

Dawn M. Drobnich
Executive Secretary

Board of Managers

Trinity Health
Mark G. Schneider
Chairman

City of Grand Rapids
Craig Coulson
1st Vice Chair

University of Michigan
Kathleen M. Rychlinski
2nd Vice Chair

Adient US LLC
Garnetta Staples

Ilitch Holdings, Inc.
Michael J. Niehaus
Treasurer

DTE Energy
Douglas A. Green

General Motors LLC
Susan R. Azar

Wayne State University
Pamela Galloway

AT & T Michigan
Lisa M. Bruno-Herline

Wayne County Airport Authority
Heather Day

Ford Motor Company
Kathryn Mason

Consumers Energy Company
Doug Wright

Kelly Services, Inc.
Sandra DiCicco

Marathon Petroleum Company LP
Lina Lee

Spectrum Health
Stephen Ohman

Lorraine Climer
Perrigo Company

Barb Pelak
Meijer

MINUTES OF BOARD OF MANAGERS' MEETING

September 8, 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
BRUNO-HERLINE, L., AT&T Michigan
CLIMER, L. Perrigo (by phone)
COULSON, C., City of Grand Rapids
DICICCO, S., Kelly Services
GALLOWAY, P., Wayne State University
GREEN, D., DTE Energy
NIEHAUS, M., Ilitch Holdings, Inc.
OHMAN, S., Spectrum Health Occupational Services
PELAK, B., Meijer
RYCHLINSKI, K., University of Michigan
SCHNEIDER, M., Trinity Health
STAPLES, G., Adient (by phone)
WRIGHT, D., Consumers Energy Company

Chairperson's Council:

McKINLEY, Delaney, Michigan Manufacturers' Association
SUSSER, D., MacArthur, MacArthur & Associates, P.C.
WHITE, D., FCA US LLC (by phone)

Not Present:

BLOCK, W.
DAY, HEATHER, Wayne County Airport Authority
LEE, L., Marathon Petroleum Company LP
MASON, K., Ford Motor Company
PENZ, M., HSA WCF (representing the Group Funds)

The Chairperson, Mr. Schneider, called the meeting to order at 11:40 a.m. to address the following Agenda:

1. 1. Minutes of Board of Managers' prior Board Meeting
 2. Treasurer's Report
 - a. Financial Reports
April, May, June, July, August 2017
 3. Funds Trustee Report
 4. Legislative Committee Report
 5. Membership Committee Report
 - a. Follow up on Spring Conference
Dinner for potential members
 6. Nominating Committee Report
 7. *Amicus Curiae* Committee Report
 8. Technology Committee Report
 9. Health Care Committee Report
 10. 2017 Fall Conference Committee Report
 11. 2018 Spring Conference Committee Report
 12. Old Business
 - a. Members Survey Questionnaire
 - b. New Conference locations
 13. New Business
 - a. WCRI research brief: Measuring Workers' Compensation Benefit Adequacy – June 2017

The **Minutes** were approved upon motion by Mr. Niehaus and seconded by Ms. Rychlinski.

The **Treasurer's Report** was submitted by Mr. Niehaus. The Board reviewed four months of summer financial reports beginning with April 2017 through August 2017. Mr. Niehaus indicated that all was in order, and he would be working to categorize the financial statements into conference and membership expenditures to monitor cash flow.

Mr. Schneider commented it would be helpful to have a full year picture of the ebbs and flows of the cash balance sheet to note if we are declining in assets, or in a normal pattern. He stated it would be useful to have revenue expenses to compare for the last several conferences as well. Mr. Niehaus indicated that he will create a graph of 2016 versus 2017 business expenditures.

The **Funds Trustee Report** was submitted by Ms. Pelak. She stated that there were currently 44 disputed Delphi cases open to be resolved with 12 voluntary payment cases left. She stated there had been 27 settlements since the last meeting. She indicated that most of those cases are being handled by the regular Attorney General's Office to save costs in not utilizing the Special Attorney General appointed attorney.

Ms. Pelak noted that the Funds Administrative computer system updates were progressing, with the goal being to eventually having that computer system be compatible with the Michigan Department of Licensing and Regulatory Affairs (LARA) computer system.

Ms. Pelak also stated that there had been a \$1.9 million dollar assessment called for this year, and that certified letters were being sent out to employers who had not yet paid their assessment. She stated that they will start charging interest for assessments not paid. This is a tactic that had not been utilized in the past.

The **Legislative Committee Report** was submitted by Ms. McKinley. She indicated that there has not been any workers' compensation legislation that has been recently introduced. She indicated that the Legislative Fall Session had just begun with the focus being on the reform of the No-Fault laws.

Ms. McKinley also indicated that there are two groups who are becoming much more organized in ascertaining the necessary signatures to get the legalization of marijuana on the ballot. She indicated this issue is being monitored closely, as clearly the legalization of marijuana will impact employers from a workers' compensation standpoint.

Ms. McKinley noted that the current law indicates that an employer does not have to accommodate an employee under the influence of medical marijuana, but that same employee can be entitled to unemployment benefits if terminated due to the use of same. Ms. McKinley will circulate to the Board the current ballot proposals as it pertains to the legalization of marijuana.

Mr. Wright noted on the No-Fault issue that some self-insured employers were looking very closely at the proposed rule changes for the renewal process in obtaining a no-fault certificate of insurance. There will be a public hearing in Lansing on September 27, 2017 regarding these rule changes, and Mr. Wright planned on attending same. He indicated he would advise the Board pertaining to any information received.

The **Membership Committee Report** was submitted by Ms. DiCicco. She stated as of August 30, 2017, 52 of the 151 members had renewed. She stated that the renewal notices went out the first week in August 2017 with the second notices went out recently to the Members. The renewals were sent out via e-mail. The only hard copy renewals that went out were if there was not an e-mail for the Member. She stated that there have been no new applications for membership. She commented on the need to update the membership application.

Ms. DiCicco indicated that the Member survey questionnaire that had gone out had not received a great response. A second survey will be considered and reevaluated before being sent to the Members.

The **Nominating Committee Report** was submitted by Ms. Rychlinski. She stated there is a full complement to the Board and no issues to report.

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

The **Technology Committee Report** was submitted by Mr. Ohman. Mr. Ohman advised that the old website had been taken down and the new website was in full working order. He stated that all Conference information has been updated, and now the Committee was looking for additional information as far as content to post on the website. Mr. Ohman and Mr. Wright did training with the web provider to learn how to edit the website. Mr. Wright indicated that they had talked to the web developer and all the basic features were working well, to include being able to pay Membership and Conference dues online.

Mr. Ohman stated the next step on the website will be to look more closely at the utilization of the website, how many hits are being received, and who is utilizing the site. Further discussion amongst the Committee will occur to determine how to ascertain helpful content for the website and how to get more people to the site. Mr. Schneider thanked both Mr. Wright and Mr. Ohman for their hard work and time invested in updating the website.

Mr. Ohman stated that phase two of the website updating process will begin after the Fall Conference. He stated the next step will be password protection so that the Conference and other materials can be accessible to the members. Mr. Schneider indicated he would let the General Membership know in his remarks at the Fall Conference about the technology updates that have been completed. Mr. Ohman indicated he would follow up with AKEA Web Solutions to obtain a certificate of insurance documenting their current coverage.

The **Health Care Committee Report** was submitted by Ms. Azar. She indicated next meeting will be held on October 19, 2017.

The **2017 Fall Conference Committee** report was submitted by Ms. Rychlinski. She stated there were currently 70 attendees registered and 23 exhibitors, of which seven were Gold Sponsors. The Conference will be held October 11-12, 2017 at the Atheneum Hotel in Detroit, Michigan. There will be a cocktail reception from 5:00-6:30 pm on October 11th in the Atheneum Ballroom. The theme for the Fall Conference is "Renew, Revitalize, Engage, Innovate".

The **2018 Spring Conference Committee** report was submitted by Ms. Rychlinski. The Conference will be held on June 6-7, 2018 at the Amway Grand Hotel in Grand Rapids, Michigan. The discussion was held amongst the Board as ways to engage the next generation of members who will begin attending Conferences. Much discussion was held regarding millennials and the different ways they may handle claims. It was suggested that Conference topics could take generational differences into account.

Under **Old Business**, Ms. DiCicco discussed the Member survey questionnaire in more detail. She indicated that following the Fall Conference, the Committee may consider coming up with a different list of questions to send out to current Members to ascertain how they view their Membership. Discussion pertaining to new Conference locations was tabled to be discussed after the new Detroit location for the Fall Conference has been evaluated.

October 5, 2017

Under **New Business**, Ms. Droblich presented to the Board the WCRI study "Measuring Workers' Compensation Benefit Adequacy" from June 2017. It was noted Michigan is doing very well with respect to same.

In other new business, Ms. McKinley indicated that she would like to elicit feedback from the various self-insured employers as to various thoughts on the opioid crisis and how it is affecting employers and their workers' compensation costs. Many of the Board Members had comments with respect to how their respective employers are dealing with the opioid crisis. Ms. Climer discussed the challenges of terminating employees who after drug screening tests have drugs in their system when it is unclear whether the drugs found are being utilized for legitimate medical or work related conditions.

Ms. Staples indicated that her company also deals with post-injury drug tests and challenges. When drug tests follow an injury, the question becomes what level of intoxication is considered incidental or impaired. Mr. Schneider noted he has reviewed a study performed by the Veterans Administration indicating that there had been decreased opioid use in the States where marijuana had been legalized. The entire Board was engaged in the conversation regarding opioid use and the crisis employers face with respect to same.

Upon motion by Ms. Bruno-Herline and seconded by Mr. Ohman, the meeting was adjourned at 4:36 pm.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary