



MICHIGAN SELF-INSURERS' ASSOCIATION

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Dawn M. Droblich
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Trinity Health
Mark G. Schneider

Wayne County Airport Authority
Cheryl Smith

Ford Motor Company
Jonathan R. Parker

Johnson Controls
Tracy A. Flynn

Consumers Energy Company
Doug Wright

Kelly Services, Inc.
Sandra DiCicco

University of Michigan
Kathleen M. Rychlinski

Marathon Petroleum Company LP
Lina Lee

MINUTES OF BOARD OF MANAGERS' MEETING

January 9, 2015

*Meeting held via telephone conference
due to inclement weather*

Reminder: Minutes are now only available via e-mail 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:

ALBAUGH, T., Kellogg Company
AZAR, S., General Motors LLC (by Gary Gonthier)
BRUNO-HERLINE, L., AT&T Michigan
DICICCO, S., Kelly Services, Inc.
FLYNN, T., Johnson Controls
GALLOWAY, P., Wayne State University
GREEN, D., DTE Energy
LEE, L., Marathon Petroleum Company LP
NIEHAUS, M., Ilitch Holdings, Inc.
OHMAN, S., Spectrum Health Occupational Services
SMITH, C., Wayne County Airport Authority
WRIGHT, D., Consumers Energy Company

Chairperson's Council:

McKINLEY, D., Michigan Manufacturers' Association
PENZ, M., HSAWCF (representing the Group Funds)
WHITE, D., Chrysler Group, LLC

Not Present:

BLOCK, W., Michigan Chamber of Commerce
CHILD, L.
COULSON, C., City of Grand Rapids
PARKER, J., Ford Motor Company
RYCHLINSKI, K., University of Michigan
SCHNEIDER, M., Trinity Health
SUSSER, D., MacArthur, MacArthur & Associates, P.C.

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The Chairperson, Mr. Ohman, called the meeting to order via teleconference at 11:35 a.m. to address the following Agenda:

1. Minutes of Board of Managers' prior Board Meeting
2. Treasurer's Report
3. Funds Trustee Report
4. Legislative Committee Report
 - a. Workers' Compensation Board of Magistrate Rules
 - b. Evidence Based Medicine
 - c. Court of Appeals' decision on medical marijuana
5. Membership Committee Report
6. Nominating Committee Report
 - a. Discussion regarding vacant seat
7. *Amicus Curiae* Committee Report
8. Technology Committee Report
9. Health Care Committee Report
10. 2015 Spring Conference Committee Report
11. Member Roundtable Committee Report
 - a. Discussion regarding next roundtable date and location
12. Old Business
 - a. Discussion regarding committee assignment changes
 - b. Transition to new Treasurer
13. New Business
 - a. Discussion regarding John Schrock/excess/statutory limitation issues
 - b. Follow up on topics discussed at strategy meeting
 - i. Newsletter
 - ii. Library of templates
 - iii. Target other groups
 - iv. Metrics on self insurance vs. other forms of claim management

The **Minutes** were approved upon motion by Mr. Niehaus seconded by Mr. Flynn.

The **Treasurer's Report** was submitted by Mr. Niehaus. He indicated that Ms Zielinski has been very helpful in the transition. He included in the handouts banking reports from November and December 2014. He indicated that MSIA is doing very well and is in good financial shape. Mr. Niehaus indicated that the records have been submitted to the CPA for the 1099's to be done for 2014. Mr. Niehaus indicated that the one year storage renewal has been done for the storage room. He has also renewed the Constant Contact contract for the web site access for one year. Additionally, he stated he did get a spreadsheet of the income noting expenses for the Spring Conference did show a profit. We will utilize that information to set the budget for the 2015 Spring Conference. Also, he reviewed our membership to the National Council of Self Insurers.

The **Funds Trustee Report** was submitted by Mr. Green. He indicated that the SISF is working hard with the attorneys representing same to resolve cases. So far it has been a very positive resolution of claims, and things are progressing well with respect to same. Mr. Wright inquired as to which vendors

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are handling the Medicare Set Asides and whether the claims are going to be bifurcated while waiting for resolution with respect to Medicare issues. Information pertaining to these issues will be forthcoming at a later date.

The **Legislative Committee Report** was submitted by Ms. McKinley. She stated that negotiations are going along well with regard to the Delphi claims. She indicated that 22 of the 34 open award cases have been redeemed. The next settlement date was scheduled for January 22, 2015. Thus far, 3.51 million had been allocated toward settled cases.

Next, Ms. McKinley discussed the rule sets. The Health Care Services Rules pertaining to opiates and compound drugs went into effect on December 26, 2014. The Michigan Administrative Hearing System (MAHS) rules will go into effect on January 15, 2015.

Ms. McKinley discussed pending legislation that was presented to Governor Snyder on December 31, 2014. The legislation will expand the cancer presumption for firefighters establishing a first responder presumption for certain illnesses. This may be rebutted if within 10 years the claimant was proven to be a tobacco user. We will be receiving more information on SB 211 and the funding with respect to same.

Additionally, Ms. McKinley indicated that the legislature was still working to organize themselves post election with respect to the new committee chairs. The Senate had released the list of committees which will be different for workers' compensation in 2015. Workers' compensation issues will now go through the Commerce Committee.

Ms. McKinley noted there has been no current discussion regarding Evidence Based Medicine.

The **Membership Committee Report** was submitted by Ms. Flynn. She stated that there have been no new applications for membership. She opined that she felt membership applications were slow due to the holidays. She was still waiting to get information from current new members that have been accepted but have not completely filled out the application forms.

The **Nominating Committee Report** was submitted by Ms. Lee. She stated that the committee was finalizing an email to be forwarded to all members pertaining to potential interest in becoming a new board member. She stated that the nominating committee will then review applications and forward recommendations to the Board.

The ***Amicus Curiae* Committee Report** was submitted by the Executive Secretary. She indicated there had been no new *amicus* requests. There was discussion pertaining to the Michigan Compensation Appellate Commission. There currently are two vacancies on the Board with the recent resignation of Commissioner Gregory Przybylo and the passing of Commissioner L'Mell Smith.

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The **Technology Committee Report** was submitted by Mr. Wright. He stated work continues on the web site. Mr. Parker and Mr. Schneider have been working to clean up the website pertaining to old information that had been currently listed. Mr. Wright indicated that the new website is going to be able to provide members with further educational information in the form of email blasts. The committee hopes within the next 30 – 60 days the website will be updated.

The **Health Care Committee Report** was submitted by Mr. Gonthier. He indicated there was nothing new to report at this time but that a meeting was to be held by the committee on January 13, 2015.

The **2015 Spring Conference Committee Report** was presented by Ms. Albaugh. She stated the theme is going to be the “Nuts and Bolts of Workers’ Compensation.” She indicated we will be emailing the brochure and sending out postcards to all other members with no current email address. The goal is to have the emailed brochure done by April 1, 2015 and the postcards mailed by April 15, 2015. Ms. Albaugh was waiting for a diagram to be provided by Ms. Root as to the layout of the facility for the vendors. She stated the Committee will be reaching out to past exhibitors to see what they would like to see as to layouts, expectations for breaks and networking times, as well as the setting up of booths and taking down of same. There was a suggestion made to get more vendors involved and elicit ideas to help strengthen the exhibitors’ participation, as well as ways to reduce noise in the vendor area while speakers are addressing the conference participants. The Committee is working hard to ascertain hot topics as well as providing a conference agenda as to the speakers. Mr. Niehaus suggested perhaps the membership could be polled for any questions they would like answered at the conference in advance.

The **Member Roundtable Committee Report** was presented by Mr. Gonthier. He stated that Ms. Azar is still looking at ideas for tours at the Hamtramck Assembly Plant as well as seeking ideas for other venues.

Under **Old Business**, a suggestion was made to add Dawn Droblich, Wendy Block and Delaney McKinley to the Legislative Committee. That suggestion was met with unanimous approval and they will be added to the committee.

In other old business, Mr. Niehaus reiterated how helpful Ms. Zielinski has been in transitioning him to his Board Position as the new Treasurer.

Under **New Business**, Ms. Droblich discussed inviting John Schrock to discuss the excess coverage and statutory limitation issues in the state of Michigan. The Board expressed their interest in having Mr. Schrock attend the next Board Meeting to discuss same. A suggestion was made by Ms. Smith to also invite excess carriers Midwest Employers’ Casualty Company and Safety National to the next Board Meeting. Ms. Smith and Ms. Penz volunteered to assist with contacting the excess carriers to arrange for their presence at the next Board Meeting.

In other new business, pertaining to the topics of the newsletter and a library of templates, the Board agreed to table the issue until the website is completely updated and running smoothly. The issue of targeting potential ideas and membership with other self insured groups was discussed and will be followed up in the future. The issue of metrics on self insurance versus other forms of claims

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management was tabled until Mark Schneider was present as he requested a discussion of same. In other new business, Mr. Niehaus advised that a search committee made up of himself, Ms. Azar, Mr. Wright and Mr. Parker had meetings with the current event planner as well as competitors to ascertain the costs of event planning services and potentially other areas that could be of assistance to the Board. The Committee is doing their due diligence and meeting with the potential vendors and will formalize their recommendations to the Board.

No further business to be conducted, the Board Meeting was adjourned upon motion by Ms. Galloway and seconded by Ms. Flynn at 3:49 p.m.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary