



New Jersey Gasoline, C-Store, and Automotive Association (**NJGCA**)  
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**FOR IMMEDIATE RELEASE**

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**Nothing “conservative” about Governor Christie confiscating \$300 million from  
Horizon**

*Why does the State want to punish prudently-run companies by stealing their funds?  
Governor Christie attempting to play Robin Hood with all Horizon-insured residents’  
money*

Sal Risalvato, Executive Director of the New Jersey Gasoline, Convenience, Automotive Association (NJGCA), released the following statement in response to Governor Christie’s intention to demand \$300 million from Horizon to fund government spending:

“The more I have heard about Governor Christie’s plan to take \$300 million from Horizon to fund New Jersey’s spending, the more disgusted, appalled, outraged, and quite frankly scared, I have become. A Governor attempting to demand money from any entity for whatever reason sets a disturbing precedent. Why does Governor Christie believe that he is entitled to **any** portion of the reserves that Horizon has so prudently amassed? If the State had managed its money as wisely and skillfully as Horizon, maybe it wouldn’t find itself in an ongoing budget crisis. This situation however, provides no justification for targeting a specific entity based on the fact that they saved ‘too much money’ in the Governor’s eyes. We should be applauding those businesses who employ financially sound practices and are able to amass ‘extra’ reserves, instead of punishing them and seeking to confiscate those funds.”

“I am especially disturbed by this initiative,” Risalvato continued, “because the New Jersey Gasoline, Convenience Store, and Automotive Association belongs to a self-funded trust which provides health coverage for our members much the way Horizon

does. And like Horizon, we are required to keep a certain amount of money in reserve, in case claims ever exceed the premiums collected. The self-funded trust that NJGCA participates in presently has 450% more in reserve than State law requires. Why? Because it is managed prudently and wisely to ensure that premiums are enough to pay claims each year. Unlike other insurance companies, NJGCA returns a portion of the excess premiums each year to our plan-holders, and then, like Horizon, puts the rest away into the reserve account, which guarantees our fund will never go broke and plan-holders will always have their healthcare claims paid. Coincidentally, Horizon also has a reserve account that is 450% larger than required by law. Apparently, the Governor considers this fair game.”

“This fiscal prudence also helps to ensure that rates do not go up, because in a year where claims may exceed premiums paid, there is a stockpile of reserves that can be used to cover the difference without imposing any further burden or hardship on the plan-holders,” Risalvato explained. “What do you think will happen when Governor Christie steals \$300 million from Horizon? Surely, Horizon will seek to recoup those funds by raising rates in order to replenish their reserves. The State mandates that a certain minimum amount must be kept in reserve... Is it now also saying that reserves cannot exceed a certain amount? Will there be a law against prudent management? Once you have ‘too much money’ the State can hijack some for its own purposes? This would be criminal if it wasn’t the government.”

“NJGCA works hard to ensure that we can offer members of our organization a fiscally-sound and conservatively-managed self-funded health insurance trust. Both NJGCA’s self-funded trust and Horizon continually build up their reserves to ensure that claims will always be paid and premiums will not have to be raised to cover shortfalls. These wise and prudent practices should not put us, or any entity, at risk of having their reserves raided by a desperate Governor looking for some way to balance the State’s budget. Too bad the State doesn’t have its own reserve to tap in to when there is a budget shortfall!” Risalvato concluded.

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