



MICHIGAN SELF-INSURERS' ASSOCIATION

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Gerald M. Marcinkoski
Executive Secretary

Board of Managers

General Motors Corporation
Susan R. Azar
Chairperson

Ford Motor Company
Jonathan R. Parker
1st Vice Chair

Consumers Energy Company
Doug Wright
2nd Vice Chair

Iitich Holdings, Inc.
C. Michael Healy
Treasurer

City of Grand Rapids
Mari Beth Jelks

Amway
Lorraine K. Climer

Wayne State University
Pamela Galloway

AT&T Michigan
Albert Calille

DTE Energy
Douglas A. Green

FinCor Solutions
Janet Kransz

Marathon Oil Company
Barbara Parker

Trinity Health
Teresa Fisk

Sherriff-Goslin Company
William Ticknor

Wayne County Airport Authority
Leigh Stepaniak

Kelly Services, Inc.
Lesley Zielinski

Meijer
Sherri Miller

MINUTES OF BOARD OF MANAGERS' MEETING

September 11, 2009
Fox Hills Country Club
Plymouth, Michigan

Reminder: Minutes are now only available via e-mail or on the website. If you wish to receive the Minutes via e-mail, please provide your name, company name, and e-mail address to Marianne Melton at mmelton@laceyjones.com

Present:

AZAR, S., General Motors Corporation
CALILLE, A., AT&T Michigan
CLIMER, L., Amway
GALLOWAY, P., Wayne State University
GREEN, D., DTE Energy
HEALY, M. Little Caesar Enterprises, Inc.
JELKS, M., City of Grand Rapids
KRANSZ, J., FinCor Solutions
MILLER, S., Meijer
PARKER, B., Marathon Oil Company
PARKER, J., Ford Motor Company
WRIGHT, D., Consumers Energy Company
STEPANIAK, L., Wayne County Airport Authority
ZIELINSKI, L., Kelly Services, Inc.

Chairperson's Council:

BLOCK, W., Michigan Chamber of Commerce
SPIKE, J., Michigan Manufacturer's Association
SUSSER, D., Smith Haughey Rice & Roegge

Not Present:

CHILD, L. Compatico
FISK, T., Trinity Health
LEVINS, N., Chrysler Group LLC
TICKNOR, B., Sheriff-Goslin Company

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Chairperson, Susan Azar, called the meeting to order at 11:37 a.m. to discuss the following Agenda:

AGENDA

1. Minutes of Board of Managers' Prior Board Meeting
2. Treasurer's Report
3. Nominating Committee Report
 - a. Compatico
 - b. Libby Child
4. Funds Trustees' Report
5. *Amicus Curiae* Committee Report
6. Technology Committee Report
7. 2009 Fall Conference Committee Report
8. Health Care Committee Report
9. Legislative Committee Report
10. Membership Committee Report
11. Old Business
 - a. PRIMA and joint conferences?
 - b. MSIA/MMA Booklets
 - c. Supreme Courts' second *Lofton* order
 - d. Other Old Business
12. New Business
 - a. Changes to the Board of Magistrates?
 - b. PA 222/Non-profit requirements for MSIA
 - c. "Nationalization" of workers' compensation: RIMS and NCSI
 - d. Other New Business

The **Minutes** were unanimously approved upon motion of Mr. Wright, seconded by Mr. Green.

The **Treasurer's Report** was provided by Mr. Healy. He provided the Board with handouts summarizing MSIA's finances. One handout described finances through the year's fiscal end on August 31, 2009, while the second handout described the budget for the new fiscal year. Mr. Healy noted that Mr. Brenton gave the MSIA checks he collected for the wine tour at the Spring Conference. He also noted that membership drive money is coming in. As a consequence, there is no shortfall in the budget. The Board approved the Treasurer's report upon motion of Ms. Jelks, seconded by Mr. Green.

The **Nominating Committee Report** was provided by Mr. Calille. He reported that Compatico was withdrawing from the MSIA Board of Managers as a result of having made a decision not to become a high deductible company. The Board accepted the resignation. The resignation creates an opening on the Board. The Nominating Committee then moved to add Ms. Libby Child to become a member of MSIA's Chairperson's Advisory Counsel, noting that Ms. Child presently serves on the Qualifications Advisory Committee (QAC) and has extensive general experience in the workers' compensation area. Upon motion of Mr. Calille seconded by Ms. Parker, the Board unanimously approved Ms. Child's addition to the advisory counsel. Mr. Calille closed the Nominating Committee report with discussion of possible

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companies to replace Compatico with Mr. Calille suggesting that board members submit names of candidate companies to him.

The **Funds Trustees Report** was submitted by Ms. Azar. She reported that, as a funds trustee, she had not been going to certain Funds Trustee meetings to avoid the potential for conflicts of interest between her position with General Motors and Delphi issues. Ms. Azar did note special fund meetings were scheduled and that it was likely that an increase in assessments would be discussed by the funds trustees in light of bankruptcies.

The **Amicus Curiae Committee Report** was submitted by Mr. Calille and the Executive Secretary. Mr. Calille reported that the MSIA had filed an *amicus curiae* brief in *Trammel v Consumers Energy*. *Trammel* is an *en banc* opinion from the Workers' Compensation Appellate Commission [i.e. an opinion from the full Workers' Compensation Appellate Commission, rather than just a panel of three]. In *Trammel* the Commission held that for specific loss purposes the usefulness of a particular limb, such as a leg, is to be measured without taking into account any implanted medical device, such as a knee replacement. The case is on appeal before the Court of Appeals with the application for leave to appeal presently pending. The Executive Secretary then discussed the Supreme Court's recent decision in *Petersen v Magna Corporation*. In splintered opinions, the majority of the Court held that attorney fees can be imposed by magistrates on employers and carriers in relationship to unpaid medical expenses. The Executive Secretary pointed out that it was important to bear in mind that this is a discretionary matter for the magistrate. That is, it does not follow as a matter of course that a magistrate must impose attorney fees on the employer or carrier in relationship to unpaid medical expenses.

The **Technology Committee Report** was submitted by Mr. Parker. He reported that he is working with the webmaster on an "Ask Jerry" column where questions can be posed to the Executive Secretary and answered online. He also reported that there would be updates on the website with regard to the Fall Conference.

The **2009 Fall Conference Report** was submitted by Mr. Wright. Mr. Wright reported that as of the time of the board meeting there were 23 exhibitors and two sponsors. The brochures for the conference were to be finished any day. Mr. Dennis Morrill was added as a speaker so that he could address attendees with respect to the state of self insurance and the Self Insured Security Fund. It was also decided that Mr. Morrill should be added permanently as one of the Agency's personnel who address MSIA Conferences. The readership is encouraged to visit the MSIA website for all information with regard to the Fall Conference.

The **Health Care Committee Report** was submitted by Ms. Azar. She reported that there was no quorum for the last meeting of the committee. Issues continue with regard to free standing surgical facilities. Also, issues are beginning to surface with respect to medical use of marijuana. Ms. Azar provided a handout in this regard. The Board resolved that discussions about the medical use of marijuana would be an appropriate topic for the next Spring Conference.

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The **Legislative Committee Report** was submitted by the Ms. Block. She reported that the state budget discussions were ongoing. She reported that a budget resolution did not seem imminent. There appeared to be a division between the House, the Senate, and the Governor. Ms. Block did not feel that workers' compensation issues are in-the-air at this time.

The **Membership Committee Report** was submitted by Mr. Healy. He reported that the drive to collect membership dues has resulted this far in \$20,000.00. Ms. Stepaniak reported sending out 150 "we-miss-you" notices to prior MSIA members and may send out a follow up letter. Ms. Zielinski requested that Board Members provide her with lists of other organizations with which they may be familiar, such as PRMA. These lists are to be maintained by the Membership Committee. Ms. Zielinski requested the lists be furnished to her by email if possible. [Ms. Zielinski reported that she has new brochures of MSIA, boxes of extra brochures, and the brochure is also on the website.] Ms. Kransz posed the question of merging the conference with PRMA and MSIA next fall. Ms. Stepaniak, who is the president of PRMA, reported that PRMA is interested in such a merger and she will take it up with PRMA at the next board meeting. The MSIA Board resolved to consider the issue further pending Ms. Stepaniak's report.

Under **Old Business**, the MSIA/MMA booklet is to be distributed by Ms. Spike to legislators for which the Board thanked Ms. Spike of MMA.

The Executive Secretary reported on the curious switching of votes among the Supreme Court Justices in the *Lofton v Autozone* order, as well as the present atmosphere at the Michigan Supreme Court.

Under **New Business**, the Board discussed the possibility of changes in the Board of Magistrates, such as a reduction in the number of Magistrates. The Board then evaluated the present sitting magistrates, as well as candidates for the Board of Magistrates who were on the last QAC approved list, so as to reach a consensus of opinion on the the magistrates and other candidates.

The Board then discussed filling out a non-profit state form naming particular officers as now required under Michigan law. The Board also discussed issues relating to "nationalization" efforts for workers' compensation. The National Council of Self Insurers encourages companies – if they have not already done so - to let their opinions on that point be known to the United States House of Representatives. The Board welcomed four new members to MSIA: Express Scripts, John Quinn (attorney), Eckman, Freeman & Associates, and Research Consultants. All were admitted with dues having been paid.

The Board adjourned at 2:12 p.m.

Respectfully submitted,

Gerald M. Marcinkoski

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Executive Secretary