



MICHIGAN SELF-INSURERS' ASSOCIATION

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Gerald M. Marcinkoski
Executive Secretary

Board of Managers

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

General Motors Corporation
Susan R. Azar
2nd 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

Chrysler LLC
Neil D. Levins

DTE Energy
Randall Rutkofske

FinCor Solutions
Janet Kransz

Marathon Oil Company
Barbara Parker

The Pepsi Bottling Group
Amy Tyrala

Tecumseh Products
Randall Krichbaum

Sherriff-Goslin Company
William Ticknor

MINUTES OF BOARD OF MANAGERS' MEETING

July 13, 2007
Holiday Inn North Campus
Ann Arbor, Michigan

Reminder: Beginning January 1, 2008, Minutes will be available only via e-mail or on the website. Please provide your name, company name, and e-mail address to Donna Rinke at drinke@laceyjones.com if you wish a copy of the Minutes e-mailed to you.

Present:

AZAR, S., General Motors Corporation
BLOCK, W., (Chairperson's Council) Chamber of Commerce
CALILLE, A., AT&T Michigan
CHILD, L., Varnum Consulting
CYRULNIK, S., Trinity Health
GALLOWAY, P., Wayne State University
HEALY, M., Little Caesar Enterprises, Inc.
KRANSZ, J., FinCor Solutions
KRICHBAUM, R., Tecumseh Products
MAHAN, S., City of Grand Rapids
OHMAN, S., Alticor, Inc.
PARKER, B., Marathon Oil Company
PARKER, J., Ford Motor Company (by Bob Irwin)
TICKNOR, B., Sherriff-Goslin Company
WRIGHT, D., Consumers Energy Company

Chairperson's Council:

SUSSER, D., Smith Haughey Rice & Roegge
ZURVALEC, D., Michigan Manufacturers Association

Not Present:

LEVINS, N., DaimlerChrysler Corporation

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RUTKOFKSKE, R., DTE Energy

TYRALA, A., The Pepsi Bottling Company

The MSIA Board meeting was called to order at 11:38 a.m., by Chairperson Susan Cyrulnik. The Agenda for the meeting was as follows:

AGENDA

1. Minutes of Board of Managers' Prior Meeting.
2. Treasurer's Report.
3. Technology Committee Report.
4. *Amicus Curiae* Report
5. Health Care Committee Report.
6. 2007 Spring Conference Final Report.
7. Legislative Committee Report.
8. Old Business.
 - a. Funds Assessment.
 - b. Mileage Reimbursement.
 - c. Vocational Rehabilitation Task Force.
 - d. The Medicare Bill.
 - e. Self-Insurance Administrative Rule Changes.
 - f. Other Old Business.
9. New Business
 - a. Complaint regarding Magistrate Leventer.
 - b. MSIA Insurance Policy.
 - c. New Members.
 - d. Other New Business.

The **Minutes** were approved upon motion of Ms. Child, seconded by Mr. Ohman, following correction of a typographical error.

The **Treasurer's Report** was submitted by Ms. Mahan. She provided the Board with handouts with respect to MSIA's income, expense register, and budget. She reported that it has been a "good year" so far financially. The MSIA Board members' mileage reimbursement requests need to be submitted by August 1, 2007. Members should soon be able to pay their dues via PayPal on the website.

The **Technology Committee Report** was submitted by Ms. Child. She reported that the Committee will speak to Mr. Dana, the webmaster, regarding cycling announcements and ads on the website. The Board also discussed the MSIA polo shirts, which had been for sale at the MSIA Spring Conference, and

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whether they may be marketed on the website. The shirts will be brought to the Fall Conference for sale there. Mr. Parker volunteered to help transport the shirts from the Executive Secretary's office to the Fall Conference site.

The **Amicus Curiae Report** was submitted by Mr. Calille and the Executive Secretary. They noted that *Stokes v DaimlerChrysler Corporation* and *Simpson v Borbolla Construction/Fluor Constructors*, cases where the MSIA and others have filed *amicus curiae* briefs, remain pending before the Supreme Court. The *Stokes* case is scheduled for oral argument in the first week of October, 2007.

The **Health Care Committee Report** was submitted by Ms. Azar. She provided the Board with a handout in relationship to the last Health Care Advisory Committee meeting. She reported that there would be no change in the fee schedule. The fee schedule will be applied to prescription drugs. Ms. Azar also reported that attorneys for claimants have suggested that there be a limitation placed on doctors' deposition fees. This is apparently the rule in California. The Health Care Committee indicated that it would be considering this suggestion. The next Health Care Committee meeting is scheduled in September 2007.

The **2007 Final Spring Conference Report** was submitted by Mr. Ohman. He presented the Board with handouts summarizing the results of the 2007 Spring Conference. There was a record attendance at the Spring Conference with 390 attendees. Mr. Ohman noted that attendees rated the Grand Traverse Resort high, although there were complaints about the temperature in meeting rooms and the lack of coffeemakers in the rooms. Mr. Ohman recommended that for future Spring Conferences the Board consider fewer breakout sessions. He also reported that the exhibitor spaces had sold out one to two months before the conference started. He added that the profit to the MSIA from the conference was minimal because of the expenses for the primary speaker and the production of the shirts for the conference. The wine tour was popular and successful. The Board then discussed comping the Spring Conference members, given the amount of work and time they spend to make the Spring Conference a success. Finally the Board then expressed its desire that Mr. Ohman chair once again the next Spring Conference and Mr. Ohman agreed to do so.

The **Legislative Committee Report** was submitted by Ms. Block who reported that Lansing these days is focused on the budget and little else. She predicted that this Fall labor will seek an increase in unemployment compensation benefits. She also noted that the Michigan's business tax which will have a differing impact on employers, depending on the size of their business.

Under **Old Business**, the Board discussed the Fund's assessment which was approved in accord with the Director's recommendation. Ms. Mahan again emphasized that the mileage reimbursement forms from Board members must be submitted by August 1, 2007. Thereafter, the forms are to be submitted annually, noting the MSIA's fiscal year runs from September 1 through August 31. In conjunction with this discussion, Mr. Wright suggested that the MSIA's Minutes begin omitting specific references to dollar amounts and, upon motion of Ms. Child seconded by Ms. Parker, the Board agreed.

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The Board next discussed the activity of the Vocational Rehabilitation Task Force. Ms. Child indicated that the next meeting would occur in August 2007. The Task Force is in the process of drafting administrative rules to implement Section 319 (the Vocational Rehabilitation Provision) of the Act.

With respect to the Medicare set-aside bill, the Executive Secretary reported that attorneys met with Senator Stabenow to advocate passage of the Medicare bill. Those efforts at the federal level continue.

The Board then discussed the Self-Insurance rule changes. Ms. Azar reported that the changes reflect what Director Nolish had disseminated at his Director's Advisory Committee meetings in the past.

Under **Other Old Business**, the Board decided that hard copies of MSIA Board of Managers' Minutes will no longer be sent to Board members and the MSIA will no longer furnish hard copies of Board Minutes to MSIA members as of January 2008. Instead, members can receive MSIA Board Minutes via e-mail. This will necessitate MSIA members furnishing their e-mail addresses to receive such Minutes. There will be an announcement at the Fall Conference to this effect. Also, Minutes through the end of this calendar year will continue to be sent out as hard copies and will contain the prominently-placed indication that beginning January 1, 2008, Minutes will be provided only via e-mail. The MSIA also reminds everyone that its Minutes are posted on its website.

Under **New Business**, the Board discussed complaints that have been voiced with respect to Magistrate Leventer, especially via a widely distributed letter from an attorney, Mr. Al Nelson. The Executive Secretary was directed to send a letter to the Chair of the Qualifications Advisory Committee to urge a review of the complaints about Magistrate Leventer since the QAC is statutorily empowered to evaluate the performance of magistrates, under MCL 418.212, including the "manner in conducting hearings" and "evidence of any demonstrable bias against particular defendants, claimants, or attorneys". MCL 418.212(1)(c) and (f), respectively. Beyond that, the MSIA Board discussed other possible methods of review or inquiry into complaints with respect to Magistrate Leventer.

The MSIA insurance policies were discussed by Mr. Healy who explained the various facets of the MSIA's policies.

The Board then welcomed a number of new members enrolling in July 2007: Bruce E. Ruben, M.D., Doug Campbell of Rich & Campbell, Long Risk Services, Extruded Metals, Costco Wholesale Corporation, Metaldyne, Metalwords Michigan Rubber Products, Clintondale Community Schools, Fab-Lite, Midland County, SET SEG, and Berrien County. The members were admitted upon payment of dues.

Under **Other New Business**, the Board reviewed the QAC-approved candidates for the vacancy to be created as of October 1, 2007, on the Workers' Compensation Appellate Commission. In this respect, Ms. Child indicated that recently there had been a resignation from the Qualifications Advisory

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Committee and a new appointment was being made to fill that spot. The Board then discussed the possibility of moving the regular MSIA Board Meetings to the Rock Financial site. This question was left open with the Executive Secretary to determine the duration of its present commitments to the Holiday Inn site in Ann Arbor.

Finally, Ms. Azar reported that the day before the Board Meeting she had received a letter from the Workers' Compensation Research Institute, responding to MSIA's concern about WCRI's forthcoming report. That report indicates in a general sense that Michigan was among the least costly states within which to do business from a workers' compensation perspective. That conclusion is at odds with the view of MSIA Board members, which include a number of large employers who do business throughout many states. None of the MSIA Board Members at the July meeting would characterize Michigan as one of the least costly states from a workers' compensation standpoint within which they do business. Ms. Cyrulnik indicated that she is familiar with data from excess carriers that reaches a contrary conclusion from WCRI in this respect. Ms. Cyrulnik also distributed a booklet canvassing workers' compensation law over various states.

The meeting was then adjourned at 4:15 p.m.

Respectfully submitted,

Gerald M. Marcinkoski

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Executive Secretary