



MICHIGAN SELF-INSURERS' ASSOCIATION

600 SOUTH ADAMS ROAD, SUITE 300 • BIRMINGHAM, MI 48009-6827 • (248) 433-1414 • FAX (248) 433-1241

www.michselfinsurers.org

Gerald M. Marcinkoski
Executive Secretary

Board of Managers

General Motors LLC
Susan R. Azar
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Ford Motor Company
Jonathan R. Parker
1st Vice Chair

Consumers Energy Company
Doug Wright
2nd Vice Chair

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C. Michael Healy
Treasurer

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Mari Beth Jelks

Amway
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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

Sheriff-Goslin Company
William Ticknor

Wayne County Airport Authority
Leigh Stepaniak

Kelly Services, Inc.
Lesley Zielinski

Meijer
Sherri Miller

MINUTES OF BOARD OF MANAGERS' MEETING

April 23, 2010

Holiday Inn North Campus
Ann Arbor, 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 LLC
CLIMER, L., Amway (by phone)
FISK, T. (by Rose Wohlgemuth), Trinity Health
GALLOWAY, P., Wayne State University
GREEN, D., DTE Energy
HEALY, M. Ilitch Holdings, Inc.
JELKS, M., City of Grand Rapids (by phone)
MILLER, S., Meijer
OHMAN, S., Spectrum Health, special guest
PARKER, B., Marathon Oil Company
PARKER, J., Ford Motor Company
STEPANIAK, L., Wayne County Airport Authority
WRIGHT, D., Consumers Energy Company
ZIELINSKI, L., Kelly Services, Inc. (by phone)

Chairperson's Council:

CHILD, L., Qualifications Advisory Committee
SPIKE, J., Michigan Manufacturer's Association
SUSSER, D., Smith Haughey Rice & Roegge

Not Present:

BLOCK, W., Michigan Chamber of Commerce
CALILLE, A., AT&T Michigan
KRANSZ, J., FinCor Solutions
LEVINS, N., Chrysler Group LLC
TICKNOR, B., Sheriff-Goslin Company

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The Chairperson called the meeting to order at 11:42 a.m. to discuss the following Agenda:

AGENDA

1. Minutes of Board of Managers' Prior Board Meeting
2. Treasurer's Report
3. Membership Committee Report
4. Nominating Committee Report
5. Funds Trustees' Report
6. *Amicus Curiae* Committee Report
7. Technology Committee Report
8. Health Care Committee Report
9. Legislative Committee Report
10. 2010 Spring Conference Committee Report
11. Old Business
 - a. Waiver and Release forms
 - b. IME Doctor Administrative Rule
 - c. Scholarships
 - d. Other old business
12. New Business
 - a. News regarding Delphi and Self-Insurer's Security Fund
 - b. Mr. Welch's project
 - c. Other New Business

The **Minutes** of the last Board meeting were unanimously approved.

The **Treasurer's Report** was submitted by Mr. Healy. The Board was provided with a handout detailing MSIA's finances. The Treasurer's Report was then approved upon motion of Mr. Wright, seconded by Ms. Stepaniak.

The **Membership Committee Report** was also presented by Mr. Healy. He reported that 70% of the membership have thus far paid their annual dues. Mr. Healy indicated that there was a new application for membership to MSIA: CMS Home Health Care, but the Board did not vote with respect to their membership because the fee proffered was not the appropriate one. Mr. Healy will contact CMS Home Health Care in that regard. Ms. Stepaniak expressed a desire for the membership committee to convene before the next MSIA Board Meeting.

The **Nominating Committee Report** was tabled in light of Mr. Calille's absence. The Board briefly discussed potential companies for spots on the MSIA Board.

The **Funds Trustees' Report** was provided by Mr. Green. He advised there was nothing new to report. The Funds Trustee Meeting was to take place the following day.

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The **Amicus Curiae Report** was provided by the Executive Secretary. He advised that MSIA's Motion for Reconsideration in *Trammel v Consumers Energy* remained pending before the Michigan Supreme Court. *Trammel* is the case where the Workers' Compensation Appellate Commission, in an *en banc* opinion, held that for specific loss purposes an artificial implant is not to be taken into account when evaluating the usefulness of the body member. [The Michigan Supreme Court has since denied the Motion for Reconsideration in *Trammel* meaning that the Appellate Commission's decision is final].

The **Technology Committee Report** was provided by Ms. Child and Mr. Parker. The facebook page is now operating. The Board discussed an email blast to draw attention to it.

The **Health Care Committee Report** was provided by the Chairperson. Ms. Azar reported that at the last Health Care Committee Meeting there had been discussion of ambulatory surgical centers and their fee schedule. She reported that now they will be reimbursed at a medicare rate times .30 and implants will be included.

The **Legislative Committee Report** was presented by Ms. Spike. She reported that Lansing is presently focused on the state budget. She reported that the proposed budget for DLEG was last cut by 1.2 Million dollars, but Senator Jansen was making an effort to retain as much general fund money there as he could. The Board also discussed the vacancy created by the departure of Magistrate Jarvis to the social security bench. And, the Board discussed the possibility of other magistrates leaving for social security jobs and the effect and impact of those departures.

The **2010 Spring Conference Committee Report** was provided by Mr. Parker. He reported that the Spring Conference Committee had met that morning. The Board discussed the number of registrants thus far, including the possibility of a problem with mailing lists for the brochures. It may have delayed dissemination of announcements for the conference. The Conference since took place on June 2 – 4, 2010 and was well attended.

Under **Old Business**, the Whistleblower and Conflict of Interest forms were collected from those persons and companies who had signed them.

The Executive Secretary briefly updated the Board on the administrative rule relating to IME doctors. While the original impression had been that the proposed administrative rule did not relate to workers' compensation insurance carriers, questions have been raised in that regard. The rule has not yet been adopted formally. The Board then discussed the scholarship which would be awarded to a student from Olivet College. Ms. Zielinski reported that she had spoken with Mr. Ticknor who reported that Olivet College was in the process of selecting a particular person for the scholarship which will allow the student to attend the MSIA Conference at the Board's expense. There was no **Other Old Business**.

Under **New Business**, the Board discussed at length the exposure of the state's Self Insurers' Security Fund (SISF), particularly in light of Delphi's bankruptcy. The state had originally projected the Delphi default figure to be approximately 225 Million dollars. Later, the state concluded that the more appropriate figure is 55 Million dollars. Ms. Azar noted that General Motors had early on assumed 60%

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of Delphi's liability. Board Members questioned and discussed why the SISF's projections were so far off. The Board authorized the Executive Secretary to send a letter to the relevant state personnel responsible for the SISF to recommend that, in light of the error, a new analysis of the financial viability of the SISF is needed. The Board's view is that a fresh analysis can serve as a better basis for ongoing discussions.

The Board then discussed the winding down of Mr. Welch's projects, which involved various groups examining various aspects of the workers' compensation system and budget in order to achieve greater efficiency. The Board continues to be of the mind that it would be advisable to have more Magistrates.

The Board concluded by discussing under **Other New Business** handouts provided by the Executive Secretary relating to news with respect to the Medicare Secondary Payer Act.

The Board then adjourned, upon motion of Mr. Healy, seconded by Mr. Wright, at 4:38 p.m.

Respectfully submitted,

Gerald M. Marcinkoski

Gerald M. Marcinkoski
Executive Secretary