

Dawn M. Droblich
Executive Secretary

Board of Managers

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Lisa M. Bruno-Herline

Wayne County Airport Authority
Cheryl Smith

Ford Motor Company
Kathryn Mason

Consumers Energy Company
Doug Wright

Kelly Services, Inc.
Sandra DiCicco

University of Michigan
Kathleen M. Rychlinski

**Marathon Petroleum Company
LP**
Lina Lee

Spectrum Health
Stephen Ohman

Lorraine Climer
Perrigo Company

Barb Pelak
Meijer

MINUTES OF BOARD OF MANAGERS' MEETING

February 10, 2017

Holiday Inn North Campus

Ann Arbor, Michigan

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 Keeli Baker via e-mail.

Present:

AZAR, S., General Motors LLC
CLIMER, L. Perrigo (by phone)
COULSON, C., City of Grand Rapids
DAY, HEATHER (on behalf of SMITH, C., Wayne County Airport Authority)
DICICCO, S., Kelly Services
GALLOWAY, P., Wayne State University
LEE, L., Marathon Petroleum Company LP (by phone)
MASON, K., Ford Motor Company
NIEHAUS, M., Ilitch Holdings, Inc.
OHMAN, S., Spectrum Health Occupational Services
PELAK, B., Meijer
RYCHLINSKI, K., University of Michigan (by phone)
SCHNEIDER, M., Trinity Health

Chairperson's Council:

BLOCK, W.
SUSSER, D., MacArthur, MacArthur & Associates, P.C.
WHITE, D., FCA US LLC (by phone)

Not Present:

BRUNO-HERLINE, L., AT&T Michigan
GREEN, D., DTE Energy
McKINLEY, Delaney, Michigan Manufacturers' Association
PENZ, M., HSA WCF (representing the Group Funds)

The Chairperson, Mr. Schneider, called the meeting to order at 11:32 a.m. to address the following Agenda:

Presiding: Mark Schneider, Chairman

1. Minutes of Board of Managers' prior Board Meeting
2. Treasurer's Report
3. Funds Trustee Report
4. Legislative Committee Report
5. Membership Committee Report
6. Nominating Committee Report
7. *Amicus Curiae* Committee Report
8. Technology Committee Report
9. Health Care Committee Report
10. 2017 Spring Conference Committee Report
11. 2017 Fall Conference Committee Report
12. Old Business
 - a. Workers' Compensation Board of Magistrates reappointed in 2017
 - b. Strategic Meetings 2013-2014 re-visited
13. New Business
 - a. Resignation of Tracy Flynn
 - b. Workers' Compensation Agency Director Mark Long's remarks to the Board
 - c. Wayne County Airport Authority representation
 - d. Executive Secretary's request for an increase for administrative services

Before the formal meeting commenced, Mr. Ash Harris from Akea Web Solutions, presented a proposal pertaining to the MSIA website. Mr. Harris indicated that in reviewing the current status of the website, he had several recommendations pertaining to necessary updates. He noted that the immediate needs pertain to the Spring Conference, but he also had recommendations for long term functionality.

Mr. Harris stated he had met with the Technology Committee and had outlined several recommendations. Mr. Harris indicated he would like to see the website moved to a fresh foundation so that it was clear of all past information and no accidental information was retained for security purposes. He indicated he would like to optimize the mobile experience on the website, as the vast majority of web traffic is currently mobile. He stated that the most important functions of the website needed to be identified. He raised the issue as to whether the Board would like to have a membership directory which lists all members. He also recommended the website be updated to enable membership applications and payments to be processed in a secure fashion. Additional recommendations were made pertaining to trim current features are not utilized.

Mr. Harris indicated that if MSIA stays on the current platform, his company could do periodic updates, but eventually there would need to be the same technical updates that were currently necessary. Mr. Niehaus requested references for Akea, which Mr. Harris indicated would be provided. Mr. Coulson inquired as to the insurance coverage Akea Web Solutions has, and he was assured that the company is fully insured to handle any breaches. Ms. Climer inquired as to the time frame to get the website functioning more efficiently, and she was advised it would take 8-12 weeks.

Mr. Wright commented that the Board needs to discuss how they envision the website growing, starting with fundamentals, and branching out to social media networking at a later time. Mr. Harris noted that "Word Press" is the software used for the website creation.

The Board thanked Mr. Harris for his time and advised his proposal would be discussed. At this point, the formal meeting began.

The **Minutes** were approved upon motion by Ms. Azar, seconded by Mr. Niehaus.

The **Treasurer's Report** was submitted by Mr. Niehaus. He indicated that it was a routine month in terms of funds. He stated a budget was needed in terms of the Technology Committee's recommendation to update the website. He stated that some Spring Conference payments have been received for five gold sponsors and ten exhibitors. Additionally, membership renewals have also been received.

The **Funds Trustee Report** was submitted by Ms. Pelak. She indicated that the last meeting was February 6, 2017. She stated of the Self Insured Security Fund Delphi cases, there were 50 disputed cases and only 13 voluntary pay cases left. Ms. Pelak indicated that 14 claims were settled in January 2017, and the expectation is that the remainder of these cases will be resolved in the next 6-8 months. The next meeting is scheduled for April 2017.

Also, Ms. Pelak stated that the actuarial audit has been completed. It will be determined shortly whether there will be a raise in the assessment or if it will remain at the 3% as the preceding year.

The **Legislative Committee Report** was submitted by Ms. Block. She indicated that the new session in the Michigan Legislators started on January 7, 2017. She stated that all old bills that had been on the table were officially dead and that all bills are getting reintroduced by new legislative members. She indicated there has not been any new legislation introduced in the area of workers' compensation.

The **Membership Committee Report** was submitted by Ms. Lee. She indicated that thus far, 140 members have paid their dues. She indicated that one new member, Northwood, Inc., has applied for membership. Upon motion by Mr. Schneider and seconded by Mr. Wright, Northwood, Inc. was approved and welcomed as a new member.

Additionally, with Ms. Smith's departure, Mr. Schneider proposed that Ms. DiCicco and Ms. Day co-chair the Membership Committee. The Board was in agreement.

The **Nominating Committee Report** was submitted by Ms. Susser. She indicated that on February 8, 2017, Ms. Rychlinski sent out to the Committee an e-mail pertaining to the new employer representatives to be on the Board. It was discussed that due to her workload, Ms. Smith had written the Board and advised she was relinquishing her seat on the Board, but that Wayne County Airport Authority would like to retain its seat with Ms. Heather Day as the representative. Additionally, due to Ms. Flynn taking another position, Adient would also like to retain its seat on the Board with the new representative being Ms. Garnetta Staples. The Board was in agreement with the Nominating Committee's recommendation that both Ms. Staples and Ms. Day be the new representatives on the Board for their respective companies. The new Board representatives were welcomed to the Board.

Mr. Schneider indicated that on the Conference Committee, there was a gap that needed to be filled to chair the Fall Conference, as Ms. Flynn would have been that chairperson. Accordingly, Ms. Susser indicated she would discuss same with Ms. Rychlinski and the Nominating Committee would schedule a meeting to make a recommendation to the Board.

The ***Amicus Curiae* Committee Report** was submitted by the Executive Secretary. Ms. Droblich advised that there have been no new requests on any *amicus curiae* briefs to be submitted.

The **Technology Committee Report** was submitted by Mr. Ohman. He discussed in further detail Mr. Harris's proposal on behalf of Akea Web Solutions to update the MSIA website. He indicated that the work that has been performed by Akea thus far has been excellent. He was satisfied with their timeliness in fixing matters that needed immediate attention. Mr. Ohman indicated that the proposal submitted by Akea Web Solutions with a one-time fee to convert the website to a higher standard would be well worth it. Once Akea completes their infrastructure work, the Technology Committee can work on doing routine updates. Mr. Ohman recommended the proposal presented by Akea Web Solutions. He indicated that the Committee could then meet to decide what are the priorities for the website, and what topics could be included and excluded.

Accordingly, upon a motion made by Mr. Schneider and seconded by Ms. Pelak, the Board approved a contract with Akea Web Solutions as recommended by the Technology Committee.

The **Health Care Committee Report** was submitted by Ms. Azar. She indicated the Committee would be meeting the following week. She stated that the topics on the agenda included tele-medicine and air ambulances. Ms. Azar will continue to keep the Board closely advised as to all developments.

The **2017 Spring Conference Committee** report was submitted by Mr. Coulson. He stated that the theme for the Conference will be "Diverse Workforce, Diverse Strategies". The Spring Conference will be held from May 31, 2017 to June 1, 2017 at the Amway Grand Hotel in Grand Rapids, Michigan. The Spring Conference Committee had met earlier in the day, and he indicated things were moving quite well regarding preparation for same. He stated there are currently five gold sponsors and ten vendors who had registered, as well as a notebook sponsor. He stated that the brochure for the Conference

should be ready for the March Board Meeting. He indicated that general registration would be opening by the end of March.

Mr. Coulson also stated the Committee felt a "potential new member" dinner was a beneficial way to recruit new members. Specifically, inviting self insured employers who had attended and/or participated in previous conferences but were not yet members. The Board was in agreement that a dinner for these potential new members was a productive marketing strategy.

The **2017 Fall Conference Committee** report was submitted by Mr. Coulson. He stated that the Fall Conference will be held at the Atheneum Hotel in Detroit, Michigan, with a cocktail reception on October 11, 2017, and the Fall Conference on October 12, 2017. The Committee is currently working on the theme as well as speakers. A "Save-the-Date" invitation will go out in the Spring Conference brochure. Mr. Coulson did note that the 2018 Spring Conference had been set at the Amway Hotel. However, the 2018 Fall Conference location has not yet been set.

Under **Old Business**, the Executive Secretary advised that all Magistrates up for reappointment in 2017 were reappointed. Additionally, Mr. Schneider discussed the strategic meetings of goals of 2013 and 2014. He indicated that the major themes in both strategic meetings had been membership and updating the website. Those goals were currently being addressed.

The Executive Secretary made a request for an increase for administrative services. The Board discussed same and will have continued discussions.

Under **New Business**, the resignation of Tracy Flynn from Johnson Controls/Adient was discussed. Ms. Flynn was thanked for her years of dedicated service to the Board. Her replacement will be Ms. Garretta Staples of Adient. Additionally, the resignation of Ms. Smith was discussed, and likewise, her contributions to the Board were much appreciated. Her replacement will be Heather Day. The Board again thanked both women for their hard work and commitment to the Board.

Mr. Mark Long, the Director of the Michigan Workers' Compensation Agency addressed the Board. He began by addressing the Self Insured Security Fund/Delphi cases. He stated that most of those cases should be resolved by the end of this year. He stated that the coordination issue had been raised. Mr. Long indicated that under Chapter 5, the Self Insured Security Fund has the same rights as a carrier or an employer, which is attributable to the changes made in the 2011 legislation. He stated that the claims are being handled in the appropriate fashion, and the end of the year, it is hoped that all will be resolved.

Mr. Long also indicated that in the Workers' Compensation Research Institute study, Michigan ranks amongst the lowest in the 18 states pertaining to costs of claims showing this is a good trend in the State of Michigan.

In other areas, Mr. Long stated that he feels Mr. Schrock's involvement in self insurance and requiring the employers to have the appropriate level of security has put the State of Michigan in a very good

position. Mr. Long also addressed the First Responders Presumption fund. He stated that ten applications for same have been approved. He stated legislation went into effect in January 2015, and therefore, claims cannot be accepted for diagnoses prior to that date. He stated the money to go into the Fund needs to be appropriated every year, and that \$3,000,000 from a tax on medical marijuana is what had funded the Fund last year.

Mr. Long also discussed changes that will be implemented pertaining to the Form 104C. He stated that the opioid rules went into effect with no procedures to deal with these particular cases. Therefore, on the 104C there will be a box added to ask for determination of rights to funnel cases pertaining to the opioid rules, into mediation to get the issue resolved. He stated that 104B's are handled this way and have been successful. He also stated on the Form 104C there will be added a redemption only box.

Additional administrative changes included transcripts for cases that are appealed. Parties may now use the court reporter of their choice when ordering transcripts on appeal. The State will send the court reporter the link to the electronic hearing. The ordering party has the responsibility to properly certify the transcripts.

Mr. Long was thanked for his time in addressing the Board, as his input was very much appreciated.

Upon motion by Mr. Coulson and seconded by Ms. Pelak, the meeting was adjourned at 4:11 pm.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary