



MICHIGAN SELF-INSURERS' ASSOCIATION

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Gerald M. Marcinkoski
Executive Secretary

Board of Managers

Trinity Health
Susan Cyrulnik
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Alticor, Inc.
Steve Ohman
1st Vice Chair

City of Grand Rapids
Sheila Mahan
Treasurer

Varnum Consulting, LLC
Libby Child

Wayne State University
Pamela Galloway

Ford Motor Company
Jonathan R. Parker

Little Caesar Enterprises, Inc.
C. Michael Healy

AT&T Michigan
Albert Calille

Consumers Energy Company
Doug Wright

DaimlerChrysler Corporation
Neil D. Levins

DTE Energy
Randall Rutkofske

General Motors Corporation
Susan R. Azar

MHA Service Corporation
Janet Kransz

Marathon Oil Company
Barbara Parker

The Pepsi Bottling Group
Amy Maharaj-Tyrala

Tecumseh Products
Randall Krichbaum

Sherriff-Goslin Company
William Ticknor

MINUTES OF BOARD OF MANAGERS' MEETING

October 25, 2006

The Inn at St. John's
Plymouth, Michigan

Present:

AZAR, S., General Motors Corporation
CALILLE, A., AT&T Michigan
CHILD, L., Varnum Consulting
CYRULNIK, S., Trinity Health
GALLOWAY, P., Wayne State University
HEALY, M. Little Caesar Enterprises, Inc.
KRICHBAUM, R., Tecumseh Products
MAHARAJ-TYRALA, A., The Pepsi Bottling Company
OHMAN, S., Alticor, Inc.
PARKER, B., Marathon Oil Company
PARKER, J., Ford Motor Company
TICKNOR, B., Sherriff-Goslin Company
WRIGHT, D., Consumers Energy Company

Not Present:

KRANSZ, J., MHA Service Corporation
LEVINS, N., DaimlerChrysler Corporation
MAHAN, S., City of Grand Rapids
RUTKOFKSKE, R., DTE Energy

Chairperson's Council:

SUSSER, D., Smith Haughey Rice & Roegge
BLOCK, W., Chamber of Commerce
ZURVALEC, D., Michigan Manufacturers Association

The MSIA Board meeting was called to order at 4:10 p.m. by Ms. Child.
The following Agenda was discussed:

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AGENDA

1. Minutes of Board of Managers' Prior Meeting.
2. Treasurer's Report.
3. Technology Committee Report.
4. Amicus Curiae Report.
5. Funds Trustees Report.
6. Health Care Committee Report.
7. 2006 Final Fall Conference Report.
8. Old Business.
 - a. David Campbell's Vocational Rehabilitation meeting.
 - b. Other old business.
9. New Business.
 - a. Composition of Spring Conference Committee.
 - b. Ideas for Spring Conference.
 - c. Result of Qualifications Advisory Committee interviews.
 - d. Replacement for Magistrate Barney's spot on the Board of Magistrates.
 - e. *Smith v Parkland Inn/Second Injury Fund*.
 - f. Other new business.

Ms. Child began the meeting by having the Board introduce themselves to Wendy Block of the Chamber of Commerce who was part of the Chairperson's Council and attending her first MSIA Board meeting.

The **Minutes** of the prior Board were approved upon motion of Mr. Healy, seconded by Ms. Maharaj.

The **Treasurer's Report** was prepared by Ms. Mahan beforehand and distributed in her absence to the Board. It disclosed that the ending cash balance, as of the end of August 2006, was \$202,914.61. The report was approved upon motion of Mr. Calille, seconded by Ms. Cyrulnik.

The **Technology Committee Report** was presented by Ms. Child. She reported that the activity on the MSIA website is thriving. She suggested the Board consider two things in relationship to the website: developing more career opportunities and resumes to post on the website, and encourage more blogging. Ms. Child reported that the website was instrumental in disseminating information with respect to the Fall 2006 Conference and will continue to be instrumental for future conferences.

The **Amicus Curiae Report** was submitted by Mr. Calille. The first item of business was consideration of whether the MSIA should send a letter to the Michigan Court of Appeals inquiring into why the Court of Appeals did not decide *Stokes v DaimlerChrysler Corporation* by the October 1, 2006 deadline. After much discussion the Board voted that a bland, generic letter to the Court would be appropriate. Such a letter was in fact sent. [Ironically, the Court of Appeals released its decision the next day on October 26, 2006]. The Board then discussed a request to file an amicus curiae brief in the case *Bowman v R.L. Coolsaet Construction Company/Second Injury Fund*. *Bowman* was a published decision from the Court

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of Appeals that adopted the “traveling employee doctrine” in Michigan. *Bowman* holds that an employee traveling as part of his or her work is in effect covered portal – to – portal, except if engaged in a personal errand or pursuing an activity whose major purpose is social or recreational. The case is at the Application for Leave to Appeal stage presently at the Supreme Court level. After discussion, the Board authorized upon motion of Mr. Calille, seconded by Ms. Maharaj, to file an amicus curiae brief on a limited basis with \$1,000.00 allocated to pay for the brief. Co-signing on the brief from the Michigan Manufacturers Association and Chamber of Commerce will be sought.

The **Funds Trustees Report** was presented by Ms. Child. She reported that ninety-eight percent of the assessment money has been paid. The Fund is in the process of formulating a new contract with the Special Assistant Attorney Generals who represent the funds. At the time of the last Funds Trustee meeting there were still just two Funds Trustees (Director Nolish and Ms. Child) with one vacancy. However, since that last meeting, Mr. Richard Zapala of the Accident Fund Insurance Company of America has been appointed as a Funds Trustee representing the carriers’ perspective.

The **Health Care Committee Report** was presented by Ms. Azar. She reported that two sub-committees have been formed, one for pharmacy issues and one for evidence based medicine.

The **2006 Final Fall Conference Report** was submitted by Ms. Azar. She reported the MSIA Fall Conference to be held the following day was all set to run smoothly. As of her last tabulation there were 327 registrants (an increase of 75 from the proceeding year). All 40 vendor sites for vendor booths were occupied. Ms. Azar indicated 30 more vendor sites could have been sold. The Board acknowledged the effect of vendors helping to market the conference and welcomed it. The Board discussed the possibility of the fall conference taking place at other facilities out of concern the St. John’s facility may not be spacious enough. The Board then discussed and settled upon the method for introducing the speakers at the conference.

Under **Old Business** the Board elected its new slate of Officers. Susan Cyrulnik will serve as Chair. Steve Ohman will serve as 1st Vice-chair. Sheila Mahan will serve as Treasurer. For the time being there will be no 2nd Vice-Chair. The Board then discussed David Campbell’s last vocational rehabilitation meeting. The Board discussed the suggested changes to vocational rehabilitation rules and reviewed commentary on the suggested changes. The conclusion was that the proposed administrative rules were in many ways disadvantageous to employers and ought to be resisted. The recommendation was to rework the rules with an eye toward: (1) emphasizing in the rules themselves that the *Sington* disability evaluation be distinguished from the traditional section 319 vocational rehabilitation; (2) oppose the idea that the state can subjectively find employers in violation of the proposed elaborate vocational rehabilitation rules; and (3) remove redundant and adversarial elements to the rules, as well as the costs associated with meeting various new requirements. The Board also discussed Susan Cyrulnik alternating with Libby Child in attendance at vocational rehabilitation committee meetings.

Under **New Business** the Board settled on the composition of the Spring Conference Committee. Mr. Ohman will chair the Spring Conference. Also on the Committee will be Ms. Child, Ms. Susser, Ms. Cyrulnik, Ms. Azar, Ms. Kransz, Ms. Maharaj and Ms. Parker (for brochures). Ms. Mahan as always will

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also be included. The Board will discuss ideas for the Spring Conference at the December Board meeting. The Board then reviewed the Qualifications Advisory Committee's list of approved candidates for the Board of Magistrates for the vacancy that will be created as of January 26, 2007. Six incumbent magistrates applied for reappointment and all were deemed qualified for re-appointment. Fifteen other persons were also deemed qualified. The list has been sent to the Governor. In light of the possible impact of the elections that were to occur November 7, the Board deferred in depth discussion of each particular candidate until the December Board Meeting. The Board did discuss the potential candidate to replace the late Magistrate Michael Barney.

The Executive Secretary then alerted the Board to the recent decision from the Board of Magistrates in *Smith v Parkland Inn/Casualty Reciprocal Exchange c/o Michigan Property & Casualty Guaranty Association and the Second Injury Fund*. The Board is to review this decision and discuss it at the December Board Meeting. The decision relates to the consequences of the Second Injury Fund reimbursing the Michigan Property & Casualty Guaranty Company in a dual employment situation.

Finally the Board recognized the following new members contingent on the receipt of payment of dues: City of Jackson, City of Ann Arbor, Alaris (Case Management Services), and Craig Peterson of Foster Swift Collins & Smith.

The meeting adjourned at 7:20 p.m.

Respectfully submitted

Gerald M. Marcinkoski

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Executive Secretary