

CITY OF NEW YORK
OFFICE OF THE COMPTROLLER

CLAIMS REPORT FISCAL YEAR 2004

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COMPTROLLER**

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Claims Report

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II. EXECUTIVE SUMMARY

This report provides a comprehensive examination of data regarding claims filed against the City in Fiscal Year 2004 and analyzes recent claims trends. It also provides preliminary data for Fiscal Year 2005.

The settlement of claims and payment of judgments remains stable, costing New York City approximately half a billion dollars annually. As part of an aggressive effort to contain settlement costs, the Comptroller's Office has adopted a number of strategies and new technologies to settle claims earlier and reduce overall costs.

The Office is using innovative technologies such as Cybersettle--an internet-based settlement tool that matches monetary offers between claimants and the City--and introducing the use of mediation as a means to resolve costly medical malpractice and other types of claims. The development of a geographically-based data mining initiative will allow the Office to identify claims activity by locality, and better track and analyze trends. The Comptroller's Office also has begun hosting City-wide agency forums to assist agencies with motor vehicle claims and vehicular risks. In Fiscal Year 2004, this Office settled a record number of personal injury claims prior to litigation; this focus on early settlements saved the City approximately \$28 million.

The Comptroller's Community Action Center has conducted extensive community outreach efforts to promote the benefits of early settlement as a way to avoid litigation and expedite fair settlements. The benefits of these efforts were evident most recently in resolving claims relating to the Astoria water main collapse. By facilitating fair and early settlements, both the City and families were spared the substantial costs associated with legal action.

The Comptroller's Office also has strengthened its efforts to collect funds owed by individuals who have caused damage to City property and to identify fraudulent claims against the City. The Property Damage Affirmative Claims efforts collected more than \$1 million in Fiscal Year 2004. The creation of an in-house Fraud Unit helped the Office institute more effective procedures to detect fraudulent claims, resulting in savings of more than \$870,000 since Fiscal Year 2003. The Office will continue to expand its aggressive efforts to ensure that money owed to the City is collected and that fraudulent claims against the City are detected. In addition, through the Recovery Program, more than \$9 million was collected in Fiscal Year 2004 from claimants with outstanding obligations to the City.

While the City's overall settlement costs have decreased over the last ten fiscal years and the second-lowest numbers of claims were filed in Fiscal Year 2004, there have been some troubling trends in claims activity. Medical malpractice is an area of particular concern, as these claims continue to represent the largest payouts made by the City. Although the number of claims and settlement costs decreased in Fiscal Year 2004, a record high of 42 separate cases each were resolved for more than \$1 million. These costs increase the tax burden of every New Yorker and directly impact the quality of life of all City residents.

This report presents an overview of the three categories of claims filed (Personal Injury, Property Damage, and Law Claims) and their costs for the ten-year period from Fiscal Year 1995 through Fiscal Year 2004.¹

Section IV focuses on activities in Fiscal Year 2004 and compares them to Fiscal Year 2003 claims data.

Sections V and VI present trends in personal injury claims, separated by claim type, agency and borough. Personal injury claims are analyzed separately because they account for the greatest cost and largest number of new claims filed.

A summary of claims trends may be found beginning on Page 8.

Preliminary data for Fiscal Year 2005 are included in Appendix E of this report. In order to better meet the varying needs for the use of claims data, the timeline for and the methods of data collection and analysis are being revised beginning with information for Fiscal Year 2005. As a result of this revision, this preliminary snapshot of claims data will be available earlier in the fiscal year, thereby permitting better analysis and risk management.²

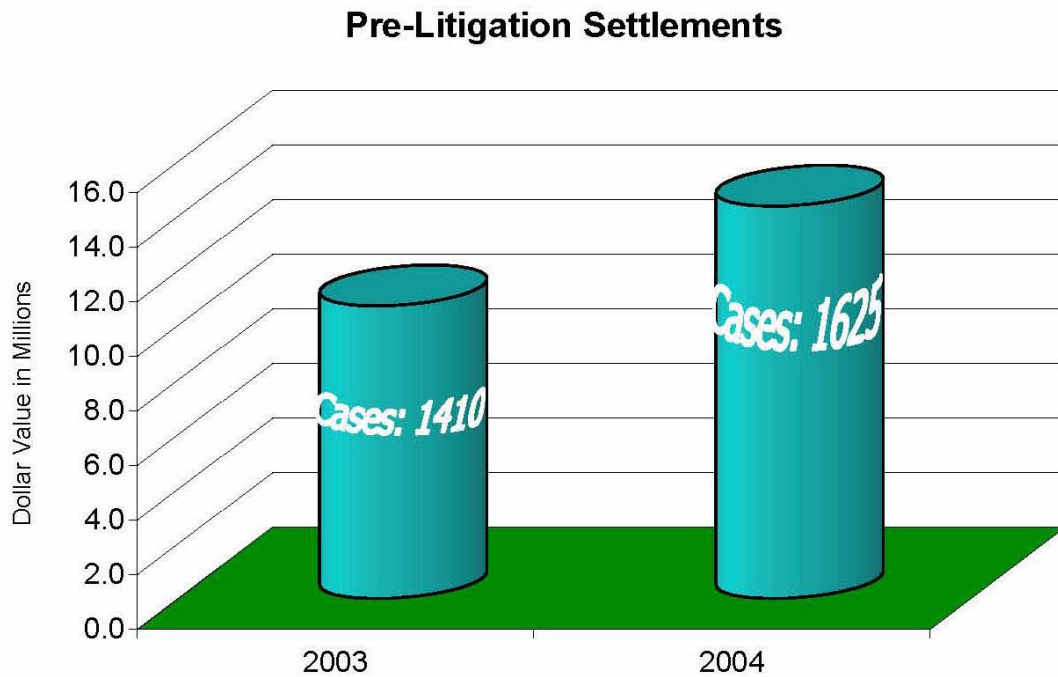
¹The Comptroller Office records claims data on its Omnibus Automated Image Storage and Information System (OAISIS). For the purpose of this report, "settlement and judgment costs," "liabilities," "expenditures" or "amounts paid" will be used interchangeably with "recorded settlements and judgments."

² Because of this revision, these data are not comparable with FY 2004 data and data from other previous years.

III. OVERVIEW OF COMPTROLLER’S INITIATIVES TO MANAGE RISK AND IMPLEMENT BEST PRACTICES

Pre-Litigation Settlement: In Fiscal Year 2004, the Comptroller’s Office settled a record 1,625 personal injury claims prior to litigation; 215 more than in Fiscal Year 2003. This effort saved the City approximately \$28 million in settlement costs. The average pre-litigation settlement was \$8,808, whereas the average settlement for similar claims involving litigation was \$26,658.

CHART 1



Cybersettle: Since February 2004, the Comptroller’s Office has utilized Cybersettle, an Internet-based settlement tool that uses a double-blind negotiation process. In that time the Office has settled more than 1,000 personal injury and property damage claims using this technology, with an average settlement of \$11,362 per claim, saving the City approximately \$15 million. Plans include the expanded use of Cybersettle by placing Cybersettle kiosks in courthouses.

CHART 2

CYBERSETTLE

Average Number Settlements by Quarter
Inception (Feb 2004) to Aug 31, 2005

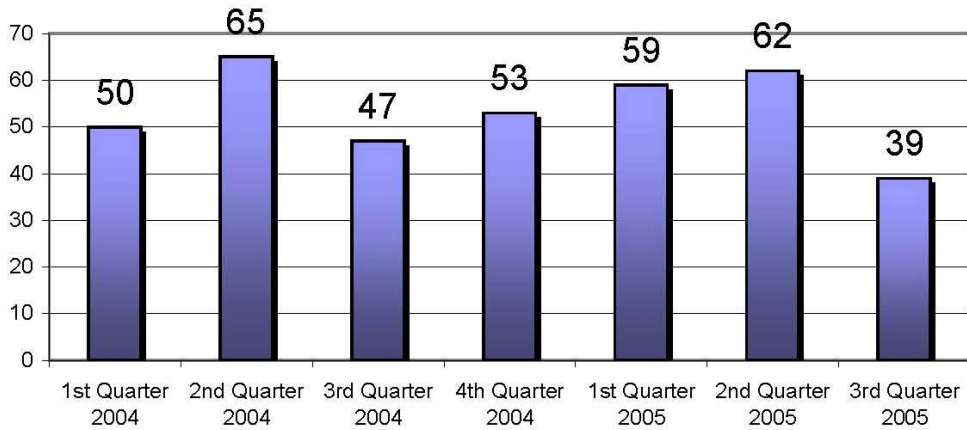
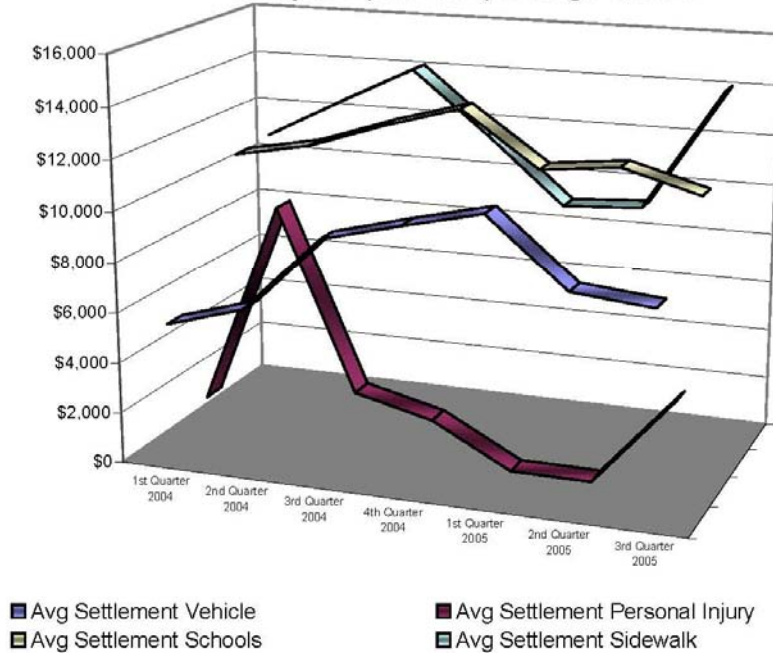


CHART 3

CYBERSETTLE

Average Settlement Amounts by Quarter and Category
Inception (Feb 2004) to Aug 31, 2005

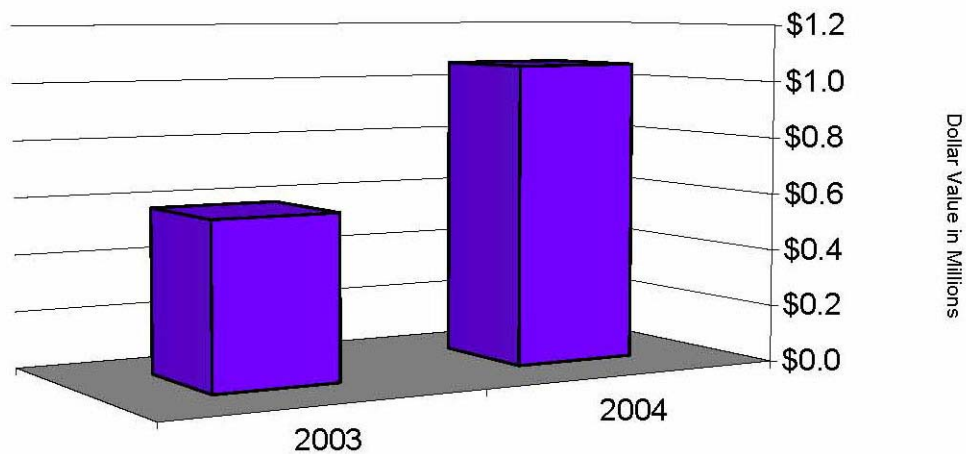


Recovery Program: In Fiscal Year 2004, the Comptroller's Office collected a record \$9.4 million from claimants with outstanding obligations to the City. This represents a 53% increase from Fiscal Year 2003. By improving both manual and automated City systems and by working closely with City agencies--particularly with the Human Resources Administration--the Office was able to collect outstanding public assistance, parking tickets, and child support obligations from claimants who received settlements from the City.

Property Damage Affirmative Claim Expansion Efforts: The Comptroller's Office continues to expand efforts to collect money from individuals who have damaged City property. In Fiscal Year 2004, the Office collected a record \$1,057,479 in affirmative claims, an increase of \$487,479 from Fiscal Year 2003.

CHART 4

**Affirmative Claim Collections
FYs 2003 - 2004**



Fraud Unit: The creation of an in-house Fraud Unit helped the Office institute more effective procedures to detect fraudulent claims, resulting in savings of more than \$870,000 since Fiscal Year 2003. Fraud activity has ranged from false allegations regarding location and/or cause of claimant injuries to claims for damages that had already been paid by another party.

Sidewalk Claim Initiatives: In March, 2004, the Comptroller's Office and Corporation Counsel staff began settlement conferences with former Chief Administrative Judge Gerald Esposito with the goal of reducing the backlog of outstanding actions filed in the Bronx, the borough with the largest number of sidewalk claims. (The initiative resulted in the settlement of 168 cases. The Comptroller's Office and Corporation Counsel have also used pilot a Cybersettle program in the Bronx and Brooklyn to resolve sidewalk claims that have entered litigation.)

Early Settlement of Staten Island Ferry Cases: The Comptroller's Office focused resources on the early settlement of claims filed against the City as a result of the October 15, 2003, Staten Island Ferry crash. As a result of this process, claimants received fair compensation, avoided lengthy litigation, and all parties avoided substantial legal costs.³

Geographic Information System (GIS): A new technology initiative will provide geographic overlays of claims data, allowing the Comptroller's Office to identify claims activity by locality. The system will enhance the Office's ability to coordinate claims activity, identify claim fraud, provide risk management data and analyze claims trends. Two GIS pilot projects are in progress: the first allows sidewalk claim investigators to map the location of each claim and determine more efficiently and accurately whether the City is liable; the second involves mapping the locations of sewer and water main infrastructure claims.

Medical Malpractice Mediation Pilot: The Comptroller's Office participated in a pilot project designed to study the role of mediation in medical malpractice claims filed against Health and Hospital Corporation (HHC) facilities. Nineteen medical malpractice cases were mediated, twelve of which were settled early in the process, saving the City substantial litigation costs.

1st Annual Risk Management Award: To further encourage City agencies to develop innovative approaches to risk management, the Comptroller's Office launched an award initiative that recognizes agency efforts to reduce liability and claims costs. The Department of Design and Construction (DDC) submitted a winning proposal for two initiatives that have significantly reduced risk on City construction projects: The Site Safety Review and Audits Program, and the Insurance and Risk Management Unit. The award was presented to DDC Commissioner by the Comptroller in October 2004.

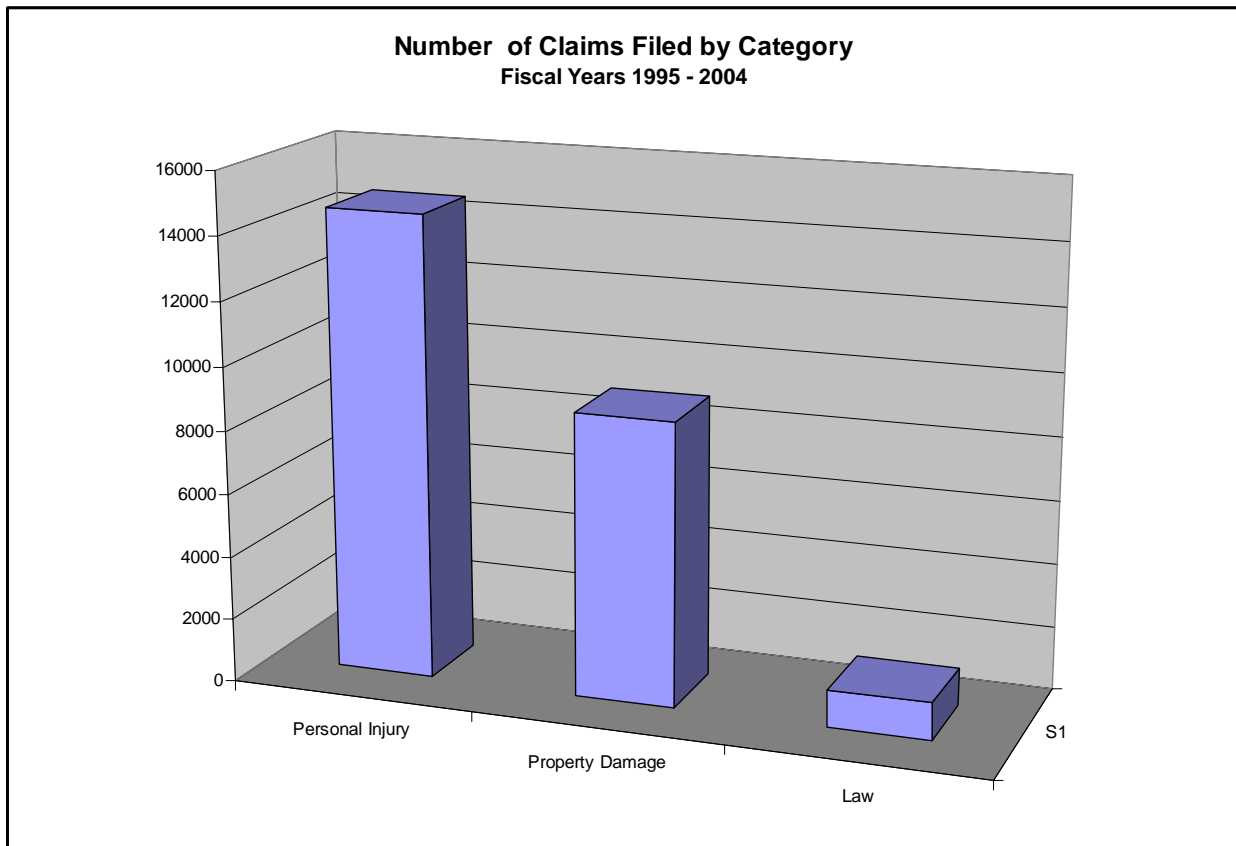
Increasing Agency Accountability and Coordination: Under the City's current budgetary system, City agencies do not absorb expenses related to no-fault accidents, and similarly, cases involving alleged negligence by agency employees are paid through the City's General Fund. The Comptroller continues to advocate that agencies be held directly accountable for the actions of their employees and benefit directly from risk-reduction efforts. The Comptroller's Office also is helping agencies improve safety and reduce claims costs through an Agency Auto Safety Initiative, which involves sharing risk management techniques and city-wide data.

³ As of October 12, 2005, the Office has settled 99 claims (out of 187 claims filed) for a total of \$3.6 million.

IV. CLAIMS TRENDS

The number of new claims filed in Fiscal Year 2004 was 24,719, the second lowest number in ten fiscal years⁴. The number of claims filed represents a decline of two percent from Fiscal Year 2003, when 25,346 new claims were filed. Between Fiscal Year 1996, when new claims filed reached a historic high of 30,680, and Fiscal Year 2004, the number of new claim filings has fallen by 19 percent.

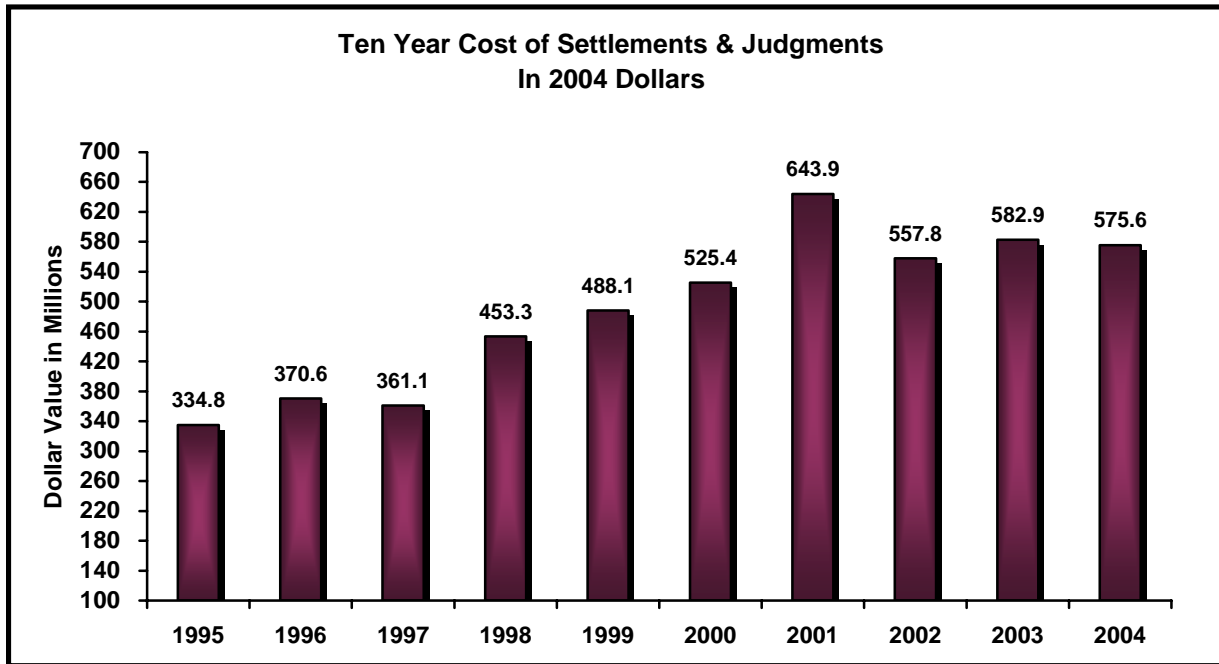
CHART 5



The overall cost to the City in settlements and claims was \$575.6 million in Fiscal Year 2004. This represents a decline of approximately one percent from the cost of claims in Fiscal Year 2003 (\$582.9 million). Since Fiscal Year 1995, when total claims costs were \$334.8 million (in 2004 dollars), claims costs have risen by 58 percent.

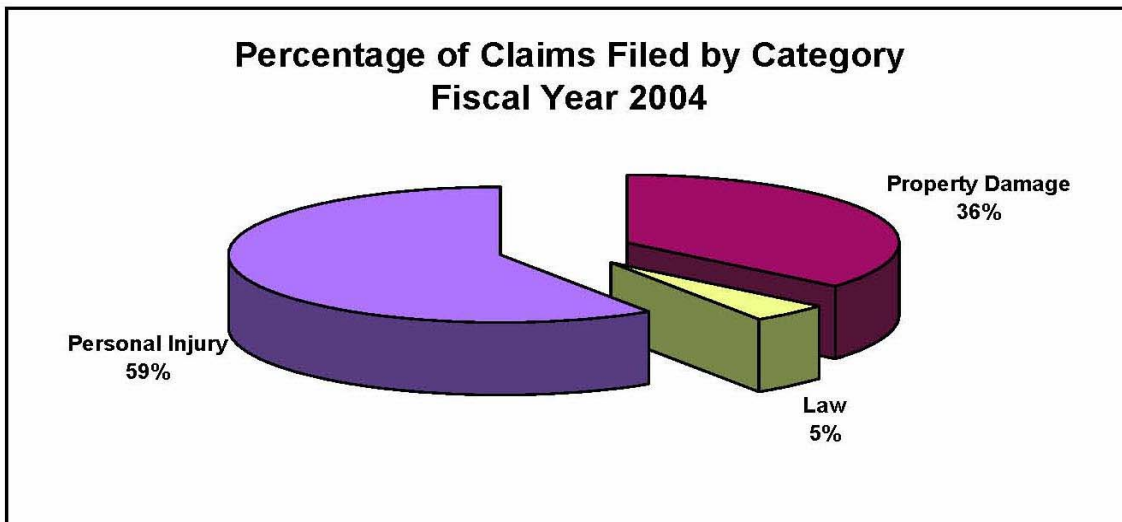
⁴ The year with the lowest number of claims filed was Fiscal Year 2002 (likely attributable to the World Trade Center tragedy).

CHART 6



Claims are divided into three categories: Personal Injury, Property Damage and Law claims.⁵

CHART 7



⁵ Personal Injury claims include allegations of bodily injury and/or civil rights violations. Property Damage claims includes allegations of damage to property such as damage to motor vehicles and other physical assets. Law claims include allegations filed by City contractors or City employees as a result of contractual disputes as well as claims filed by private individuals seeking refunds for alleged overpayments of various items such as taxes or fines.

PERSONAL INJURY CLAIMS

Each year, personal injury claims are the most frequently filed and the most costly to resolve. Personal injury claims include medical malpractice, sidewalk, motor vehicle, police action, schools and defective roadway claims.

- Personal injury claims accounted for \$536.8 million, or 93 percent, of the \$575.6 million paid in Fiscal Year 2004. During Fiscal Year 2003, personal injury claims accounted for \$540.2 million, or 93 percent of the \$582.9 million paid.
- In Fiscal Year 2004, the costliest personal injury claims category was medical malpractice, which cost the City \$167.5 million. The second costliest category was defective sidewalks, at \$71.6 million. Motor vehicle settlements and judgments were the third costliest, at \$62.3 million. The fourth costliest category was police action claims, at \$42.6 million.
- The number of new personal injury claims filed in Fiscal Year 2004 was 14,621, the lowest number in ten years. This represents an eight percent decrease from Fiscal Year 2003, when 15,860 claims were filed.
- The average settlement/judgment for all personal injury cases in Fiscal Year 2004 was \$64,326, virtually the same as the \$64,471 paid in Fiscal Year 2003.

CHART 8

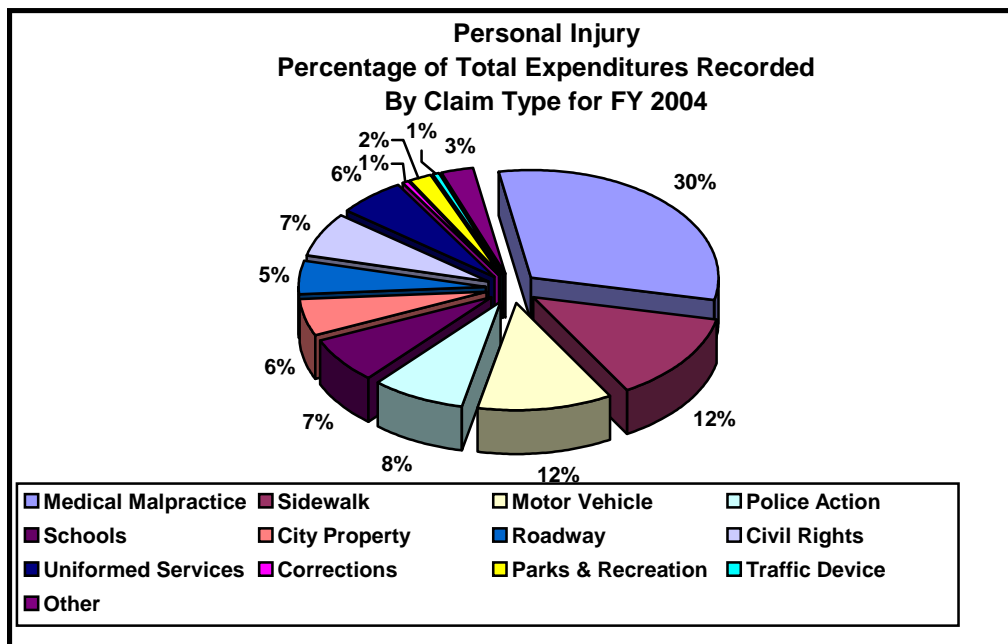
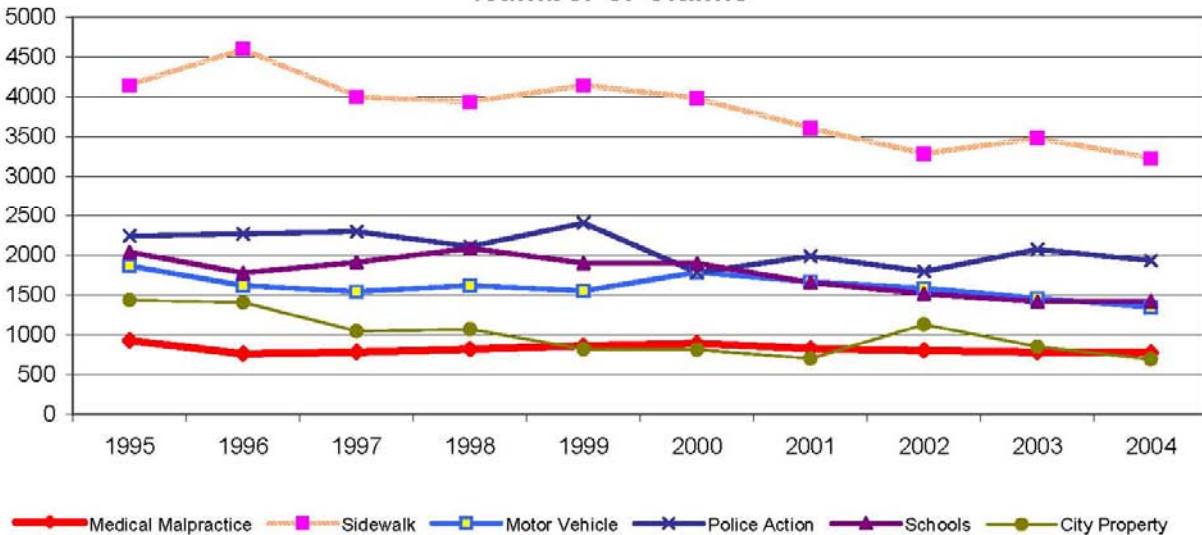


CHART 9
Claim Types
FYs 1995 - 2004
Number of Claims



1. Medical Malpractice

Medical Malpractice claims are claims filed against the City or a Health and Hospitals Corporation facility that allege malpractice during treatment.

- Although Medical Malpractice claims comprised a comparatively small percentage of personal injury claims filed, they were the costliest type of personal injury claim during each of the past ten fiscal years.
- The number of new Medical Malpractice claims filed was virtually the same in Fiscal Years 2004 and 2003 (773 and 779, respectively).
- Medical Malpractice cases cost the City \$167.5 million for 339 cases in Fiscal Year 2004, representing a decrease over Fiscal Year 2003, when the cost was \$195.4 million for 345 cases. Medical Malpractice claims accounted for 31 percent of the total \$536.8 million Fiscal Year 2004 Personal Injury payout, making them the most expensive of all Personal Injury claims. Fiscal Year 2003 Medical Malpractice claims accounted for 36% of the total \$540.2 million Personal Injury payout.

CHART 10

Medical Malpractice

FYs 1995 - 2004

Number of Claims Filed

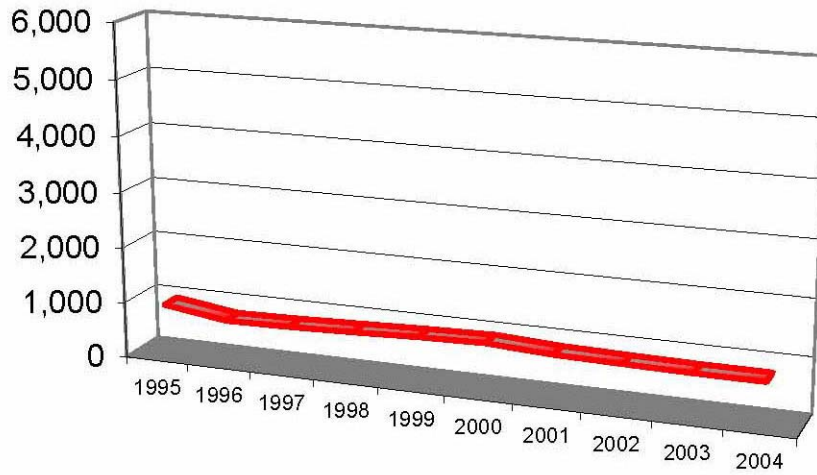
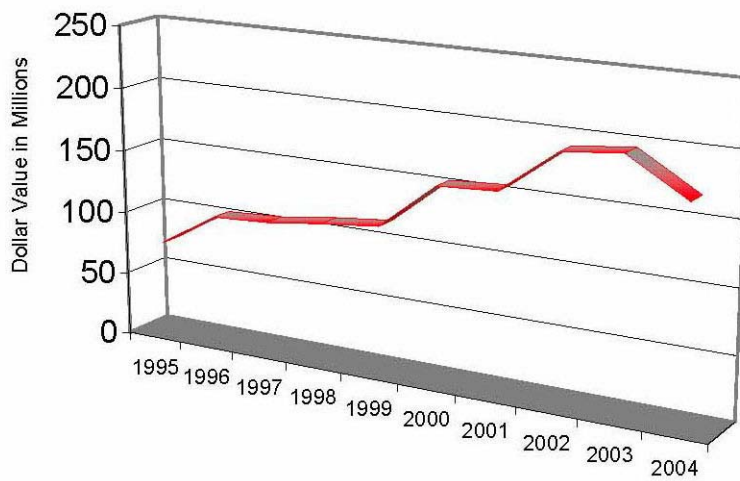


CHART 11

Medical Malpractice

FYs 1995 - 2004

Dollar Value of Settlements & Judgments



- In Fiscal Year 2004, a record 95 cases were each resolved for \$1 million or more. Medical Malpractice cases accounted for 42 -- almost half -- of these high-value cases.
- The three hospitals for which the City paid the highest total amount for medical malpractice claims in Fiscal Year 2004 were Kings County (\$25.2 million), Elmhurst (\$18.4 million), and Woodhull (\$17.1 million).
- Four hospitals had a greater than ten percent decrease in the number of medical malpractice claims filed. Claims filed against Woodhull Hospital dropped from 64 in Fiscal Year 2003 to 45 in Fiscal Year 2004. Claims filed against Jacobi/Bronx Municipal Hospital fell from 84 in Fiscal Year 2003 to 61 in Fiscal Year 2004. North Central Bronx Hospital's claims decreased from 28 in Fiscal Year 2003 to 23 in Fiscal Year 2004. New claims filed against Lincoln Hospital declined from 75 in Fiscal Year 2003 to 64 in Fiscal Year 2004.
- Two hospitals had significant increases in the number of medical malpractice claims filed. Claims against Coney Island Hospital rose from 47 in Fiscal Year 2003 to 60 in Fiscal Year 2004. Claims against Elmhurst rose from 50 in Fiscal Year 2003 to 64 in Fiscal Year 2004.
- Six hospitals experienced increases and five hospitals experienced decreases in medical malpractice payouts from Fiscal Year 2003 to Fiscal Year 2004. Among the most significant increases in medical malpractice payouts were: Coney Island Hospital (135%), Kings County Hospital (114%), Woodhull Hospital (78%) and Bellevue Hospital (53 %). It should be noted, however, that medical malpractice claims often take five to ten years to resolve. Thus, the number of claims filed is a better indicator of current hospital activity than the amount paid out in any one year.

HEALTH & HOSPITALS ACTIVITY

Hospital	Number Resolved FY 2003	Amount Paid FY 2003 (millions)	Average Amount Per Claim FY 2003	Number Resolved FY 2004	Amount Paid FY 2004 (millions)	Average Amount Per Claim FY 2004
Bellevue	26	\$6.4	\$246,000	22	\$9.8	\$445,000
Coney Island	25	\$4.8	\$192,000	28	\$11.3	\$404,000
Elmhurst	43	\$32.5	\$756,000	44	\$18.4	\$418,000
Harlem	23	\$8.9	\$387,000	17	\$12.6	\$741,000
Jacobi / Bronx Municipal	37	\$22.6	\$611,000	38	\$9.4	\$247,000
Kings County	50	\$11.8	\$236,000	41	\$25.2	\$615,000
Lincoln	38	\$39.0	\$1,026,000	31	\$15.8	\$510,000
Metropolitan	14	\$10.2	\$729,000	15	\$4.6	\$307,000
No. Central Bronx	20	\$2.1	\$105,000	18	\$13.2	\$733,000
Queens	9	\$6.4	\$711,000	15	\$4.5	\$300,000
Woodhull	19	\$9.6	\$505,000	25	\$17.1	\$684,000
Total	304	\$154.3	Total Average: \$508,000	294	\$141.9	Total Average: \$483,000

HEALTH & HOSPITALS FILING ACTIVITY

Hospital	Claims Filed FY 2003	Claims Filed FY 2004
Bellevue	67	69
Coney Island	47	60
Elmhurst	50	64
Harlem	47	49
Jacobi / Bronx Municipal	84	61
Kings County	96	93
Lincoln	75	64
Metropolitan	29	33
North Central Bronx	28	23
Queens	17	18
Woodhull	64	45
Total	604	579

2. Defective Sidewalk Claims

Sidewalk claims arise from alleged defects, such as cracked or uneven surfaces, on public sidewalks. This type of claim includes personal injuries for “trip and fall” accidents resulting from such defects, as well as incidents on snow and ice-covered sidewalks.

- In Fiscal Year 2004, 3,229 sidewalk claims were filed against the City the lowest number of sidewalk claims in ten years. This represents a seven percent decrease from the 3,482 sidewalk claims filed during Fiscal Year 2003.
- The total cost of sidewalk claims was \$71.6 million in Fiscal Year 2004. In Fiscal Year 2003, sidewalk claims cost \$68 million.

CHART 12

Sidewalk

FYs 1995 - 2004

Number of Claims Filed

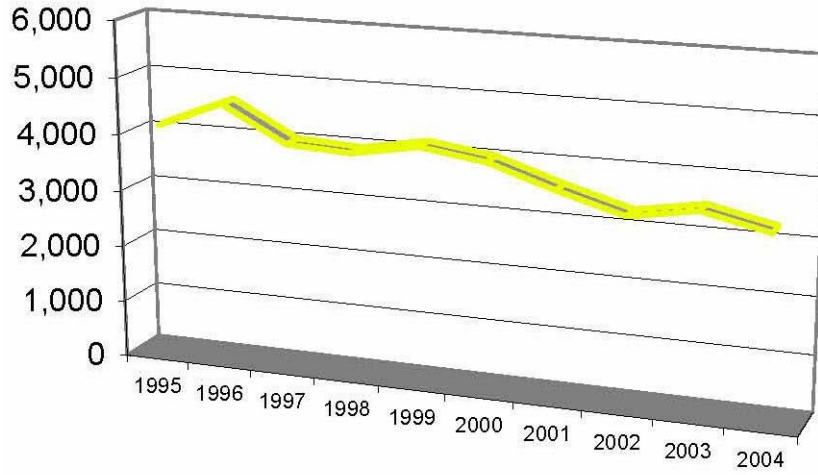
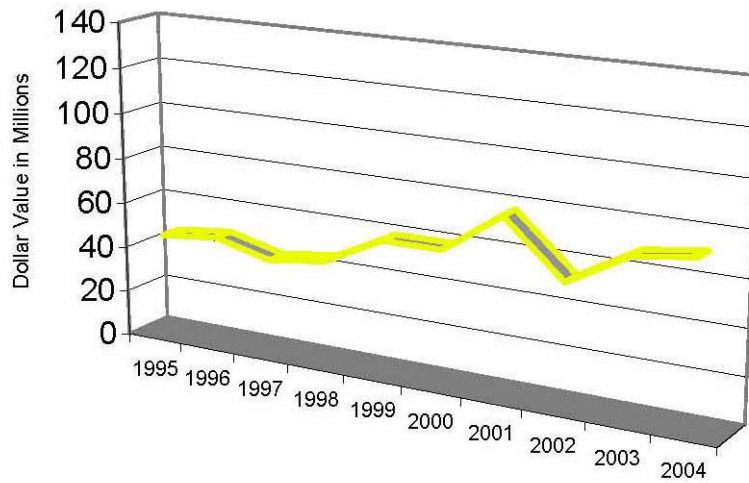


CHART 13

Sidewalk

FYs 1995 - 2004

Dollar Value of Settlements & Judgments



- During the past ten fiscal years, sidewalk claims were the most frequently filed personal injury claim.
- As a result of new legislation⁶, the Comptroller's Office disallowed 1,216 or 38 percent of the 3,229 of the sidewalk claims filed in Fiscal Year 2004.

3. Motor Vehicle Accident Claims

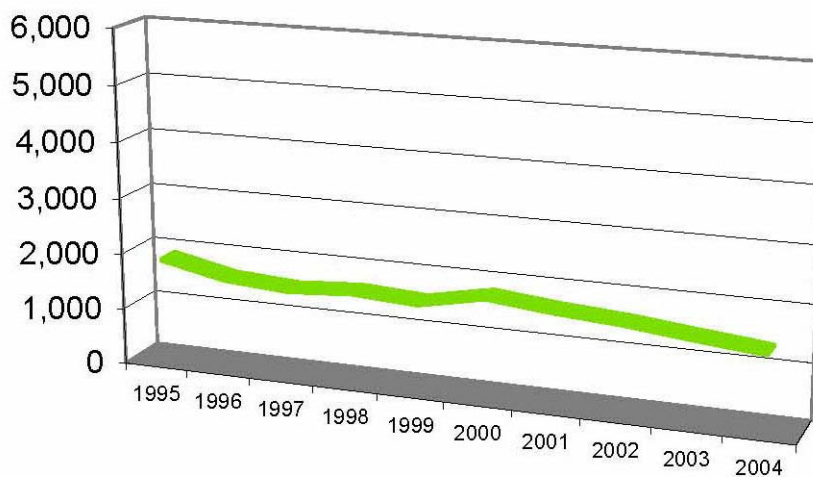
Motor vehicle accident claims consist of cases involving City vehicles.

- The number of new personal injury motor vehicle accident claims filed in Fiscal Year 2004 was 1,346. This represents a decrease of eight percent from Fiscal Year 2003, when 1,456 claims were filed.
- Personal injury motor vehicle accident claims cost \$62.3 million in Fiscal Year 2004, up from \$59.9 million in Fiscal Year 2003.

CHART 14

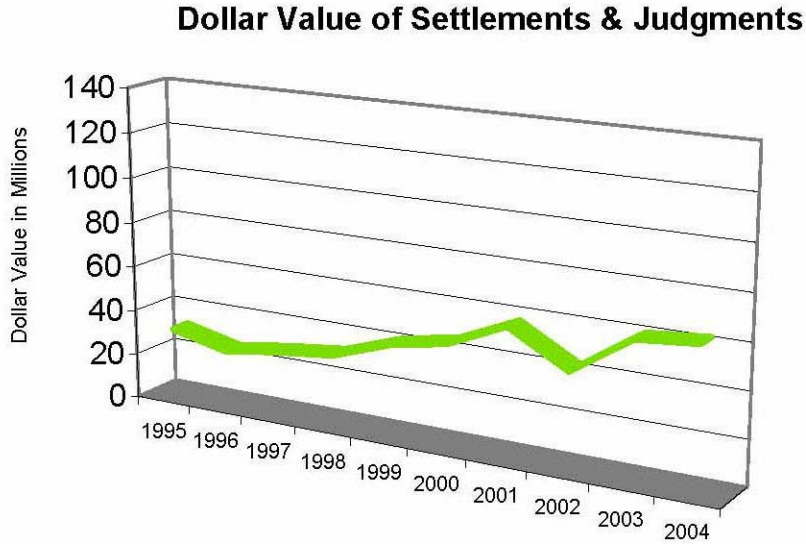
Motor Vehicle FYs 1995 - 2004

Number of Claims Filed



⁶ Local Law 49 limits the City's liability to sidewalks adjoining City-owned property or to owner-occupied residential property having no more than three units.

CHART 15
Motor Vehicle
FYs 1995 - 2004



4. Police Action Claims

Police action claims result from alleged improper police action such as false arrest or excessive force or assault.

- There were 1,930 new Police Action claims filed in Fiscal Year 2004. This represents a decrease of seven percent from the 2,067 claims filed in Fiscal Year 2003.
- The cost of Police Action claims was \$42.6 million in Fiscal Year 2004, an increase of 29 percent from \$32.9 million in Fiscal Year 2003.

5. School Claims

School claims are those filed against the Department of Education by students, teachers, other Department of Education staff, and parents or visitors to Department of Education facilities.

- The number of new School claims filed was 1,421 in Fiscal Year 2004. This was a slight increase from 1,413 claims in Fiscal Year 2003.
- The cost of School claims during Fiscal Year 2004 was \$37.1 million, up from \$29.7 million in Fiscal Year 2003.
- School claims are the third most frequently filed personal injury claim.

6. Defective Roadway Claims

Defective Roadway claims are claims that allege injuries to pedestrians, motorists or others as a result of defects in streets or roadways and were the ninth costliest category of cases in Fiscal Year 2004.

- The City was liable for \$35.2 million in settlements and judgments in 660 cases in Fiscal Year 2004. This liability represents a 13 percent increase from the \$31.1 million paid in Fiscal Year 2003 for 674 resolved cases.
- Roadway cases constituted 8 percent of the total number of personal injury settlements and judgments and more than 6 percent of the total personal injury expenditure in Fiscal Year 2004.

PROPERTY DAMAGE CLAIMS

Property Damage claims are claims that allege damage to personal property or loss as a result of the City's negligence.

- The number of Property Damage claims filed was 8,929 in Fiscal Year 2004, an increase of six percent from the 8,398 filed in Fiscal Year 2003.
- Property Damage claims cost \$22.2 million in Fiscal Year 2004, representing a 49 percent increase from Fiscal Year 2003.
- Resolved Property Damage claims comprised four percent of all claims in Fiscal Year 2004.

LAW CLAIMS⁷

Law claims arise primarily from disputes concerning implied or actual contracts between City agencies and their contractors or employees.

- The number of new Law claims filed was 1,169, an increase of seven percent from the 1,088 claims filed in Fiscal Year 2003.
- Law claims, accounted for \$16.6 million in Fiscal Year 2004, a 40 percent decrease from Fiscal Year 2003. (The relatively high payouts in 2003 were due to the settlement of four significant claims. These four dispositions alone totaled nearly \$12 million.)
- Resolved Law claims cost \$16.6 million, or three percent of all claims in Fiscal Year 2004.

⁷ Also known as Contract claims, which may include disputes with City contractors, and claims relating to wages and sidewalk assessments.

V. CLAIM TRENDS BY AGENCY

- The Department of Transportation and Police Department accounted for the highest number of new claims filed in each of the last ten fiscal years. These two agencies, along with the Health and Hospitals Corporation, accounted for the highest cost of claims in each of the last ten fiscal years.
- In Fiscal Year 2004, the Department of Transportation and Police Department accounted for 28% and 20% of all claims, respectively. The Departments of Sanitation and Education accounted for 8% and 9% respectively of all claims.

CHART 16

City Agency

FYs 1995 - 2004

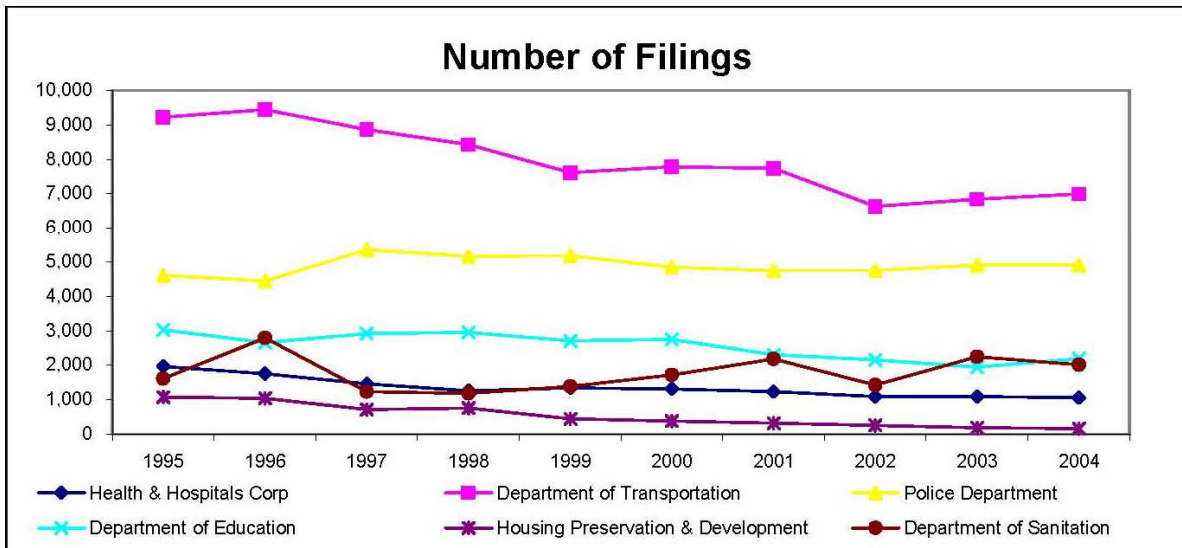
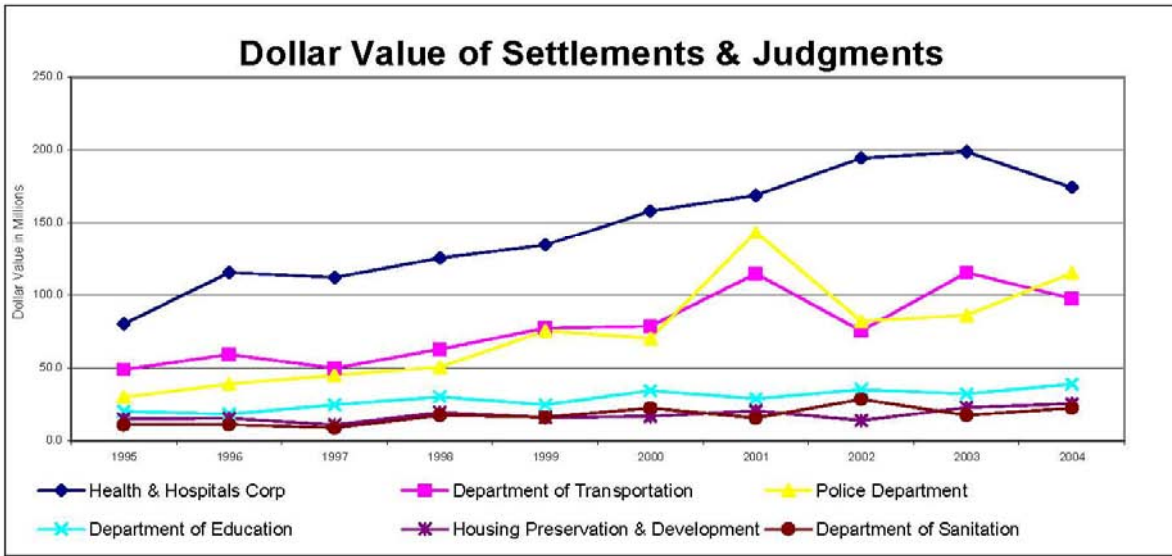


CHART 17

**City Agency
FYs 1995 - 2004**



- The Department of Transportation, the Police Department, and the Health and Hospitals Corporation accounted for the highest cost of settlements and judgments for claims in Fiscal Year 2004.

CHART 18

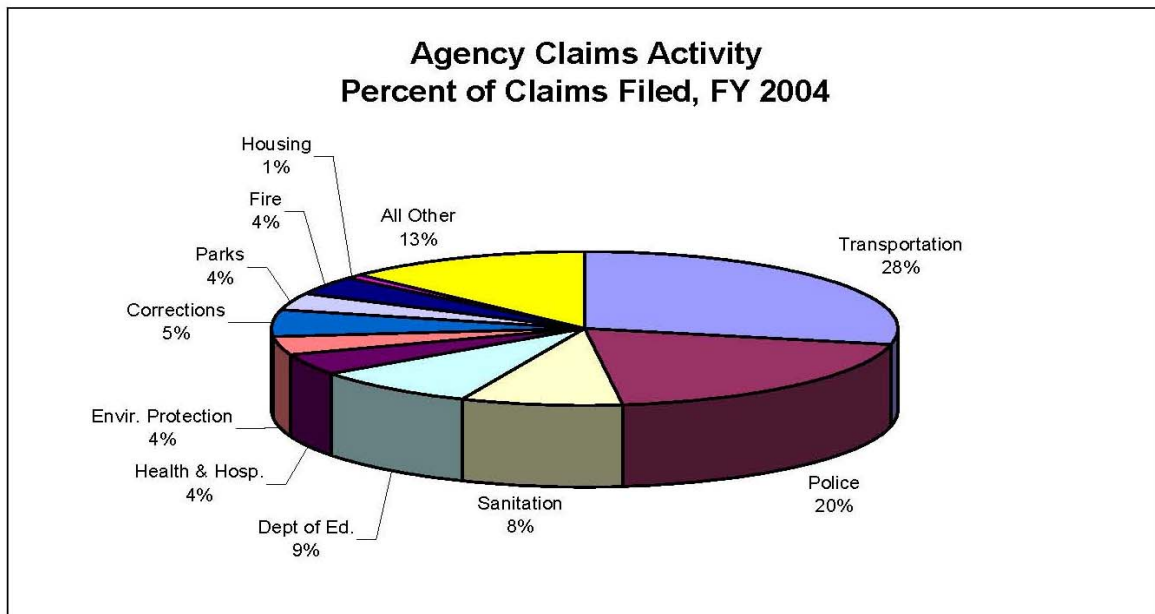
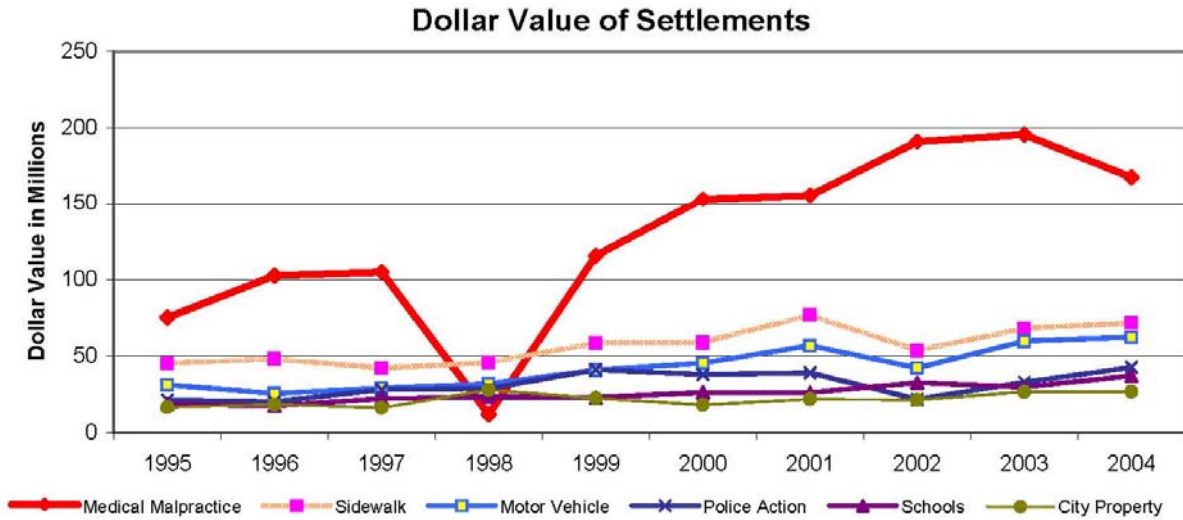
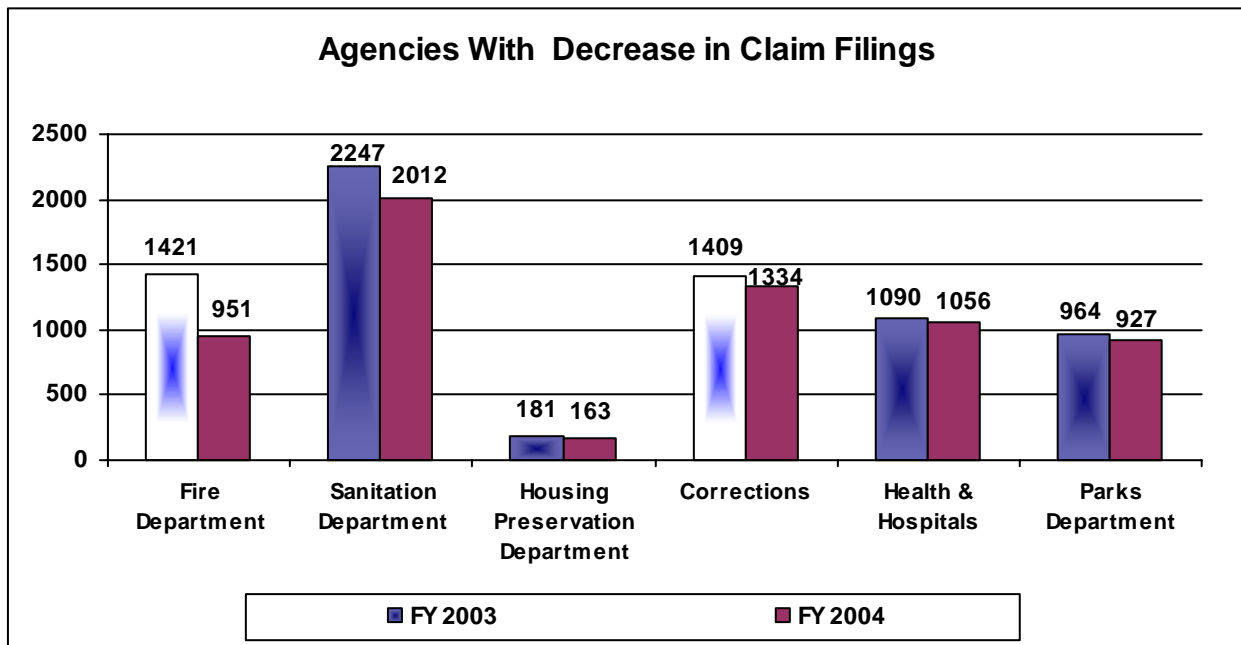


CHART 19
Claim Types
FYs 1995 - 2004



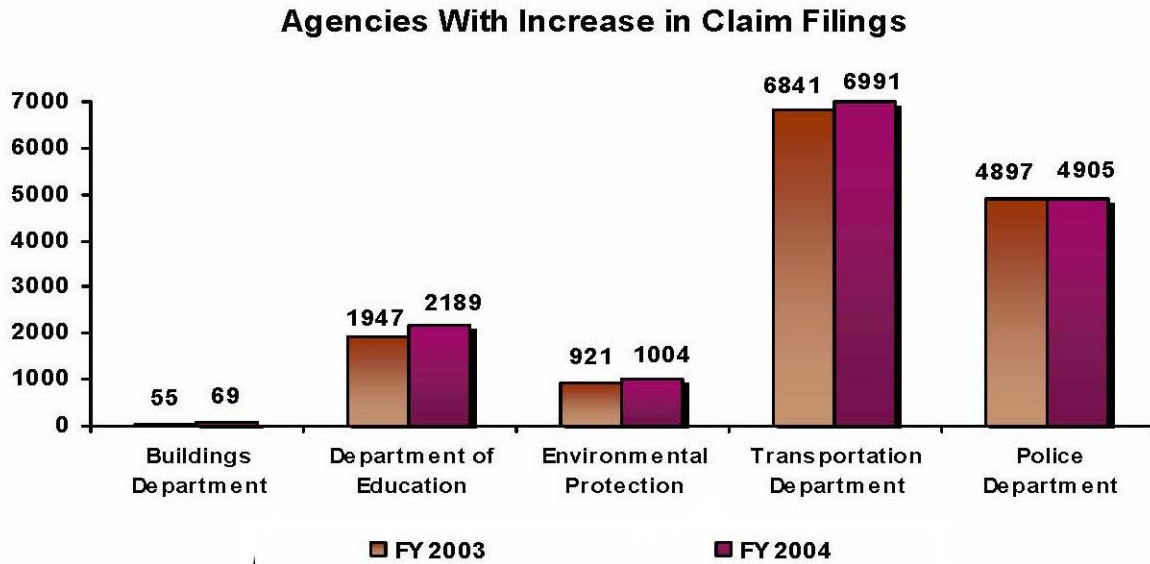
- Six agencies showed a decrease in the number of claims filed in Fiscal Year 2004. The Fire Department experienced the greatest decrease, 33 percent, followed by the Department of Sanitation, with an 11 percent decrease. In Fiscal Year 2004, new claim filings against the Health and Hospitals Corporation, the Department of Housing Preservation & Development, and the Human Resources Administration were the lowest in the last ten fiscal years.

CHART 20



- Three agencies showed significant increases in the number of claims filed: the Department of Buildings (26%), the Department of Education (12%), and the Department of Environmental Protection (9%).

CHART 21



SETTLEMENT AND JUDGMENT COSTS BY AGENCY

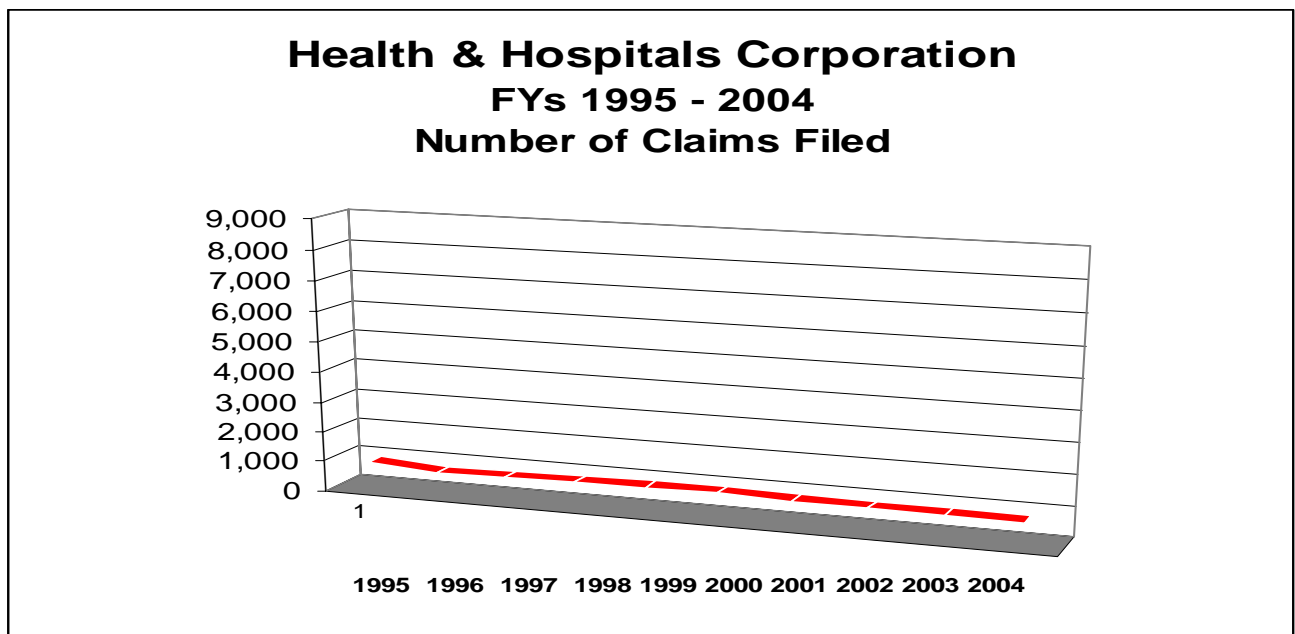
The Health and Hospitals Corporation, the Department of Transportation, the Police Department, and the Department of Education had the highest claim costs in Fiscal Year 2004. Charts 22 - 31 track the number of claims filed and the total annual dollar value of settlements and judgments by agency from Fiscal Year 1995 to Fiscal Year 2004.

1. Health and Hospitals Corporation

Claims against the Health and Hospitals Corporation (HHC) include claims for medical malpractice as well as contract claims and claims for personal injuries or property damage sustained on hospital property.

- In Fiscal Year 2004, 1,056 claims were filed against HHC, more than 73 percent of which (773 cases) were for medical malpractice. In Fiscal Year 2003, medical malpractice cases accounted for 71 percent (779 cases) of the 1,090 claims filed against HHC. These claims accounted for four percent of all new claims filed in Fiscal Year 2004.
- As noted earlier in this report, medical malpractice claims are typically not resolved for five to ten years from the date of filing. Thus, the number of claims filed is a better indicator of current hospital activity than the amount paid out in any one year.

CHART 22

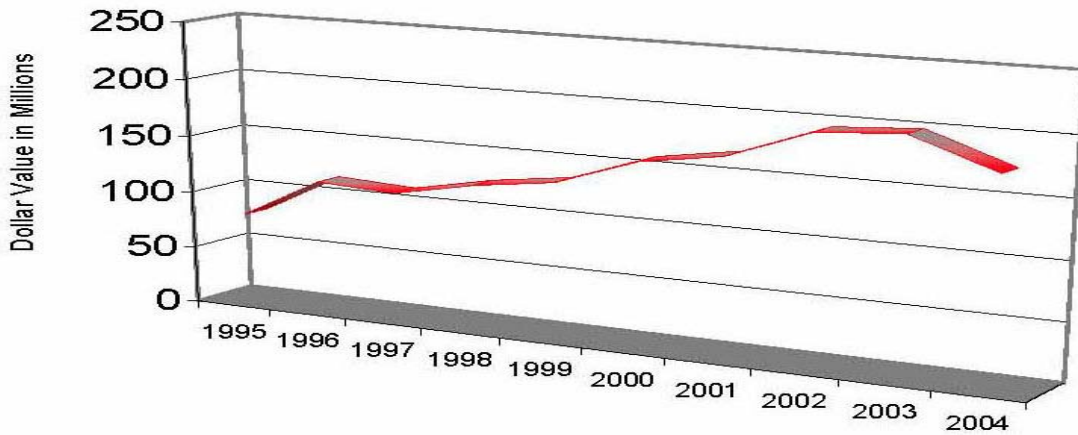


HHC cases constituted four percent of the number of cases resolved in Fiscal Year 2004 but accounted for the highest expenditure (\$174.1 million). This agency was responsible for 30 percent of the total amount paid for all claims in Fiscal Year 2004.

CHART 23

**Health & Hospitals Corporation
FYs 1995 - 2004**

Dollar Value of Settlements & Judgments

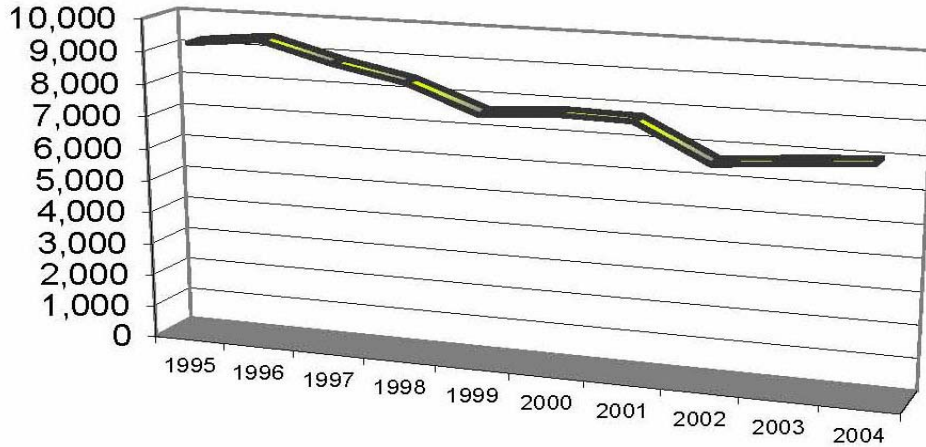


2. Department of Transportation

In each of the last ten Fiscal Years, more claims were filed against the Department of Transportation (DOT) than any other agency. Claims against DOT consist primarily of personal injury claims due to sidewalk trip and fall accidents, or personal injury or property damage due to defective roadways, defective traffic signals, or motor vehicle accidents involving DOT vehicles. In Fiscal Year 2004, the 6,991 claims filed against DOT accounted for 28 percent of all new claims filed, representing a two percent increase from the 6,841 claims filed against DOT in Fiscal Year 2003.

CHART 24
Department of Transportation
FYs 1995 - 2004

Number of Claims Filed

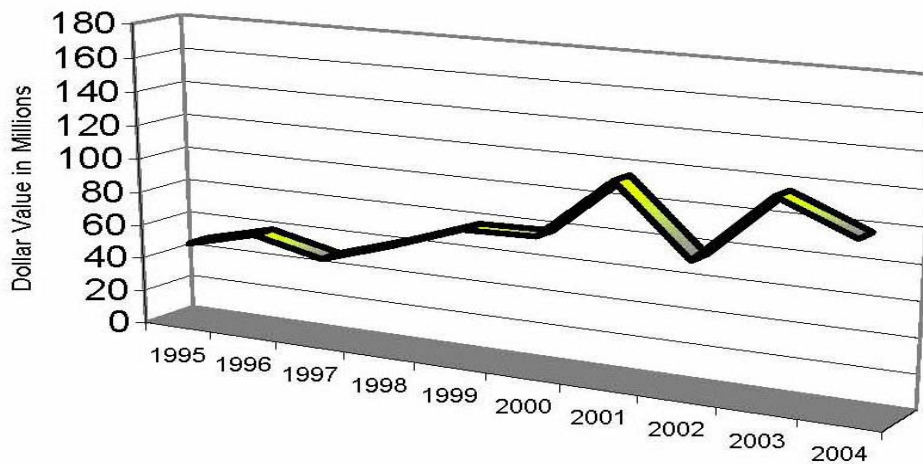


The number of cases against DOT that were resolved by settlement or judgment decreased from 3,752 in Fiscal Year 2003 to 3,504 in Fiscal Year 2004. In Fiscal Year 2004, the total dollar amount paid for DOT cases was \$97.5 million, a 15 percent decrease from the \$115.2 million paid in Fiscal Year 2003. DOT cases accounted for 17 percent of the total expenditure for claims in Fiscal Year 2004.

CHART 25

Department of Transportation
FYs 1995 - 2004

Dollar Value of Settlements & Judgments

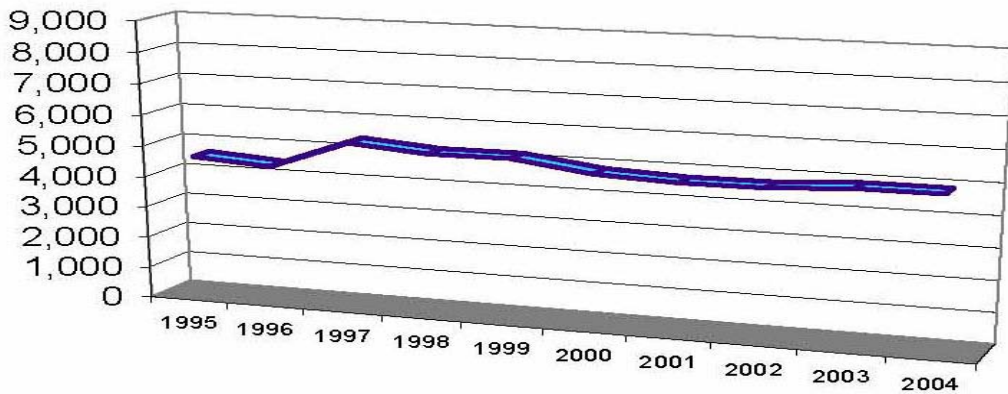


3. Police Department

Claims against the Police Department include police misconduct and civil rights claims, as well as claims for personal injury or property damage arising out of motor vehicle accidents with police vehicles. In Fiscal Year 2004, there was a slight increase to 4,905 new claims filed. In Fiscal Year 2003, the number of claims filed against the Police Department was 4,897. Claims filed against the Police Department constituted 20 percent of total claim filings in Fiscal Year 2004.

CHART 26

Police Department FYs 1995 - 2004 Number of Claims Filed

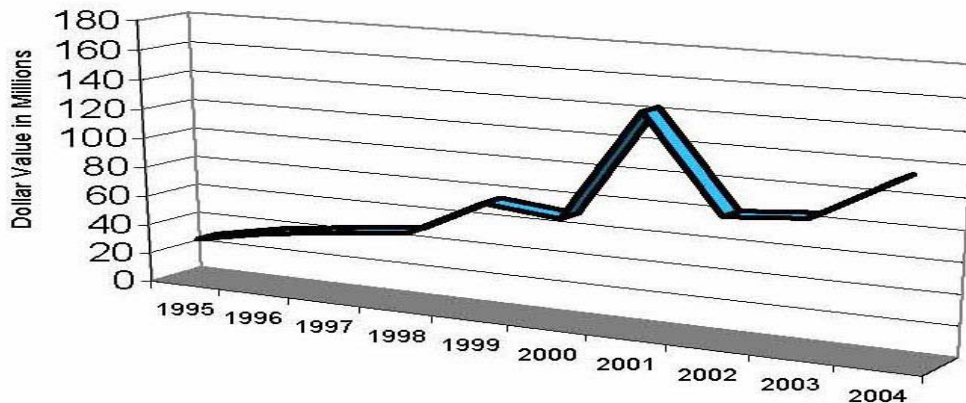


Cases against the Police Department cost the City \$86 million in Fiscal Year 2003. In Fiscal Year 2004, the expenditure for claims increased to \$114.8 million, an increase of 33 percent. Claims against the Police Department in Fiscal Year 2003 accounted for 15 percent of total Fiscal Year 2003 claims expenditures and 20 percent of the total expenditure for claims in Fiscal Year 2004.

CHART 27

**Police Department
FYs 1995 - 2004**

Dollar Value of Settlements & Judgments



4. Department of Education

Claims against the Department of Education include personal injury claims involving alleged lack of supervision or defective maintenance, damage to property, and motor vehicle accidents involving Department of Education vehicles. The number of new claims filed against the Department of Education increased by 12 percent from 1,947 in Fiscal Year 2003 to 2,189 in Fiscal Year 2004. Claim filings against the Department of Education accounted for 9 percent of total claim filings in Fiscal Year 2004.

CHART 28

**Department of Education
FYs 1995 - 2004**

Number of Claims Filed

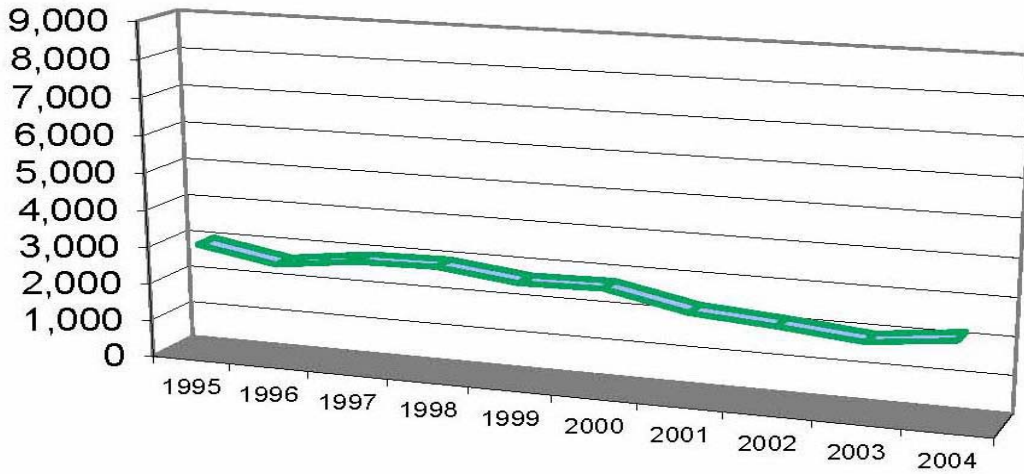
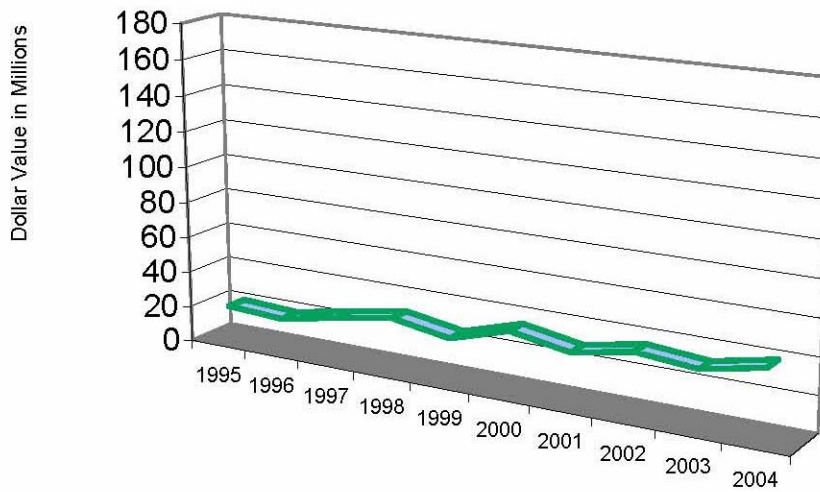


CHART 29

**Department of Education
FYs 1995 - 2004**

Dollar Value of Settlements & Judgments



From Fiscal Year 2003 to Fiscal Year 2004, the number of Department of Education cases resolved decreased by 6 percent, from 1,228 to 1,159. However, the total expenditure for Department of Education cases increased by nearly 21 percent, from \$32.1 million in Fiscal Year 2003 to \$38.9 million in Fiscal Year 2004. Department of Education claims accounted for 7 percent of the total expenditure for claims in Fiscal Year 2004.

5. Sanitation Department

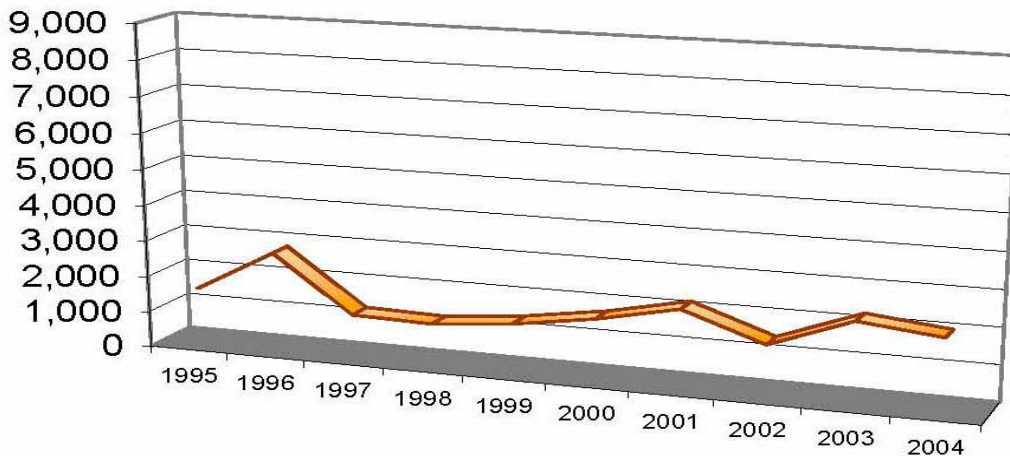
Claims are filed against the Department of Sanitation primarily for alleged personal injury and property damage caused by Sanitation vehicles. The number of new claims filed against the Department of Sanitation decreased by 10 percent from 2,247 in Fiscal Year 2003 to 2,012 in Fiscal Year 2004. New claim filings against the Department of Sanitation constituted more than 8 percent of total claim filings in Fiscal Year 2004.

CHART 30

Sanitation

FYs 1995 - 2004

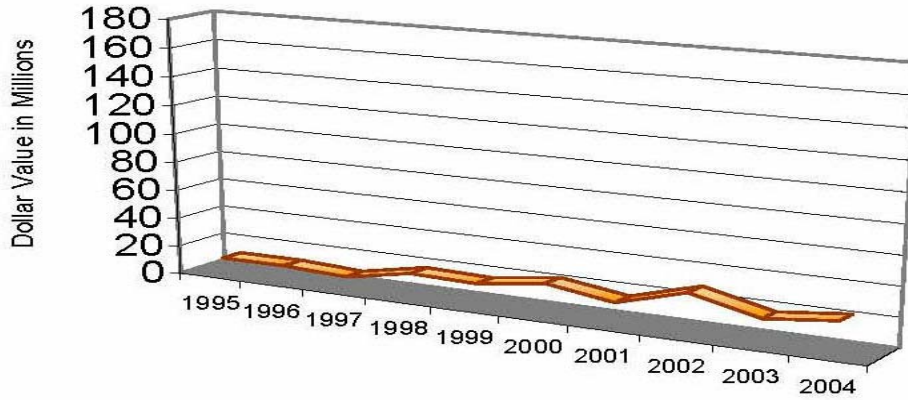
Number of Claims Filed



In Fiscal Year 2004, there were 1,271 Department of Sanitation cases resolved for \$22.4 million. Department of Sanitation claims accounted for 4 percent of the total claims expenditure. In Fiscal Year 2003, 859 cases were resolved for \$17.4 million.

CHART 31
Sanitation
FYs 1995 - 2004

Dollar Value of Settlements & Judgments



VI. CLAIM TRENDS BY BOROUGH⁸

- For Fiscal Year 2004, the borough with the greatest number of personal injury claims was Brooklyn (3,918). The borough with the greatest number of property damage claims was Queens (2,051).

Number of Claims Filed By Borough

Borough	Personal Injury (PI) Claims	Property Damage (PD) Claims
Brooklyn	3,918	2,017
Bronx	3,010	1,087
Manhattan	3,233	1,682
Queens	2,551	2,051
Staten Island	731	694

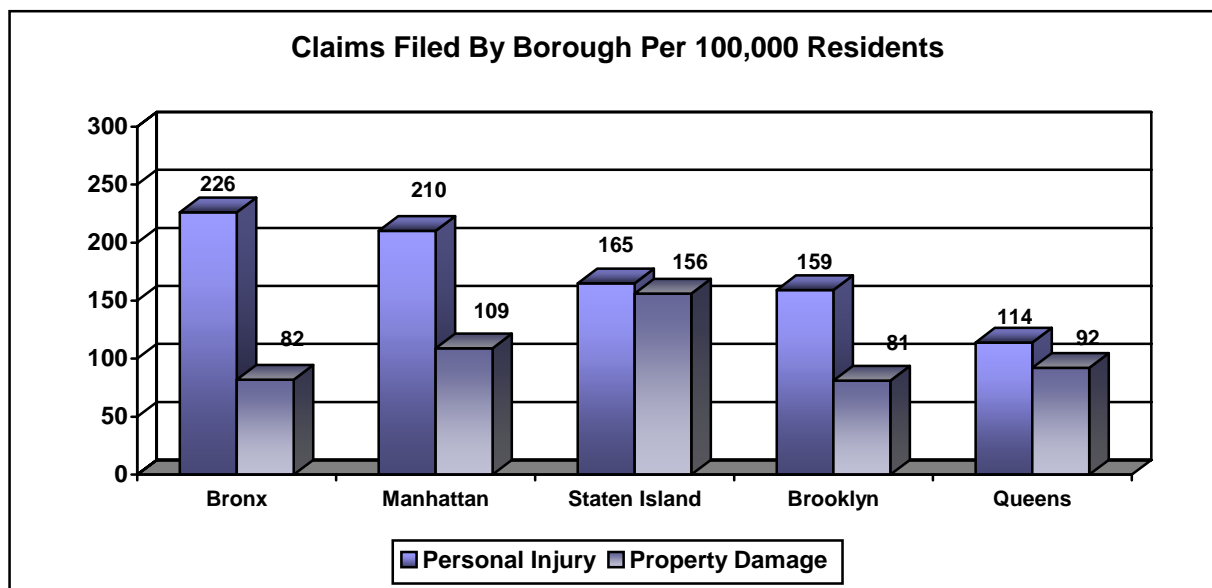
⁸ Personal injury (PI) and property damage (PD) claim patterns were analyzed by borough, based on the location of each incident. Law claims were not included because they are not tracked by borough.

Number of Claims Resolved and Amounts Paid by Borough

Borough	Number of PI Claims Resolved	Amount Paid for PI Claims (millions)	Number of PD Claims Resolved	Amount Paid for PD Claims (millions)	Total PI and PD Claims Resolved (millions)	Total PI and PD Claim Payouts (millions)
Brooklyn	2,559	\$142.0	795	\$1.6	3,354	\$143.6
Bronx	1,624	\$147.8	338	\$.7	1,962	\$148.5
Manhattan	3,383	\$136.2	683	\$17.3	4,066	\$153.5
Queens	2,361	\$89.9	728	\$1.3	3,089	\$91.2
Staten Island	310	\$13.2	248	\$.4	558	\$13.6

- As the table below illustrates, the Bronx had the most personal injury claim filings per 100,000 residents with 226. Queens had the least (114). Staten Island had the highest ratio of property damage claim filings (156). Brooklyn had the least (81).⁹

CHART 32



⁹ According to the United States 2000 Census the total population for NYC was 8,000,000 residents. In order of population the boroughs are Brooklyn (2,465,000 or 30.8% of the total population); Queens (2,229,000 or 27.8% of the total population); Manhattan (1,537,000 or 19.2% of the total population); Bronx (1,332,000 or 16.6% of the total population); and Staten Island (444,000 or 5.5% of the total population).

In Fiscal Year 2004, the total highest aggregate personal injury and property damage claim costs were paid for claims that occurred in Manhattan. The Bronx had the highest amount of personal injury dispositions (\$147.8 million) and Manhattan had the highest amount of property damage dispositions (\$17.3 million).

- Claim settlements and judgments for personal injury and property damage cost each City resident approximately \$72 for Fiscal Year 2004.
- In Fiscal Year 2004, the borough with claims representing the highest ratio of expenses per resident was the Bronx. Claim dispositions for the Bronx totaled \$147.8 million. Claims paid for property damage were highest in Manhattan and totaled \$17.3 million.

APPENDICES

APPENDIX A Description of Claim Types

Claims that are filed against the City are coded according to certain general categories. The coding structure used to classify claims has changed over time to meet changing information needs. In August 1994, a new coding structure was established in conjunction with the implementation of the Comptroller's Omnibus Automated Image Storage and Information System (OASIS). The coding of claims into standardized categories facilitates analysis by the Comptroller's Office and may also be used by agencies that choose to analyze their claims experience.

Under the present coding structure, claims are categorized initially by the City agency involved and by general category of claim: personal injury, property damage, and law. Each general category has subtypes, and it is at this level that claims are analyzed. For example, personal injury claims may include "slip and fall" accidents on sidewalks (sidewalk claims), or injuries that occurred in school (school claims), or in a City park (parks and recreation claims).

Claim coding has also been designed to ensure that descriptive information about a claim can be captured in coded form. Thus, four additional codes are utilized for every claim so that, by reviewing the codes, one can obtain a clearer picture of the specifics of the claim. These four additional codes are:

1. **Claimant.** This category describes the claimant and, if appropriate, the activity the claimant was involved in for example: "bicyclist," "jogger," "pedestrian," "driver of vehicle," "passenger," "vendor," etc.
2. **Location.** This category describes the location of an accident; for example; "boardwalk," "sidewalk," "driveway," "swimming pool," "hospital," "school," etc.
3. **Accident Agent.** This indicates the catalyst for the accident for example: "building construction," "debris/glass," "improper lighting," "City vehicle," "defective maintenance," "improper supervision," etc.
4. **Interaction.** This refers to the physical action that the claimant experienced, for example: "collision/struck by," "slip/fall," "assault," etc.

A typical personal injury claim involving a "slip & fall" accident on a cracked defective sidewalk would be coded as follows:

Claim type:	Defective Sidewalk
Claimant:	Pedestrian
Location:	Sidewalk
Accident Agent:	Crack
Interaction:	Slip/fall

The present coding system classifies claim types as follows:

I. Personal Injury Claims

A. Admiralty

Admiralty claims include claims by passengers or other persons injured on the water, either on City vessels or ferries, gangplanks, or piers.

B. Defective Roadway

Defective Roadway claims include pedestrians, motorists, or others injured as a result of defects in a street or roadway, such as potholes, cracked, wet or snow-covered roadways, sewer gratings, raised, missing or exploding manhole covers, or roadways under repair.

C. Defective Sidewalk

Defective Sidewalk claims include pedestrians or others injured because of a defective sidewalk such as, broken, wet or uneven sidewalks, broken curbstones, protruding bolts, grates, or parking meter or traffic sign stubs, defective boardwalks, and snow-and-ice claims.

D. Traffic Control Device

Traffic Control Device claims are filed by pedestrians or motorists injured in accidents because of malfunctioning traffic signals, defective or missing traffic devices, or downed or missing traffic signs.

E. Police Action

Police Action claims result from alleged improper police action, such as false arrest or imprisonment, shooting of a suspect, excessive force or assault, or failure to provide police protection.

F. School

School claims are those filed against the New York City Department of Education by students, teachers, other staff, and parents or other visitors to Department of Education facilities.

G. Medical Malpractice

This category of claim derives from medical malpractice in the diagnosis, treatment, or care at a City or Health and Hospitals Corporation (HHC) facility. Medical Malpractice claims

include those that involve pre- or post-natal treatment, emergency room care, EMS treatment, or defective equipment.

H. Health Facility/Non-Medical Incidents

These claims involve non-medical acts involving a City or HHC facility or employee, such as: injuries sustained by visitors due to wet floors, assaults of patients or visitors, or abuse or assaults of senior citizens by home care workers.

I. Motor Vehicle Accident

Motor Vehicle Accident claims involve accidents with City vehicles. Included in this category are cases of pedestrians, motorists or passengers of other vehicles being struck by a City vehicle, and operators or passengers of City vehicles involved in a collision.

J. Employee Uniformed Services

Included in this category of claims are those filed by City employees of the uniformed services, such as Police, Fire, Department of Education teachers, or Sanitation employees who are not subject to Workers' Compensation laws and may sue the City for on-the-job personal injuries.

K. Parks and Recreation

Parks and Recreation claims include claims by persons allegedly injured because of defective equipment or negligent maintenance of property under the jurisdiction of the Department of Parks and Recreation. This includes incidents that occur in Parks Department buildings or on playground equipment and grounds, and incidents involving falling trees or limbs, whether on a street, sidewalk, or in a park.

L. City Property

This category of claims includes those by tenants or others injured by a defect or the negligent maintenance of City-owned land or a City-owned or City-administered building or facility.

M. Catastrophe

This claim type includes claims filed as a result of natural disasters, such as floods or earthquakes; environmental accidents, such as leaking gas tanks; power failures, such as blackouts; and civil disturbances, such as riots.

N. Civil Rights

Civil Rights claims involve alleged statutory or constitutional violations, such as discrimination based on sex, race, religion, handicap, sexual preference, or age.

O. Corrections

Corrections claims involve claims by inmates or employees of City correctional institutions who were allegedly injured by the actions of City employees or inmates.

II. Property Damage Claims

A. Admiralty

These claims include property damaged on the water, either on City vessels, ferries, gangplanks or piers.

B. Sewer Overflow

Sewer Overflow claims include flooding or water damage to real or personal property caused by inadequate sewer repairs or clogged/obstructed City sewers.

C. Water Main Break

Water Main Break claims include water damage to real or personal property as a result of leaking or broken water mains or fire hydrants.

D. Defective Roadway

This claim type includes claims for vehicles that are damaged by defective roadways, or from objects that have fallen from bridges or overpasses. Also included are claims made by pedestrians who sustained damage to personal property as a result of a fall on a defective roadway.

E. Defective Sidewalk

Defective Sidewalk claims are made by individuals who sustain damage to personal property as a result of defective sidewalks.

F. Traffic Device

This claim type includes vehicles or other personal property damaged in accidents allegedly caused by defective, obstructed, or missing traffic lights or stop signs.

G. Police Action

Police Action claims related to vehicles or other personal property that is stolen, damaged, sold, or destroyed while in police custody.

H. School

School claims include lost, stolen, or damaged personal property that belongs to students, teachers, or Department of Education staff while on Department of Education property.

I. Health Facility

These claims include the personal property of patients or others that has been lost, stolen, or damaged while on hospital property.

J. Motor Vehicle Accidents

Motor vehicle accident claims include vehicles or other personal property that is damaged in accidents with City vehicles. Included are parked cars hit by City vehicles, and vehicles damaged while being towed.

K. Uniformed Services/City Employees

This claim type includes claims for personal property that is lost, damaged, or stolen from City employees while at work.

L. Parks and Recreation

Claims in this category include personal property that is lost, stolen, or damaged in the City's parks. Damage occurs from vandalism, poor maintenance, or unmarked fresh paint, and from accidents involving grounds and equipment.

M. Public Buildings and Property

This claim type includes claims for personal property damaged or stolen as a result of a defect or negligence in maintaining City-owned land or a City-owned building or facility.

N. Catastrophe

These claims include property damage caused by the City's response to a natural disaster (such as a flood or earthquake), an environmental accident (such as a leaking gas tank), power failures (blackouts), or civil disturbances (such as riots).

O. Damage City Action/Personnel

These claims include property damaged by City vehicles or equipment, such as a City vehicle damaging a homeowner's fence or other property, or damage caused by a traffic light falling onto a vehicle.

P. Correction Facility

Correctional facility claims include claims by prisoners, inmates, or detainees whose personal property is lost, stolen, or damaged while in a correctional institution.

III. Law Claims

A. Employment

Employment claims are those by prospective, current, or former City employees alleging employment-related disputes. These disputes include claims for discrimination, out-of-title work, pay differential, annual leave, and suspension.

B. Illegal but Equitable

These claims typically allege that work was performed and/or the City accepted services, but the appropriate contract and other approval were not obtained. These claims, though invalid at law, may be recognized as equitable and proper if it can be determined that the City received a benefit and that the public interest would be served by payment or compromise.

C. Contract/Lease

Claims in this category arise from disputes between the City and private contractors (construction or non-construction) and in instances where the City is a lessee or lessor of property.

D. Refund

Refund claims include claims by private individuals seeking refunds for alleged overpayments and unjust fines.

E. Change of Grade

These claims are made by commercial or residential property owners or lessees. The claims arise from changes in grade to a sidewalk that impair access to property and drainage. Claims typically are made for loss of business due to walkway or driveway repairs.

F. Alternative Dispute Resolution

Contracts between the City and vendors solicited after September 1990 have included an Alternative Dispute Resolution (ADR) provision designed to provide a speedy alternative to litigation. When the disputes arise, contractors may attempt to resolve them directly with the agency involved. If no agreement is reached, a claim can then be filed with the Comptroller's Office. If the claim is denied, the contractor may appeal to the Contract Dispute Resolution Board.

APPENDIX B

Legal Background

I. Municipal Liability

The decision of the New York Court of Appeals in Bernadine v. NYC, issued in 1945, exposed the City for the first time to liability for torts committed by the City's officers, agents, and employees.¹⁰

In Bernadine, the Court held that "the civil divisions of the State are answerable equally with individuals and private corporations for wrongs of officers and employees -- even if no separate statute sanctions that enlarged liability in a given instance."¹¹ The Court, in effect, abolished the doctrine of sovereign immunity for municipalities, but did not provide municipalities any of the protections accorded to the State by the Court of Claims Act.¹² In particular, claimants seeking to recover from municipalities for their agents' negligent and wrongful acts are entitled to a jury trial.

Municipal liability is also governed by local law. Under their home rule authority, municipalities can limit liability to some extent through limitations on the right to sue. An example is New York City's prior notice law, enacted in 1979 in an effort to limit the City's liability in "slip and fall" cases on City sidewalks and streets.

II. Claims Process

To commence an action against the City, a claimant typically must first notify the City by filing a Notice of Claim with the Office of the Comptroller. In some instances, however, the claim must be filed with the agency involved. In most instances the notice of a personal injury or property damage claim must be filed within 90 days of an alleged injury or wrong.¹³ The City Charter grants the Comptroller the power to settle and adjust all claims in favor of or against the City.¹⁴

The City Charter also grants settlement authority exclusively to the Office of the Comptroller.¹⁵ The Comptroller has the power to investigate claims, determine liability and

¹⁰ Bernadine v. NYC, 294 N.Y. 361 (1945)

¹¹ *Id.* p. 365.

¹² Court of Claims Act of 1920, L. 1920, ch. 922, and L. 1929, ch. 467, § 1.

¹³ General Municipal Law, Article 4, § 50-e. One notable exception is a claim under 42 U.S.C. § 1983, the Federal Civil Rights Act; a § 1983 action can be filed directly in court without filing a notice of claim.

¹⁴ City Charter, Chapter 5, Section 93 (I)

¹⁵ City Charter, Chapter 17, Section 394 (c).

damages, and reach a settlement prior to litigation.¹⁶ If the Comptroller denies liability or is unable to arrive at a settlement with a claimant, the claimant may commence suit. Actions regarding tort claims must generally be filed within a year and 90 days after the loss.¹⁷

The City's Law Department, under the direction of the Corporation Counsel, defends the City in most actions, although the Law Department may engage outside counsel to defend HHC and its doctors in certain medical malpractice actions.

¹⁶ The Comptroller's Bureau of Law and Adjustment (BLA) investigates claims filed against the City; obtains and evaluates accident reports and other documents provided by agencies; conducts field visits, interviews witnesses, and conducts hearings; makes determinations as to liability; and attempts to settle cases where liability has been established. The Comptroller's Bureau of Engineering investigates contract claims, and together with the Law Department and BLA, negotiates construction contract claim settlements. Both Bureaus conduct surveys and studies to identify and report on the City's exposure to claim liability.

¹⁷ General Municipal Law, Article 4, § 50-1. A significant exception to this requirement is in the area of medical malpractice, in particular, claims for injuries to newborn infants.

APPENDIX C

Detailed Tables

1. Table 1 – Number of Claims Filed by Claim Type
2. Table 2 – Number of Claims Filed by Agency
3. Table 3 – Dollar Amount of Settlements & Judgments by Claim Type
4. Table 4 - Dollar Amount of Agency Settlements & Judgments
5. Table 5 – Count of Settlements & Judgments by Claim Type
6. Table 6 - Count of Settlements & Judgments by Agency

Table 1
Number of Claims Filed by Claim Type
Fiscal Years 1995 - 2004

<u>Personal Injury:</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Sidewalk	4,142	4,605	3,998	3,935	4,144	3,982	3,608	3,282	3,482	3,229
Police Action	2,236	2,264	2,292	2,107	2,400	1,779	1,984	1,793	2,067	1,930
Schools	2,033	1,777	1,909	2,082	1,898	1,895	1,654	1,510	1,413	1,421
Motor Vehicle	1,862	1,616	1,540	1,616	1,550	1,781	1,664	1,582	1,456	1,346
Roadway	1,458	1,362	1,427	1,543	1,379	1,513	1,476	1,410	1,381	1,364
City Property	1,433	1,405	1,043	1,067	816	810	698	1,126	848	688
Corrections	973	1,015	1,023	857	1,005	797	772	790	937	889
Civil Rights	805	993	1,319	1,146	1,066	1,319	1,259	1,075	1,182	1,229
Medical Malpractice	923	757	780	816	858	889	822	798	779	773
Traffic Device	353	482	447	446	407	420	337	320	309	291
Parks & Recreation	391	451	389	396	385	323	275	263	272	251
Uniform Services	328	246	243	384	395	304	194	1,211	949	205
Other	1,015	1,088	961	921	1,024	924	902	788	785	1,005
<u>Total</u>	<u>17,952</u>	<u>18,061</u>	<u>17,371</u>	<u>17,316</u>	<u>17,327</u>	<u>16,736</u>	<u>15,645</u>	<u>15,948</u>	<u>15,860</u>	<u>14,621</u>
<u>Property Damage:</u>										
Motor Vehicle	4,408	4,584	3,336	3,222	3,181	3,550	4,079	3,440	3,808	3,849
Other	5,508	6,684	8,318	5,898	5,137	5,123	5,109	4,021	4,590	5,080
<u>Total</u>	<u>9,916</u>	<u>11,268</u>	<u>11,654</u>	<u>9,120</u>	<u>8,318</u>	<u>8,673</u>	<u>9,188</u>	<u>7,461</u>	<u>8,398</u>	<u>8,929</u>
<u>Law Division:</u>										
Contracts	392	353	321	263	216	262	220	142	192	218
Other	887	998	984	842	798	689	1,294	852	896	951
<u>Total</u>	<u>1,279</u>	<u>1,351</u>	<u>1,305</u>	<u>1,105</u>	<u>1,014</u>	<u>951</u>	<u>1,514</u>	<u>994</u>	<u>1,088</u>	<u>1,169</u>
<u>Grand Total</u>	<u>29,147</u>	<u>30,680</u>	<u>30,330</u>	<u>27,541</u>	<u>26,659</u>	<u>26,360</u>	<u>26,347</u>	<u>24,403</u>	<u>25,346</u>	<u>24,719</u>

Table 2

**Number of Claims Filed by Agency
Fiscal Years 1995 - 2004**

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Transportation Dept.	9,223	9,438	8,862	8,429	7,617	7,779	7,735	6,635	6,841	6,991
Police Department	4,609	4,441	5,353	5,160	5,173	4,842	4,740	4,748	4,897	4,905
Sanitation Department	1,606	2,787	1,234	1,177	1,380	1,714	2,176	1,420	2,247	2,012
Board of Education	3,022	2,654	2,912	2,951	2,702	2,747	2,305	2,149	1,947	2,189
Health & Hospitals Corp.	1,957	1,750	1,455	1,258	1,342	1,306	1,228	1,092	1,090	1,056
Environmental Protection	1,025	1,549	3,411	1,194	1,180	1,150	972	913	921	1,004
Corrections Department	1,478	1,559	1,553	1,351	1,470	1,305	1,313	1,186	1,409	1,334
Parks Department	964	1,157	1,092	1,203	1,168	1,049	835	895	964	927
Fire Department	467	452	767	985	1,050	989	969	1,780	1,421	951
Housing, Preservation	1,076	1,037	714	757	448	379	319	249	181	163
Human Resources Admin.	308	324	302	240	247	194	199	125	87	87
Buildings Department	147	188	147	208	148	86	107	63	55	69
Other	3,265	3,344	2,528	2,628	2,734	2,820	3,449	3,148	3,286	3,031
<u>Total</u>	<u>29,147</u>	<u>30,680</u>	<u>30,330</u>	<u>27,541</u>	<u>26,659</u>	<u>26,360</u>	<u>26,347</u>	<u>24,403</u>	<u>25,346</u>	<u>24,719</u>

Table 3
Dollar Amount of Settlements & Judgments by Claim Type
Fiscal Years 1995- 2004 (In Millions)

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<u>Personal Injury</u>										
Medical Malpractice	\$75.1	\$102.5	\$104.9	\$110.8	\$115.5	\$152.9	\$155.6	\$190.9	\$195.4	\$167.5
Sidewalk	45.3	48.2	42.0	45.7	58.5	58.7	76.8	53.4	68.0	71.6
Motor Vehicle	31.2	25.5	29.0	31.9	40.8	45.4	56.9	42.3	59.9	62.3
Police Action	21.2	20.2	27.9	28.6	41.0	38.0	39.0	21.7	32.9	42.6
Schools	18.6	17.5	22.2	23.2	22.9	26.3	26.1	32.6	29.7	37.1
City Property	16.5	18.3	16.1	27.8	22.3	18.2	21.9	21.3	26.5	30.5
Roadway	14.8	16.8	11.6	11.2	15.0	17.5	43.6	23.7	34.2	26.8
Civil Rights	2.7	8.0	7.6	12.9	19.2	14.2	83.4	37.2	31.1	35.2
Uniform Services	5.7	11.5	7.2	11.9	13.8	26.6	19.5	27.0	28.1	31.4
Corrections	1.4	2.8	3.9	5.9	4.5	3.0	3.2	3.7	3.9	4.1
Parks & Recreation	3.6	4.7	3.2	3.4	6.5	5.5	21.7	4.2	12.6	10.0
Traffic Device	1.9	1.8	2.9	1.1	1.9	2.3	3.5	3.6	11.9	3.2
Other	3.6	8.3	3.0	6.5	6.9	6.8	5.1	6.5	6.0	14.4
Total	<u>\$241.5</u>	<u>\$286.0</u>	<u>\$281.4</u>	<u>\$320.9</u>	<u>\$368.8</u>	<u>\$415.4</u>	<u>\$556.4</u>	<u>\$468.1</u>	<u>\$540.2</u>	<u>\$536.8</u>
<u>Property Damage</u>										
Motor Vehicle	\$2.4	\$3.0	\$3.7	\$3.3	\$2.7	\$3.0	\$3.6	\$3.2	\$3.0	\$3.8
Other	2.1	2.8	3.0	22.1	3.2	6.7	4.1	6.6	11.9	18.4
Total	<u>\$4.5</u>	<u>\$5.8</u>	<u>\$6.7</u>	<u>\$25.4</u>	<u>\$5.9</u>	<u>\$9.7</u>	<u>\$7.7</u>	<u>\$9.9</u>	<u>\$14.9</u>	<u>\$22.2</u>
<u>Law Claims</u>										
Contracts	\$13.0	\$5.6	\$5.6	\$27.9	\$17.6	\$33.6	\$9.6	\$28.1	\$11.2	\$9.8
Other	6.1	4.6	7.5	10.3	29.6	9.6	14.9	16.7	16.6	6.8
Total	<u>19.1</u>	<u>10.2</u>	<u>13.1</u>	<u>38.2</u>	<u>47.2</u>	<u>43.2</u>	<u>24.5</u>	<u>44.7</u>	<u>27.8</u>	<u>16.6</u>
Grand Total	<u>\$265.1</u>	<u>\$302.0</u>	<u>\$301.2</u>	<u>\$384.5</u>	<u>\$421.9</u>	<u>\$468.2</u>	<u>\$588.6</u>	<u>\$523.0</u>	<u>\$582.9</u>	<u>\$575.6</u>

Table 4**Dollar Amount of Agency Settlements & Judgments
Fiscal Years 1995 - 2004 (In Millions)**

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Health & Hospitals	\$79.9	\$115.3	\$111.9	\$125.2	\$134.2	\$158.1	\$168.9	\$194.5	\$198.7	\$174.1
Transportation Department	48.8	59.1	49.8	62.6	77.2	78.5	114.4	75.3	115.2	97.5
Police Department	29.8	38.9	44.9	50.5	75.2	70.2	143.0	81.9	86.0	114.8
Board of Education	20.0	18.2	24.5	30.0	24.6	34.4	28.7	35.1	32.1	38.9
Housing Preservation	14.9	15.3	10.8	19.3	15.9	16.7	20.4	13.8	22.7	25.3
Sanitation Department	10.9	11.1	8.9	17.4	16.1	22.3	15.5	28.3	17.4	22.4
Corrections Department	2.4	4.3	5.2	7.9	7.2	4.6	11.6	6.0	11.2	11.6
Parks Department	5.1	5.9	5.1	4.8	10.5	9.3	23.6	12.5	16.9	13.9
Environmental Protection	4.7	4.9	4.9	30.2	7.8	23.0	7.2	29.9	15.6	17.6
Fire Department	4.5	6.2	4.0	12.2	11.1	13.9	16.1	13.2	22.1	18.2
Buildings Department	5.3	1.3	2.2	1.1	0.7	1.8	1.1	1.9	2.8	1.0
Human Resources	0.2	1.3	2.4	1.0	16.3	1.7	2.1	3.8	1.1	10.9
Other	38.6	20.1	26.8	22.2	25.2	33.7	36.0	26.9	41.1	29.5
<u>Total</u>	<u>\$265.1</u>	<u>\$302.0</u>	<u>\$301.2</u>	<u>\$384.5</u>	<u>\$421.9</u>	<u>\$468.2</u>	<u>\$588.6</u>	<u>\$523.0</u>	<u>\$582.9</u>	<u>\$575.6</u>

Table 5

Count of Settlements & Judgments by Claim Type

	Fiscal Years 1995 - 2004									
	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<u>Personal Injury</u>										
Sidewalk	1,727	2,069	2,066	2,331	2,807	3,111	3,321	2,667	2,801	2,581
Schools	643	793	804	883	1,014	1,398	1,223	1,023	1,175	1,099
Motor Vehicle	538	709	789	889	1,097	1,036	1,155	965	1,167	1,095
Police Action	377	456	557	562	749	835	788	563	613	693
Roadway	342	410	423	458	575	634	774	603	674	660
City Property	278	296	311	338	357	368	324	274	277	238
Medical Malpractice	252	282	262	276	297	293	350	298	345	339
Civil Rights	62	154	209	284	260	295	544	594	563	812
Parks & Recreation	141	173	170	174	252	209	224	176	196	189
Corrections	84	118	148	142	130	133	161	151	146	152
Uniform Services	105	126	132	158	165	203	180	139	162	170
Traffic Device	82	94	112	110	120	120	162	144	150	167
Other	70	99	86	125	137	100	111	79	110	150
Total	<u>4,701</u>	<u>5,779</u>	<u>6,069</u>	<u>6,730</u>	<u>7,960</u>	<u>8,735</u>	<u>9,317</u>	<u>7,676</u>	<u>8,379</u>	<u>8,345</u>
<u>Property Damage</u>										
Motor Vehicle	1,747	2,422	2,700	2,287	1,941	2,056	2,101	1,942	1,723	2,246
Other	873	1,231	1,335	1,654	1,059	972	834	801	774	932
Total	<u>2,620</u>	<u>3,653</u>	<u>4,035</u>	<u>3,941</u>	<u>3,000</u>	<u>3,028</u>	<u>2,935</u>	<u>2,743</u>	<u>2,497</u>	<u>3,178</u>
<u>Law Division</u>										
Contracts	84	42	28	61	54	54	40	34	30	26
Other	152	153	128	114	99	100	88	80	89	111
Total	<u>236</u>	<u>195</u>	<u>156</u>	<u>175</u>	<u>153</u>	<u>154</u>	<u>128</u>	<u>114</u>	<u>119</u>	<u>137</u>
Grand Total	<u>7,557</u>	<u>9,627</u>	<u>10,260</u>	<u>10,846</u>	<u>11,113</u>	<u>11,917</u>	<u>12,380</u>	<u>10,533</u>	<u>10,995</u>	<u>11,660</u>

Table 6
Count of Settlements & Judgments by Agency
Fiscal Years 1995 - 2004

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Transportation Department	2,255	3,282	2,965	3,197	3,583	3,996	4,311	3,480	3,752	3,504
Police Department	943	1,250	1,593	1,998	2,076	2,249	2,406	1,846	2,098	2,562
Sanitation Department	696	869	1,305	1,007	969	1,013	1,198	1,149	859	1,271
Board of Education	759	943	1,053	1,159	1,156	1,495	1,305	1,095	1,228	1,159
Health & Hospitals	513	614	606	616	600	505	548	439	468	457
Parks & Recreation	316	355	450	574	565	469	462	392	452	429
Environmental Protection	342	508	407	521	450	467	368	376	465	480
Fire Department	129	212	296	334	406	405	500	622	479	542
Corrections	161	208	261	287	267	249	297	283	299	302
Housing Preservation	219	225	247	250	281	275	219	186	184	170
Human Resources	57	54	69	64	61	43	52	33	36	44
Buildings Department	27	30	19	23	22	21	27	23	24	20
Other	1,140	1,077	989	816	677	730	687	609	651	720
<u>Total</u>	<u>7,557</u>	<u>9,627</u>	<u>10,260</u>	<u>10,846</u>	<u>11,113</u>	<u>11,917</u>	<u>12,380</u>	<u>10,533</u>	<u>10,995</u>	<u>11,660</u>

APPENDIX D

Summary of the 10 Largest Settlements/Judgments for Fiscal Year 2004

1. In 1995, claimant alleged negligence and medical malpractice for failure to deliver proper care during labor and delivery, resulting in brain damage and cerebral palsy. *Settlement: \$5.5 million.*
2. In 1993, claimant alleged negligence and malpractice for failure to deliver proper care during labor and delivery, resulting in brain damage. *Settlement: \$5.5 million.*
3. In 2001, claimant alleged medical malpractice for negligent diagnosis and delayed care, resulting in brain damage. *Settlement: \$5.1 million.*
4. In 1996, claimant alleged negligence and malpractice for failure to deliver proper care before, during, and after delivery resulting in brain damage and neurological deficits. *Settlement: \$5.1 million.*
5. In 1992, claimant alleged malicious prosecution and the critical exclusions of exculpatory evidence which resulted in wrongful incarceration. *Settlement: \$5 million.*
6. In 2002, claimant alleged failure to diagnose and timely treat medical condition that resulted in a neurologically impaired child. *Settlement: \$4.7 million.*
7. In 1994, claimant alleged negligence and malpractice for failure to deliver proper care during and after delivery resulting in a neurologically impaired child. *Settlement: \$4.6 million.*
8. In 1993, claimant alleged roadway was improperly constructed, resulting in quadriplegia. *Settlement: \$4.6 million.*
9. In 1999, claimant alleged medical malpractice for delayed diagnosis and failure to deliver proper care, resulting in paraplegia. *Settlement: \$4.5 million.*
10. In 2000, claimant alleged medical malpractice for failure to perform a timely Caesarean section and mismanagement of labor and delivery, resulting in brain damage, cerebral palsy and mental retardation. *Settlement: \$4.5 million.*

APPENDIX E
Preliminary Fiscal Year 2005 Data

The results for Fiscal Year 2005 claim activities that are included in this Report are preliminary and are for information purposes only. The data was generated within a few days after the end of Fiscal Year 2005. Since this data is preliminary, any comparison between these results and prior year results would be inaccurate and misleading. The data for Fiscal Year 2005 will be finalized at the end of Fiscal Year 2006, and preliminary Fiscal Year 2006 data will be provided at that time.

Preliminary Results
Claims Filed by Type
Fiscal Year 2005 (Recorded as of July 27, 2005)

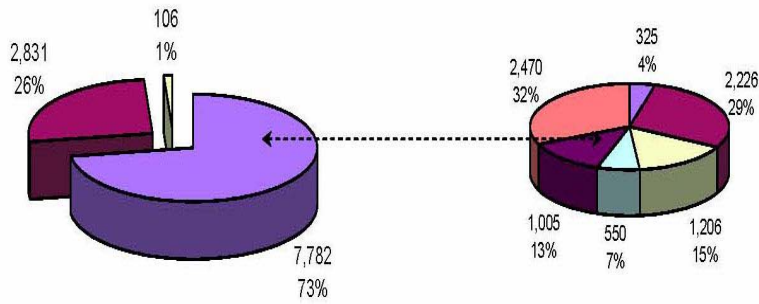
<u>Personal Injury</u>	Claims Filed
Medical Malpractice	822
Sidewalk	2,881
Motor Vehicle	1,378
Police Action	2,578
Schools	1,461
Civil Rights	1,238
City Property	906
Roadway	1,245
Uniform Services	281
Corrections	881
Parks & Recreation	276
Traffic Device	188
Other	733
Total	14,868
<u>Property Damage</u>	
Motor Vehicle	3,876
Other	5,118
Total	8,994
<u>Law Claims</u>	
Contracts	222
Other	997
Total	1,219
Grand Total	25,081

Preliminary Results
Settlements & Judgments by Claim Type
Fiscal Year 2005 (Recorded as of July 27, 2005)

	Number of Dispositions	Amount
<u>Personal Injury</u>		
Medical Malpractice	325	\$144,721,581
Sidewalk	2,226	68,197,923
Motor Vehicle	1,206	57,964,879
Police Action	550	39,642,918
Schools	1,005	34,572,273
Civil Rights	727	31,582,401
City Property	210	21,700,963
Roadway	702	15,917,790
Uniform Services	162	25,295,960
Corrections	169	8,038,294
Parks & Recreation	202	8,336,743
Traffic Device	147	11,223,303
Other	<u>151</u>	<u>7,578,482</u>
Total	7,782	\$474,773,510
<u>Property Damage</u>		
Motor Vehicle	1,931	\$3,535,886
Other	<u>900</u>	<u>3,699,429</u>
Total	2,831	\$7,235,315
<u>Law Claims</u>		
Contracts	28	\$24,460,848
Other	<u>78</u>	<u>16,681,780</u>
Total	106	\$41,142,628
Grand Total	10,719	\$523,151,453

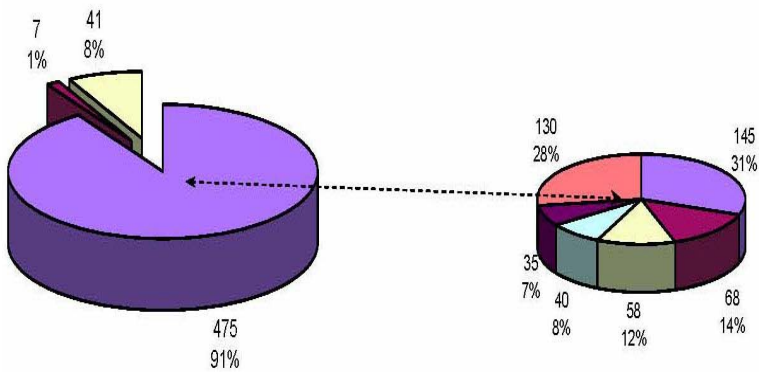
PRELIMINARY FY 2005

Count of Settlements and Judgements 10,719



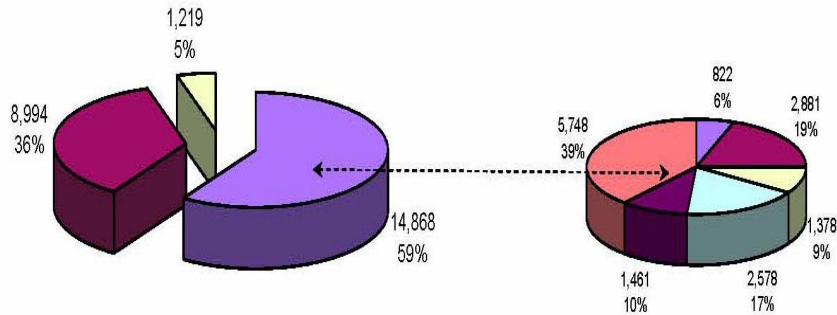
Total Dollar Value of Settlements and Judgements \$ 523 Million

- Personal Injury
- Property Damage
- Law Claims



- Personal Injury
- Top 6 Categories
- Medical Malpractice
- Sidewalk
- Motor Vehicle
- Police Action
- Schools
- Other

Number of Claims Filed 25,081



APPENDIX F

ADDITIONAL CHARTS DEPICTING CLAIM ACTIVITIES

Chart 01 Over \$1 Million Cases: Amount Paid FYs 1995 - 2004
Chart 02 Over \$1 Million Cases: Number Resolved FYs 1995 - 2004
Chart 03 Law Claims Filings
Chart 04 Law Claims Dollar Amount
Chart 05 Dollar Value of Settlements & Judgments
Chart 06 School Dollar Value
Chart 07 School Filings
Chart 08 Roadway Dollar Value
Chart 09 Roadway Filings
Chart 10 Borough Claims Expense
Chart 11 Property Damage Claims by Type
Chart 12 Total 2004 Claim Expenses for both Personal Injury and Property Damage by Borough Per Resident

CHART 1

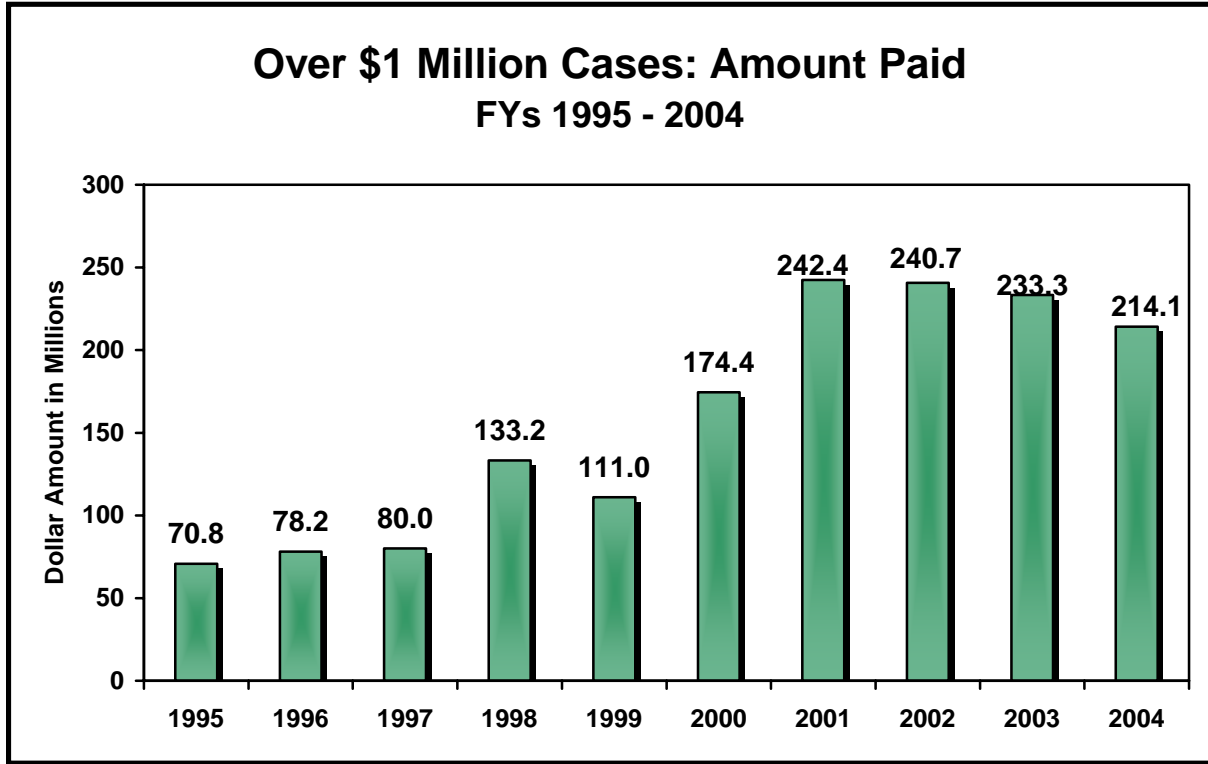


CHART 2

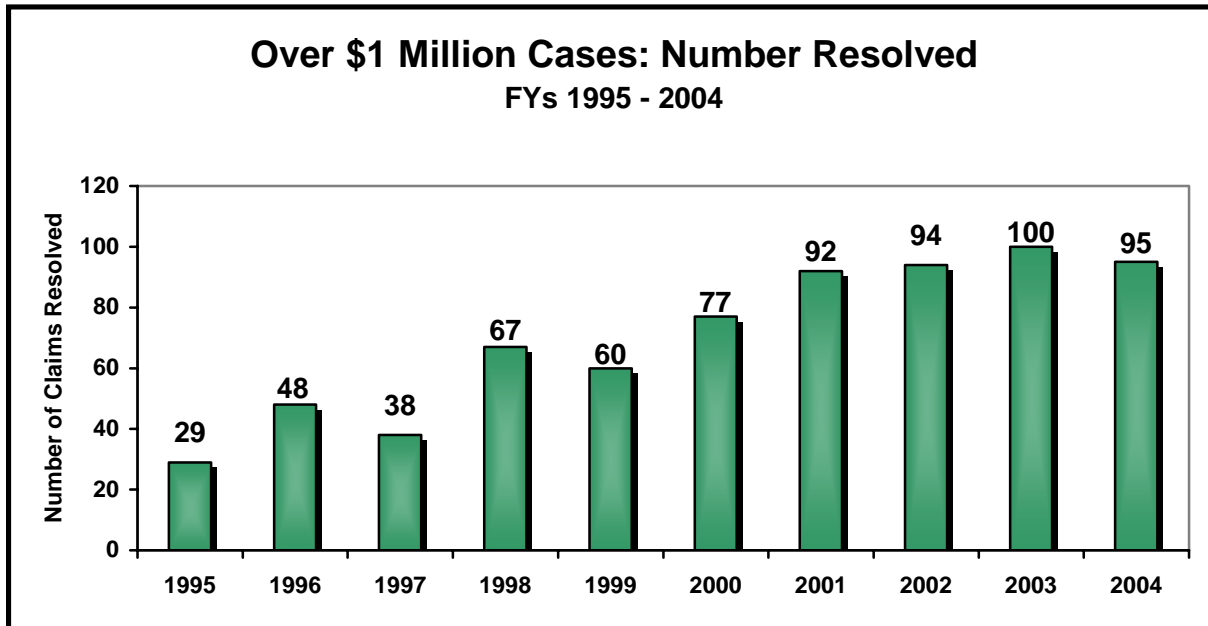


CHART 3
Law Claims
 FYs 1995 - 2004
 Number of Claims Filed

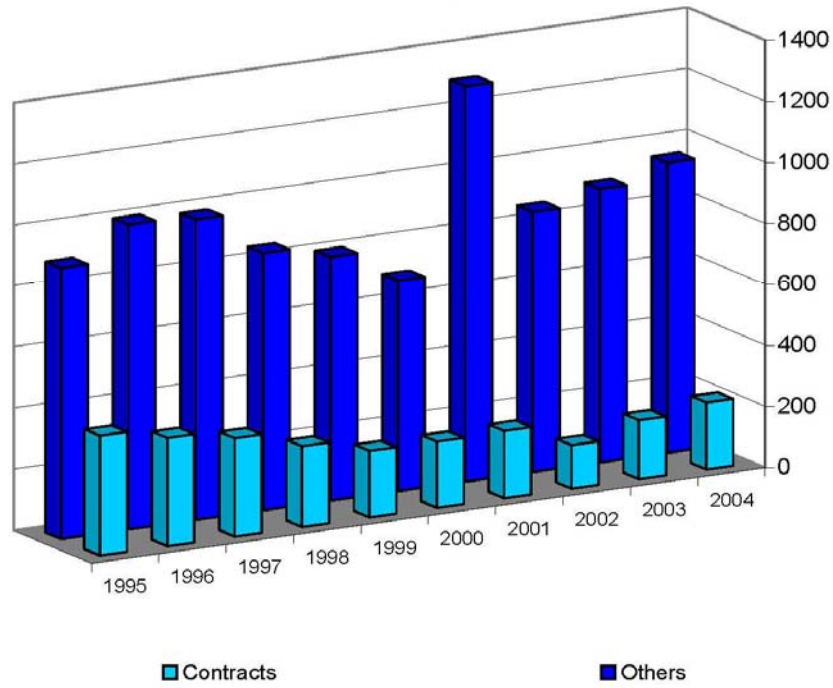


CHART 4

Law Claims
 FYs 1995 - 2004
 Dollar Value of Settlements & Judgments

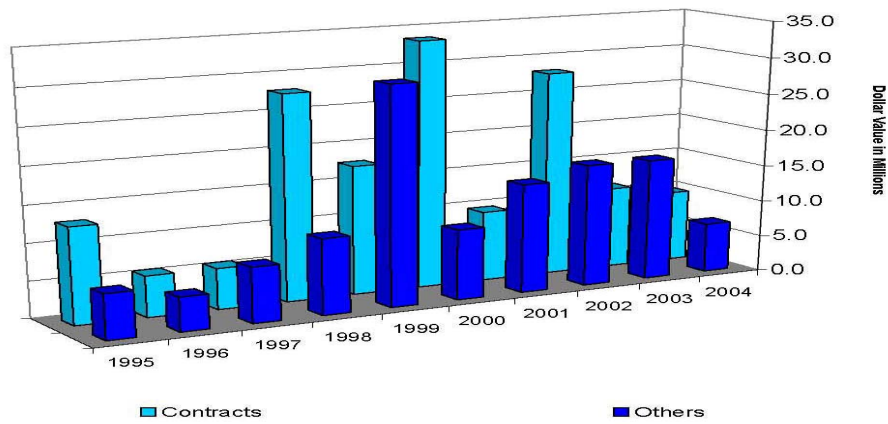


CHART 5

**Dollar Value of Settlements & Judgments
Fiscal Years 1995 - 2004**

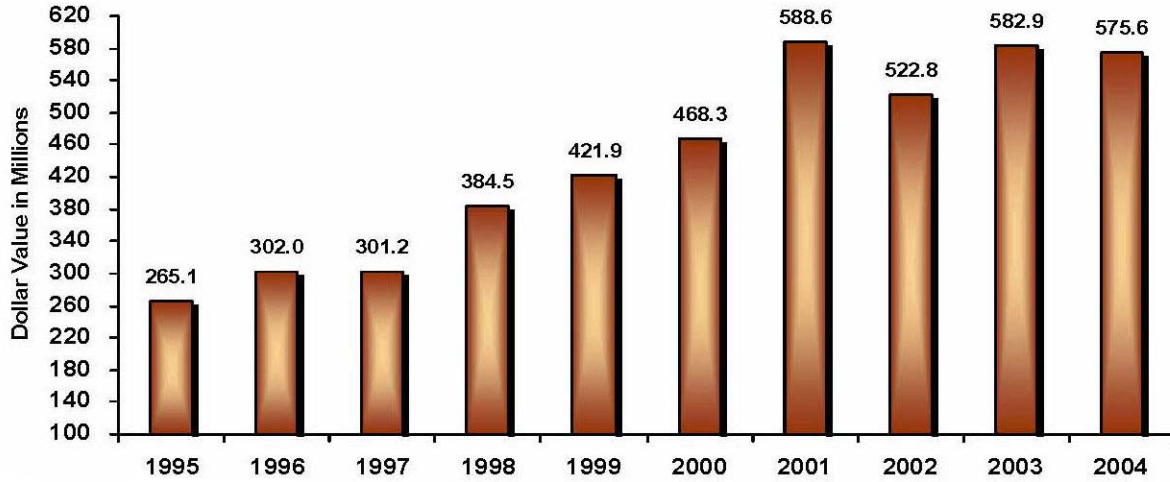


CHART 6 School

FYs 1995 - 2004

Dollar Value of Settlements & Judgments

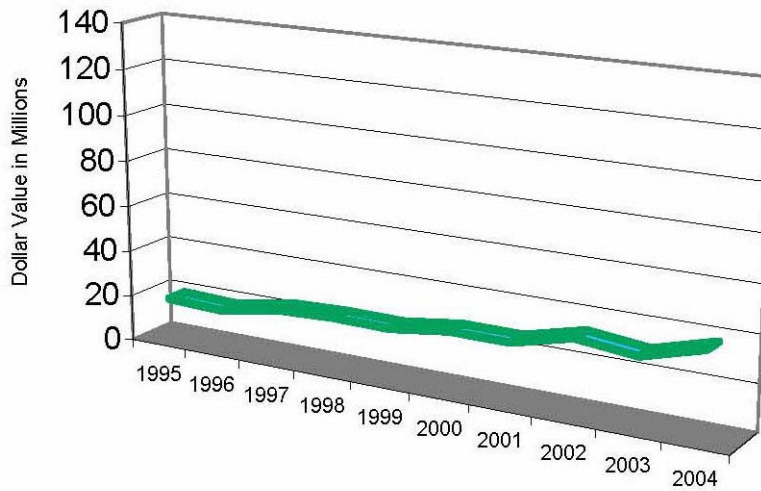


CHART 7
School
FYs 1995 - 2004

Number of Claims Filed

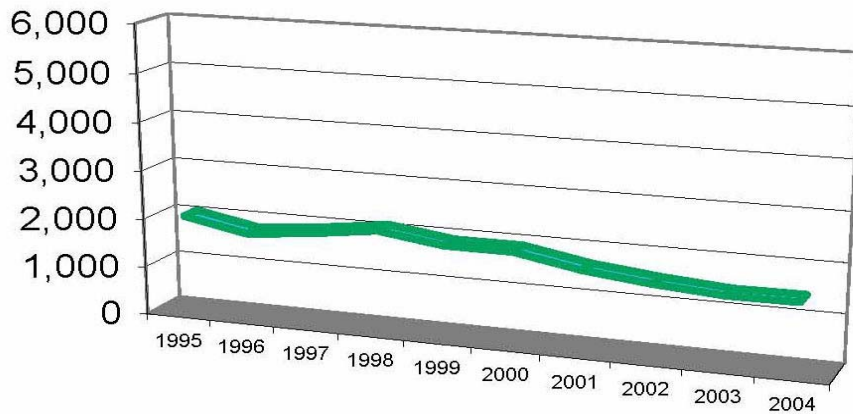


CHART 8
Roadway
FYs 1995 - 2004

Dollar Value of Settlements & Judgments

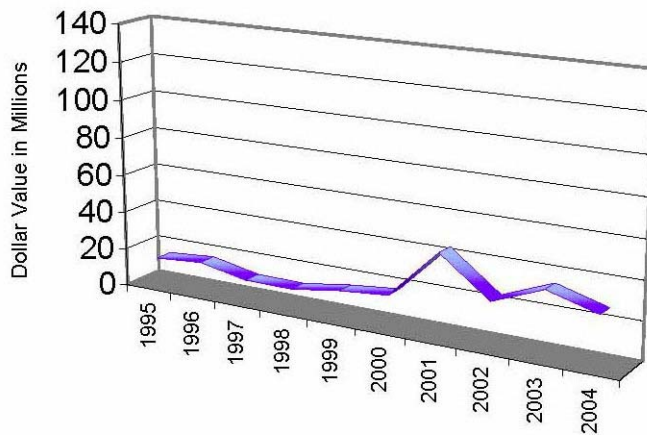


CHART 9
Roadway
FYs 1995 - 2004

Number of Claims Filed

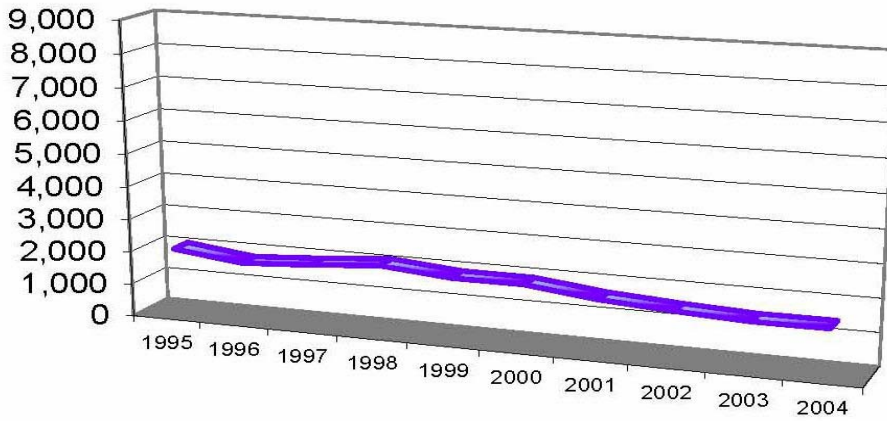


CHART 10

Property Damage Claims by Type
Fiscal Year 2004

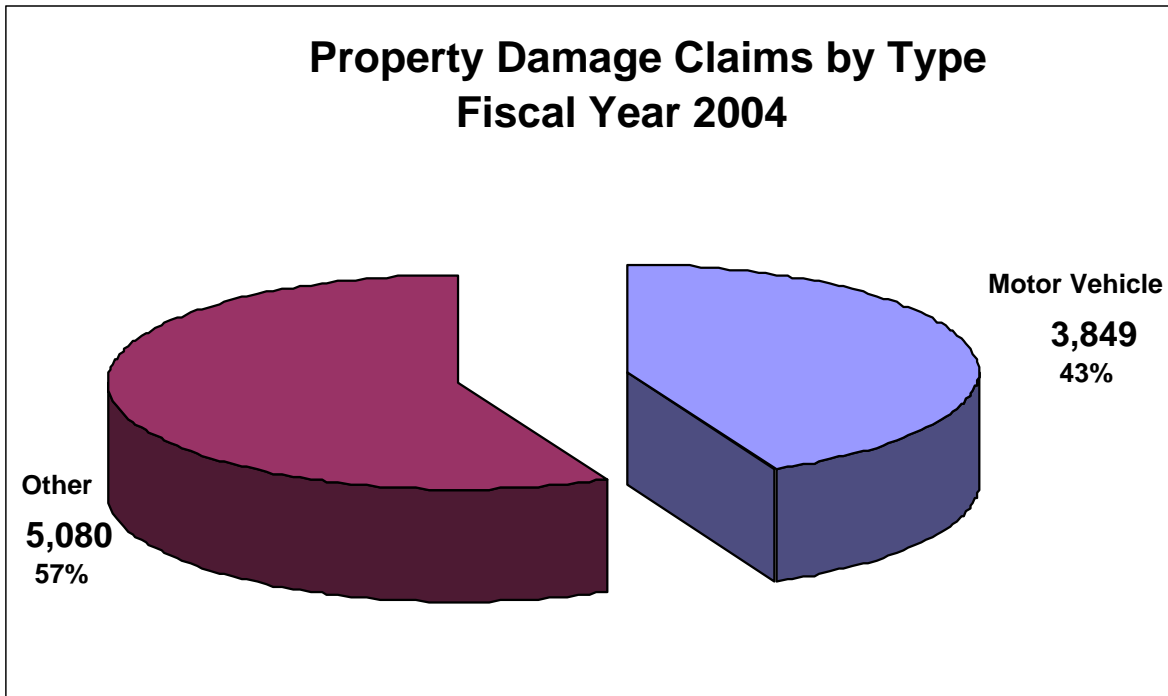


CHART 11
Number of Claims Filed by Category
Fiscals Years 1995 - 2004

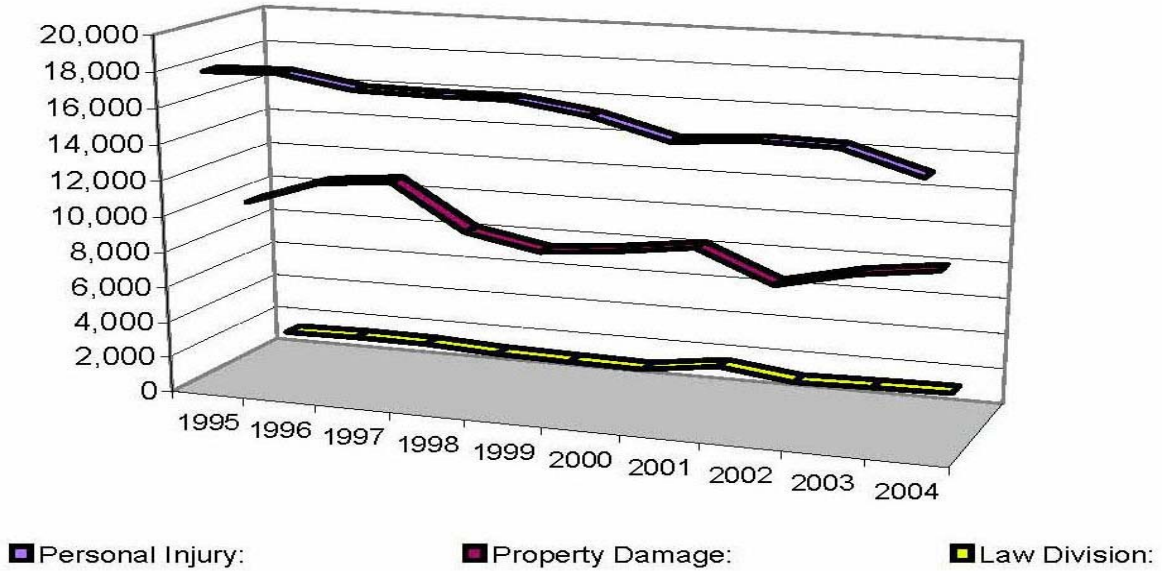


CHART 12

Total 2004 Claim Expenses for Both Personal Injury and Property Damage
by Borough per Resident

