Adjusting Company, Farmington, MO</u> Property Claims Representative
AWARDS/ RECOGNITION:	Steve has served as President of the Greater St. Louis Area Claims Association and also Presided as the Most Loyal Gander of the St. Louis Pond of the Loyal Order of the Blue Goose International.
PROFESSIONAL REFERENCES:	Randy Wilson RGL – Partner/Director of Fraud & Fidelity Services (636) 812-0292 Rich Rabs Archdiocese of Chicago – Risk Manager (312) 534-8295 Scott Vandover Vice President of Restoration Services Woodard Restoration (314) 575-3362

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ACCOUNT MANAGEMENT & IMPLEMENTATION TEAM MEMBERS

Shari Scherzer
Account Principal

- New claims reporting
- Service instructions
- System training
- Support TST process
- Location structure
- State Agency training
- Support Implementation Manager

Allen Butler
Account Executive

- Overall accountability
- Contract
- Banking
- Billing

Bryan Speckmann
Implementation Manager

- Implementation project management
- Claim data transfer from NE Risk Mgt.
- Set-up of State program in GB system to include banking, location code structure and managed care services

Shari Scherzer, J.D.
Account Principal
Dallas, TX

PROFESSIONAL EXPERIENCE:

Gallagher Bassett Services, Inc., Dallas, TX
03/2004 – Present
Account Principal, Account Management Department
Acts as an extension of risk management department for assigned client base by providing pro-active, consultative and overall program coordination services. Provides assistance in the administration and implementation of claims management program. Ensures all service expectations are identified and maintained. Acts as the liaison between client and Gallagher Bassett Services. Communicates any relevant changes within GB that may affect client's program.

American Family Insurance, St. Joseph, MO
01/2003 – 03/2004
Workers' Compensation Unit Manager
Managed unit responsible for administering all workers' compensation claims for an eleven-state region. Responsible for loss and personnel budgets. Developed outreach programs for agents and insured's to educate on claims procedures and loss control programs.

American Airlines (Formerly Trans World Airlines), Kansas City, MO
09/2000 – 01/2003
Workers' Compensation Attorney
Managed and directed the litigation of workers' compensation claims, and appear as attorney before the Missouri Division of Workers' Compensation. Provided oversight, direction and process improvement suggestions to department and third-party adjusters on workers' compensation issues. Conducted claim audits to ensure accurate reserves and compliance with claim handling standards.

07/1996 – 09/2003
Regional Claims Manager
Organized, directed and maintained cost-effective claims management for a 38-state region. Evaluated and implemented new claim concepts and techniques to curb losses and expenses. Monitored loss runs to identify trends and initiate appropriate actions in order to reverse negative trends. Developed and presented initial and recurrent training for supervisory and management personnel on claims handling procedures and strategies.

The Healey & Wieland Law Firm, Lincoln, NE
05/1991 – 07/1996
Attorney
Practice emphasis in workers' compensation, employment and tort law.

Applied legal, analytical and interpersonal skills to identify issues and meet the needs of both individual and corporate clients. Conducted legal research and prepare persuasive briefs, pleadings and other legal. Conducted client interviews and case investigations.

EDUCATION:

University of Nebraska College of Law, Lincoln, NE
Juris Doctor degree

University of Nebraska, Lincoln, NE
Bachelor of Arts, History
Phi Beta Kappa

PUBLIC SECTOR EXPERIENCE:

Current account manager for State of Nebraska and State of Oklahoma claims administration programs

PROFESSIONAL REFERENCES:

Toni Blue
State Of Oklahoma
Operations Manager
Risk Management Department
405-522-4436

Ted Shrader
CEMEX
Director - Risk Management - United States of America:
(713)722-5829
Address: 10100 Katy Freeway, Suite 300 Houston, TX 77043

Cheryl Nall, ARM
Bass Pro Shops
Risk Management Claims Manager
2500 E Kearney
Springfield, MO 65898
Direct: 417-873-5046

Allen Butler, ARM
National Practice Leader – Public Entity Sales
Rolling Meadows, IL

PROFESSIONAL EXPERIENCE:	<u>Gallagher Bassett Services, Inc.</u> April 2010 – Present National Practice Leader – Public Entity Sales • Leadership of Gallagher Bassett's public sector sales to include new program design, team building, and management of end-to-end sales process • Overarching responsibility for the successful migration/implementation of new client programs <u>Xchanging plc</u> Vice President, Business Development <u>Coventry Workers' Comp Services</u> National Sales Director <u>Cannon Cochran Management Services, Inc. dba CCMSI</u> Senior Account Executive <u>Gates McDonald & Company</u> Midwestern Regional Sales Manager <u>Crawford & Company (Broadspire)</u> • Vice President, National Accounts Executive • Vice President, Managing Director – Alternative Risk Transfer Markets • Vice President, National Sales Manager – Risk Management Services • Assistant Vice President, Midwestern Regional Manager, Sales and Account Management • Director of Sales, London, England • National Accounts Executive • Claims Manager, Claim Supervisor, Multi-line Claim Adjuster
EDUCATION:	M.A., Military History, Norwich University B.A., Political Science, Brescia College
INDUSTRY CREDENTIALS:	Associate in Risk Management (ARM), Insurance Institute of America
PUBLIC SECTOR EXPERIENCE:	State of Minnesota; State of Nebraska; State of Oklahoma; Regional Transportation Authority (Chicago); Milwaukee Public Schools; Hillsborough County (FL); Broward (FL) Sheriff's Office; Hall County, GA
PROFESSIONAL REFERENCES:	Mr. Gene Lidyard, Director of Risk Management State of Oklahoma 2401 N. Lincoln, Ste. 224 Oklahoma City, OK 73105 405.521.6051 Mr. Andy Weh, Corporate Claim Service Vendor Manager (North America) Enterprise Holdings, Inc. 600 Corporate Park Dr. St. Louis, MO 63105 314.512.2448

J. Caleb (J.C.). Boggs, Esq.
King & Spalding
1700 Pennsylvania Ave., Ste. 200
Washington, DC 20006
202.626.2383

GALLAGHER BASSETT
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Bryan Speckmann
Implementation Manager
Rolling Meadows, IL

PROFESSIONAL EXPERIENCE:

Gallagher Bassett Services, Inc., Rolling Meadows, IL
04/2016 - Present
Implementation Manager
Responsible for managing and controlling the implementation process including, attending set-up meetings, developing an implementation timeline and coordinating all communication and assignments with the designated GB team, client, broker and carrier during the transition period.

2013 - 2016
IT Business Analyst
Formulated and defined systems scope and objects for complex, high-impact projects through in-depth evaluation of complex business processes, systems and industry standards. Partnered with business clients and multiple management teams to ensure integration of all functions met business objectives. Responsible for providing sophisticated analysis with interpretive thinking, to define problems and develop innovative solutions.

Sentry Insurance, Stevens Point, WI
2011 - 2013
Quality Assurance Specialist Senior
Developed and implemented test scripts and plans and coordinated regression testing on new projects and production issues. Responsible for managing monthly builds to test, quality and production environments to allow for a successful test plan execution.

2007 - 2011
Business Analyst
Provided comprehensive input into the identification and development of business and system specifications. Responsible for leading the development and implementation of new and existing programs and systems.

2006 – 2007
Claim Contact Center Supervisor
Developed, communicated, and implemented objectives for the unit in conjunction with other management. Responsible for performing audits and personnel administration for direct reports including training, salary administration, performance management, and employee development.

PROFESSIONAL REFERENCES:	Latasha Moore-Robinson – Gruma Corporation 5601 Executive Drive, Suite 800 Irving, TX 75038 972-232-5229
	Mary Faith Green – Lockton Companies 3 Pierce City Place Drive St. Louis, MO 63141 314-812-3824
	Jason Tardiff – United Natural Foods Inc. 313 Iron Horse Way Providence, RI 02908 401-528-8634 ext. 32539

GALLAGHER BASSETT

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Claims Experience by Line of Coverage

Claims handled in 2016	GB Book			Public Entities		
Coverage	Claim Count	Total Incurred	Total Paid	Claim Count	Total Incurred	Total Paid
Property Liability	31,315	$601,596,676	$434,823,433	2,958	$163,764,122	$127,671,630
Auto Liability	352,296	$2,943,279,677	$1,855,695,220	9,265	$82,906,743	$49,748,056
General Liability	368,478	$7,905,519,735	$5,438,669,264	9,852	$225,296,552	$126,322,277
Workers Compensation	617,154	$24,703,963,507	$17,815,580,286	39,241	$2,147,117,308	$1,485,292,054

Claims handled in 2016	GB Book			Public Entities		
Coverage	Claim Count	Total Incurred	Total Paid	Claim Count	Total Incurred	Total Paid
ALL RISK BUILDINGS	19,791	$476,882,627	$334,044,016	2,213	$137,612,515	$105,784,962
ALL RISK CONTENTS	6,689	$51,318,941	$37,788,387	590	$8,717,430	$6,594,514
AUTO LIAB BODILY INJURY	62,361	$2,214,763,563	$1,231,865,637	1,995	$55,089,518	$26,175,300
AUTO LIAB PROP DAMAGE	155,822	$410,876,981	$306,261,961	3,425	$8,304,754	$6,163,496
AUTO LIABILITY	16,516	$11,195,795	$45,186,582	0	$0	$0
AUTO MEDICAL PAYMENTS	6,520	$14,749,059	$7,803,939	66	$164,997	$143,453
AUTO NO FAULT	39,804	$45,266,720	$34,045,943	59	$2,965,775	$2,585,298
AUTO PHYSICAL DAMAGE	59,074	$199,610,951	$203,909,548	3,655	$14,381,523	$13,838,953
CRIME MONEY & SECURITY	272	$8,306,217	$7,192,869	28	$2,206,594	$1,443,664
EMPLOYEE BENEFIT LIABILITY	61	$1,497,062	$781,529	41	$1,240,348	$559,182
EMPLOYERS LIABILITY	411	$34,284,922	$22,087,864	92	$75,280	$12,232
EMPLOYMENT PRACTICES LIABILITY	1,822	$83,733,438	$57,817,906	235	$12,260,777	$5,898,367
ERRORS & OMISSIONS	4,904	$132,315,275	$91,968,274	988	$48,352,990	$30,210,076
FIDELITY & FORGERY	164	$17,528,165	$15,375,646	46	$6,513,899	$6,146,461
GARAGEKEEPERS' LIABILITY	2,330	$6,366,175	$5,457,861	1	$4,317	$4,317
GENERAL LIAB BODILY INJURY	166,654	$3,487,427,786	$1,831,104,233	4,842	$86,699,761	$43,395,604
GENERAL LIAB PROP DAMAGE	72,069	$585,122,989	$361,695,382	2,240	$16,078,579	$9,669,617
GENERAL LIABILITY	515	$646,467,738	$1,039,979,313	0	$0	$0
INLAND MARINE	167	$2,973,484	$3,864,106	34	$780,504	$459,587
INNKEEPERS' LEGAL LIABILITY	641	$275,834	$224,489	0	$0	$0
LIQUOR LIABILITY	4,617	$60,697,687	$37,046,295	0	$0	$0
NON-SUBSCRIBER	5,548	$101,549,704	$75,527,831	0	$0	$0
PERSONAL INJURY	1,935	$105,304,816	$80,012,894	234	$10,927,919	$6,389,822
PREMISES MEDICAL	7,170	$11,522,675	$5,914,361	62	$95,106	$64,932
PRODUCTS LIAB BODILY INJURY	47,019	$663,685,926	$476,746,407	0	$0	$0
PRODUCTS LIAB PROP DAMAGE	28,282	$1,107,474,357	$925,575,401	0	$0	$0
PROFESSIONAL LIABILITY	2,165	$152,551,055	$126,905,206	333	$5,347,709	$3,303,204
TIME ELEMENT	491	$13,400,315	$8,344,886	27	$710,357	$493,320
UNINSURED & UNDER-INSURED MOTORIST	12,199	$46,816,608	$26,621,610	65	$2,000,177	$841,555
WORKERS COMPENSATION	617,154	$24,703,963,507	$17,815,580,286	39,241	$2,147,117,308	$1,485,292,054
All Coverage	**1,343,167**	**$35,397,930,371**	**$25,216,730,661**	**60,512**	**$2,567,648,137**	**$1,755,469,970**

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D

ACCOUNT MANAGEMENT DIVISION

The Gallagher Bassett Account Management team is dedicated to aligning our resources and capabilities to achieve best-in-class outcomes as defined by our clients' unique business goals. Our account managers ensure collaborative partnerships between GB and our clients. Each account manager has extensive industry and risk management experience to assist your organization in reducing its overall cost of risk.

Specific areas of responsibility include:

- Coordination of client setup and orientation.
- Serving as a client's primary point of contact for efficient channeling of communication.
- Serve as client's trusted advisor/consultant in resolving risk management concerns.
- Structuring of the client information "pyramid" and report distribution.
- Creating and disseminating customized service instructions to servicing Gallagher Bassett branch offices.
- Facilitating midterm changes, additions, divestitures, or other program changes.
- Coordinating claim file reviews.
- Partnering with clients to design a meaningful service plan that includes a way to quantify results.
- Leveraging system data to monitor program performance, provide insights, and set goals.
- Working with the Gallagher Bassett carrier liaison for reporting and statistical requirements on front end for all insured programs.

Gallagher Bassett account managers are empowered to affect change and serve as client advocates; we expect them to assume ownership for fulfilling and exceeding your program needs.

Visit us at:
www.gallagherbassett.com

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GB ILLUSTRATIVE RETAIL CLIENT
WORKERS COMPENSATION PROGRAM STEWARDSHIP

January, 2016

GALLAGHER BASSETT
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This sample stewardship report represents an illustrative GB Retail Client. Benchmarking results are labeled as GB Retail Comparable. Data has been modified to ensure confidentiality.

OVERALL MANAGEMENT OF LOSSES IS STRONG. GB RETAIL CLIENT'S AVERAGE INCURRED IS LOWER THAN INDUSTRY COMPARABLES BY ~ 50% AT EVERY AGE OF CLAIM

= Improvement Opportunity

Overall Program insights

- From 2012 – 2015, annual growth in claim count tracked growth of exposures represented by employees and hours worked.
1. However in 2015, claim counts spiked by 21% while the Client's workforce only grew by 2%.
2. GB Retail Client's mix of claims shows a higher percentage of Lost Time (LT) to Med Only (MO) claims when compared with comparable claims – 35% vs. 21%.
- GB Retail Client has a much lower percentage of claims involving an attorney – 10% vs. 30%.

Severity

- GB Retail Client's average incurred is lower than industry comparables at every age of claim across all accident years.
  - Average incurred for Lost Time claims is ~ 50% lower than the benchmark group
  - Average incurred for Med Only claims is ~ 20% lower
- While overall management of loss expense has been exceptional, there are two areas for improvement.
  3. Average incurred for Lost Time claims jumped by 17% for claims aged at 12 months for the most recent accident year (2015)
  4. GB Retail Client's average incurred for Lost Time claims involving an attorney is higher than benchmarks for claims aged 36 months and higher

THE MANAGED CARE PROGRAM HAS GENERATED $15.2 MILLION IN NET SAVINGS OVER THE PAST 3 YEARS. CLAIM HANDLING METRICS SHOW OPPORTUNITIES TO IMPROVE RESERVE ACCURACY AND REDUCE OPEN CLAIM INVENTORY

\# = Improvement Opportunity

Managed Care

- Bill Review and Pharmacy Management programs are driving significant savings on medical expenses.
  - Net savings of $59 million from 2012-2015
  - For every dollar spent on managed care services, GB Retail Client realized $24.27 in savings on medical expenses

5. GB Retail client does not currently use predictive modeling or early nurse intervention on the program. These two services could drive additional savings.

Claim Handling

- Lag time of reporting claim from date of incident to Gallagher Bassett is down by 17% in 2015 showing marked improvement over the prior two years.

6. Claim closure rate has consistently averaged 100% or higher. However, open claim inventory increased by 12% in 2015 due to the spike in claim frequency.

7. Reserve accuracy for Lost Time Claims at 18-months is 81% of ultimate for claims closed in the last 12 months narrowly meeting the industry benchmark for variance to ultimate (benchmark = 20% variance).

IMPLEMENTATION OF NEW LOSS PREVENTION, MANAGED CARE AND LITIGATION MANAGEMENT SERVICES CAN FURTHER IMPROVE PERFORMANCE

Opportunity	Recommendation
1 In 2015, claim counts spiked by 21% while the Client's workforce only grew by 2%.	• Enhance loss prevention and safety program. Target specific causes of injury resulting in uptick in new claims
2 Mix of claims shows a higher percentage of Lost Time (LT) to Med Only (MO) claims when compared with comparable claims – 35% vs. 21%. 3 Average incurred jumped by 17% for Lost Time claims aged at 12 months for the most recent accident year (2015) 5 GB Retail Client does not currently use predictive modeling or early nurse intervention on the program. These two services could drive additional savings.	• Increase early nurse intervention to direct optimal treatment and prevent MO claims from converting to LT • Implement predictive model
4 Average incurred for Lost Time claims involving an attorney is higher than benchmarks for claims aged 36 months and higher	• Evaluate attorney panel effectiveness in settling older claims

TARGETED CLAIM CLOSURE INITIATIVE AND IMPROVED RESERVE MANAGEMENT CAN FURTHER IMPROVE CLAIMS HANDLING

Opportunity	Recommendation
6 Claim closure rate has consistently averaged 100% or higher. However, open claim inventory increased by 12% in 2015 due to the spike in claim frequency.	• Implement targeted claim closure initiative leveraging complex claims unit to close out older claims
7 Reserve accuracy for Lost Time Claims at 18-months is 81% of ultimate for claims closed in the last 12 months narrowly meeting the industry benchmark for variance to ultimate (benchmark = 20% variance).	• Develop action plan to improve reserve accuracy. Actions will include: - GB Workers Compensation Practice Lead to conduct refresher training on reserve best practices - Track reserve accuracy on a monthly basis at the adjuster level (currently tracked at the program level)

CONTENTS

GB RETAIL CLIENT WAS COMPARED TO INDUSTRY BENCHMARKS FOR CLAIMS WITH SIMILAR RISK PROFILE

GB Retail Client Industry Focus

GB Retail Client is a nationwide retailer offering an extensive line of goods to meet the many needs of today's consumer. They operate a number of smaller locations, called "GB Retail Client Fast Markets" with the mission of providing smaller, easier to navigate locations in busy communities with high commuter populations.

At the end of their last fiscal year the company operated a total of 467 retail locations in a total of 47 U.S. states. As of 9/15/2013, the Company began plans to expand into 2 new states by opening 18 new locations.

According to this description, we selected **SIC Codes 5912, 5941, 5943, 5945, 5947, 5999**

and NAICS Codes 443111, 443141, 444110, 445120, and 452990

Comparables Included in Benchmarks

According to this description, we selected comparable claims using the following SIC and NAICS Codes:

SIC Codes

5912 – Misc. Retail- Drug strs & proprietary stores
5941 – Misc. Retail-Sprtng, good stores & bike shops
5943 – Misc Retail- Stationary Stores
5945 – Misc. Retail Hobby, toy & game stores
5947 – Misc. Retail Gift, Novelty & Souven shops
5999 – Misc. Retail Stores

NAICS Codes

443111/443141 – Household Appliance Store
444110 – Home Centers
445120 – Convenience Stores
452990 – All Other General Merchandise Stores

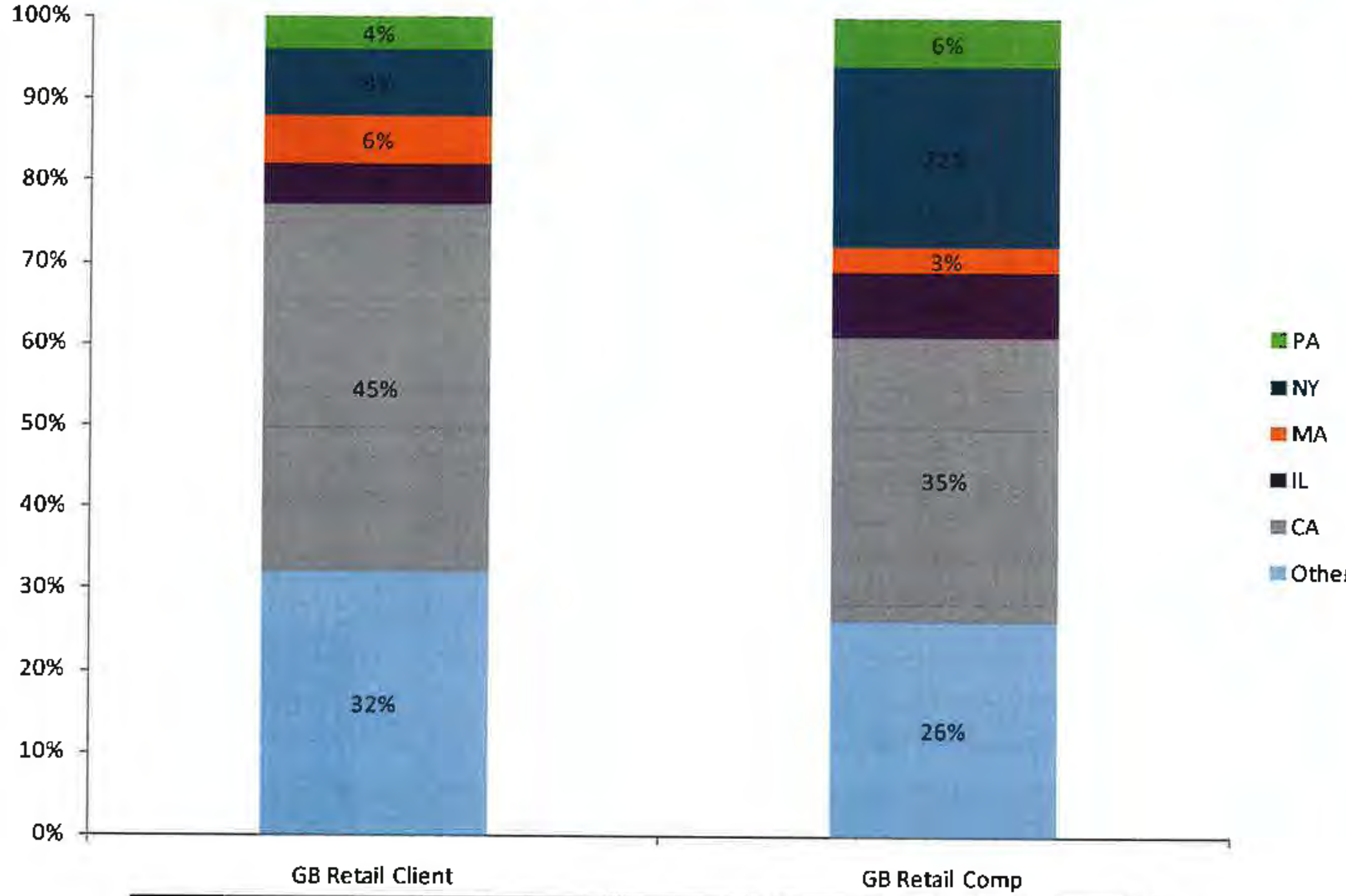
Claim Counts

	2011	2012	2013	2014	2015	Total
GB Retail Client	2,535	2,677	2,785	2,996	3,614	**14,707**
GB Retail Comparables	8,816	7,637	8,288	8,647	9,791	**43,179**

This sample stewardship report represents an illustrative GB Retail Client. Benchmarking results are labeled as GB Retail Comparable. Data has been modified to ensure confidentiality.

GB RETAIL CLIENT'S STATE MIX OF CLAIMS IS SIMILAR TO THE BENCHMARK DATASET WITH HEAVY EXPOSURE IN CALIFORNIA

Jurisdictional Mix of Claims for Top 5 States With Highest Claim Frequency – Retail Client vs. Benchmark Dataset



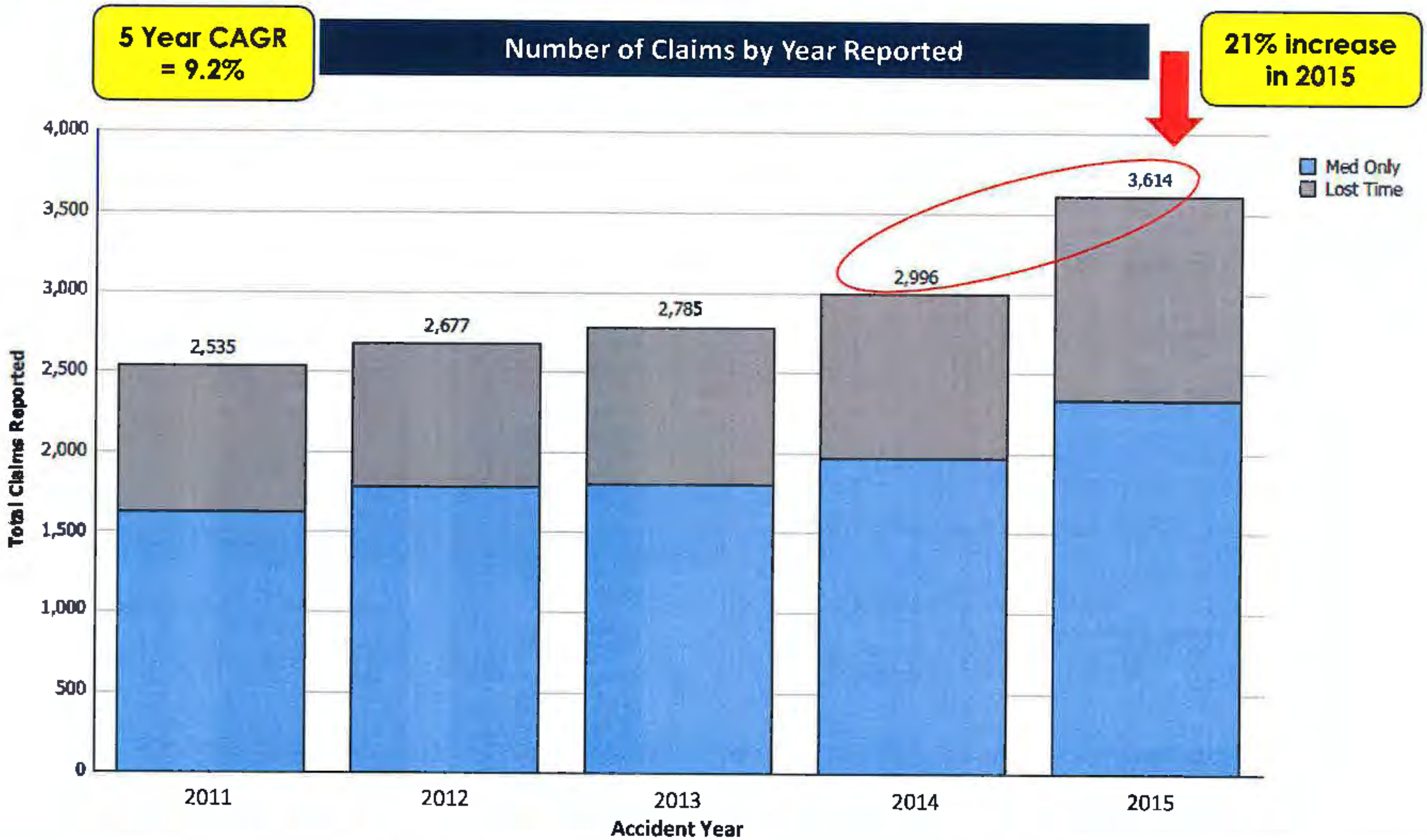
	PA	NY	MA	IL	CA	Other
GB Retail Client	4%	8%	6%	5%	45%	32%
GB Retail Comp	6%	22%	3%	8%	35%	26%

Additional data by state available upon request

CONTENTS

- Analytical approach and benchmarking
- Overall program performance
  - Claim count and exposure analysis
  - Total and average incurred
  - Litigated vs. Non-Litigated
- Development analysis (triangles)
  - Incurred performance
  - Liabilities remaining
- Severity deep-dive
  - Managed Care
- Frequency deep-dive
  - Type of injury
  - Employee demographics
- Claim handling performance
  - Set-up and lag time
  - Closure ratios
  - Reserving accuracy

CLAIM COUNTS SPIKED BY 21% IN 2015



***Total Claims Reported** (Incurred > zero)*

	2011	2012	2013	2014	2015	Total Claims
Med Only	1,622	1,788	1,806	1,972	2,333	9,521
Lost Time	913	889	979	1,024	1,281	5,086

***% of Lost Time & Medical Only**

	2011	2012	2013	2014	2015
Med Only	64%	67%	65%	66%	65%
Lost Time	36%	33%	35%	34%	35%

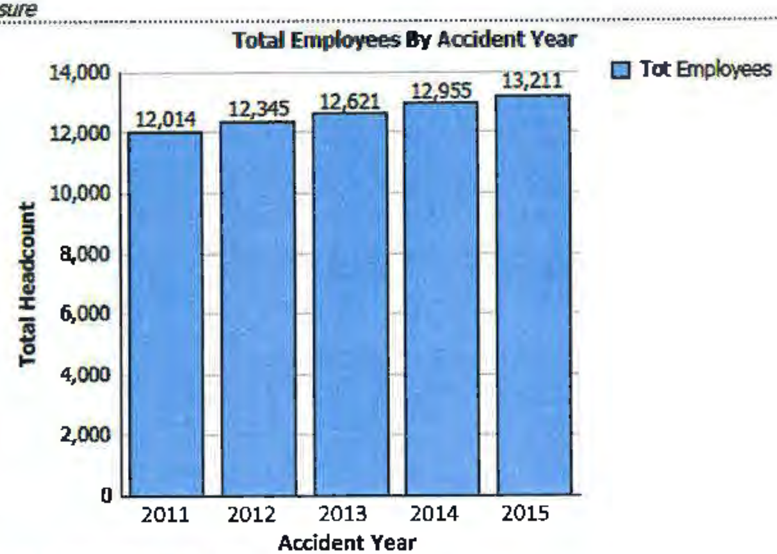
1

IN 2015, THE CLIENT'S WORKFORCE GREW BY ONLY 2%

Exposure Data – Annual Headcount

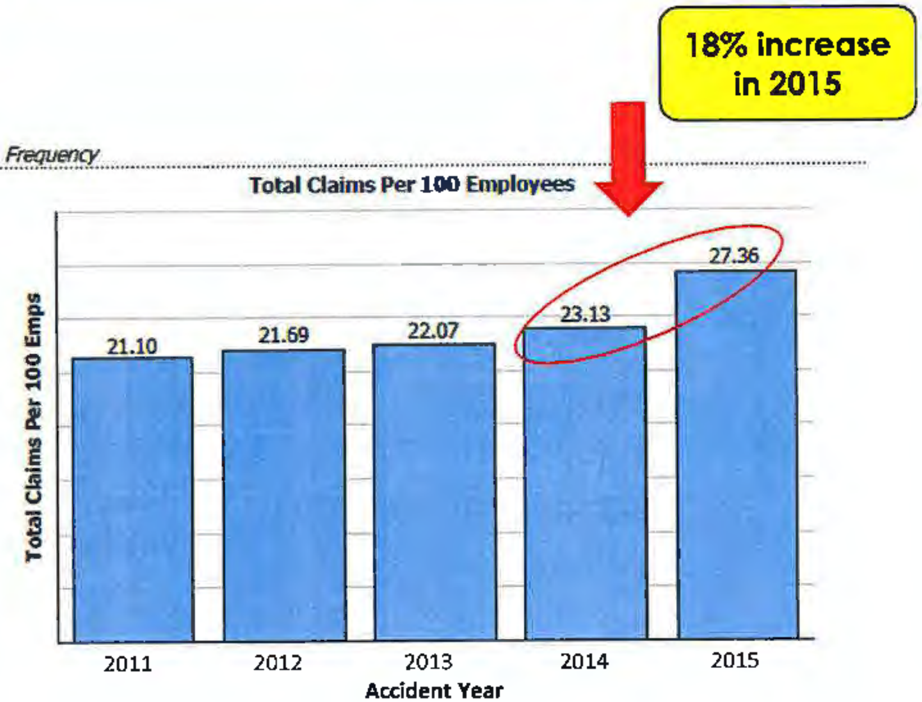
Claim Frequency per Employee

Exposure



Zero dollar claims excluded from reporting
Total claims may increase as years develop

Frequency

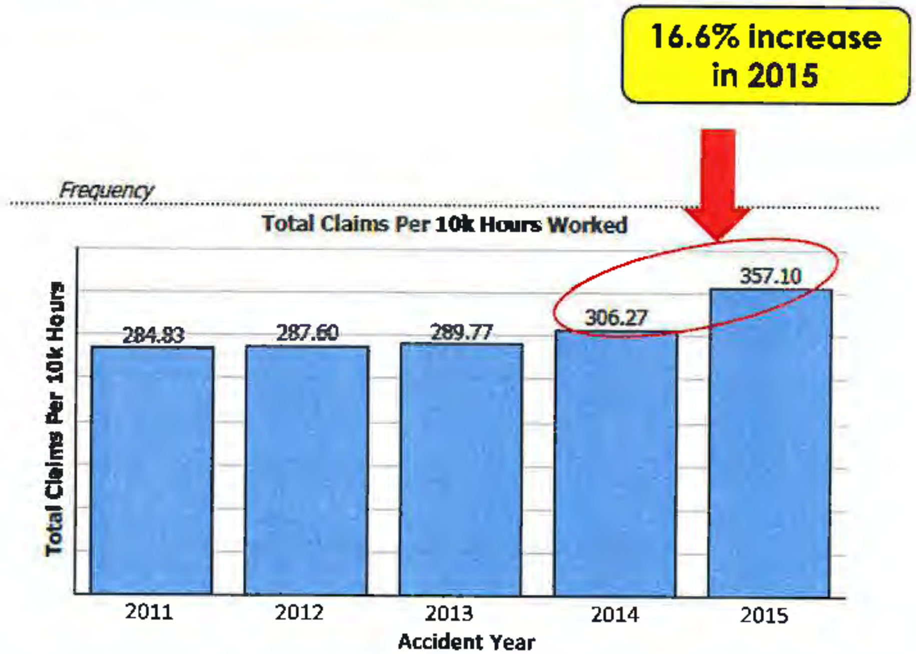


1

THIS TREND CONTINUES WHEN YOU LOOK AT EXPOSURE DATA MEASURED BY ANNUAL HOURS WORKED

Exposure Data – Annual Hours Worked

Claim Frequency per 10,000 Hours Worked



Zero dollar claims excluded from reporting
Total claims and cost may increase as years develop

1

A LOSS CONTROL PROGRAM TAILORED FOR THE RETAIL INDUSTRY CAN ADDRESS THE RECENT SPIKE IN CLAIMS

Loss Control services include safety program development, training, and assessments and surveys of retail operations.

Risk Control Program Assessment

- Detailed analysis of company safety management policies
- Target locations to evaluate retail site accident and safety performance

Safety Business Plan

- Formalized action plan with targeted areas for correction
- Program and procedure recommendations
- Follow-up assignments with owners and dates

Training

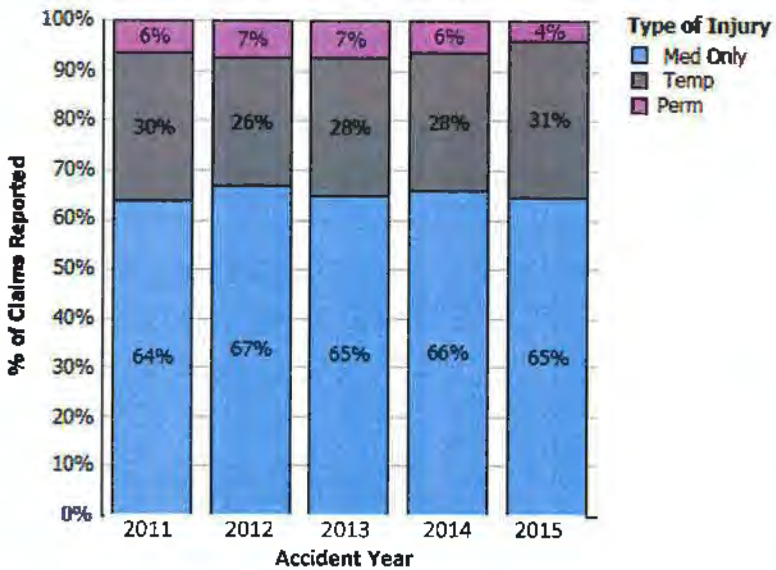
- Increased awareness and adherence to safety measures to prevent injury

2

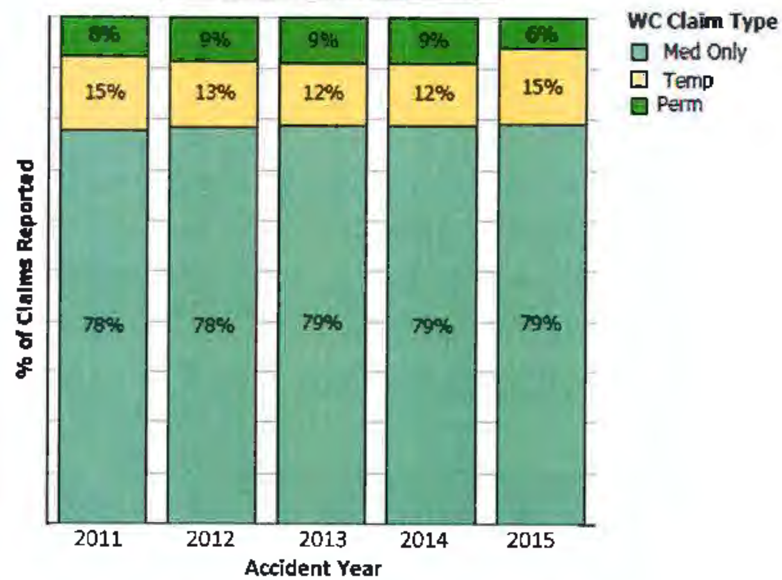
GB RETAIL CLIENT HAS A MUCH HIGHER PERCENTAGE OF LOST TIME CLAIMS (~35%) THAN THE COMPARABLE GROUP (~21%)

Percentage of Claims by Year Reported - Type of Injury

GB Retail Client



GB Retail Comparable



Total Claims Reported (Incurred > zero)

		2011	2012	2013	2014	2015	Total Claims
Med Only	GB Retail Comp	6,867	5,991	6,530	6,802	7,752	33,942
	GB Retail Client	1,622	1,788	1,806	1,972	2,333	9,521
Temp	GB Retail Comp	1,287	975	1,016	1,077	1,437	5,792
	GB Retail Client	749	693	774	839	1,132	4,187
Perm	GB Retail Comp	662	671	742	768	602	3,445
	GB Retail Client	164	196	205	185	149	899

% of Claims By Type of Injury

		2011	2012	2013	2014	2015
Med Only	GB Retail Comp	78%	78%	79%	79%	79%
	GB Retail Client	64%	67%	65%	66%	65%
Temp	GB Retail Comp	15%	13%	12%	12%	15%
	GB Retail Client	30%	26%	28%	28%	31%
Perm	GB Retail Comp	8%	9%	9%	9%	6%
	GB Retail Client	6%	7%	7%	6%	4%

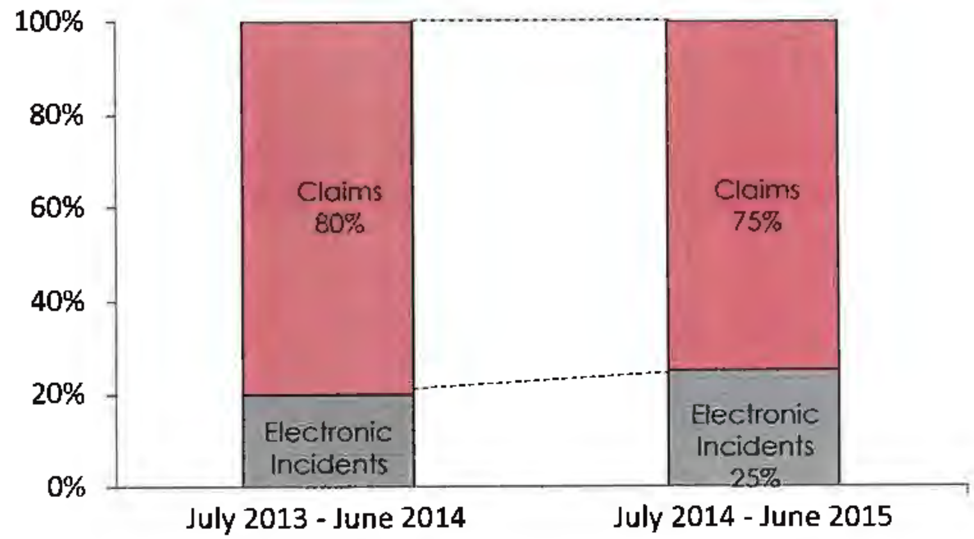
PC365 PROVIDES 24X7 NURSE TRIAGE FOR INJURED WORKERS, RESULTING IN FEWER ULTIMATE CLAIMS

Overview

- Client locations are provided with a 1-800 number staffed by nurses 24x7
- First Report of Injury captured in Risx-Facs along with initial medical assessment report, digital statement and nurse notes
- Initial medical assessment results in following:
  - Triage
  - Schedule appointment, channeling to OBN/PPO providers
  - Recommendations for self-care
  - Nurse follow-up call

Results

Sample Client Results with PC365

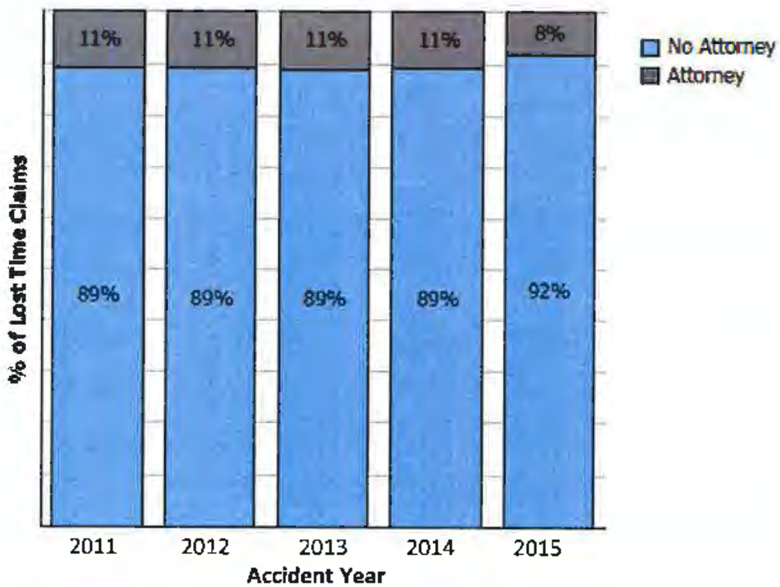


- Fewer claims with shift to incidents only
- Improved claimant satisfaction due to perception of extra care provided by nurse

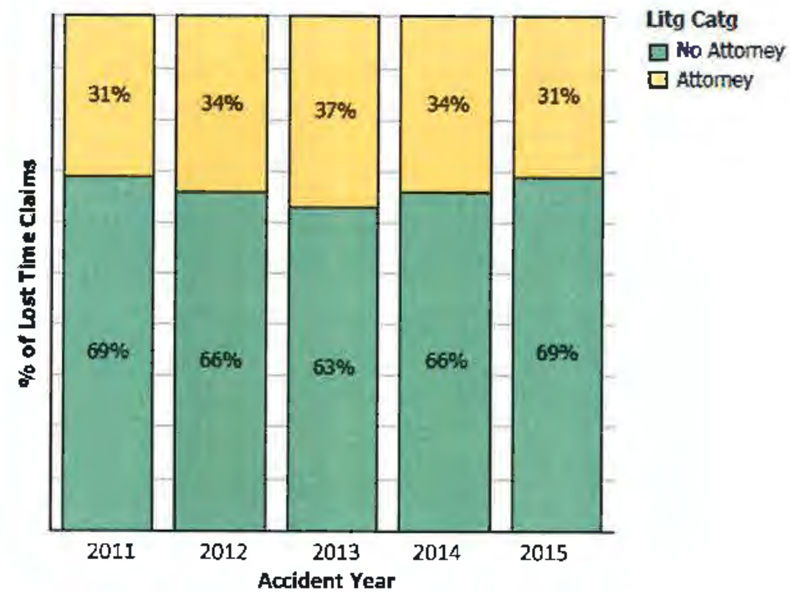
GB RETAIL CLIENT HAS A MUCH LOWER PERCENTAGE OF CLAIMS INVOLVING AN ATTORNEY

Percentage of Claims by Year Reported – Attorney vs. No Attorney Involvement

GB Retail Client



GB Retail Comparable



Total Lost Time Attorney Involved

		2011	2012	2013	2014	2015	Tot Lost Time Claims
No Attorney	GB Retail Comp	1,344	1,085	1,109	1,216	1,404	6,158
	GB Retail Client	815	792	870	913	1,179	4,569
Attorney	GB Retail Comp	605	561	649	629	635	3,079
	GB Retail Client	98	97	109	111	103	518

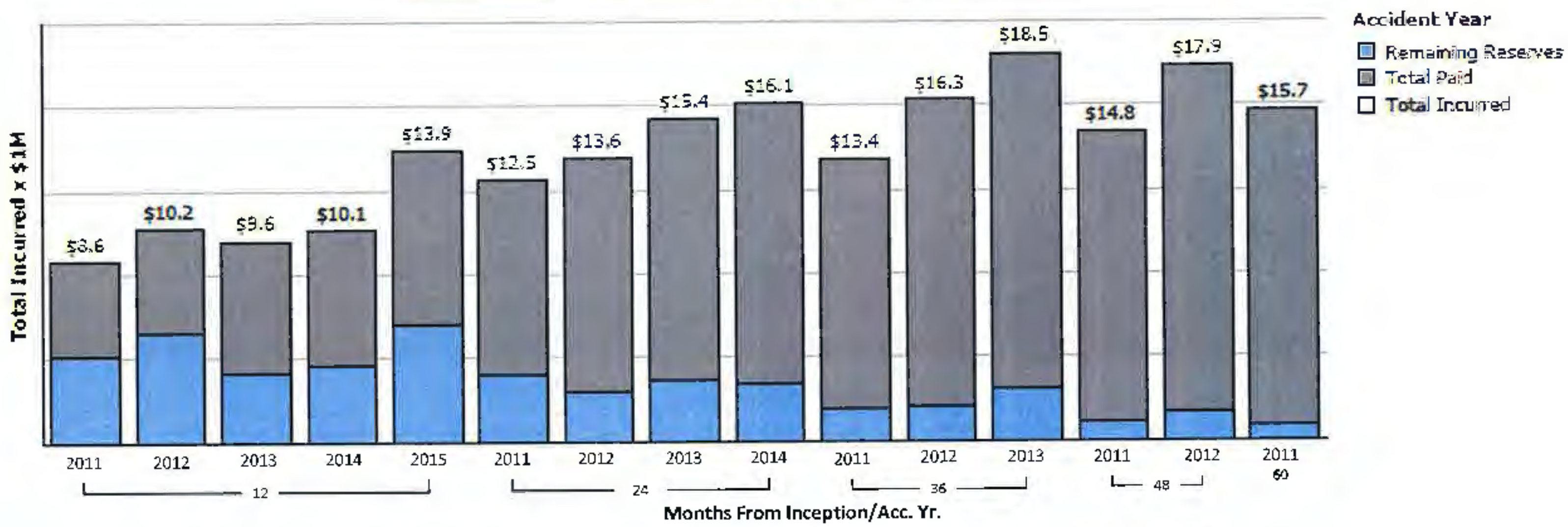
% of Lost Time Attorney Involved

		2011	2012	2013	2014	2015
No Attorney	GB Retail Comp	69%	66%	63%	66%	69%
	GB Retail Client	89%	89%	89%	89%	92%
Attorney	GB Retail Comp	31%	34%	37%	34%	31%
	GB Retail Client	11%	11%	11%	11%	8%

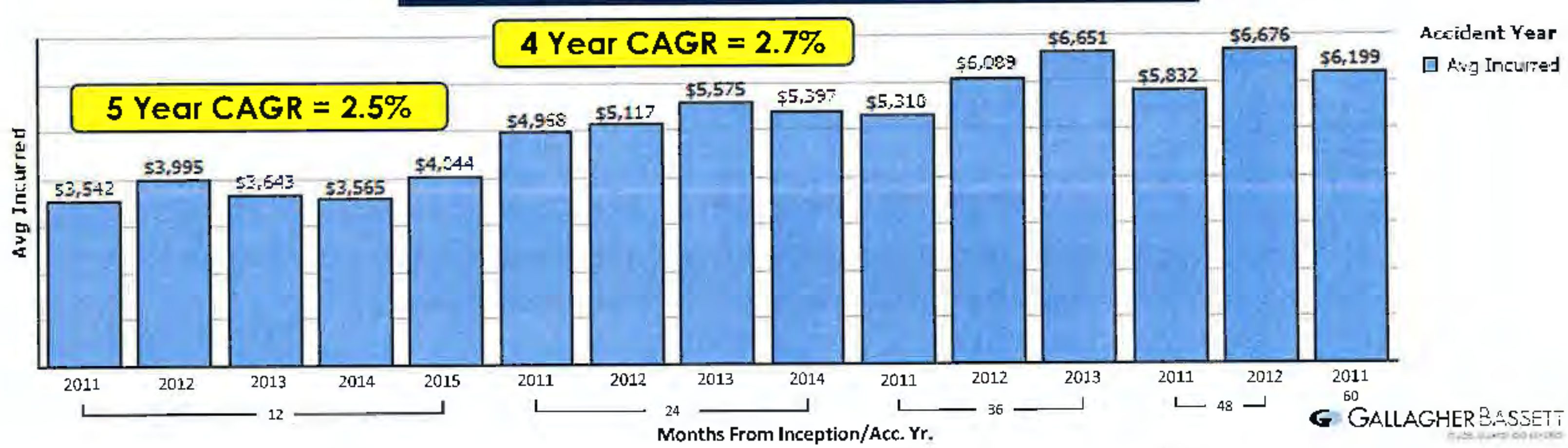
Percentages may change as recent years mature

AVERAGE INCURRED GREW HAD A CAGR OF 2.5% FOR CLAIMS AGED AT 12 MONTHS AND 2.7% FOR CLAIMS AGED AT 24 MONTHS. OVER THIS SAME TIME PERIOD, THE CONSUMER PRICE INDEX FOR MEDICAL EXPENSES INCREASED BY 3.4% ANNUALLY

Total Incurred by Accident Year



Average Incurred by Accident Year



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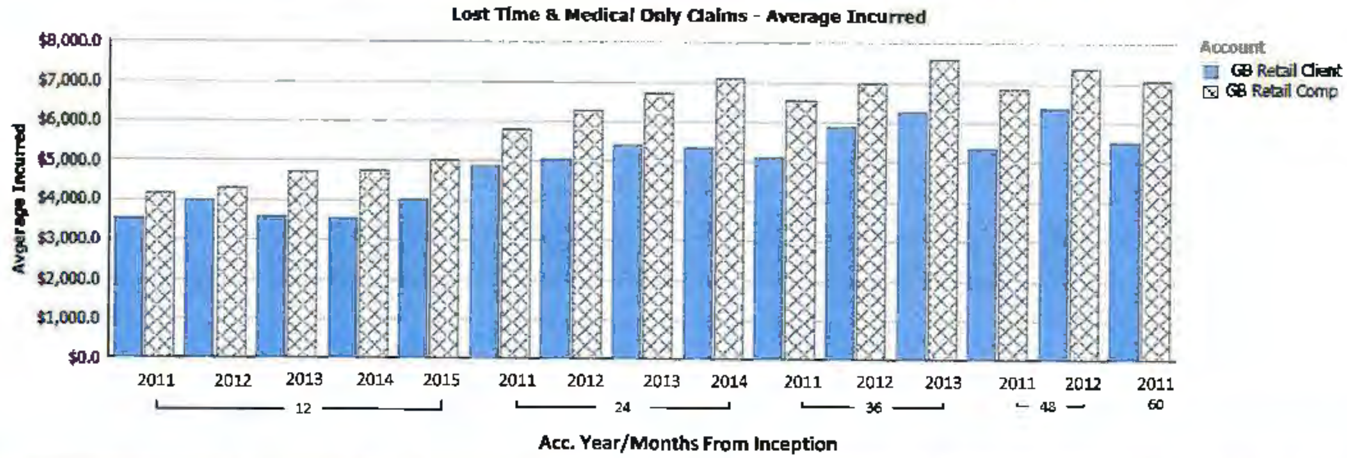
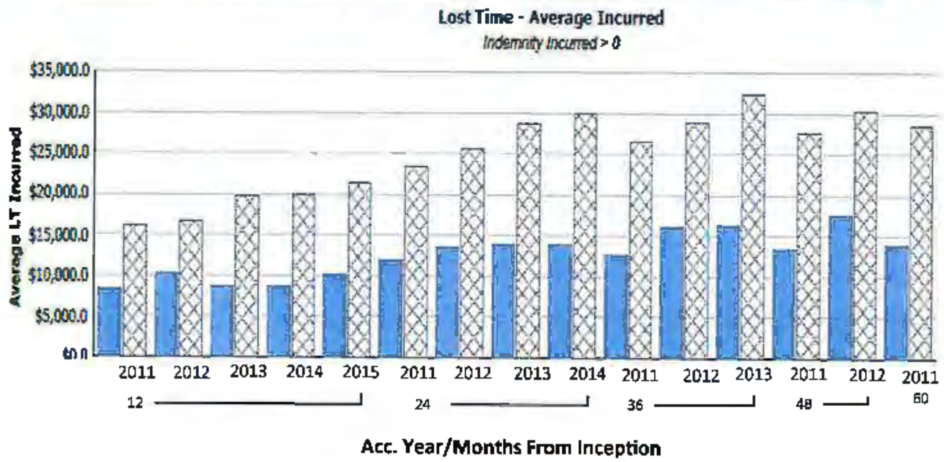
All claims leveled to $150,000 in Total Incurred to calculate Average Incurred; CPI for Medical Expenses per Bureau of Labor Statistics

GB RETAIL CLIENT'S AVERAGE INCURRED FOR LOST TIME CLAIMS IS ~50% LOWER AND MED ONLY CLAIMS IS ~20% LOWER AT EVERY AGE OF CLAIM ACROSS ALL ACCIDENT YEARS

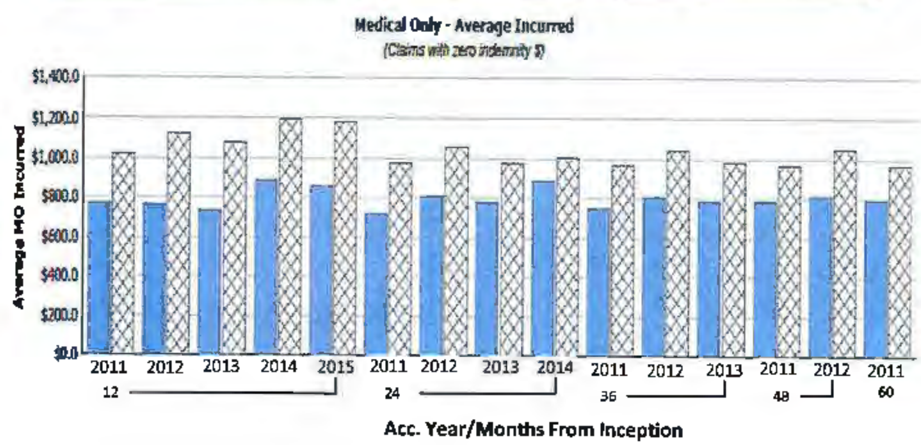
Average Incurred – Lost Time and Med Only



Average Incurred – Lost Time



Average Incurred – Med Only

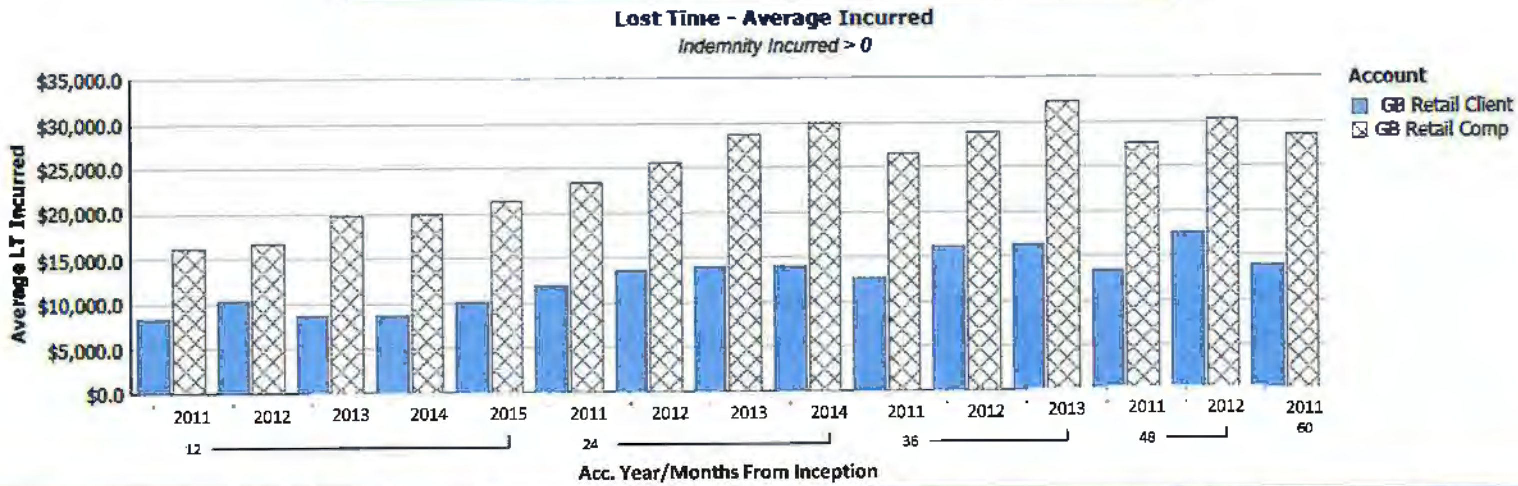


All claims leveled to $150,000 in Total Incurred to calculate Average Incurred

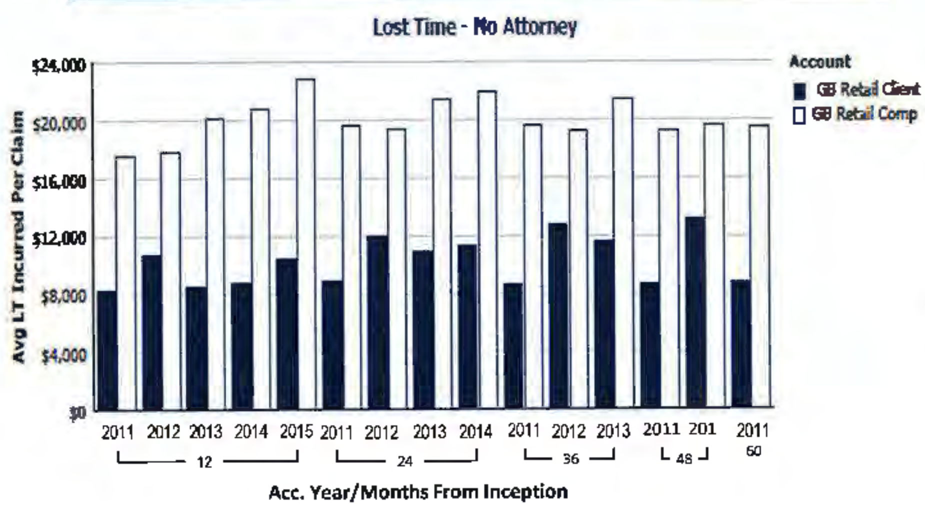
4

GB RETAIL CLIENT'S AVERAGE INCURRED FOR LOST TIME CLAIMS INVOLVING AN ATTORNEY IS HIGHER THAN BENCHMARKS FOR CLAIMS AGED 36 MONTHS AND HIGHER

Average Incurred – Lost Time



Average Incurred – Lost Time With Attorney



Average Incurred – Lost Time No Attorney

All claims leveled to $150,000 in Total Incurred to calculate Average Incurred

4

IMPROVED LITIGATION MANAGEMENT WILL HELP REDUCE HIGHER AVERAGE INCURRED FOR OLDER CLAIMS

Improvements to Litigation Management Program

- Established partnership with Legal Solutions Group (LSG) provides a set of tailored services including proprietary software, electronic tools and a team of professionals.
- LSG services are seamlessly incorporated with our existing claims process and litigation management practices:
  - Cost savings and control
  - Validation of legal fees and services
  - Financial transparency
  - Conformance to litigation management guidelines
  - Data integrity
  - Consistent attorney panel management

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  - Managed Care
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  - Type of injury
  - Employee demographics
- Claim handling performance
  - Set-up and lag time
  - Closure ratios
  - Reserving accuracy

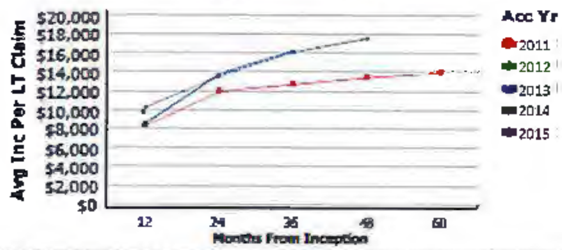
3

AVERAGE INCURRED JUMPED BY 17% FOR LOST TIME CLAIMS AGED AT 12 MONTHS FOR THE MOST RECENT ACCIDENT YEAR (2015)

Incurred Development of Lost Time and Medical Only Claims

Lost Time Claims *(Indemnity $ > 0)*

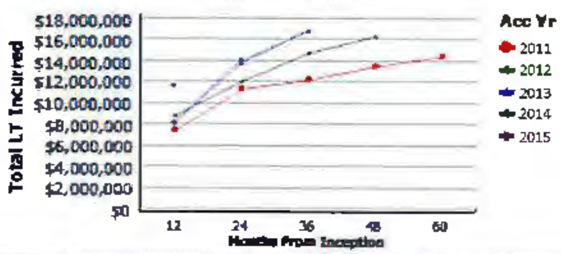
Average Incurred Per Claim
Lost Time Claims



	12	24	36	48	60
2011	$8,332	$11,969	$12,720	$13,470	$13,956
2012	$10,351	$13,642	$16,180	$17,662	
2013	$8,708	$13,915	$16,383		
2014	$8,618	$13,959			
2015	$10,091				

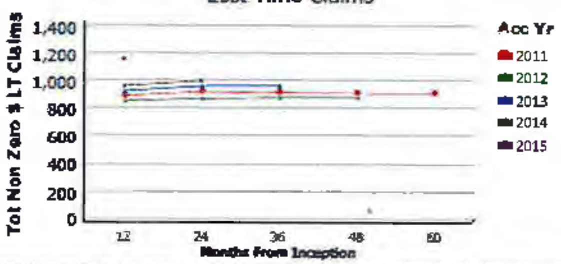
17% increase in 2015

Total Incurred
Lost Time Claims



	12	24	36	48	60
2011	$7,455,270	$11,338,139	$12,221,530	$13,494,391	$14,425,180
2012	$8,901,588	$12,133,186	$14,820,772	$16,405,851	
2013	$8,338,678	$14,025,746	$17,041,329		
2014	$8,484,964	$14,351,912			
2015	$11,978,452				

# of Non-Zero Dollar Claims Reported
Lost Time Claims



	12	24	36	48	60
2011	893	925	919	914	912
2012	860	877	885	885	
2013	938	975	977		
2014	981	1,017			
2015	1,187				

Incurred Development Factors

		12-24 Mths	24-36 Mths	36-48 Mths
Lost Time	2012	1.52	1.08	1.10
	2013	1.36	1.22	1.11
	2014	1.68	1.22	
	2015	1.69		
Medical Only	2012	0.96	1.06	1.05
	2013	1.10	1.01	1.01
	2014	1.12	1.01	
	2015	1.05		

x=months into current year

Note: Averages are based on a leveled incurred to 150000 to avoid inflated values caused by outlier claims

3

WHEN CLINICAL FIRST PREDICTIVE MODEL IS INTEGRATED INTO THE CLAIM HANDLING PROCESS, IMPROVED TREATMENTS CAN LOWER AVERAGE INCURRED

Overview

- Clinical First applies algorithms to underlying claim attributes to score claims for enhanced clinical support (TCM, FCM, RTW coordinator, Rx Nurse)
- Claims are scored at first report of injury (predictive) based on multiple attributes, including:
  - Body Part, Work Status, Injury Type, BMI, Co-morbidities, Job Type, Lag time
- Claims are also scored throughout their life as new information becomes available (demonstrated)
  - Multiple Providers, Diagnostics, Physical Medicine, Acupuncture, Work Hardening, Narcotics, Surgery

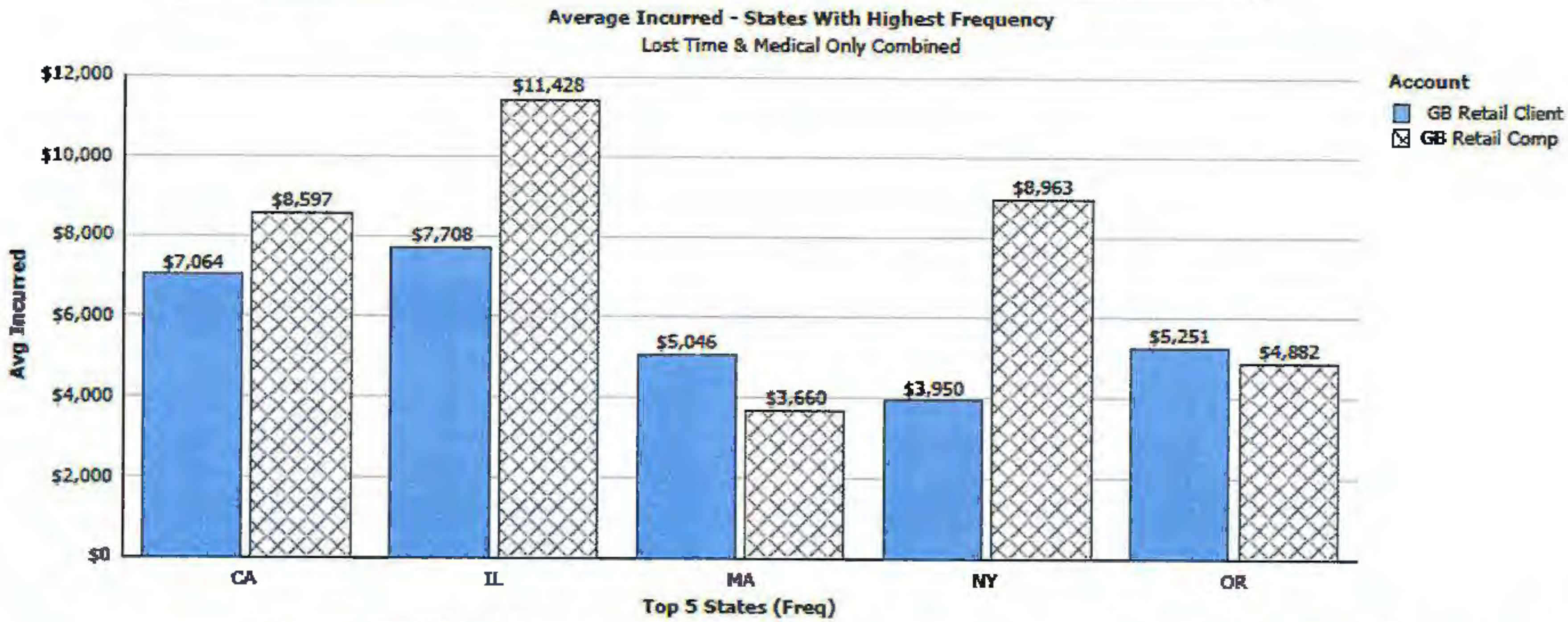
Results

Metric	Before	After	Change
Lost Time %	38%	34%	11% ↓
Average Disability Duration (Closed claims only)	11 Days	8 Days	27% ↓
Average Medical Payment			
Lost Time	$6928	$6635	4% ↓
Medical Only	$655	$660	1% ↑

- Logic-driven recommendation of assignment of clinical resources (optimizing ALAE)
- Additional, automated oversight of claim (beyond adjuster) based on material events

GB RETAIL CLIENT HAS A LOWER AVERAGE INCURRED THAN COMPARABLES IN CALIFORNIA, ILLINOIS, AND NEW YORK. MASSACHUSETTS REPRESENTS AN OPPORTUNITY FOR TARGETED COST REDUCTION

2011 – 2015 Average Incurred – Top 5 States with Highest Claim Frequency



Average Incurred Per Claim

Avg Incurred	CA	IL	MA	NY	OR
GB Retail Client	$7,064	$7,708	$5,046	$3,950	$5,251
GB Retail Comp	$8,597	$11,428	$3,660	$8,963	$4,882

Total Claims Compared

Total Claims	CA	IL	MA	NY	OR
GB Retail Client	7,843	706	603	807	424
GB Retail Comp	5,049	3,591	1,620	8,344	438

Averages shown reflect accident years 2011 thru 2015
Incurred Leveled to 150000 prior to calculating averages

CONTENTS

- Analytical approach and benchmarking
- Overall program performance
  - Claim count and exposure analysis
  - Total and average incurred
  - Litigated vs. Non-Litigated
- Development analysis (triangles)
  - Incurred performance
  - Liabilities remaining
- Severity deep-dive
  - Managed Care
- Frequency deep-dive
  - Type of injury
  - Employee demographics
- Claim handling performance
  - Set-up and lag time
  - Closure ratios
  - Reserving accuracy

5

GB RETAIL CLIENT UTILIZES MOST GBMCS MANAGED CARE SERVICES. AS PREVIOUSLY NOTED, PC365 AND CLINICAL FIRST REPRESENT OPPORTUNITIES TO IMPROVE OUTCOMES ON THE PROGRAM

Intake and Predictive Modeling

- **PC 365** (24hr nurse triage)
- **Clinical First** (predictive and demonstrated risk modeling)

Care Coordination

- **Telephonic Case Management**
- **Field Case Management**
- **Return to Work Coordinator**
- **Catastrophic Case Mgmt.**

Network Management

- **PPO and Outpatient Care**
- **Out of Network**
- **Diagnostic**
- **Specialized Medicine**
- **Outcome Based Network**

PBM and DME

- **First Fill**
- **IW/Provider Outreach**
- **Prescription management**
- **Durable Medical Equipment**

Clinical Review and Intervention

- **Drug Utilization Analysis**
- **Rx peer-to-Peer reviews**
- **Utilization Review**
- **Independent Medical Exams**

Bill Review Services

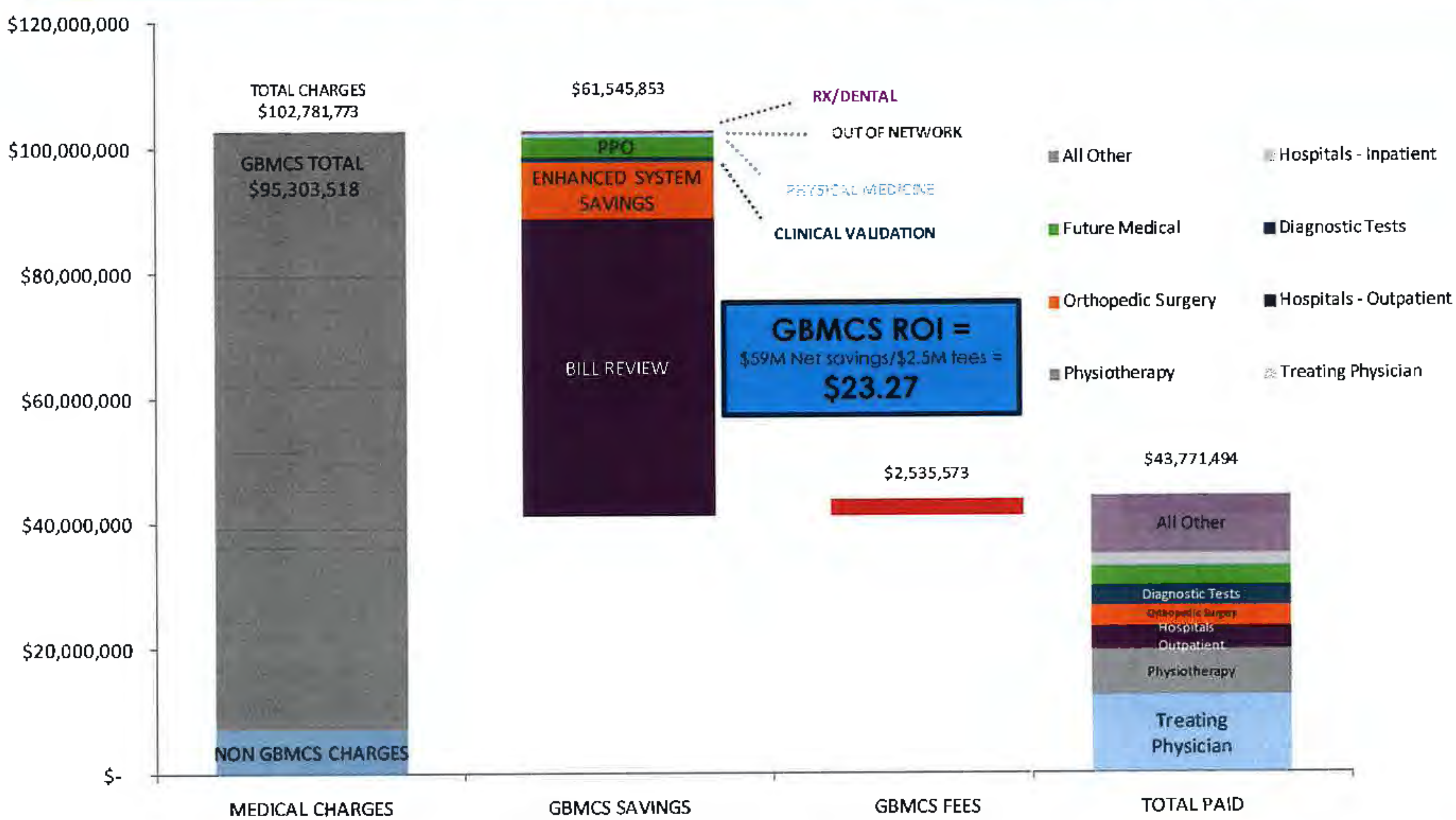
- **Bill review**
- **Enhanced Bill Review**
- **Clinical Validation**
- **Rx Validation**

= client currently utilizing other vendor

= client does not have the service

GB RETAIL CLIENT REALIZED $59 MILLION IN NET SAVINGS ON MEDICAL EXPENSES FROM 2012 TO 2015

GBMCS Savings (Calendar Years 2012-2015 Combined)



Represents "hard dollar" net savings for Bill Review and Rx services. Charges, savings and fees based on Payment Date Calendar Years Jan 1, June 30, 2013; All relevant Loss Programs included; Bill Review Savings include PPO, OON, CV, Physical Medicine and ESS. Non GBMCS Charges consist of these top medical paycodes (Medical Case Management, Future Medical, Durable Medical Equipment, Medicare Set Aside Settlement and Independent Medical Exam).

FOR EVERY DOLLAR SPENT ON BILL REVIEW SERVICES, GB RETAIL CLIENT REALIZED $23 OF NET SAVINGS

Bill Review Savings Detail (Calendar Years 2010-2013 Combined)

Managed Care Savings 2010-2013

Bill Review	# of Bills	Charges	Gross Savings	Gross Savings %	Expenses	Net Savings
Total	150,599	$ 93,555,525	$ 47,594,849	50.9%	$ 1,092,103	$ 46,502,746

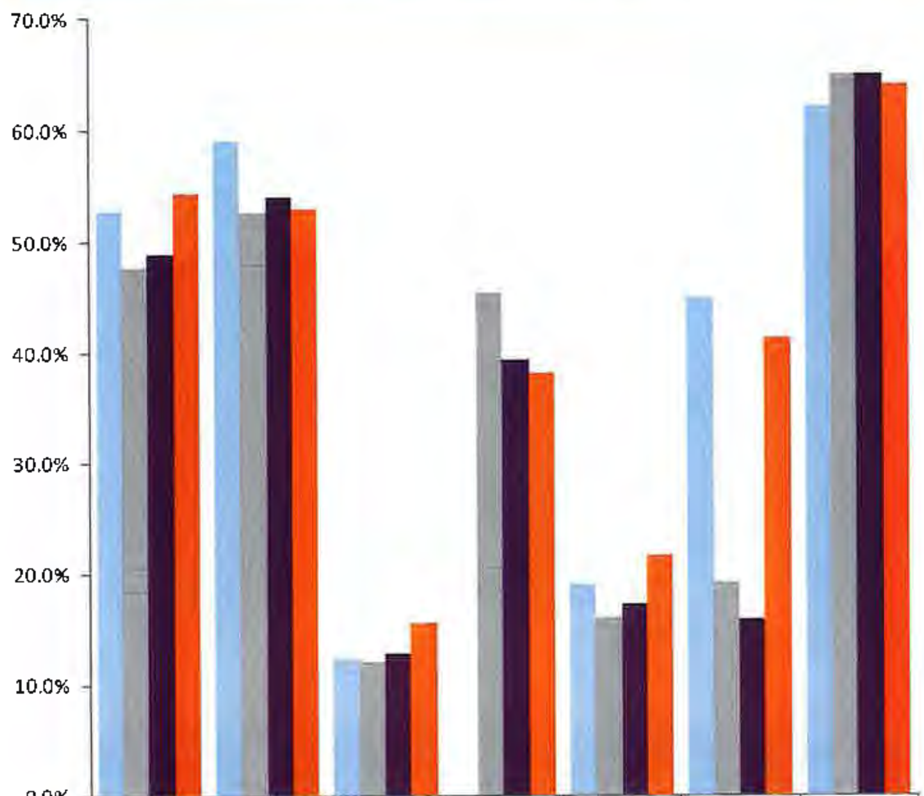
Bill Review Program	# of Bills	Charges	Gross Savings	Gross Savings %	Expenses	Net Savings
Enhanced System Savings	28,791	$ 16,653,409	$ 9,021,429	54.2%	$ 3,730	$ 9,017,699
Clinical Validation	4,074	$ 2,149,084	$ 842,751	39.2%	$ 248,821	$ 593,930
PPO	96,714	$ 23,915,678	$ 3,138,542	13.1%	$ 922,770	$ 2,215,773
Physical Medicine	17,515	$ 2,741,265	$ 505,784	18.5%	$ 149,067	$ 356,717
Out of Network	1,300	$ 1,277,970	$ 340,272	26.6%	$ 119,083	$ 221,189
Overall Totals			$ 61,443,627		$ 2,535,573	$ 58,908,054
					ROI*	$ 23.23

Overall Bill Review Savings =
$61,443,627/$93,555,525 =
65.7%

Represents "hard dollar" net savings for Bill Review. Does not include Rx Services. Charges, savings and fees based on Payment Date Calendar Years Jan 1, 2010-June 30 2013; *ROI differs here than on previous slide because RX is not included here.

OVERALL GROSS SAVINGS FOR BILL REVIEW WAS HIGHER (65%) THAN THE GBMCS BOOK OF BUSINESS (62.7%)

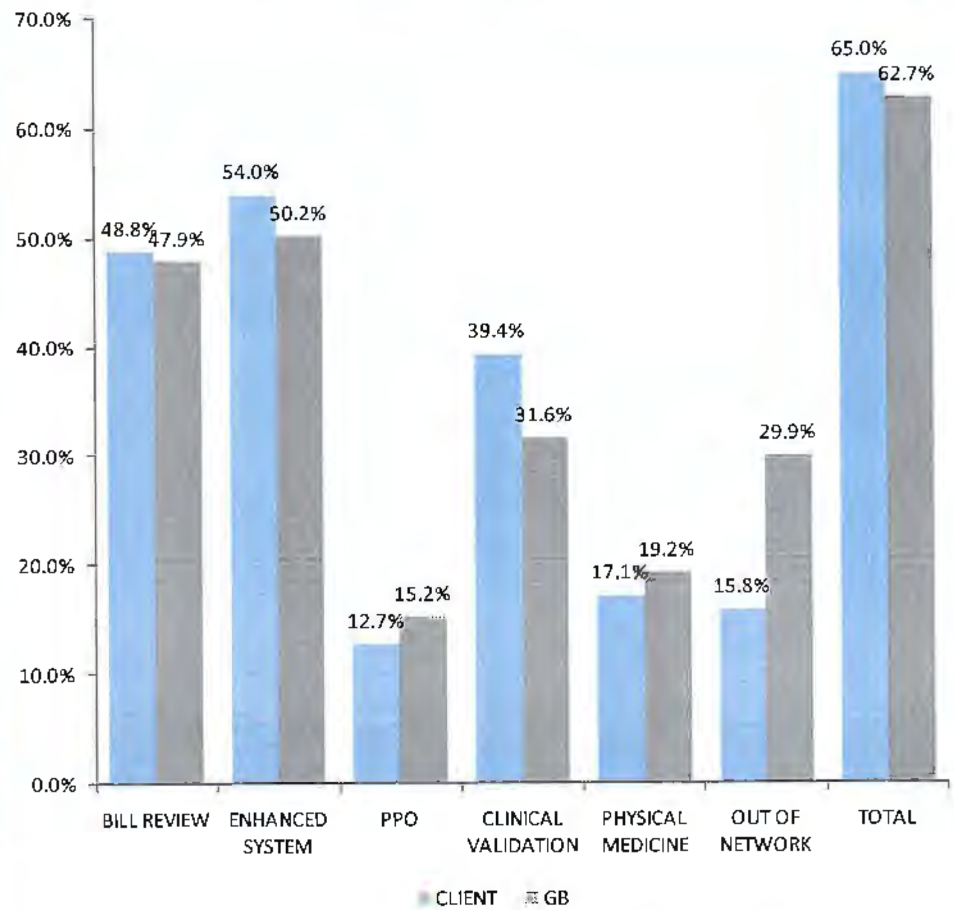
Medical Bill Review Gross Savings Rates
(By Payment Calendar Year)



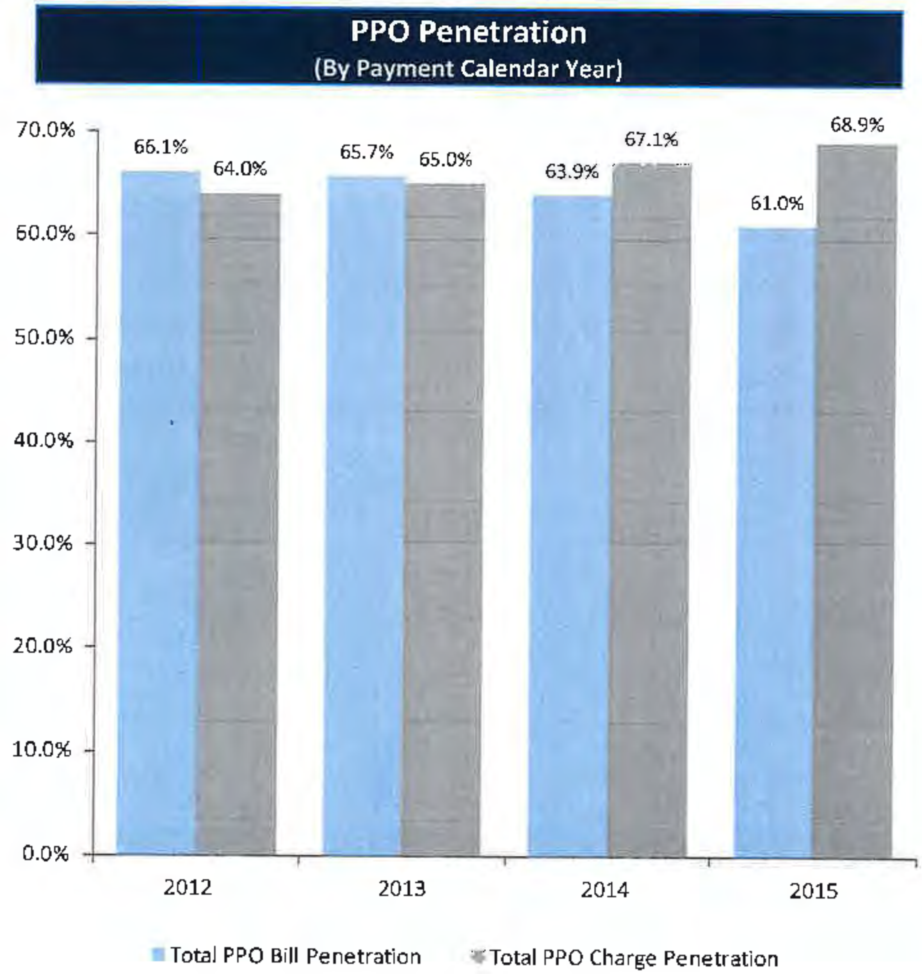
	BILL REVIEW	ENHANCED SYSTEM	PPO	CLINICAL VALIDATION	PHYSICAL MEDICINE	OUT OF NETWORK	OVERALL
2012	52.9%	59.0%	12.3%	0.0%	18.9%	44.9%	62.0%
2013	47.7%	52.7%	12.1%	45.4%	16.0%	19.2%	65.0%
2014	48.8%	54.0%	12.7%	39.4%	17.1%	15.8%	65.0%
2015	54.4%	53.0%	15.5%	38.1%	21.6%	41.3%	64.0%

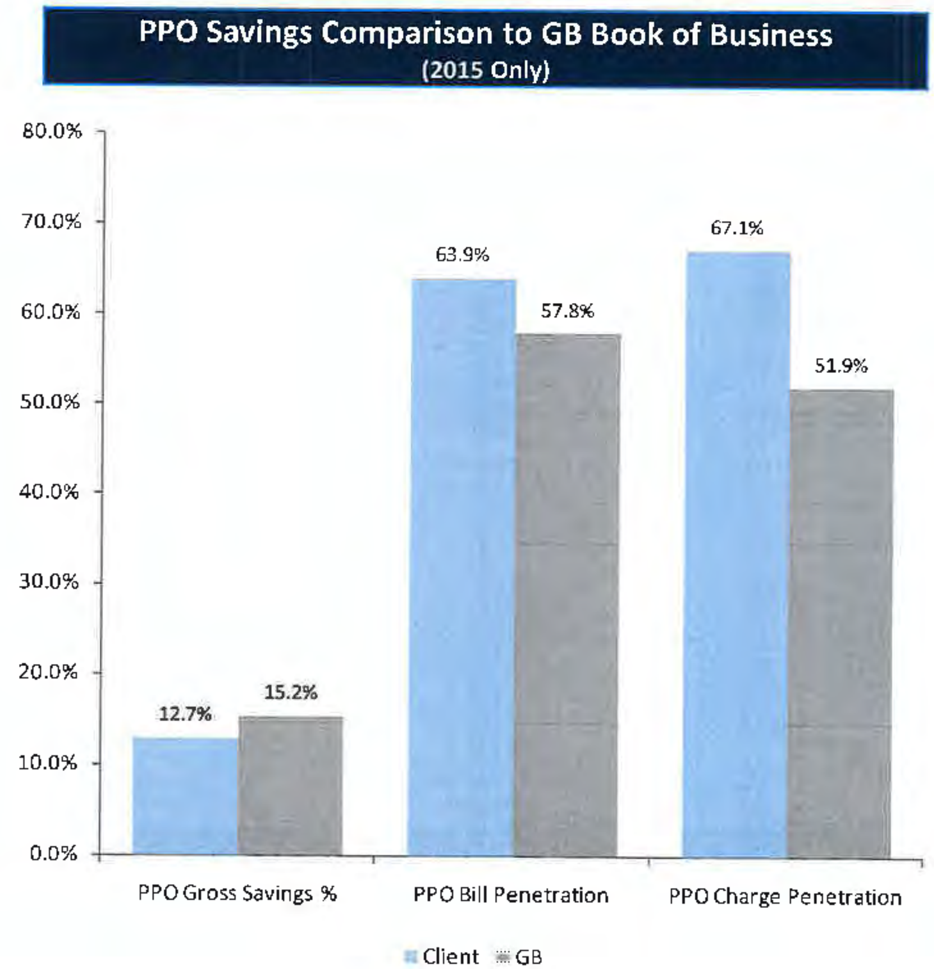
Based on Payment Date Calendar Years Jan 1, 2012-June 30, 2015; RX is excluded

Gross Savings Rates Comparison to GB Book of Business
(2015 Only)



BOTH PPO BILL PENETRATION AND PPO CHARGE PENETRATION ARE HIGHER THAN THE GB BOOK OF BUSINESS SHOWING EFFECTIVE UTILIZATION OF THE NETWORK

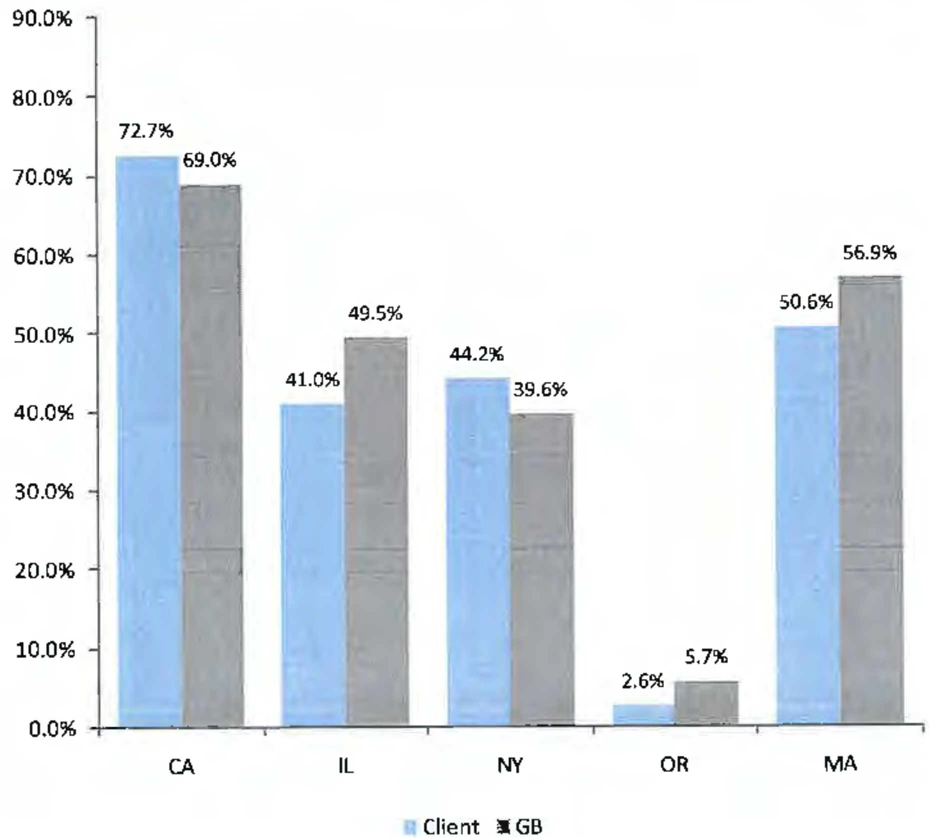




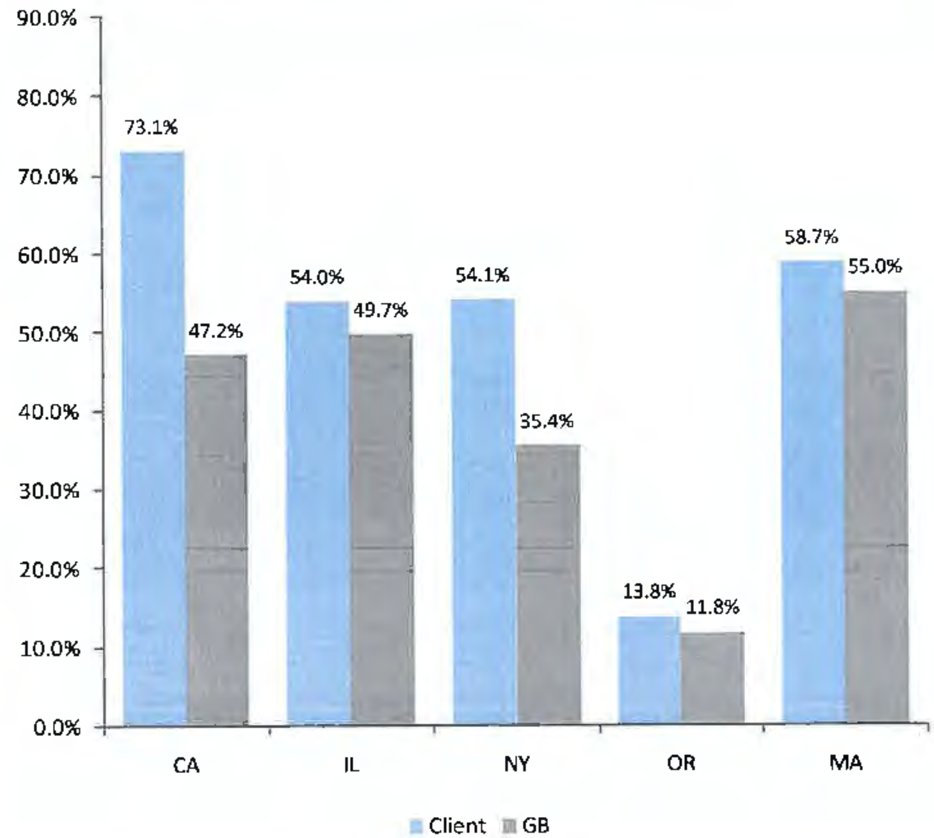
Based on Payment Date Calendar Years Jan 1, 2012-June 30, 2015; PPO penetration includes GBMCS, Medrisk and Smartcomp

THE TREND IS THE SAME FOR THE FIVE STATES WITH THE HIGHEST BILL VOLUME

PPO Bill Penetration – Top Five States by Bill Volume
(2015 Only)



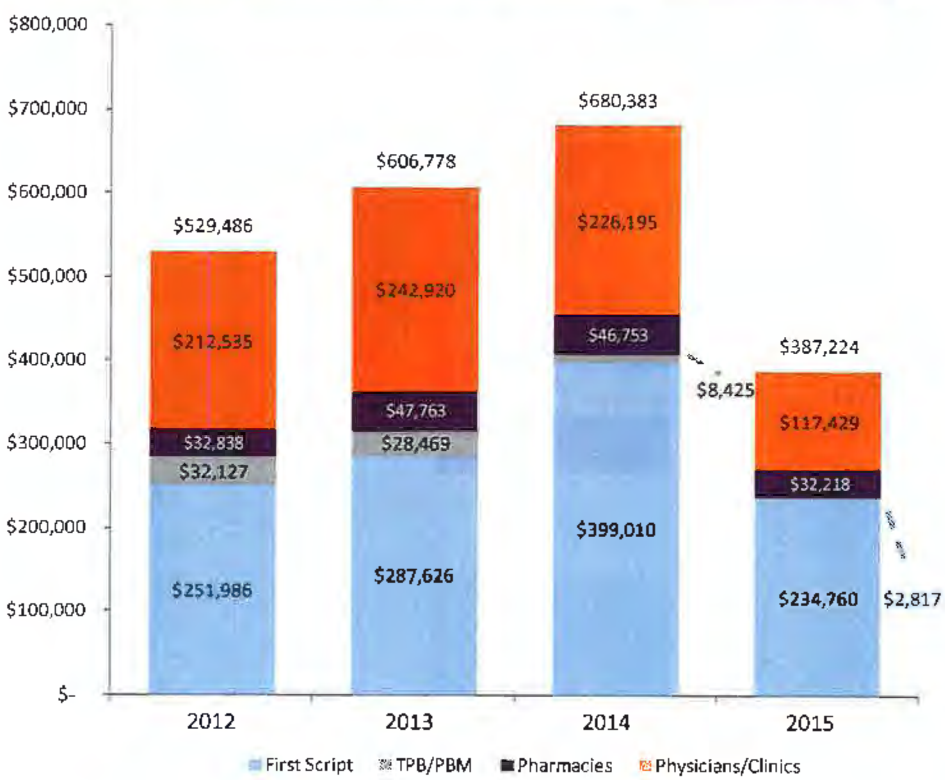
PPO Charge Penetration – Top Five States by Bill Volume
(2015 Only)



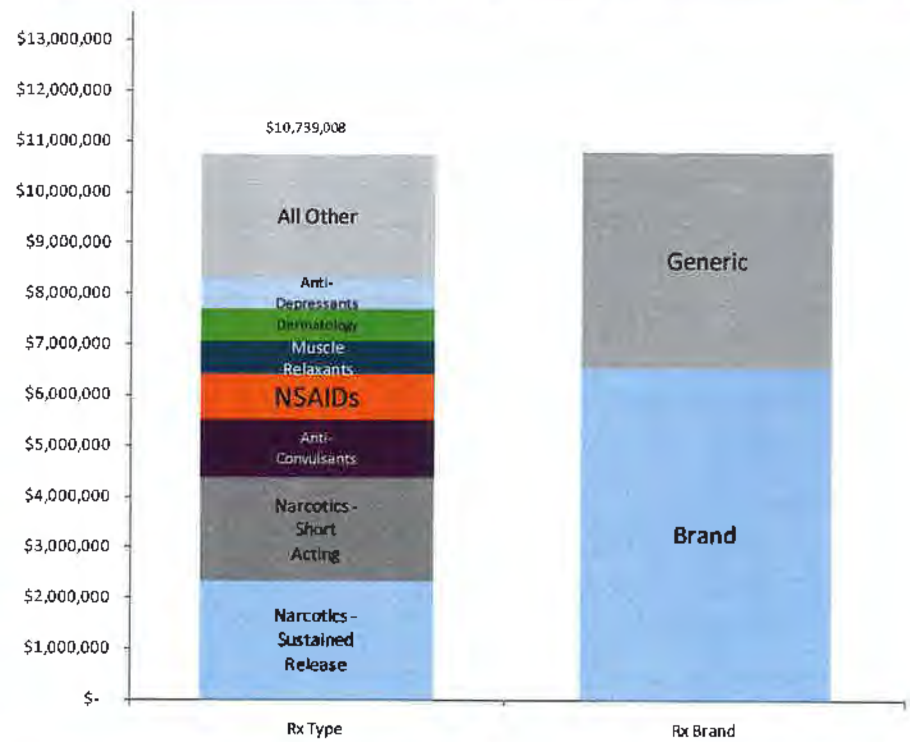
Based on Payment Date Calendar Year 2015; All relevant Loss Programs included. PPO penetration includes GBMCS, Medrisk and Smartcomp. Top five states determined by Bill Volume for 2015

THE MAJORITY OF RX SPEND IS ON NARCOTICS - ~$5 MILLION / ~50% OF TOTAL

Pharmacy Spend & Source Penetration by Rx Bill Year



First Script and Pharmacy Spend by Type & Brand (2012-2015 Combined)



First Script Program Savings

	2012	2013	2014	2015
Total Rx Cost	$ 3,005,590	$ 3,007,767	$ 4,250,631	$ 1,919,896
Total Rx Savings	$ 322,513	$ 324,559	$ 543,169	$ 254,634
% Total Savings	10.7%	10.8%	12.8%	13.3%

Based on Rx Bill Date Calendar Years Jan 1, 2012-June 30, 2015; Right Hand Side chart does not include spend from Physicians/Clinicians or TPB/PBM spend shown on the left. Years based on when the prescripti-- was billed

RX ID CARD AND FIRST FILL GENERATED $368K IN SAVINGS OVER THE LAST THREE YEARS

FirstScript Rx Savings Detail – First Fill and Prescription Card

First Fill Prescription Rx ID Card Summary

	2013	2014	2015
Total Patients	67	289	440
Total Rx Filled	109	710	1,104
Fee Schedule Price	$ 3,049	$ 19,855	$ 34,526
First Script Price	$ 2,824	$ 18,862	$ 32,225
Total Savings $	$ 225	$ 993	$ 2,302
Total Savings %	7.4%	5.0%	6.7%

Prescription Rx ID Card Summary

	2013	2014	2015
Total Patients	387	649	840
Total Rx Filled	3,033	4,225	5,369
Total Reference Price	$ 266,018	$ 307,730	$ 428,285
Total First Script Price	$ 257,072	$ 299,329	$ 409,663
Total Hard Blocked Rx	697	920	1,089
Total Hard Blocked Rx $	$ 83,960	$ 92,009	$ 152,872
Total Savings $	$ 92,906	$ 100,411	$ 171,494
Total Savings %	26.6%	25.1%	29.5%

MAIL ORDER AND DME PROVIDED AN ADDITIONAL $120K IN SAVINGS

FirstScript Rx Savings Detail – Mail Order and DME

Mail Order Prescription Rx ID Card Summary

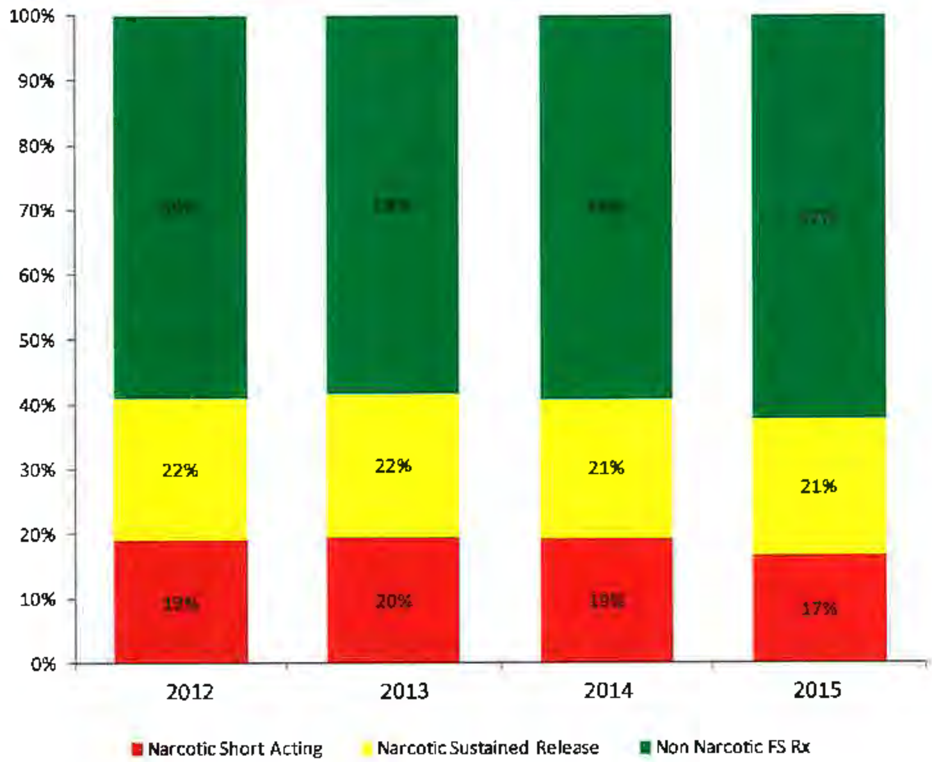
	2013	2014	2015
Total Patients	2	6	3
Total Rx Filled	5	12	9
Total Reference Price	$ 2,573	$ 4,132	$ 4,680
Total First Script Price	$ 2,523	$ 3,763	$ 4,449
Total Savings $	$ 50	$ 369	$ 230
Total Savings %	2.0%	8.9%	4.9%

DME Savings Summary

	2013	2014	2015
Total Service Items	24	287	722
Retail Price	$ 7,085	$ 90,384	$ 228,331
First Script Price	$ 5,621	$ 57,851	$ 142,264
Total Savings $	$ 1,464	$ 32,533	$ 86,067
Total Savings %	20.7%	36.0%	37.7%

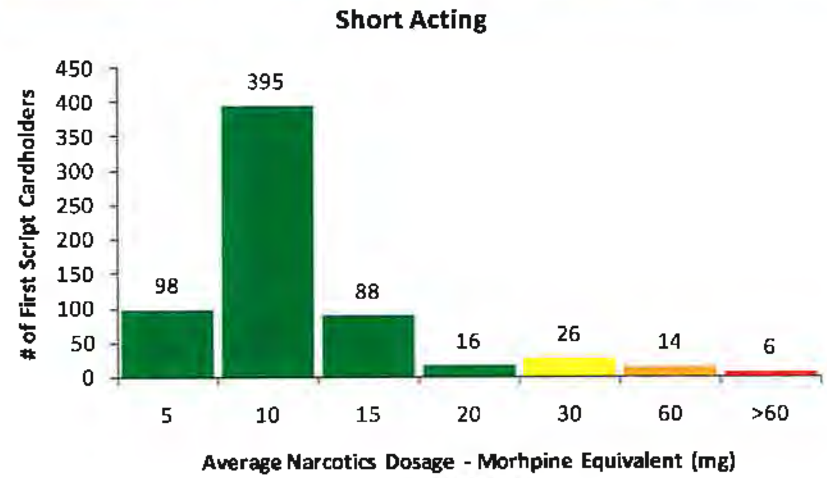
94 CLAIMANTS FILLED PRESCRIPTIONS FOR MODERATE TO HIGH RISK LEVELS OF NARCOTICS

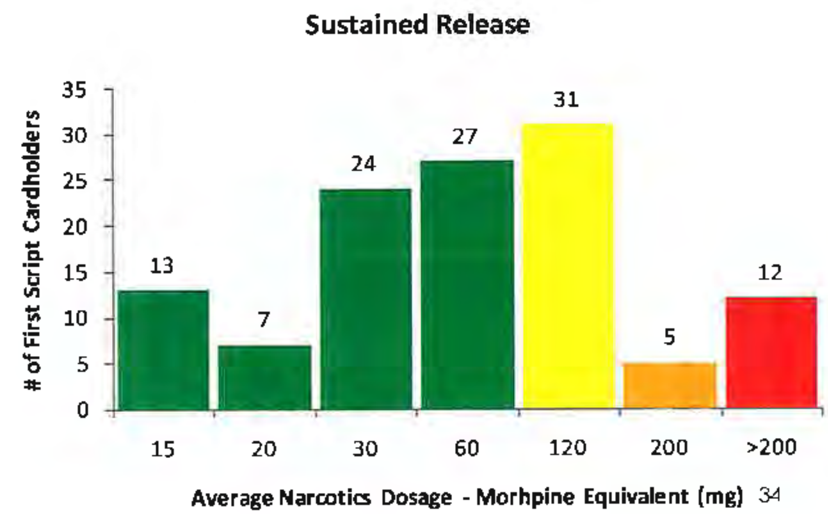
Narcotics Detail – % of all First Script Spend



Total First Script Spend - Narcotics vs. Other Non Narcotic Rx	2012	2013	2014	2015
Narcotic Sustained Release	$ 588,595	$ 594,115	$ 795,875	$ 347,413
Narcotic Short Acting	$ 512,947	$ 526,351	$ 722,334	$ 280,786
Non Narcotic FS Rx	$ 1,581,534	$ 1,562,743	$ 2,189,252	$ 1,037,063

Narcotics Dosage Distribution by First Script Cardholder – Filled in Last 90 Days (April – June 2015)





Based on Rx Bill Date Calendar Years Jan 1, 2012-June 30, 2015; First Script and Pharmacy Source Data only (no Physicians, TPB/TPD)

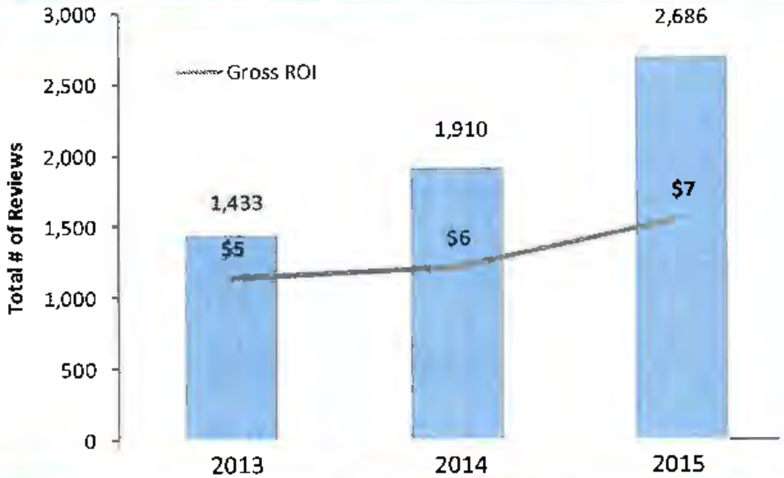
GB ADJUSTERS WILL LEVERAGE OUR AUTOMATED NARCOTICS ALERTS TO MONITOR THESE CLAIMANTS

Open Narcotics Alert Cases

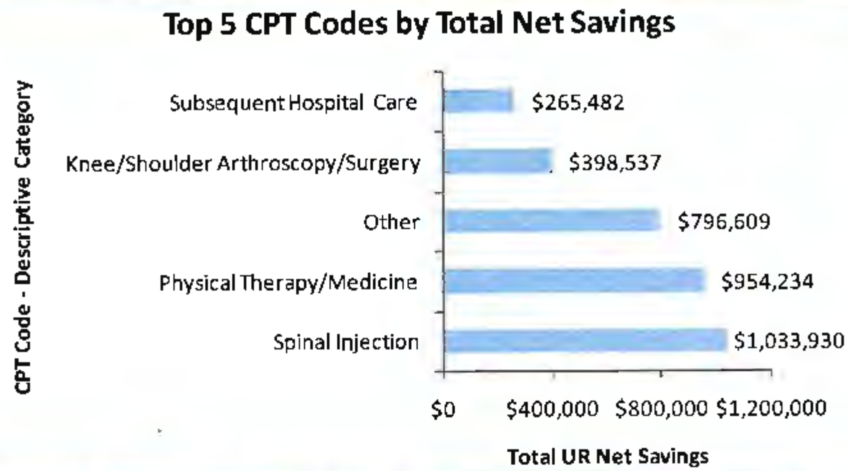
Open Red Alert Cases							
Adjuster Name	Claim #	Claimant Name	Accident Date	Nurse Triage Recommendations	Branch Name	Branch Decision	Branch Rationale/Comments
			24796	Branch Round Table Review	GB LA/ONTARIO		
			20886	DUA/P2P	GB LA/ONTARIO	DUA	Per RN, morphene equivalent is 150, which is higher than the 100 ceiling. Claimant is on morphene and Fentanil. Recommendation is to assign for DUA/P2P
			27300		GB LA/ONTARIO	:ontinue to Monito	Spoke with Melanie Chadwick/RN. There are current factors going on which would be impacted by doing a P2P or DUA. The claimant has been waffling between having back surgery and resolving his claim via Compromise & Release. Most recently, he failed the s
Intentionally left blank			26003		GB LA/ONTARIO	NTINUE TO MONIT	Adjuster previously assigned nurse but treater refused to talk to her. Morphene pump recommended by treater but is being disputed: UR is non certified. We anticipate hearing on the issue pending. Decision is to Monitor
			23742		GB LA/ONTARIO	DUA	Agreed Medical Eval set 7/30/2013. Drug Utilization Review recommended before AME appointment takes place. Adjuster to obtain urinalysis report. Decision is to request DUA
			32379		GB LA/ONTARIO	NTINUE TO MONIT	Prior assignment of nurse on file, which did not help situation. Drug Utilization review done in May 2013; we previously assigned it during the 5/9/13 roundtable.
			19631	DUA/P2P	GB LA/ONTARIO	CONTINUE TO MONITOR	Claimant on lidoderm patch, norco, tramadol. Per RN, the dosage is not very high, although it's acknowledged the lidoderm patch is the high-price medication. It's normally used for localized pain. An alternative may be warranted.

UTILIZATION REVIEW GENERATED $582K IN NET SAVINGS VIA AVOIDANCE OF UNNECESSARY MEDICAL SPEND

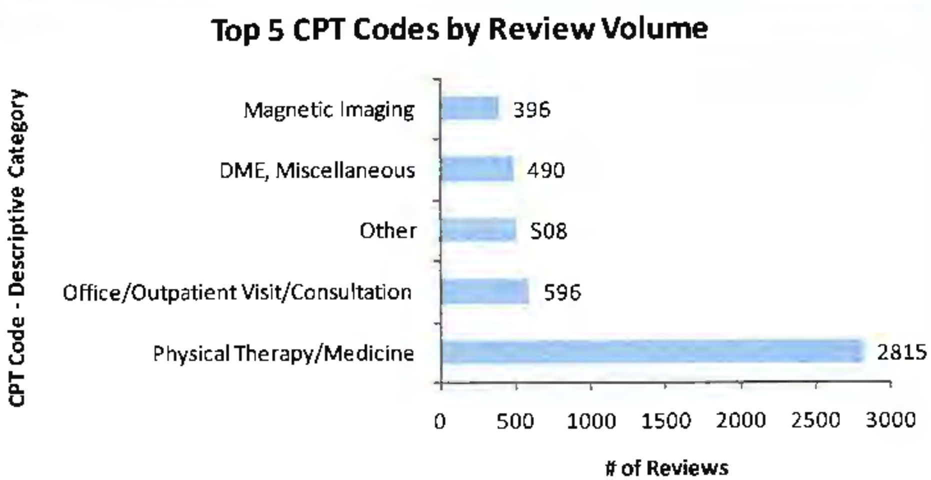
Total Closed Reviews & UR ROI



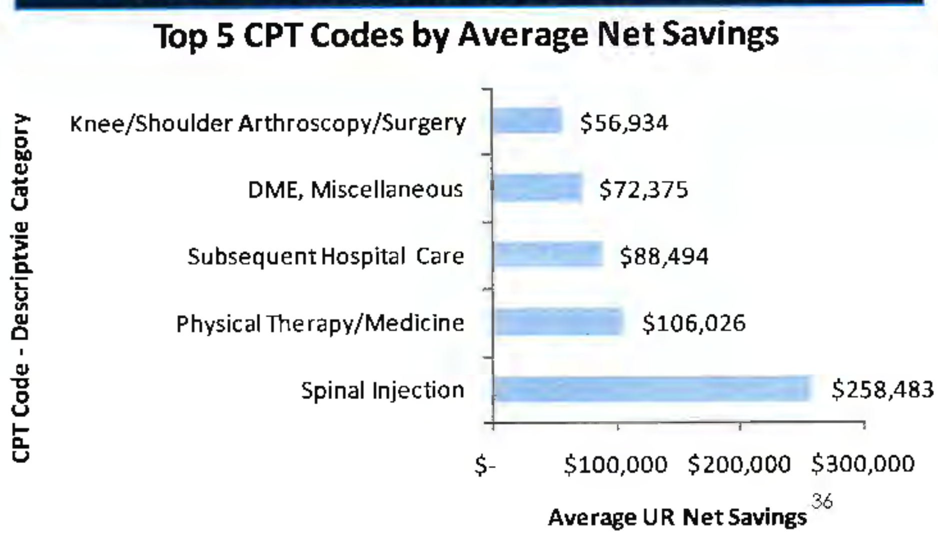
Total Net UR Savings (2012-2015 Combined)



Total # of Reviews (2012-2015 Combined)



Average UR Net Savings (2012-2015 Combined)

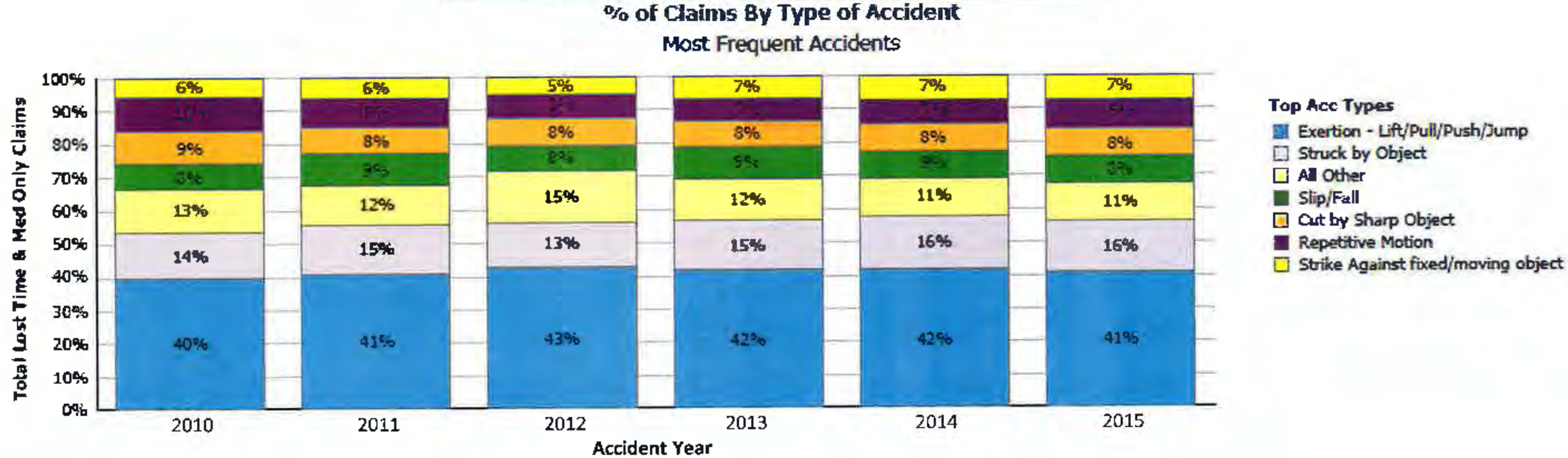


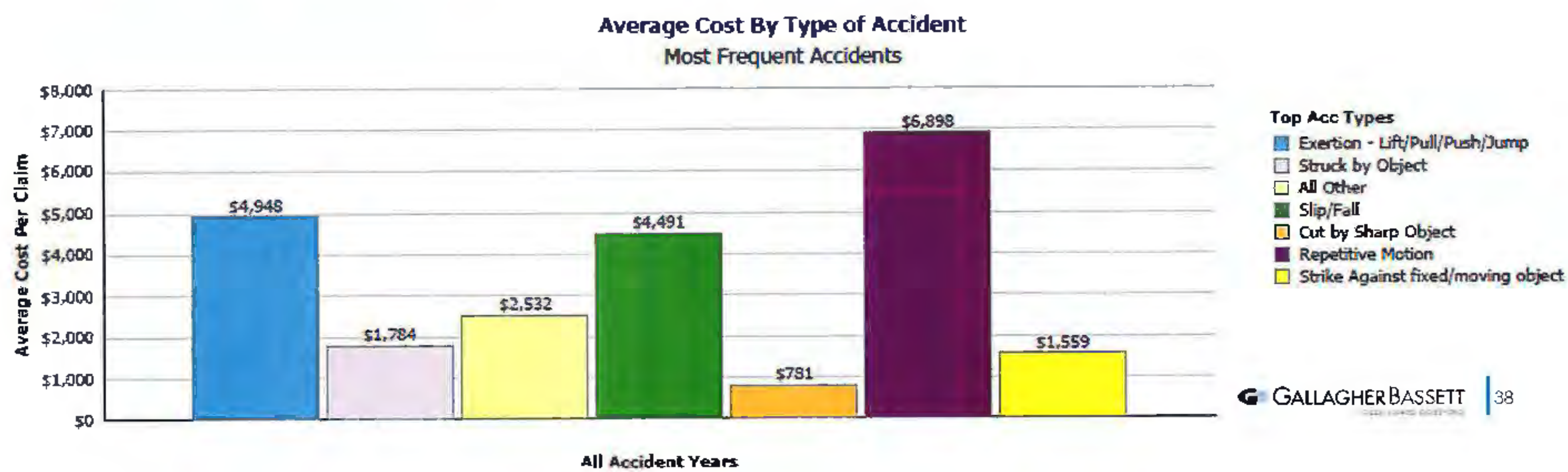
ROI is an approximate measure of return: UR savings/ UR expense – cost 'avoided' per dollar spent for UR service

CONTENTS

EXERTION CLAIMS ACCOUNT FOR THE HIGHEST FREQUENCY OF ACCIDENTS WHILE REPETITIVE MOTION CLAIMS CARRY THE HIGHEST COST FOR THE MOST COMMON INJURIES

Highest Frequency Accident Types





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  - Managed Care
- Frequency deep-dive
  - Type of injury
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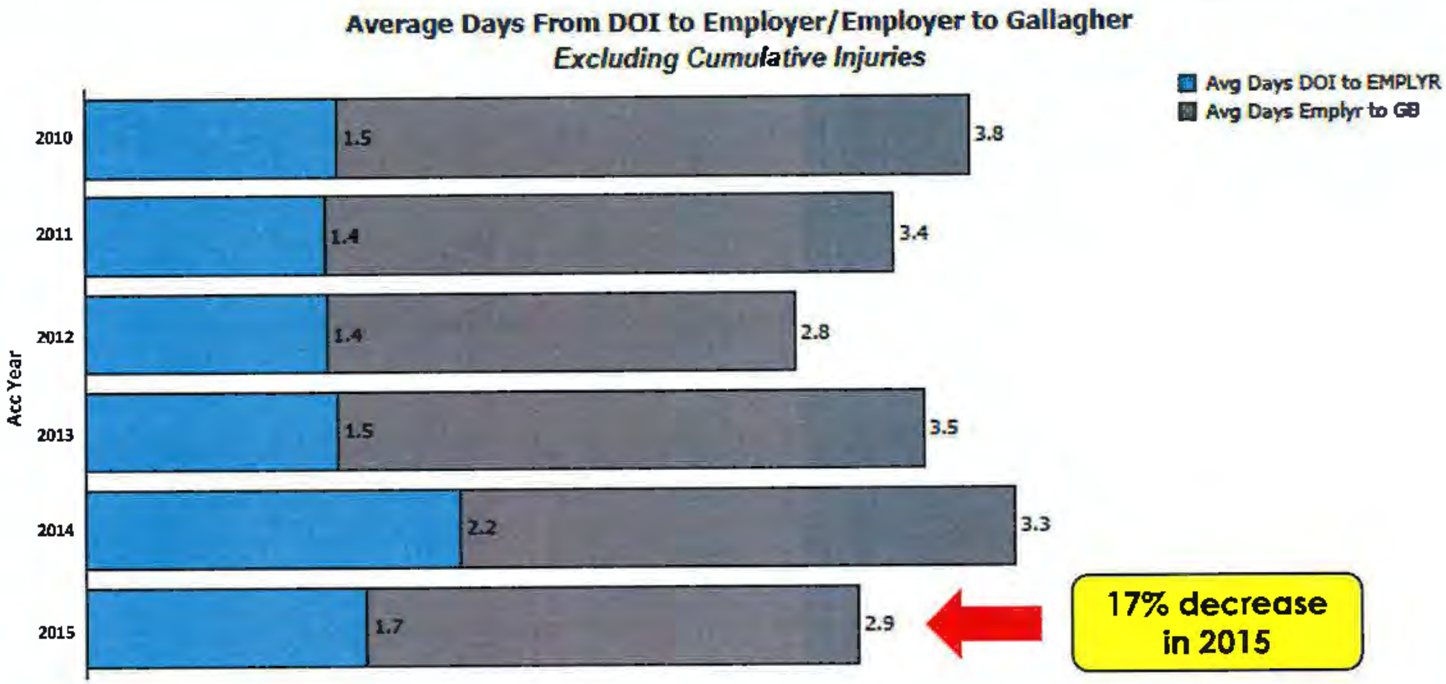
- Claim handling performance
  - Set-up and lag time
  - Closure ratios
  - Reserving accuracy

LAG TIME FROM INCIDENT TO GB NOTIFICATION IS DOWN BY 17% IN 2015 SHOWING MARKED IMPROVEMENT OVER THE PRIOR TWO YEARS

Lag Time Analysis (2010 – 2015)



Avg. Total Days	
2010	5.3
2011	4.8
2012	4.2
2013	5.0
2014	5.5
2015	4.6

Accident to Gallagher Bassett

% of Total Claims	a. 3 or less days	b. 4 to 7 days	c. 8 to 14 days	d. 15 to 30 days	e. More than 30 days
2010	72.8%	12.3%	6.0%	4.3%	4.5%
2011	75.5%	10.9%	5.4%	4.3%	3.8%
2012	76.1%	11.6%	5.0%	4.7%	2.6%
2013	74.4%	11.2%	5.8%	4.7%	3.9%
2014	74.0%	10.6%	6.0%	4.5%	4.8%
2015	76.8%	10.4%	4.9%	4.0%	3.8%

Cumlative Injuries and outlier claims having more than 90 day total lag were excluded from average days

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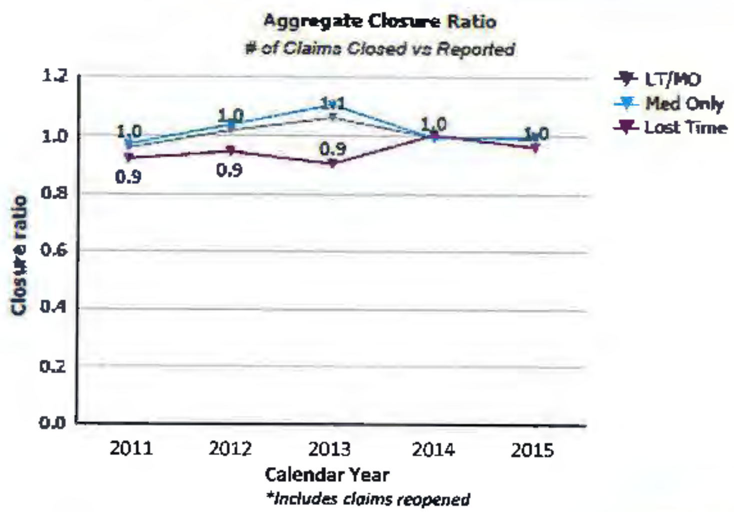
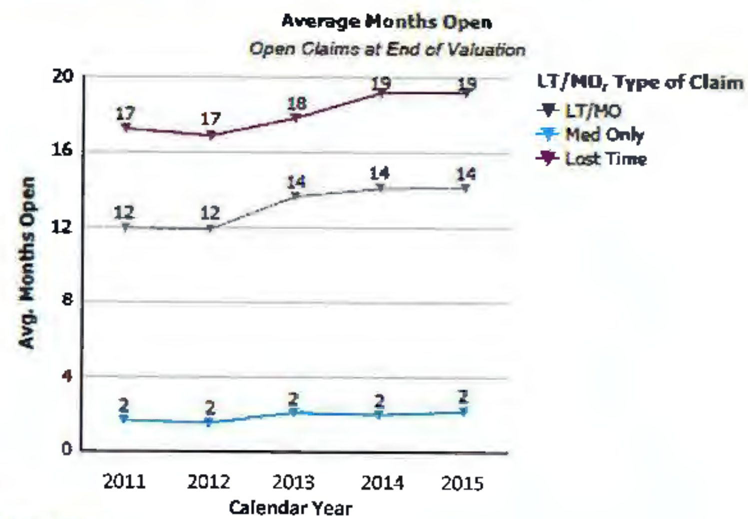
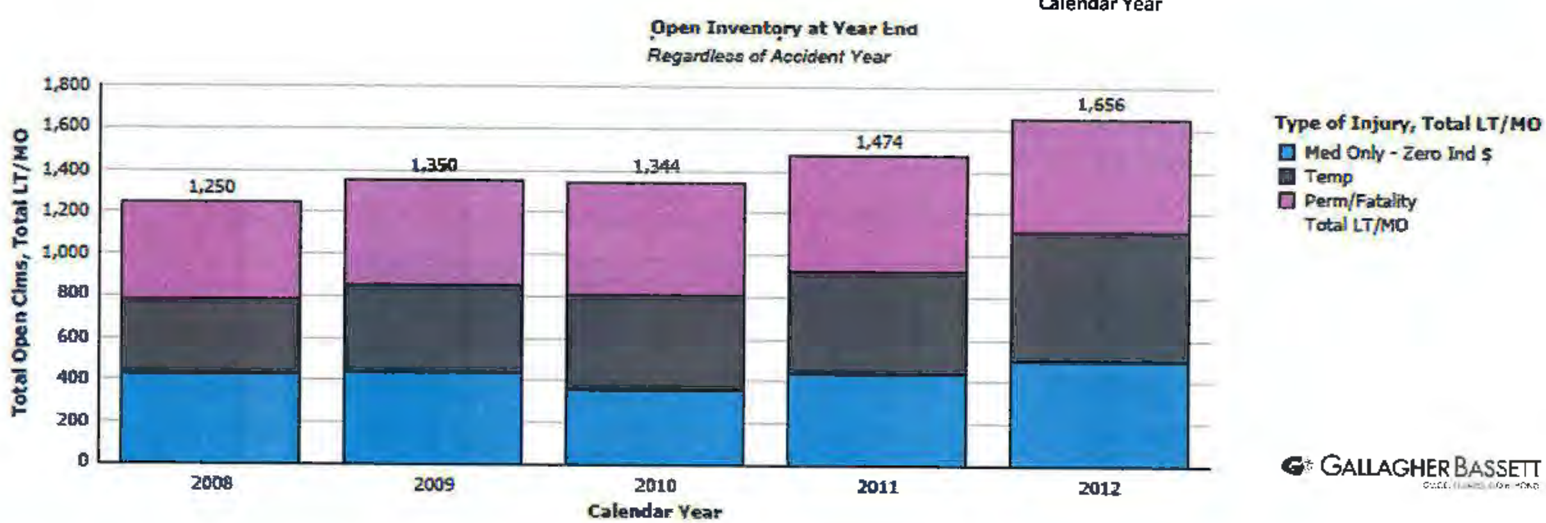
CLAIM CLOSURE RATIO HAS CONSISTENTLY AVERAGED 1.0 OR HIGHER. HOWEVER, OPEN CLAIM INVENTORY INCREASED BY 12% IN 2015 DUE TO THE SPIKE IN CLAIM FREQUENCY

Closure Ratio / Open Inventory / Average Months Open (2011 – 2015)







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6

WE SHOULD FOCUS EFFORTS ON A TARGETED CLOSURE INITIATIVE

Potential closure targets

- Identify a targeted body of claims
- Monitor the closures in the targeted group to demonstrate concrete and measurable results
- Previous closure initiatives have delivered the following results
  - Closed claims within existing aggregate reserves and reduced incurred dollars
  - Eliminated outstanding liabilities and unknown liabilities

	Claims	Reserves	Incurred
AL	3	$ 74,867	$ 775,244
AR	1	$ 23,102	$ 286,859
AZ	3	$ 45,262	$ 266,880
CA	98	$ 1,704,110	$ 11,473,940
CO	9	$ 126,448	$ 1,675,947
CT	1	$ 75,714	$ 370,570
FL	28	$ 777,532	$ 4,915,407
GA	8	$ 62,533	$ 567,843
HI	1	$ 40,363	$ 108,723
IL	23	$ 167,829	$ 1,795,446
IN	1	$ 3,979	$ 31,996
KY	3	$ 63,709	$ 317,443
LA	4	$ 72,999	$ 1,202,265
MA	3	$ 54,195	$ 137,116
MD	4	$ 183,497	$ 815,561
ME	1	$ 17,326	$ 120,421
MI	2	$ 233,262	$ 1,238,466
MN	1	$ 16,916	$ 206,474
MO	1	$ 7,430	$ 106,171
MS	1	$ 6,580	$ 38,848
NC	4	$ 113,910	$ 825,930
NJ	3	$ 15,792	$ 512,499
NY	28	$ 844,596	$ 4,780,272
OH	1	$ 862	$ 20,628
OK	2	$ 42,360	$ 247,797
OR	1	$ 3,236	$ 12,847
PA	10	$ 194,719	$ 1,994,183
RI	1	$ 25,835	$ 120,698
SC	1	$ 52,697	$ 211,181
TN	7	$ 93,418	$ 638,157
TX	16	$ 365,885	$ 2,712,805
VA	5	$ 75,977	$ 365,018
Total	274	$ 5,586,939	$ 38,893,634

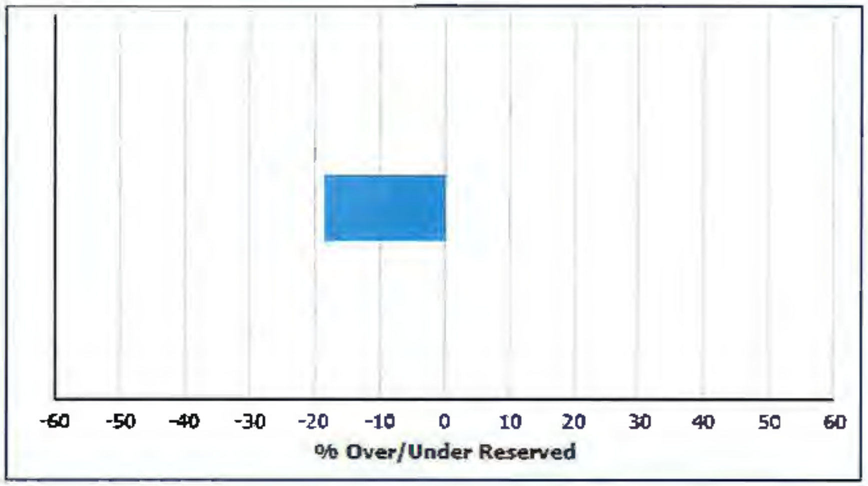
7

RESERVE ACCURACY FOR LOST TIME CLAIMS AT 18-MONTHS IS 81% OF ULTIMATE FOR CLAIMS CLOSED IN THE LAST 12 MONTHS WHILE MED ONLY CLAIMS HAVE A VARIANCE OF 42% AT 12-MONTHS

Lost Time Claims - % Over/Under Reserved $

18 Month Incurred compared to total paid at closure
Claims closed in the last 12 months, open more than 18 months

Claims with accident years 2011 to present



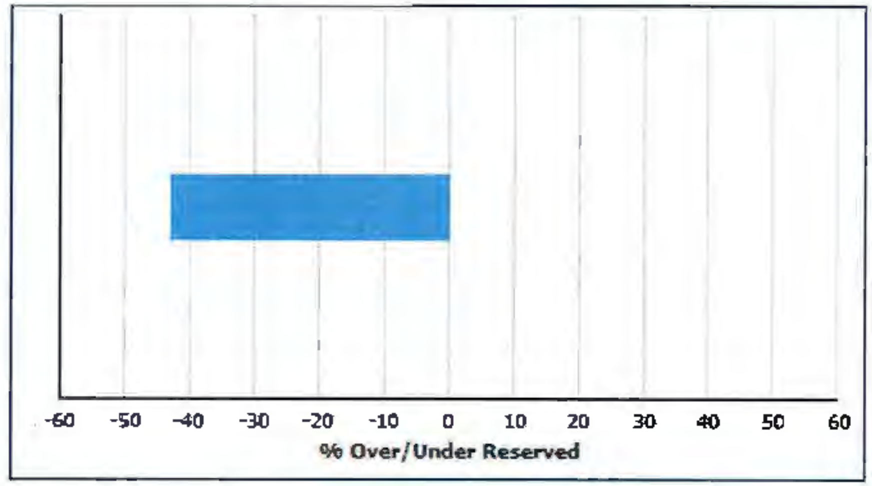
Total Over/Under Reserved - Lost Time Claims

	Lost Time
Inc Over/Under %	-18.5
Over/Under Amt	($2,691,373)
Tot Paid @ Close	$14,520,529
18 Mth Inc	$11,829,156
Closed Claim Count	386

Medical Only Claims - % Over/Under Reserved $

6 Month Incurred compared to total paid at closure
Claims closed in the last 12 months, open more than 180 Days

Claims with accident years 2011 to present



Total Over/Under Reserved - Medical Only

	Med Only - Zero Ind $
Inc Over/Under %	-42.8
Over/Under Amt	($775,309)
Tot Paid @ Close	$1,809,732
6 Mth Inc	$1,034,424
Closed Claim Count	728

* *Under reserved more than %20* * *Over reserved more than 20%* * *Reserved within 20%*

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AN ACTION PLAN HAS BEEN DEVELOPED TO IMPROVE RESERVE ACCURACY

Actions to Improve Reserve Accuracy

- Management has reviewed the importance of timely reserving with all branches
- Reserve Administration group aiding with reserve audit
- GB Workers Compensation SVP to conduct refresher training on reserve best practices
- New monthly reserve report will be delivered to supervisors and branch managers to help ensure reserves are more aggressively managed
- The report shows financial detail for all claims at the 11 month mark and requires a full reserve review
- Conduct review on selection of high value claims and offer suggestions to impact resolution strategy
- Newly implemented supervisor process to impact timely and accurate reserving and to accelerate resolution (closures)

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

GALLAGHER BASSETT

GUIDE. GUARD. GO BEYOND.

DATA RUN-IN EXPERTISE

PROVEN RESULTS – PEACE OF MIND

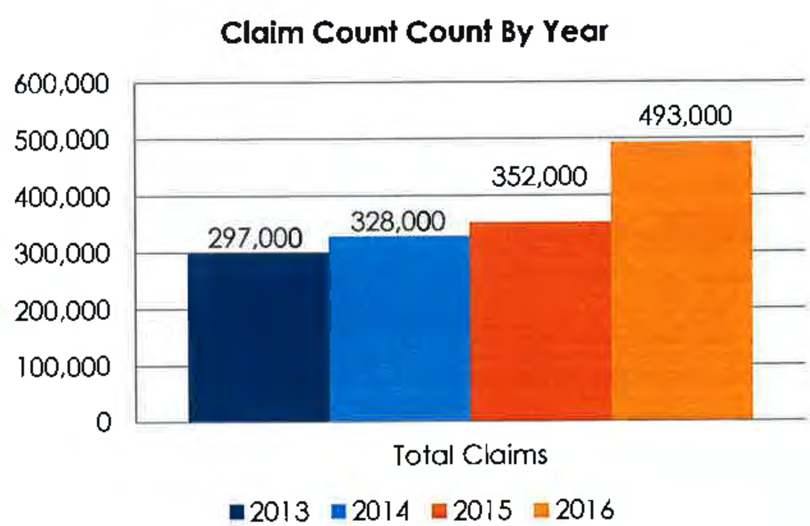
Gallagher Bassett recognizes it is a **Big Decision** to move historical claim data from one source to another. GB's run-in experts work collaborotively with the out-going data source to support our clients through the data conversion process. GB has a proven track record with translating and mapping claim data from Self-Administered systems, Local, Regional, and National TPA's, Carriers and RMIS vendors.

Our proven expertise and documented results provide the **Peace of Mind** to undertake a project of considerable importance.

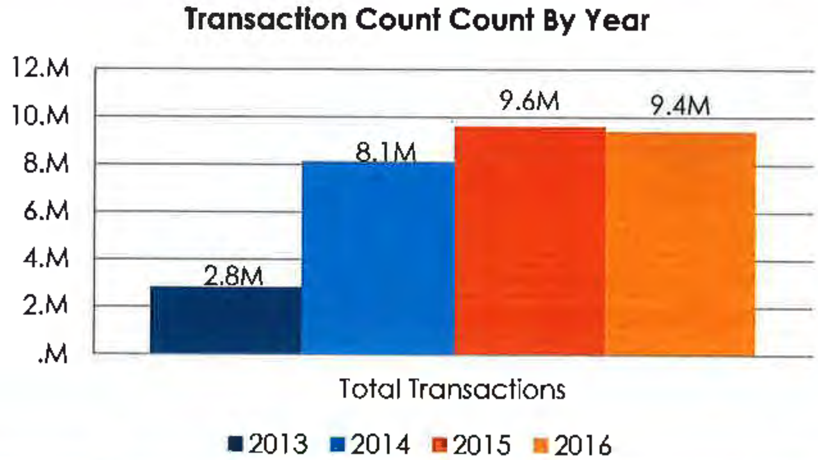
GB's Run-in Data Experts top priorities are to:

- Provide smooth transitions for our clients
- Contribute consistent dialogue and checkpoint confirmation
- Ensure the claim coding and financial integrity of your historical data
- Secure an efficient transfer of the open claims and claimant notification

In a four year period, GB's Run-in Experts have imported in excess of 1.5 million claims.

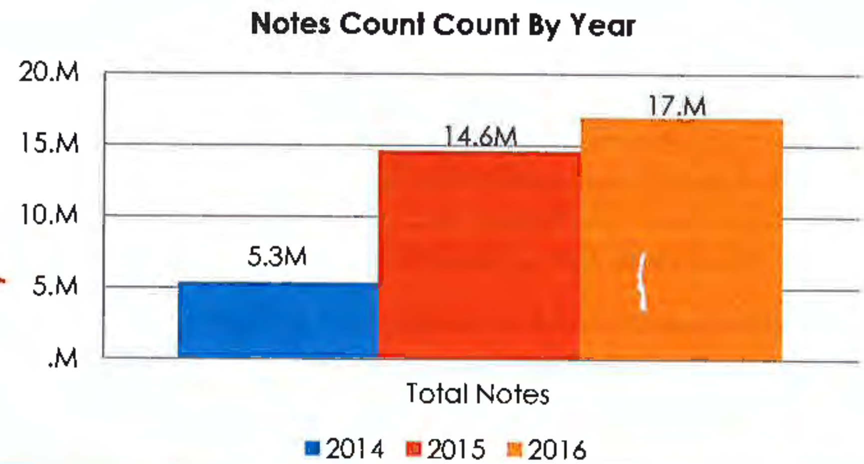


DATA RUN-IN EXPERTISE – PROVEN RESULTS – PEACE OF MIND



GB takes great pride in maintaining the financial integrity of incoming claims' transactions. GB fully understands our Client's Corporate and fiduciary responsibilities.

Experts in the process of converting, formatting, and categorizing historical notebook activity to provide the resolution team invaluable insight into the claim history.



In 2011, GB managed the Implementation for a national retailer. In 2016, the client went thru a series of acquisitions resulting in a request for GB to complete a complex multi TPA consolidation. GB transitioned claims for five entities, from their respective TPA's. The Risk Manager had the following to say about their experience:

"Before our project becomes a distant memory, I want to take a moment to say thank you for your work in coordinating the process and keeping the various TPAs and insurers on task and focused on the goal. Your "herding the cats" was instrumental to the success of the endeavor and we truly appreciate your work."

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Gallagher Bassett is the premier provider of global claims services, dedicated to exceptional customer service and demonstrably superior outcomes. GB helps people, teams and businesses overcome adversity and loss through the guiding expertise of over 5,000 claims professionals, all committed to going beyond expectations in the continuous pursuit of a better way.

Gallagher Bassett Quality Control

It's not a department. It's not a "step."
Nor a box to tick. It's a commitment.

A commitment to delivering the best. And an understanding that, with each interaction and decision the GB standard to **Guide. Guard. Go Beyond** is put to the test. We invite you to take a closer look. And see how we pass that test with flying colors. On every claim. And in every corner of the globe.

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Quality is the powerful and enduring value that has allowed us to take the lead in the industry. On the technical side, quality is reflected in our data—its accuracy, timeliness, speed of transmission, and ease of retrieval. On the product side, it is ensured through adherence to impeccable standards, including zero tolerance for defects. And in customer service, we strive for long-term quality relationships built upon trust, respect, and honest communications. Gallagher Bassett strongly believes that a Quality Control program must be in place to ensure that the quality of the claim product we deliver not only meets but exceeds the industry standards and our clients' expectations.

Claims Operation Quality Claims Handling Initiatives

Every GB office, regardless of size, is managed by an experienced, company-trained Branch Manager. Managers are carefully selected for their leadership skills and industry knowledge, as well as for their claims handling performance measurements. Only the highest qualified candidates are considered for this important position.

A handful of critical best practice procedures and transactions serve as indicators of effective claim handling. The **Performance Management Toolkit** is an internal Gallagher Bassett management tool that provides daily insight into performance on these indicators and serves as a tool to proactively manage performance before issues become problems.

Toolkit Highlights include:

- Provides daily performance snapshots of key activities that are typically measured through periodic audits or monthly reports, including:
  - 3-pt Contact timeliness
  - Adjuster and Supervisor diary compliance
  - Detailed Status Report timeliness
  - Indemnity payment timeliness
  - Provider payment timeliness
- Cascading management views from the executive level down to the individual adjuster ensure performance is transparent to the entire organization
- Doesn't just highlight areas of concern, but drives action to resolve issues as soon as they are identified (through tight integration with RISX-FACS™)
- Trend analysis enables managers to proactively manage performance concerns in real time (rather than awaiting month-end or audit results)
- Performance thresholds set based on evolving GB best practices and continuously "raise the bar" on service expectations

Supervisors are dedicated to the claims management process. Their primary function is the oversight and supervision of the adjusters and support staff. The supervisor takes into account each adjuster's experience and needs, providing a second set of eyes on each claim to ensure that all facets and processes to get the claims to a successful conclusion are followed.

Claims Support

The ratio of technical adjusters to support staff is 3:1 on workers compensation and 5:1 for liability.

Claim Assistants provide support to the adjusters by completing many ancillary services, including but not limited to:

- Processing state forms.
- Processing payments.
- Answering phone calls related to payment status.
- Mail processing.
- File matching so that all mail is processed and delivered to the adjuster the same day.
- Completing correspondence directed by the adjuster/supervisor.

This quality team approach ensures that our adjusters have backup support when they are away from the office.

Centralized Adjuster Licensing Department

GB has a centralized department responsible for identifying and communicating adjuster licensing needs. The department is also responsible for monitoring compliance to individual state licensing requirements, assisting with the preparation and filing of required documentation to ensure compliance with all related laws and regulations, and providing compliance security for carriers, clients, and auditors.

Maintain Quality Through Technology

All Gallagher Bassett claims handling branches utilize the latest technology to streamline workflow within the branches and control the quality of our product.

An escalation process has been built into risxfacs.com to help managers and supervisors manage the adjuster eBox activity. All items in the adjuster's eBox (diaries, pending bills, DSRs, etc.) are categorized in the adjuster's eBox and assigned time frames for completion. If an item is either getting close to being due, or is due, it will then escalate to the handling supervisor. The supervisor has two types of escalated items from the adjuster — those coming due and those due immediately. This informs the supervisor of what is coming due on an adjuster's desk, and helps to assist in developing a plan with the adjuster to ensure that they do not become escalated. The eBox also helps the adjuster to organize and prioritize daily activities and client requirements.

16 Separate Points of Quality Control Within Our System

Few risk management firms offer as many major points of quality control, as we do at Gallagher Bassett. Our 16 points of control include:

- Online data entry edits.
- Positive claim setup verification (via the claim fact sheet).
- Edit error processing control.
- Database quality control and claim balancing.
- Automated claim diary control.
- Reconciliation of the "paper claim file" to "system file" via diary.
- Issued check verification (via bank).
- Daily payment registers printed at the GB branch.
- Report processing data edits.
- Report consistency balancing.
- Monthly system balancing.
- Running book balance.
- Payment status update.
- Excess warning report.
- Payment authorization.
- Index bureau reporting.

RISX-FACS™ uses extensive and immediate edits as well as ongoing audits to ensure that the system contains only correct data, and an automated diary system maintains the adjuster's paper file in sync with the corresponding computer file. A series of daily quality control programs check the database for consistency, and daily backups and off-site storage ensures that your data is completely secure at all times.

Maintain Quality Through System Controls and Security

The decision-making value of the information you access and the reports you receive depends entirely on current, accurate data. It's also vital that your information is 100 percent secure. This is why we've designed our RISX-FACS™ system with a comprehensive set of controls and security procedures.

GB Leadership & Learning Center

Gallagher Bassett supports continued training and education for all employees, at every level. Our GB Leadership & Learning education program provides not only training in all aspects of claims management, but also learning in business, leadership development, relationships and communication, management, and other relevant topics.

The purpose of GB's Leadership & Learning Center is to:

- Set and maintain highest standards of industry leadership.
- Further a collaborative professional development partnership between GB, our employees, and our clients.
- Equip GB professionals with the latest/emerging skills and knowledge essential to their performance.
- Inspire new ideas and innovative solutions.
- Build positive morale and contribute to a progressive, creative environment.
- Encourage personal and professional employee growth through shared commitment to and enthusiasm for success.

Specifically, the GB Leadership & Learning Center integrates both academic and professional worlds by employing both traditional and innovative development methods.

The Center offers a wide range of educational opportunities to complement and enhance the work experience of our employees while helping them achieve and sustain success. The center adapts to the learning styles of all employees, recognizing their individual strengths, and helping them optimize success as a team.

Quality Control Program

Data Quality Controls

RISX-FACS™ contains a set of controls to ensure proper registration and maintenance of claim information. RISX-FACS™ controls are an integral part of the claims management system. RISX-FACS™ directly supports claim service personnel in managing claims.

Each processing control point plays a role in the overall control process. The control process starts with the opening of a claim and continues through final closing. In addition, periodic tests are performed on all claim information (opened and closed) to audit claim data on an ongoing basis.

- Quality control (QC) programs are run daily to check the integrity of the database. The QC process includes reconciliation of financial summaries in the master claim record to all financial transactions for the claim.
- Issued check tapes are sent to the bank daily to allow positive verification of claim checks presented to the bank for payments.
- Claim diary reports are run daily to identify claims scheduled to be reviewed by the responsible claim adjuster.
- System balancing, bank balancing and report consistency balancing are performed monthly to verify the overall integrity of RISX-FACS™ programs and the database.

The concept of ongoing monitoring ensures that problems are identified quickly. High-frequency control activities, such as data entry edits and quality control programs, are designed to identify the problems that are most likely to occur.

SOC 1 Compliant

Ernst & Young LLP, Gallagher Bassett's outside auditors, completes a SOC 1 (formerly the SAS 70 Type II) audit each year. The SOC 1 audit report provides information about controls, including those surrounding the RISX-FACS™ system that may affect the processing of clients' claims transactions. The audit findings support the confidence we have in the internal controls and procedures currently in place. This audit is one example of how Gallagher Bassett is constantly looking for new ways to maintain and improve the quality and integrity of the services we offer.

Vendors

The vendors we partner with are also required to follow the same quality guidelines that exemplify the cornerstone of GB's philosophy and service. Our selection process is predicated on a high degree of quality and integrity. Vendors are selected based upon a number of criteria, including:

- Commitment to quality
- Experience
- Credentials
- Access to provider specialties and facilities
- Fee structure and potential for cost savings to our clients via negotiated contracts, as well as
- Geographic proximity.

Gallagher Bassett has other various procedures and processes in place to ensure that the level of service that we and our vendors deliver to our clients is of the highest quality. Some of those procedures include:

- *Client Evaluation Surveys* – Each year we ask our clients to evaluate our performance by completing a client satisfaction survey.
- *Client Retention Rates* – At Gallagher Bassett we also measure quality by examining client retention rates.
- *Annual Stewardship Reports* that benchmark and analyze savings programs and other standards of service.

We offer our clients proprietary programs and risk management tools backed by unique standards, including an unwavering commitment to quality and continuous monitoring of the client services we provide. Quality is the powerful and enduring value that has allowed us to take the lead in the industry and our mission is to keep quality first to maintain that role. Our "Do it Right the First Time," quality motto emphasizes our commitment to excellence in client service.

We go beyond expectations in the continuous pursuit of a better way.
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FIRST REPORTING OPTIONS

The journey of a claim - from moment of injury to best resolution – begins with your first step.

First Reporting Options

And Gallogher Bassett makes it easy to find and take the best first step for your claim and your business. Through our first reporting capabilities we offer several technologically advanced options for fast, accurate claim reporting.

Web Reporting

Through risxfacs.com, clients report workers' compensation, auto liability, general liability, and property claims online with effortless ease.

Internet reporting simplifies the claim reporting process and increases data integrity. An attachment feature is available to provide supporting documents to Gallagher Bassett (GB) when the first report is submitted.

As a web reporting option, we can set up a client Internet site through your own company's Intranet so that first report filings can be done through one user ID and one password.

Liability

The liability web reporting screens follow the standard ACORD forms. Submitted reports and supporting documents are processed and available within minutes at the appropriate Gallagher Bassett liability office.

Once received, a supervisor reviews and assigns the claim to a designated claims examiner.

Workers Compensation

Through our workers compensation "First Reporting" application we offer:

- Access to all 50 State and Federal forms (i.e., USL&H Longshore & Harbor).
- Customization to include State Reporting prefilled information, employee, policy and locations database downloads.
- Client-specific questions.
- Multiple disseminations with optional routings, i.e., managed care vendor.
- The first report of injury can be emailed or faxed back to the user.
- Automated and customized escalation criteria.
- First reports may be printed online.
- OSHA300 reporting (optional).

Fax and Email

GB provides yet another convenient way to report your claims to us. Instead of faxing or emailing a report of a claim and supporting documents to one of our local offices, you can fax or email all first reports to one single toll-free number. Your information is entered into risxfacs.com in a more timely fashion and routed to the correct handling branch. Once received, the branch handles filing the workers' compensation First Report of Injury with the state.

Toll-free Telephonic Reporting

Our toll-free telephonic reporting service simplifies the often difficult and time-consuming process of claims reporting.

It is available in all 50 states, the District of Columbia, and international locations including Canada. Using Gallagher Bassett's toll-free number or your own dedicated toll-free number, you can promptly report all your claims to one central location, where calls are answered by live operators. The system will pre-fill the client's routine information on the proper form, including the USL&H Longshore and Harbor Workers form, and once a claim has been reported, generate either the WC First Report of Injury or the auto, liability and property claim notices. When a call is made to our toll-free system, the user is assigned a unique verification number that identifies the time the call was taken, who the caller spoke to, and what notice was reported. This serves as a receipt until the client receives the employer copy of the notice.

Electronic Data Interface

Using secured file transfer processes, our clients can transmit files of new workers compensation, general or auto liability or property loss data exported from their proprietary intake software or third party RMIS system. Our clients have the option of determining the frequency that this takes place, which can be as often as every 15 minutes.

FIRST REPORTING OPTIONS

Client files are converted to Gallagher Bassett's database specifications and imported into the RISX-FACS® system as a new loss available to the handling location.

Options include daily acknowledgement files, emailed copies of first reports to case management nurse/managed care company or designated client recipients; ability to send robust client/case management notes; and the creation of state first reports or ACORD liability first reports.

How you begin is often a great indicator of how your outcome will be. With Gallagher Bassett by your side, there's simply no better beginning.

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RECOVERY MANAGEMENT

Recovery management has been a primary objective of Gallagher Bassett for a number of years. All Gallagher Bassett branch supervisors are charged with the responsibility of overseeing all subrogation activity. On the client's behalf, Gallagher Bassett will actively pursue subrogation, salvage, and state second injury funds. We do this with our client's approval, which means the client controls the level of recovery at which they need our services. In 2016 we recovered $154 million and paid $7.7 billion. We believe this is one of the highest returns in the industry.

Gallagher Bassett has a centralized recovery unit that collects and monitors all recoveries. This unit is responsible for returning the collected funds to the appropriate party. Our risk management information system, RISX-FACS®, also tracks recoveries for each claim file. A monthly record of activity is available and sent to your company.

As a matter of standard practice, all claims received by Gallagher Bassett are reviewed immediately by the supervisor and adjuster for subrogation and recovery potential. Subrogation potential is evaluated as a part of the adjuster initial contact and setup checklist.

Before recovery is actually pursued and any contact made with a third party, the client will be contacted for approval. Once approved by you, the client, all recoveries will be pursued aggressively by the adjuster.

Subrogation

All Gallagher Bassett adjusters are trained and required to pursue potential subrogation opportunities. This activity and the associated results are an important factor in the overall review of individual adjuster performance.

All appropriate contacts are made within the first 30 days following notice of a claim. On a continuing basis the adjuster and unit supervisor monitor all subrogation activities. As efforts approach one year without recovery, a limited assignment is made to legal counsel for filing a complaint and protecting the statute of limitations.

The adjuster handling the file will oversee all subrogation efforts, until such time as legal counsel becomes absolutely necessary. At that point, assignments are made on a limited scope basis, with specific detailed instructions to counsel regarding their role and extent of their activity.

Gallagher Bassett consistently returns 19-21 percent of client fees as a result of our highly effective subrogation recovery program.

Salvage

Salvage involves recovery of the value remaining in the damaged piece of property. Effective use of salvage is an excellent way to reduce the overall cost of a loss. Common sense must be used at all times, as it is difficult to justify those situations where storage costs or processing charges exceed the value of the salvage.

The client should have first right of salvage in most instances. The price the client pays for the salvage must be in line with the open market value of the salvage as determined through any of the following methods.

- **Salvage Yards.** Each branch should have a list of reputable salvage yards that handle automobile salvage. The yards must utilize either a competitive bid or auction format.
- **Competitive Bids.** Where salvage yards are unavailable or impractical, every effort should be made to obtain competitive bids on the salvage. Competitive bidding ensures a fair price and eliminates any possible semblance of impropriety.

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BANKING SERVICES

Gallagher Bassett offers three claim payment options. The three options are the Automated Payment and Control System, the Voucher System and Client-Owned Banking.

The Automated Payment and Control System (APACS)

APACS is the funding mechanism and payment control device that is an integral part of the RISX-FACS® system. Incorporated into APACS is the Self Insured Money Management System (SIMMS), which is structured through Citibank.

SIMMS consists of an omnibus (0 balance) master account that Gallagher Bassett maintains at Citibank through which checks for all APACS clients clear, and sub-accounts are established on each client's behalf. As checks clear through the omnibus account Citibank looks to the appropriate client sub-account for funds to return the omnibus account to 0. Each client's funds are segregated for their claim payments only.

To set up a client on APACS an initial deposit of an agreed-upon imprest balance and the establishment of funding frequency (reimbursement) are required. The imprest balance is based on past loss payment history and desired frequency of reimbursement. Reimbursement is done on a time basis (daily, weekly, monthly) or on a target basis (when imprest drops to a specified level), and if the imprest should deplete before the chosen funding frequency is reached. The imprest is kept at the lowest possible level considering payment history, frequency, and account costs. This gives the client the greatest use of their money until funding is needed.

The client is required to maintain funds in an account at their bank to which Citibank can send electronic requests for replenishment of the client's Citibank sub-account. Electronic transfer of funds is the only acceptable method of reimbursement.

Our clients receive a monthly reconciliation package that reflects all debits and credits, paid and outstanding items, stop pays, and opening and closing balances. The reconciliations provide a third party audit trail of payment and funding activity, as well as a tool to complete the closed loop balancing of our reports.

Imprest balances and funding frequencies are re-evaluated at renewal for existing accounts, after three (3) months activity on new accounts, and at the request of a client or account executive at any time. Recommended changes are made at that time.

The Voucher System (Liability Program Only)

The Voucher System allows the client to make claim payments from their own bank. Instead of authorizing RISX-FACS® to issue a payment through APACS, the Voucher System provides a printed notice for specified claim payments. This notice is sent to the client who then issues the check.

Client-Owned Banking

Under this banking program, Gallagher Bassett will issue claim payments, on behalf of the client, through RISX-FACS®. This differs from APACS because the payments are drawn directly from the client's bank account rather than the existing Citibank omnibus account. The Client-Owned Banking System has the same limited reporting capabilities as the Voucher option with the added benefit of Gallagher Bassett issuing checks from the client's bank. This option does not provide on-line verification of voids and stop pays, nor will bank reconciliations balance to monthly RISX-FACS® runs.

APACS Control Features

APACS is the part of RISX-FACS® that controls and administers claim payments. APACS is a combination of on-line, batch programs and manual procedures that ensures the accurate and accountable processing of claim payments.

APACS is Controlled

- Unauthorized users are denied access to the payment system via the RISX-FACS® security system.
- Audit trails identify who entered the payment request, where the request was entered (which terminal) and when the request was entered.
- Payment requests are maintained in the system as entered; only status changes are allowed.
- Payment request edits are performed on-line as data is entered; the system will not accept data unless edit checks are successfully passed.
- An up-to-date status is maintained on every payment in the system.
- Quality control programs are run daily to ensure the integrity of monetary fields in the data base.

APACS is Timely

- Payment requests entered on-line today will produce checks overnight.
- Repetitive payment requests are maintained on the system and handled automatically with other daily payment activity.
- A bank issuance tape is electronically transmitted to the APACS clearing bank daily to allow positive bank verification of cleared checks.
- Audit reports detailing payment activity are produced and printed at the service branch daily.

APACS is Accurate

- The payment request and check issued will always be in agreement since their data elements are from the same source.

APACS Is Flexible

- Funding of the APACS clearing account is handled electronically from a client-specified bank.
- State domicile banking requirements for workers compensation payments are accommodated.
- Special report needs can be satisfied through the RISX-FACS® ad hoc reporting capabilities.

APACS and the Clearing Bank

APACS uses a centralized clearing bank to provide:

- Flexible funding arrangements
- Bank reconciliations
- Stop payment of issued checks with full audit trails
- Void of pending checks with full audit trails

Operational Controls

RISX-FACS® contains a set of controls to ensure proper registration and maintenence of claim information. RISX-FACS® controls are an integrol part of the claims management system. RISX-FACS® directly supports claim service personnel in managing claims.

RISX-FACS® Control Points

- On-line data entry edits
- Positive claim setup verification
- Edit error processing control
- Database quality control and claim balancing
- Automated claim diary control
- Reconciliation of the "paper claim file" to the "system file"
- Issued check verification (via the APACS clearing bank)
- Daily payment registers available
- Report processing data edits
- Report consistency/balancing
- Proof-of-cash balancing (RISX-FACS® to bank reconciliation)
- Monthly system balancing
- Running book balance
- Payment status update
- Excess warning reports

These controls are in addition to the standard RISX-FACS® security controls. RISX-FACS® security has six levels of access control:

BANKING SERVICES

- System authorization by user
- Client authorization by user
- Client authorization by application and/or level of the pyramid
- Application authorization by user
- Application authorization by terminal
- Transaction authorization by user

Each processing control point plays a role in the overall control process. The control process starts with the opening of a claim and continues through final closing.

In addition, periodic tests are performed on all claim information (opened and closed) to audit claim data on an ongoing basis:

- Quality Control (QC) programs are run daily to check the integrity of the data base. The QC process includes reconciliation of financial summaries in the master claim record to all financial transactions for the claim.
- Issued check tapes are sent to the bank daily to allow positive verification of claim checks presented to the bank for payments.
- Claim diary reports are run weekly to identify claims scheduled to be reviewed by the responsible claim Resolution Manager.
- System balancing, bank balancing and report consistency balancing are performed monthly to verify the overall integrity of RISX-FACS® programs and the data base.

The concept of ongoing monitoring ensures that problems are identified quickly. High-frequency control activities, such as data entry edits and Quality Control programs, are designed to identify the problems that are most likely to occur.

Lower-frequency activities, such as diary reviews, system balancing and report balancing, are audit controls to further ensure the accuracy of data. RISX-FACS® audits the system on a continuous basis.

Data Recovery Features

Should a problem be identified, RISX-FACS® has the ability to recover data via several methods:

- All data is dual stored on separate storage devices (disk drives). Mirrored storage and associated recovery functions are standard features of the Tandem system.
- RISX-FACS® also utilizes Tandem's Transaction Monitoring Facility (TMF). TMF is a data backup/recovery feature that allows partial and complete restoration of the data base across the distributed network. Partially completed transaction back-out is also a standard feature of TMF. Backup data tapes are stored off-site to protect against physical disasters.
- All financial transactions are logged and time-stamped to ensure the ability to regenerate a data base if it becomes corrupted. All records are time-stamped to identify when they were lost changed.

In addition to "built-in controls," RISX-FACS® also has several tools to allow random audits of the system. Management reviews of particular activities are supported by several ad hoc reporting capabilities. Selective review of claim activity by type, time, Resolution Manager, data entry clerk and branch are possible options. These tools are used by management to verify that system users are complying with manual procedures.

The diversity of our controls ensures that all types of problems can be identified. RISX-FACS® recognizes that no single control is sufficient. A complimentary and interactive system of controls is needed to ensure that problems are quickly identified and corrected.

Statement Report

This section summarizes the transactions for the account during the reported period.

- Header information—report print date, account number and period of report
- Date—transaction date
- Reference number—used for bank's internal investigative purposes
- Transaction description—wire information or descriptive name of transaction
- Debits—total dollar amount of all checks for day posted
- Credits—dollar amount of each wire transfer credited on day posted
- Balance—daily closing ledger balance
- Totals—total dollar amount and number of debits and credits during report period
- Total ACT—total dollar amount and number of debits and credits between the sub-account and the Omnibus account during report period

(See pages 12 - 14 for example)

Proof of Outstanding

This section proves total outstanding items and paid checks to issuance:

- Outstanding as of—total number and dollar amount of checks outstanding at close of previous reporting period
- Initial Issuance—total number and dollar amounts of checks included on the issuance record for the current period
- Additional Checks Issued—total number and dollar amount of checks reported as supplementary issuance (items not included in the initial issuance record)
- Issued Checks Voided—total number and dollar amount of checks voided or stop paid
- Issuance Register Adjustments—correction of check information error conditions on the initial issuance
- Checks Issued—initial issuance, #2, minus #3, #4, and #5
- Paid Checks—total number and dollar amount of checks cleared (refer to Paid Outstanding Report for individual activity)
- Paid Without Issuance—not applicable to sub-account (reflected in omnibus account only)
- Matched Paid Checks—total number and dollar amount of checks paid that were matched against the issuance tape
- Previous PWI Resolved by Issuance—not applicable to sub-account
- Total Matched Checks Paid—total number and dollar amount of matched checks paid (should equal total debits on statement)
- Closing Outstanding—total number and dollar amount of checks at close of report period. Calculated by:

Opening Outstanding + Checks Issued - Total Matched Checks Closing Outstanding

Paid & Outstanding Report

This section provides a detailed listing of both paid (cleared) and outstanding checks for the report period.

- Serial Number—individual check number, in sequential order (may skip numbers because these belong to other clients)
- Paid amount—dollar amount of check issued and paid (cleared via SIMMS)
- Paid date—date check was match-paid and debited to the sub-account
- Outstanding amount—dollar amount of check issued but not paid yet
- Issue date—date check was originally issued, as indicated on tape sent to Citibank on a daily basis
- Locator—internal bank identifier
- Additional data—payee name and claim number
- Code—for internal bank use
- Plan—the Gallagher Bassett internal client number
- Date—the date check was cleared through the omnibus

account

- Break total—subtotal by page number and dollar amount of checks paid and outstanding
- Report total—totol number and dollar amount of checks paid and outstanding for report period

(See pages 17-21 for example)

Issuance Summary

This section provides a detailed listing of supplementary check transoctions not previously included on the issuance tape, but manually entered by Gallagher Bassett Operations in Itasca, Illinois.

- Additional checks issued—record of the check number, dollar amount, and issue dote of checks not included in the current initial issuance record, but reported as supplementary issuonce
- Issued checks voided—record of the check number, dollar amount, issue date and reason for transaction of checks voided via stop payment
- Issuance register adjustments—correction of check information error issuance
- Issuance summary—summary sheet of previous transactions listed by total number and dollar amount

(See page 22 for example)

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BANKING SERVICES

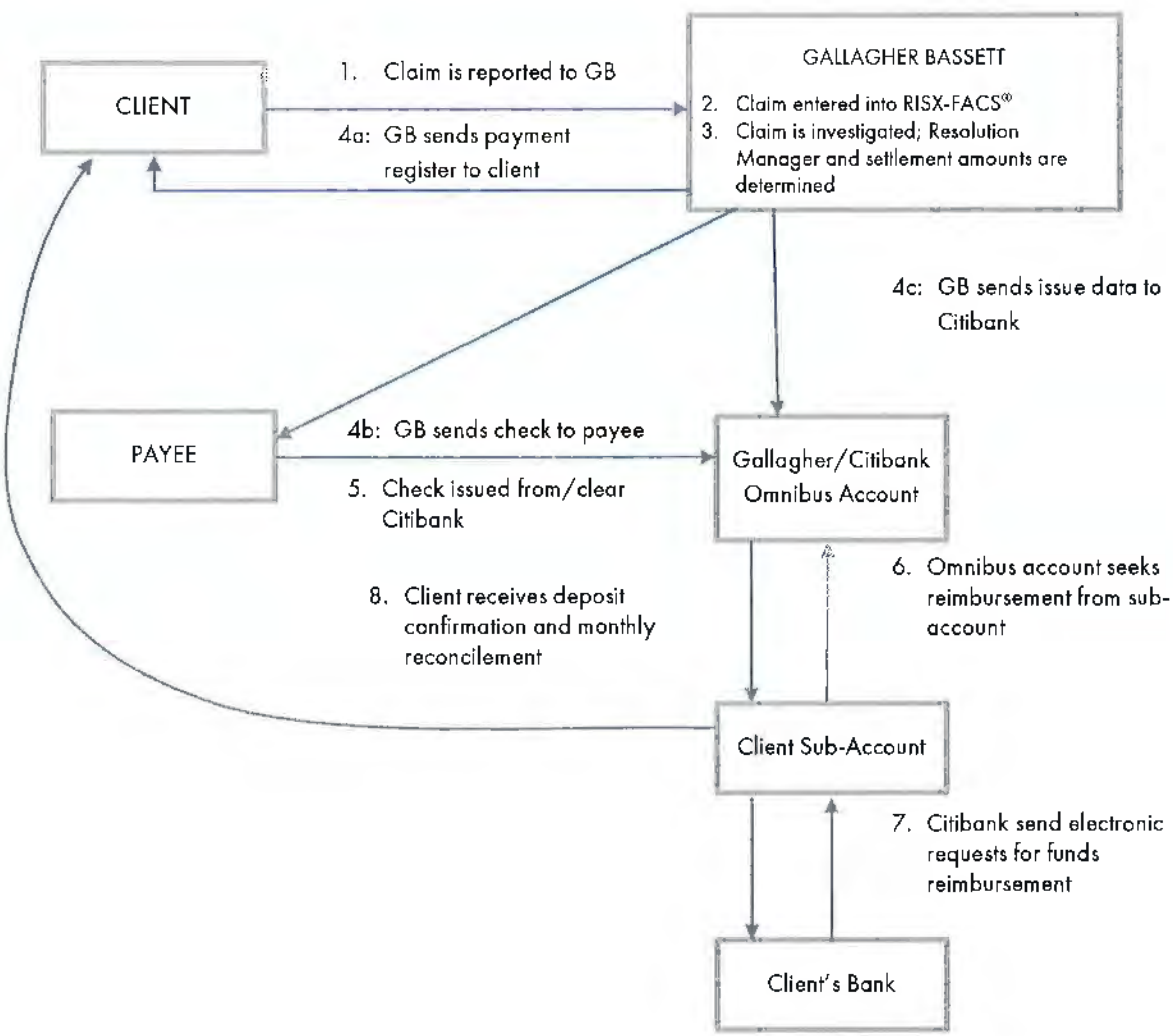
To further explain the variations in the three banking options refer to the following chart.

	APACS	VOUCHER (Liability Prog. Only)	CLIENT OWNED BANKING
Check Production	Centrally handled via RISX-FACS®	Handled by client	Centrally handled via RISX-FACS®
Voids/Stops (Timing)	From GB Branch to GB Financial Support Services (Same Day)	From payee to client, from client to bank, from bank to GB (Unknown)	From GB branch to client, from client to bank, from bank to GB (2-7 days)
Balance Bank Reconciliations to Loss Runs	Yes	No, may not match - contingent on bank cut off dates.	No, may not match - contingent on bank cut off dates
Controls: Issuance Tape Cleared Tape Aged/Void Process	 Yes Yes Yes	 No (hard copy) Payment Register will be available to client No No	 No (hard copy) Payment Register will be available to client No No
RISX-FACS® viewing information: View... Pending status Issued status Cleared status	 Yes Yes Yes	 Yes Yes No	 Yes Yes No
Chance for checks to be returned "Non-Sufficient Funds"	Generally No	Unknown	Unknown
Added expenses from banking	Paid fully by client	Paid fully by client	Paid fully by client
Arrangements for domiciled bank in states that have this requirement	APACS system meets this requirement	Handled by client	Handled by client
Field payments available	Yes	No	No

BANKING SERVICES

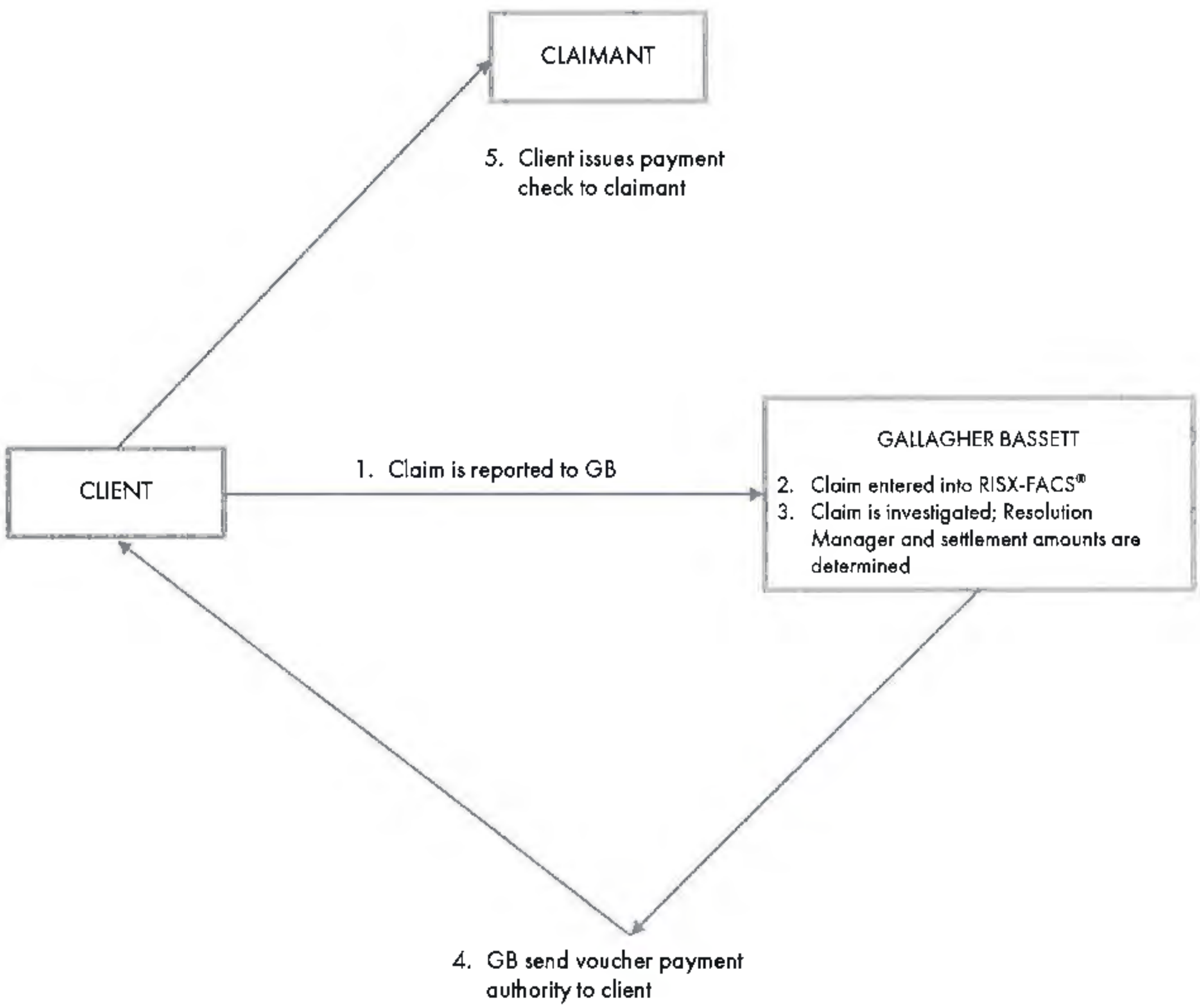
The Automated Payment and Control System

Payment of Loss



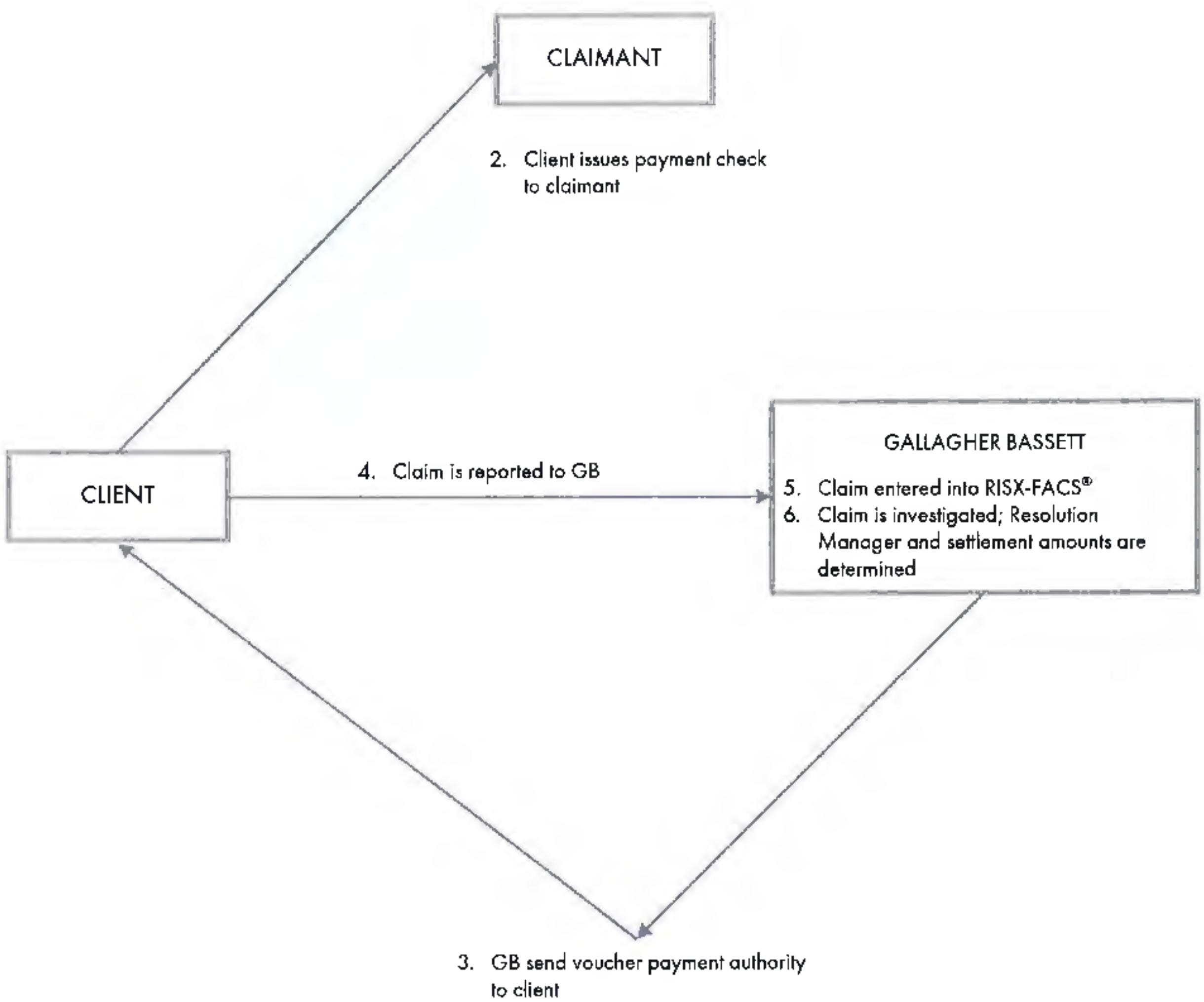
The Voucher System
(Liability Program Only)

Payment of Loss



Client-Owned Banking

Payment of Loss



THE AUTOMATED PAYMENT AND CONTROL SYSTEM

(APACS)

CITIBANK RECONCILEMENT

MONTHLY—

Coincides with close dates of Gallagher Bassett's RISX-FACS® reports

INCLUDES—

Statement
Proof of Outstanding
Paid & Outstanding
Issuance Summary

CLOSED LOOP BALANCING—

Reconcilement sent to GBIS-Operations Banking Unit, for balancing to our reports, prior to being sent to our clients.

CITIBANK, N.A.
460 W. 33RD STREET
NEW YORK, NY 10043

AAA CLIENT

(PRIMARY) AAA CLIENT
2222 BIRCH STREET
DES PLAINES, IL 60018
INSURANCE DIRECTOR
ATTN: MR. JOHN SMITH

(RECONCILEMENT) AAA CLIENT
2222 BIRCH STREET
DES PLAINES, IL 60018
INSURANCE DIRECTOR
ATTN: MR. JOHN SMITH

RECONCILEMENT FOR ACCOUNT 54321234 034
NAME: AAA CLIENT

RULE-OFF PERIOD FROM: 10/01/2016 TO 10/30/2016

CUSTOMER CONTACT: MR. JOHN SMITH

FOR INQUIRIES CONCERNING YOUR ACCOUNT
CONTACT: GB - CLIENT FINANCIAL SERVICES (800)445-9087

SPECIAL INSTRUCTIONS:
NONE

REPORTS
STATEMENT
BACKVALUE DETAIL
PROOF OF OUTSTANDING
PAID AND OUTSTANDING
CANCELED CHECKS DETAIL
STOP PAYMENT DETAIL
ADDITIONAL ISSUANCE
AGED ITEMS DETAIL
PAID AND OUTSTANDING SUMMARY BY BENEFIT INDICATIVE
ISSUANCE SUMMARY

ACCOUNT NAME - AAA CLIENT

OPENING LEDGER BALANCE 3,080.81
OPENING AVAILABLE BALANCE 3,080.81

DATE	REFERENCE #/ BATCH TRACK	TRANSACTION DESCRIPTION	DEBITS	CREDITS	LEDGER BALANCE
10/01/2016	29930503643 650019991571	SAME DAY CR TRANSFER GID:F049295001A801 FED19991101K3QF368C000061 REF:30DE91101000763 PAY BK ID:I3000690PAY BK:TCB HOUSTON ORDER: AAA CLIENT FUNDING ACCOUNT DES PLAINES, IL 20000-0000 DETAILS:ATTN: JOE MATHERS INSTRUCT DATE:10/01/2016 ADVICE TYPE:MAIL		1,919.19	5,000.00
10/01/2016	39929503644 930510506749	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 2 CHECK(S) FOR PLAN # 232	568.00		4,432.00
10/02/2016	39939003645 930601807545	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 4 CHECK(S) FOR PLAN # 232	8,218.11		-3,786.11
10/03/2016	29929703646 650018891571	SAME DAY CR TRANSFER GID:P0699870011601 FED1999120K3QF386C000036 REF:03DE91103098201 PAY BK ID:I3089609PAY BK:TCB HOUSTON ORDER:AAA CLIENT FUNDING ACCOUNT DES PLAINES, IL 20000-0000 DETAILS:ATTN:JOE MATHERS INSTRUCT DATE:10/03/2016 ADVICE TYPE:MAIL		8,786.11	5,000.00
10/03/2016	39890703647 939015868524	SDR FUNDING DEBIT SDR CONSOLIDATED DEBIT FOR 7 CHECK(S) FOR PLAN # 232	2,268.36		2,731.64
10/04/2016	39988803648 939913085007	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 5 CHECK(S) FOR PLAN # 232	2,924.79		-193.15
10/05/2016	29989903649 650089991571	SAME DAY CR TRANSFER GID:F0943990012001 FED1999235K3QF386C023025 REF:03DE91102300149 PAY BK ID:I3002309PAY BK:TCB HOUSTON ORDER:AAA CLIENT FUNDING ACCOUNT DES PLAINES, IL 20000-0000 DETAILS:ATTN:JOE MATHERS INSTRUCT DATE:10/05/2016 ADVICE TYPE:MAIL		5,193.15	5,000.00
10/05/2016	39932303650 930923022209	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 6 CHECK(S) FOR PLAN # 232	2,615.19	2,384.81	

DATE	REFERENCE #/ BATCH TRACK	TRANSACTION DESCRIPTION	DEBITS	CREDITS	LEDGER BALANCE
10/08/2016	39821203651 932318475282 232	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 2 CHECK(S) FOR PLAN #	438.00	1,946.81	
10/09/2016	39931233652 932316918258 232	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 1 CHECK(S) FOR PLAN #	7,472.50		-5,525.69
10/10/2016	29923403653 650014591571	SAME DAY CR TRANSFER GID:F044540046C01 FED1999110K3QF346C000323 REF:03DE9123000406 PAY BK ID:I2300609PAY BK:TCB HOUSTON ORDER:AAA CLIENT FUNDING ACCOUNT DES PLAINES, IL 20000-0000 DETAILS:ATTN:JOE MATHERS INSTRUCT DATE:10/10/2016 ADVICE TYPE:MAIL		10,525.69	5,000.00
10/10/2016	39231403654 931233629190 232	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 2 CHECK(S) FOR PLAN #	1,029.52		3,970.48
10/12/2016	39931233655 932315719351 232	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 7 CHECK(S) FOR PLAN #	1,939.96		2,030.52
10/15/2016	39923903656 931912395128 232	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 4 CHECK(S) FOR PLAN #	1,549.31		481.21
10/16/2016	39232016657 923014850321 232	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 1 CHECK(S) FOR PLAN #	330.57		150.64
10/17/2016	39932303658 932236851219	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 5 CHECK(S) FOR PLAN # 232	380.62		-229.98
10/18/2016	29932303659 652319991571	SAME DAY CR TRANSFER GID:F69232000F001 FED1999118K3QF382C023019 REF:03DE991112300163 PAY BK ID:I12300609PAY BK:TCB HOUSTON ORDER:AAA CLIENT FUNDING ACCOUNT DES PLAINES, IL 20000-0000 DETAILS:ATTN:JOE MATHERS INSTRUCT DATE:10/18/2016 ADVICE TYPE:MAIL		5,229.98	5,000.00
10/18/2016	39932233660 932223845368	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 5 CHECK(S) FOR PLAN # 232	1,334.56		3,665.44

ACCOUNT NAME - AAA CLIENT

DATE	REFERENCE #/ BATCH TRACK	TRANSACTION DESCRIPTION	DEBITS	CREDITS	LEDGER BALANCE
10/19/2016	34532303661 932345043514	SDR FUNDING DEBIT SDR CONSOLIDATED DEBIT FOR 5 CHECK(S) FOR PLAN # 232	1,474.33		2,191.11
10/22/2016	39945603662 932604564634	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 5 CHECK(S) FOR PLAN # 232	4,208.31		-2,017.20
10/23/2016	29457203663 650014591571	SAME DAY CR TRANSFER GID:F3745051F01 FED19993K3QF382C045720 REF:03DE99124500161 PAY BK ID:I045609PAY BK:TCB HOUSTON ORDER:AAA CLIENT FUNDING ACCOUNT DES PLAINES, IL 20000-0000 DETAILS:ATTN: KELLY WILSON INSTRUCT DATE:10/23/2016 ADVICE TYPE:MAIL		7,017.20	5,000.00
10/23/2016	39937453664 937245280088	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 1 CHECK(S) FOR PLAN # 232	180.79		4,819.21
10/24/2016	39945803665 934513457942	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 2 CHECK(S) FOR PLAN # 232	221.19		4,598.02
10/26/2016	39945003666 934509130644	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 8 CHECK(S) FOR PLAN # 232	1,990.30		2,607.72
10/29/2016	39453303676 934537140493	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 10 CHECK(S) FOR PLAN # 232	1,221.29		1,386.43
10/30/2016	39945403668 934514892616	SDR FUNDING DEBIT SDR - CONSOLIDATED DEBIT FOR 4 CHECK(S) FOR PLAN # 232	1,380.84		5.59

TOTALS	ITEMS	DEBITS	CREDITS	BALANCE
DEBITS	20	41,746.54		
CREDITS	6		38,671.32	
CLOSINGLEDGER AS OF 10/30/2016				5.59
CLOSING AVAILABLE AS OF 10/30/2016				5.59

NO DATA PRODUCED FOR THIS REPORT AT THIS TIME

NO DATA PRODUCED FOR THIS REPORT AT THIS TIME

DEC 3, 2016 14:02

BANK RECONCILEMENT
RULE OFF PERIOD 10/01/2016 TO 10/31/2016

PAGE: 1

PROOF OF OUTSTANDING

SUB-ACCOUNT 54321234 AAA CLIENT

PLAN 232

ITEMS	AMOUNT	ITEMS	AMOUNT	
ISSUANCE ADJUSTMENT FROM PRIOR PERIOD:	0	0.00		
OUTSTANDING AS OF 9/30/2016	37	22,350.00		
PRIOR OUTSTANDING			37	22,350.00
+ INITIAL ISSUANCE	82	26,945.43		
+ ADDITIONAL CHECKS ISSUED	0	0.00		
TOTAL ISSUANCE ENTERED:			82	26,945.43
- CHANGES TO OUTSTANDING STATUS:				
STOPS	0	0.00		
CANCELS	0	0.00		
AGED ITEMS	0	0.00		
TOTAL STOP/CANCEL:			0	0.00
TOTAL STOP/CANCEL/AGED:			0	0.00
- RECONCILED CHECKS	86	41,746.54		
TOTAL CHECKS RECONCILED:			86	41,746.54
= CLOSING OUTSTANDING 10/31/2016			33	7,548.89

RULE OFF PERIOD 10/01/2016 TO 10/31/2016

PAID AND OUTSTANDING REPORT

SUB-ACCOUNT 54321234 AAA CLIENT, ASO

PLAN 232

SERIAL #	ISSUE DATE	OUTSTANDING AMT	RECON DATE	PAID AMOUNT	STAT	ADDITIONAL	DATA	SOURCE
15293091	10/04/2016		10/09/2016	71472.50	RE	006292E001	ABC REHAB CLINIC,	LL
18637089	09/03/2016	30.00			IS	006291WC01	LOPEZ	M
16925848	10/01/2016	742.30			IS	006298RB01	SAN PEDRO	
73356018	10/06/2016		10/18/2016	883.40	RE	006223WC01	ST. ANNE'S HOSPITAL	
71133803	10/15/2016	356.34			IS	007202RB01	RESURRECTION PLACE	
71133804	10/15/2016		10/02/2016	2,366.29	RE	007209RB01	ST MARTIN	
71133809	10/15/2016		10/01/2016	68.00	RE	006231WC01	B N LARSH	
71150649	10/18/2016	141.75			IS	007201WC01	GARCIAN	A
71158891	10/19/2016		10/30/2016	939.99	RE	006255RC01	RESURRECTION PLACE	
71169404	10/20/2016		10/03/2016	515.00	RE	004248WC01	ARMANDO	
71169405	10/20/2016		10/01/2016	500.00	RE	004251WC01	ORTHO SURGERY	
27107545	10/25/2016		10/03/2016	220.66	RE	006263WC01	NORTH BAY	P
27107546	10/25/2016		10/02/2016	141.75	RE	007201WC01	GARCIAN	A
27115775	10/26/2016		10/03/2016	271.10	RE	007206WC01	DELLA	N
27115776	10/26/2016		10/04/2016	26.45	RE	002500WC02	MACS PHARMAC	
27115777	10/26/2016		10/22/2016	1,839.96	RE	007210RB01	ST MARTIN	
27115778	10/26/2016		10/02/2016	78.51	RE	003231WC01	THIRD PARTY	
27115779	10/26/2016		10/08/2016	403.00	RE	004251WC01	ORTHO SURGERY	
27115780	10/26/2016		10/03/2016	85.00	RE	004251WC01	ROSE MEDICAL	
27115781	10/26/2016		10/04/2016	24.95	RE	003231WC01	IMPULSE INC	
27115782	10/26/2016		10/02/2016	5,631.56	RE	007621WC01	CORNERSTONE REG	
27126906	10/27/2016		10/12/2016	159.06	RE	007621WC01	GARZANT	J
27126907	10/27/2016		10/03/2016	172.10	RE	007206WC01	DELLA	N
27126908	10/27/2016		10/04/2016	63.08	RE	006284WC01	THIRD PHARMAC	
27134124	10/28/2016		10/03/2016	616.50	RE	007628WC01	SOUTH REHABIL	
27134125	10/28/2016		10/03/2016	487.00	RE	006263WC01	SOUTH REHABIL	
27134126	10/28/2016		10/05/2016	65.00	RE	003270WC01	ROSE MEDICAL	
27134271	10/28/2016		10/05/2016	235.00	RE	003270WC01	ROSE MEDICAL	
27134128	10/28/2016		10/05/2016	1,050.00	RE	003270WC01	ROSE MEDICAL	
27134129	10/28/2016		10/05/2016	150.00	RE	003270WC01	ROSE MEDICAL	
27134130	10/28/2016		10/04/2016	90.00	RE	002518WC01	BONE AND JO	
27145109	10/29/2016		10/05/2016	135.19	RE	007628WC01	GUZMANNY	H
27155913	10/30/2016		10/04/2016	2,720.31	RE		GENEX SERVICES,	INC
27155914	10/30/2016		10/12/2016	12.75	RE	007205WC01	THURMO EYE ASSOCI	
27155915	10/30/2016		10/05/2016	960.00	RE	006281WC01	MARTINI CHIROPRACTIC	
27155916	10/30/2016		10/17/2016	48.00	RE	007626WC01	ARMANDO ROSE	
27155917	10/30/2016		10/08/2016	35.00	RE	006281WC01	MARTINI CHIROPRACTIC	
27155918	10/30/2016		10/15/2016	164.00	RE	006352WC01	ANTONIO JR	
27162050	10/01/2016		10/10/2016	220.66	RE	006263WC01	NORTH	P
27162051	10/01/2016		10/29/2016	141.75	RE	007201WC01	GARCIAN	A

PAGE OUTSTANDING TOTALS: PAID TOTALS: 4 ITEMS $ 1,270.39 36 ITEMS $ 28,914.52

STATUS CODES: RE - RECONCILED, FR - FORCE RECONCILE IS - OUTSTANDING ISSUANCE,

SOURCE CODES: EFT ELECTRONIC FUNDS TRANSFER, C - CONVERSION

RULE OFF PERIOD 10/01/2016 TO 10/31/2016
PAID AND OUTSTANDING REPORT

SUB-ACCOUNT 54321234 AAA CLIENT, ASO PLAN 232

SERIAL #	ISSUE DATE	OUTSTANDING AMT	RECON DATE	PAID AMOUNT	STAT	ADDITIONAL	DATA	SOURCE
27168968	10/02/2016		10/12/2016	102.51	RE	006527G501	LUIS M. GUZIO M.D,	
27168970	10/02/2016		10/12/2016	592.00	RE	007621WC01	MOUNTAIN ANESTHESIA	C
17728422	10/03/2016		10/15/2016	159.06	RE	007621WC01	GARZANT J	
17728423	10/03/2016		10/12/2016	172.10	RE	007206WC01	DELLA	N
17728424	10/03/2016		10/10/2016	808.86	RE	006293AP01	ENTERPRISE RENT-A-	C
17728425	10/03/2016		10/12/2016	452.14	RE	007213GD01	GONZALES	L
17287439	10/04/2016		10/19/2016	154.14	RE	006294R501	ALAMO OFFI	
17295361	10/05/2016		10/19/2016	135.19	RE	007628WC01	GROSSMAN	H
17295362	10/05/2016		10/15/2016	594.00	RE	007621WC01	SOUTH REHABIL	
17295363	10/05/2016		10/12/2016	449,40	RE	004521WC01	LIAISON, INCORPORAT	
17295364	10/05/2016		10/15/2016	632,25	RE	006264WC01	SOUTH REHABIL	
17295365	10/05/2016		10/17/2016	101.01	RE	006263WC01	PPS	
17295366	10/05/2016		10/17/2016	57.45	RE	007621WC01	PPS	
17295376	10/05/2016		10/17/2016	20.42	RE	004522WC01	PPS	
17295368	10/05/2016		10/17/2016	153.74	RE	004521WC01	PPS	
17295369	10/05/2016		10/19/2016	567.00	RE	006260WC01	CHRISTOPHER FENN	
17295370	10/05/2016		10/19/2016	533.00	RE	006260WC01	CHRISTOPHER FENN	
37113355	10/08/2016		10/30/2016	220.66	RE	006263WC01	NORTH	P
37120163	10/09/2016		10/29/2016	141.75	RE	007201WC01	GARCIA	A
37120164	10/09/2016		10/18/2016	35.00	RE	006281WC01	CURTIN CHIROPRACTIC	
37134300	10/10/2016		10/18/2016	159.06	RE	007621WC01	GARZANT	J
37134301	10/10/2016		10/18/2016	172.10	RE	007206WC01	DELLA	N
37134302	10/10/2016		10/16/2016	330.57	RE	003231WC01	THIRD SOLUTIO	
37134304	10/10/2016		10/19/2016	85.00	RE	003231WC01	NEW LIFE INC	
37134306	10/10/2016		10/22/2016	96.00	RE	001837WC01	EDINBURG	
37134307	10/10/2016		10/22/2016	216.85	RE	001837WC01	CURTIN DRUG CO	
37134308	10/10/2016		10/26/2016	35.00	RE	007628WC01	ARMANDO ROSE	
37134309	10/10/2016		10/18/2016	85.00	RE	003270WC01	RS MEDICAL	
37144466	10/11/2016	93.60			IS	007217WC01	VENTURA	R
37144476	10/11/2016		10/24/2016	86.00	RE	006284WC01	ANGELO	
37144468	10/11/2016		10/29/2016	104.55	RE	006228WC01	KRISHNAN	
37155200	10/12/2016	93.60			IS	007217WC01	VENTURA	R
37155201	10/12/2016		10/24/2016	135.19	RE	007628WC01	GROSSMAN	H
37170616	10/15/2016	220.66			IS	006263WC01	NORTH	P
37170617	10/15/2016		10/26/2016	141.75	RE	007201WC01	GARCIA	A
37184313	10/17/2016		10/29/2016	159.06	RE	007621WC01	GARZANT	J
37184314	10/17/2016		10/26/2016	172.10	RE	007206WC01	DELLA	N
37184315	10/17/2016		10/22/2016	1,912.50	RE	007201WC01	A MEDICAL	
37184316	10/17/2016		10/26/2016	40.80	RE	007201WC01	SAINT CHARLES	
37184317	10/17/2016	92.13			IS	007628WC01	ARMANDO ROSE	

PAGE OUTSTANDING TOTALS: 4 ITEMS $ 499.99

PAID TOTALS: 36 ITEMS $ 10,013.21

RULE OFF PERIOD 10/01/2016 TO 10/31/2016

PAID AND OUTSTANDING REPORT

SUB-ACCOUNT 54321234 AAA CLIENT, ASO

PLAN 232

SERIAL #	ISSUE DATE	OUTSTANDING AMT	RECON DATE	PAID AMOUNT	STAT	ADDITIONAL	DATA	SOURCE
37184318	10/17/2016		10/22/2016	143.00	RE	006232WC01	COASTAL OFFICE C	
37195758	10/18/2016	151.00			IS	007206WC01	OFFICE ASSOCIATE	
37195759	10/18/2016	53.00			IS	007628WC01	TIM DEAN	
37195760	10/18/2016	80.00			IS	007626WC01	ARMANDO ROSE	
37195761	10/18/2016		10/29/2016	68.00	RE	001837WC01	EDINBURG CENTER	
37195762	10/18/2016		10/29/2016	68.00	RE	001837WC01	EDINBURG CENTER	
37195763	10/18/2016		10/26/2016	355.30	RE	003528WC01	ORTHOPEDIC CENTER	
37195764	10/18/2016		10/23/2016	180.79	RE	006232WC01	WALGREEN CO	
37195765	10/18/2016		10/29/2016	147.43	RE	004521WC01	CORNER RX	
47106180	10/19/2016	93.60			IS	007217WC01	VENTURE	R
47106181	10/19/2016		10/30/2016	135.19	RE	007628WC01	GROSSMAN	H
47106182	10/19/2016		10/26/2016	435.00	RE	007206WC01	SOUTH REHABIL	
47106183	10/19/2016		10/26/2016	498.40	RE	004521WC01	LS, INCORPORAT	
47116196	10/21/2016		10/26/2016	311.95	RE	007206WC01	SLC CENTER	
47116197	10/21/2016		10/29/2016	27.20	RE	007206WC01	AMANDA ROSE	
47116198	10/21/2016	15.00			IS	006232WC01	CONSULTING NURSES	
47116199	10/21/2016		10/29/2016	98.30	RE	007206WC01	AMANDA ROSE	
47116200	10/21/2016	13.13			IS	007201WC01	RUG EMPORIUM	
47116201	10/21/2016		10/29/2016	265.25	RE	003231WC01	PLAZA CENTE	
47116202	10/21/2016	212.00			IS	007621WC01	STAR PERFORMAN	
47120168	10/22/2016	141.75			IS	007201WC01	ESPINOZA	A
47172634	10/23/2016	1,037.00			IS	006260WC01	CHRISTOPHER FENN	
47140424	10/24/2016	93.60			IS	007217WC01	VENTURE	R
47140425	10/24/2016	93.60			IS	007217WC01	VENTURE	R
47140426	10/24/2016	135.19			IS	007628WC01	GROSSMAN	H
47140472	10/24/2016	159.06			IS	007621WC01	GARZANT	J
47140428	10/24/2016	172.10			IS	007206WC01	DELLA	N
47140429	10/24/2016		10/30/2016	85.00	RE	003231WC01	GENEX SERVICES, INC	
47151287	10/29/2016	606.37			IS		GENEX SERVICES, INC	
47151288	10/29/2016	141.75			IS	007201WC01	ESPINOZA	A
47151289	10/29/2016	24.00			IS	005290WC01	MOUNTAIN RADIOLOGISTS	
47151290	10/29/2016	216.31			IS	002096WC01	MISSION PHCY	
47151291	10/29/2016	53.55			IS	002096WC01	MISSION ORG	
47151292	10/29/2016	384.00			IS	006260WC01	FENN, D.C.	C
47158763	10/30/2016	205.00			IS	006263WC01	GENEX SERVICES, INC	
47158764	10/30/2016	686.00			IS	007621WC01	SOUTH REHABIL	
47158765	10/30/2016	133.00			IS	003270WC01	BROOK, INCORPORAT	
47158766	10/30/2016	638.00			IS	006263WC01	SOUTH REHABIL	
47158767	10/30/2016	240.50			IS	007628WC01	SOUTH REHABIL	

PLAN OUTSTANDING TOTALS:
33 ITEMS $ 7,548.89

PAID TOTALS:
86 ITEMS $ 41,746.54

SUBACCT OUTSTANDING TOTALS:
33 ITEMS $ 7,548.89

PAIDTOTALS:
86 ITEMS $ 41,746.54

RULE OFF PERIOD 10/01/2016 TO 10/31/2016

PAID AND OUTSTANDING SUMMARY

LOSS PROGRAM / CLAIM PERIOD

SUB-ACCOUNT 54321234 AAA CLIENT, ASO

PLAN 232

LOSS PROGRAM/CLAIM PERIOD	OUTSTANDING AMOUNT	OUTSTANDING ITEMS	OUTSTANDING BREAK TOTALS AMOUNT	OUTSTANDING BREAK TOTALS ITEMS	PAID AMOUNT	PAID ITEMS	PAID BREAK TOTALS AMOUNT	PAID BREAK TOTALS ITEMS
0.00	0				2,720.31	1		
LOSS PROGRAM			$0.00	0			$2,720.31	1
00 000	606.37	1			0.00	0		
00 015	0.00	0			448.85	4		
00 016	269.86	2			0.00	0		
00 018	0.00	0			869.28	6		
00 019	133.00	1			4,732.69	15		
00 020	0.00	0			116.45	2		
00 021	4,101.54	14			15,301.99	33		
00 022	2,438.12	15			17,558.97	25		
LOSS PROGRAM 00			$7,548.89	33			$39,026.23	85
PLAN TOTAL			$7,548.89	33			$41,746.54	86
SUBACCT TOTAL			$7,548.89	33			$41,746.54	86

DEC 3, 2016 14:02

BANK RECONCILEMENT
RULE OFF PERIOD 10/1/2016 TO 10/31/2016

ISSUANCE SUMMARY

SUB-ACCOUNT 54321234 AAA CLIENT PLAN 232

	ITEMS	AMOUNT		
+ ISSUANCE ADJUSTMENT	0	0.00		
+ INITIAL ISSUANCE	82	26,945.43		
+ ADDITIONAL CHECKS ISSUED	0	0.00		
TOTAL ISSUANCE ENTERED:			82	26,945.43
- STOPS	0	0.00		
- CANCELS	0	0.00		
- AGED ITEMS	0	0.00		
TOTAL STOP/CANCEL:			0	0.00
TOTAL STOP/CANCEL/AGED:			0	0.00
NET ISSUED :			82	26,945.43

RULE OFF PERIOD 10/1/2016 TO 10/31/2016
CANCELED CHECKS DETAIL REPORT

SUB-ACCOUNT 55599000 AAA CLIENT

PLAN 232

SERIAL #	ISSUE DATE	AMOUNT	CANCEL DATE	SERIAL #	ISSUE DATE	AMOUNT	CANCEL DATE
77776218	10/19/2016	76.99	12/31/2016	77778151	09/23/2016	513.49	10/30/2016

PLAN TOTAL CANCELS: 2 ITEMS $ 590.48

DEC 3, 2016 11:41

BANK RECONCILEMENT
RULE OFF PERIOD 10/1/2016 TO 10/31/2016

PAGE: 1

STOP PAYMENT DETAIL

SUB-ACCOUNT 55599000 AAA CLIENT

PLAN 232

SERIAL #	ISSUE DATE	AMOUNT	STOP DATE	REVERSAL DATE	RE-ISSUE SERIAL #	RE-ISSUE DATE
66677788	05/01/2016	4,444.00	06/09/2016		0	
66677699	05/03/2016	14.22	08/13/2016		0	
66677548	05/13/2016	555.66	09/20/2016		0	

PLAN TOTAL CURRENT STOPS: TOTAL REVERSED:

3 ITEMS $5,013.88 0 ITEMS $0.00

SUBACCT TOTAL CURRENT STOPS:TOTAL REVERSED:

3 ITEMS $5,013.88 0 ITEMS $0.00

DEC 3, 2016 10:44

BANK RECONCILEMENT
RULE OFF PERIOD 10/1/2016 TO 10/31/2016

PAGE: 1

AGED ITEMS DETAIL REPORT

SUB-ACCOUNT 55599000 AAA CLIENT

PLAN 232

SERIAL #	ISSUE DATE	AMOUNT	AGED ITEM DATE	ADDITIONAL DATA
14587654	08/02/2016	2,898.00	10/31/2016	007654WC01 BOB SMITH
14587653	08/03/2016	502.00	10/31/2016	007653WC01 JONES EMERGENCY

PLAN TOTAL AGED	ITEMS:	2 ITEMS	$	3,400.00
SUBACCT TOTAL AGED	ITEMS	2 ITEMS	$	3,400.00

F

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Arthur J. Gallagher & Co.

Corporate Social Responsibility

2016–2017

TABLE OF CONTENTS

Arthur J. Gallagher & Co., an international insurance brokerage and risk management services firm, is headquartered in Itasca, Illinois, has operations in 31 countries and offers client-service capabilities in more than 150 countries around the world through a network of correspondent brokers and consultants.

2015 AWARDS & RECOGNITIONS

Ethisphere Institute recognizes Arthur J. Gallagher & Co. as one of the World's Most Ethical Companies

J.D. Power survey of North American risk professionals ranks Arthur J. Gallagher & Co. Highest in Customer Satisfaction Among Brokers for Large Commercial Insurance

Forbes magazine names Arthur J. Gallagher & Co. one of America's Best Employers

Strategic Risk survey of UK FTSE firms rates Arthur J. Gallagher Best Broker across all six service categories

Advisen Claims Satisfaction Survey of risk managers and brokers ranks Gallagher Bassett #1 TPA in casualty claims handling

Workplace Savings and Benefits (WSB) recognizes Arthur J. Gallagher as the U.K.'s Employee Benefit Consultancy of the Year

The Women's Forum of New York honors Arthur J. Gallagher & Co. as a Corporate Champion for its work to achieve gender balance within the boardroom

Chief Executive magazine ranks Arthur J. Gallagher & Co. among its Best Companies for Leaders

HR.com presents Arthur J. Gallagher & Co. with Leadership 500 Excellence Award (Large Companies category)

2016 WORLD'S MOST™ ETHICAL COMPANIES®
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For the fifth consecutive year

THE GLOBAL COMPACT
WE SUPPORT

OUR HERITAGE

At Arthur J. Gallagher & Co., we're deeply committed to maintaining high standards of ethical behavior, and supporting the communities in which we live and work. As we grow and expand our operations around the world, we seek out acquisition partners and new employees who share that commitment. Wherever we operate, our people embrace the Gallagher culture, and we celebrate the diversity and value each member brings to our team.

Our company places a great deal of emphasis on integrity, and those efforts are being recognized. In 2016, for the fifth consecutive year, we were designated a World's Most Ethical Company® by the Ethisphere Institute.

Our commitment to being an ethical and socially responsible organization is best illustrated in a document that we call *The Gallagher Way,* written in 1984 by my uncle, Robert E. (Bob) Gallagher, then distributed and promoted throughout our organization by my father, John P. Gallagher. Today, it remains our most important document. You will find *The Gallagher Way* at the end of this report. It should help you to understand who we are and why we choose to work at Gallagher.

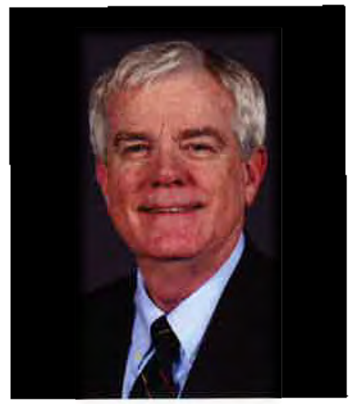
The values expressed by my uncle in 1984 are the same as those established by my grandfather in 1927. If we continue to abide by them, we believe that they will carry us through this century as well. Consider the following:

- Tenet 2: "We support one another. We believe in one another. We acknowledge and respect the ability of one another."
- Tenet 7: "Empathy for the other person is not a weakness."
- Tenet 16: "Loyalty and respect are earned – not dictated."
- Tenet 21: "We adhere to the highest standards of moral and ethical behavior."
- Tenet 23: "We are a warm, close company. This is a strength – not a weakness."

I invite you to read this Corporate Social Responsibility report in the spirit in which it was written. This is not a report about our company as much as it is a story about our people. The greatest asset our company has is our people: They do the work, they control the relationships and they build our reputation. It is my honor to share with you some of the great things that they are doing.

J. Patrick Gallagher, Jr.
Chairman, President and CEO

OUR COMMITMENT TO THE WORLD



I have the honor of visiting well over 100 of our company's branch offices around the world every year to meet with, on average, more than 6,000 of our employees. These visits have confirmed to me that Arthur J. Gallagher & Co.'s shared values are understood and in practice in all of our offices around the world. It is particularly rewarding to see how our new merger partners have embraced our culture and have enhanced our global profile.

As we grow, one of our greatest challenges is to maintain our unique culture. We are acutely aware of the importance of our values and beliefs, and we strive to protect our culture in several ways:

- We continually remind our people of our guiding tenets and their importance to our organization. *The Gallagher Way* is a document that succinctly states our values. You can find it prominently displayed in every Gallagher office, and we refer to it regularly in our discussions and written communications. We also try to recognize the social responsibility efforts of our more than 21,500 employees around the world, many of whom enthusiastically accept that challenge.
- We are cautious, as we bring individuals and organizations into the company, in ensuring that their values are not in conflict with our values. We probably spend as much time and effort evaluating the cultural atmosphere of a potential merger partner as we do its financial success. As Pat Gallagher is fond of saying, "We can tell within a few weeks if a group of people can be financially successful in our business. We may spend months determining whether they share our values."

As we continue to grow our company, we are not trying to "Gallagherize the Globe;" rather, we are trying to "Globalize Gallagher." Our goal is to take the very best ideas from our merger partners around the world and blend those characteristics into a Global Community dedicated to providing the best possible service to our clients and the highest level of integrity in the industry.

We recognize that humans are not perfect and that occasionally issues will arise. But when they do, we work quickly to address them. Overwhelmingly, our people embrace and demonstrate Gallagher's shared values each and every day. We are proud to share some of their stories with you on the following pages.

Tom Tropp

Tom Tropp
Corporate Vice President
Ethics and Sustainability

FOCUS ON INTEGRITY

Each year, every Gallagher employee reviews and commits to our Global Standards of Business Conduct, a document that describes our obligation to conduct ourselves in accordance with legal and ethical guidelines. But we view that document as setting just a minimum standard of behavior.

We call upon our employees to embody ethical behavior that goes beyond legal compliance. In our view, ethics is all about values; it is what we as a group of people have agreed that we *should* do. These values are spelled out in *The Gallagher Way* (see page 10), and they can be witnessed in the actions of our employees each and every day. We also frequently remind employees of the commitment we have made to live by those values.

CEO Pat Gallagher (right) accepts Arthur J. Gallagher & Co.'s 2015 World's Most Ethical Companies award from Timothy Erblich, Chief Executive Officer of the Ethisphere Institute

SUSTAINABILITY

Gallagher is committed to protecting and even improving the environment for the benefit of current and future generations. Environmental protection and preservation makes sound business sense. It not only enriches the lives of our employees, our clients and their loved ones, it can also reduce our expenses and improve our bottom line.

Although our company typically chooses to lease rather than purchase office space, wherever possible we look for energy-efficient properties. We have implemented various other environmental initiatives, such as reducing our reliance on paper through online document management systems and working with certified, environmentally friendly furniture vendors. Where feasible, we also support employee telecommuting arrangements, which can improve morale, increase productivity and reduce fuel consumption.

In addition, over the last two decades, we have provided substantial funding for research and commercialization of new and innovative clean-air technologies. Our pioneering efforts have led to industry-leading commercial installations at a significant portion of power plants in the United States. This technology is now dramatically reducing emissions of mercury, sulfur dioxide and other heavy metals. In addition, we are funding the development of technologies that aid in the safe elimination of carbon dioxide from power plants. These investments directly improve our environment and demonstrate Gallagher's commitment to environmental protection.

Over the years, we have actively sought out opportunities to preserve and protect the environment, and we will continue to explore and pursue new and creative ways to make positive impacts in this area.

Gallagher's New Zealand brokerage operation, Crombie Lockwood, has established the DOC Buddies™ programme across its roughly two dozen offices. Through DOC Buddies,™ Crombie Lockwood volunteers assist the Department of Conservation in protecting the habitat of endangered native birds and in supporting wider conservation causes.

COMMUNITY SERVICE

At Gallagher, we understand the importance of giving back to our communities. We are committed to promoting environmental, social, and economic benefits in the communities in which we live and work.

We believe in running our business with integrity and strong values, and take pride in a culture that embodies both. That is why we recognize the thousands of hours of community service our employees undertake around the world every year. These charitable activities give testament to the compassion and generosity of our workforce, and the strength of our company culture.

Whether we are working to help our communities and the environment, or striving to always be an ethical company, Gallagher's employees are making a difference around the world.

Meals for Children

Representatives from Gallagher's Houston office prepare sandwiches and pack lunches for the Kids' Meals Houston Kitchen.

Wales Three Peaks Challenge Funds Much Needed Surgery

A team of 42 people from three offices across South Wales took part in the grueling Welsh Three Peaks challenge in June 2015 to help fund a child with quadriplegic cerebral palsy's life-transforming surgery. The operation is expected to dramatically increase her mobility and take away any pain she suffers.

A New Start

In partnership with Food for the Poor Jamaica, members of Gallagher's Jamaican brokerage operation participated in building a home for a family in need in Steer Town, St. Ann, Jamaica.

Representatives from CGM Gallagher present the recipient with keys to her new house.

Granting a Special Wish

A team of golfers from Gallagher's Chicago-area brokerage operations were prize winners in the Chubb Charity Challenge, with their $8,000 in winnings going to Make-A-Wish® Illinois. This funded a dream trip to Nintendo headquarters in Redmond, Washington for 13-year-old Ryan and his family. Ryan visited Gallagher's home office after the trip.

Cycling for a Cure

Employees of a Gallagher office in Victoria Australia helped raise money for cancer research at the 8th annual Ballarat Cycle Classic.

Give Kids the World

Gallagher Bassett (GB) employees across seven Florida offices, along with their families, came together with the Workers' Compensation Institute to participate in a special Volunteer Day at Give Kids The World. Due to their hard work and contributions, the institute honored GB with its 2015 Corporate Volunteer of the Year award.

Children's Trust Charity

Gallagher's Walbrook team in London runs for Children's Trust Charity. In the four years the team has been participating, they've raised over £50,000 for the charity.

THE GALLAGHER WAY

Shared values at Arthur J. Gallagher & Co. are the rock foundation of the Company and our Culture. What is a Shared Value? These are concepts that the vast majority of the movers and shakers in the Company passionately adhere to. What are some of Arthur J. Gallagher & Co.'s Shared Values?

1. We are a Sales and Marketing Company dedicated to providing excellence in Risk Management Services to our clients.
2. We support one another. We believe in one another. We acknowledge and respect the ability of one another.
3. We push for professional excellence.
4. We can all improve and learn from one another.
5. There are no second-class citizens—everyone is important and everyone's job is important.
6. We're an open society.
7. Empathy for the other person is not a weakness.
8. Suspicion breeds more suspicion. To trust and be trusted is vital.
9. Leaders need followers. How leaders treat followers has a direct impact on the effectiveness of the leader.
10. Interpersonal business relationships should be built.
11. We all need one another. We are all cogs in a wheel.
12. No department or person is an island.
13. Professional courtesy is expected.
14. Never ask someone to do something you wouldn't do yourself.

(LEFT)
Founder Arthur J. Gallagher

(RIGHT)
(l-r) Former Executive Vice President John P. Gallagher; current Chairman, President and CEO J. Patrick Gallagher, Jr.; and former Chairman, President and CEO Robert E. Gallagher
Photo 1995

15. I consider myself support for our Sales and Marketing. We can't make things happen without each other. We are a team.

16. Loyalty and respect are earned—not dictated.

17. Fear is a turnoff.

18. People skills are very important at Arthur J. Gallagher & Co.

19. We're a very competitive and aggressive Company.

20. We run to problems—not away from them.

21. We adhere to the highest standards of moral and ethical behavior.

22. People work harder and are more effective when they're turned on— not turned off.

23. We are a warm, close Company. This is a strength —not a weakness.

24. We must continue building a professional Company—together— as a team.

25. Shared values can be altered with circumstances—but carefully and with tact and consideration for one another's needs.

When accepted Shared Values are changed or challenged, the emotional impact and negative feelings can damage the Company.

Robert E. Gallagher – May 1984

We adhere to the highest standards of moral and ethical behavior.

— Tenet 21

Arthur J. Gallagher & Co.

CORPORATE HEADQUARTERS

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TOM TROPP

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