

Dawn M. Droblich
Executive Secretary

Board of Managers

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Kathryn Mason
2nd Vice Chair

Ilitch Holdings, Inc.
Michael J. Niehaus
Treasurer

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Lisa M. Bruno-Herline

Consumers Energy Company
Doug Wright

DTE Energy
Jerome Hooper

General Motors LLC
Shannon Gedert

Marathon Petroleum Company LP
Lina Lee

Meijer
Theresa Hileman

Spectrum Health
Stephen Ohman

Trinity Health
Ellyse Sites

Wayne County Airport Authority
Heather Day

Wayne State University
Pamela Galloway

City of Grand Rapids
Craig Coulson

MINUTES OF BOARD OF MANAGERS' MEETING
January 11, 2019
VIA TELEPHONE CONFERENCE

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:

BRUNO-HERLINE, L., AT&T Michigan
COULSON, C., City of Grand Rapids
DAY H., Wayne County Airport Authority
DICICCO, S., Kelly Services
GALLOWAY, P., Wayne State University
HOOPER, J., DTE Energy
HILEMAN, T., Meijer
LEE, L., Marathon Petroleum Company LP
MASON, K., Ford Motor Company
NIEHAUS, M., Ilitch Holdings, Inc.
SITES, E., Trinity Health
WRIGHT, D., Consumers Energy

Chairperson's Council:

BLOCK, W., Michigan Chamber of Commerce
PENZ, M., HSA WCF (representing the Group Funds)
WHITE, D., FCA US LLC

Not Present:

GEDERT, S., General Motors LLC
McKINLEY, D., Michigan Manufacturers' Association
OHMAN, S., Spectrum Health Occupational Services
RYCHLINSKI, K., University of Michigan
SUSSER, D., Charfoos Reiter Hebert PC

The First Vice-Chair, Ms. DiCicco, called the meeting to order at 11:35 a.m. to address the following Agenda:

Presiding: Sandra DiCicco, First-Vice Chair

1. 1. Minutes of Board of Managers' prior Board Meeting
2. Treasurer's Report
 - a. Financial Reports November 2018
 - b. Financial Reports December 2018
3. Funds Trustee Report
4. Legislative Committee Report
5. Membership Committee Report
6. Nominating Committee Report
 - a. Vacancies on the Board
7. *Amicus Curiae* Committee Report
 - a. *Iesha Fisher v Kalamazoo Regional Psychiatric Hospital*
8. Technology Committee Report
9. Health Care Committee Report
10. 2019 Spring Conference Committee Report
11. 2019 Fall Conference Committee Report
12. Old Business
 - a. Resignation of Lorraine Climer/new representative
 - b. Schedule of 2019 Board Meetings
13. New Business
 - a. WCAC current statistics
 - b. 2019 Committee Assignments

The **Minutes** were approved upon motion by Ms. Galloway and seconded by Ms. Lee.

The **Treasurer's Report** was submitted by Mr. Niehaus. He stated that due to cash flow issues, money had to be transferred from the money market account in January 2019 to the general checking account. He indicated that he believes the increase in conference expenses necessitated the transfer. Mr. Niehaus stated that the timing of when various expenses are due may be the issue. He indicated that on his financial summary sheet, the timing of revenue received from membership renewals, and conference registration fees, versus when conference expenses are paid may be part of the issue. Additionally, overall decreased conference revenue versus administrative expenses may also be factors to review.

Mr. Niehaus indicated that the next step is to review what changes can be made to address various fluctuations regarding cash flow. Mr. Niehaus requested that the March 22nd Board Meeting be utilized as the appropriate time to discuss various ideas regarding revenue and expenses.

Additionally, it was suggested by Mr. Wright and Ms. Day that holding only one conference per year may be a way to negate expenses. The debate has been in providing services and information to the General Membership via two conferences versus decreasing costs and declining conference attendance. That discussion was decided to be tabled to the March Board Meeting. Mr. Hooper also commented that there may

be other ways in addition to conferences to engage with the members throughout the year, such as mass e-mail interactions. Ms. Droblich discussed the possibility of a survey either at, or in conjunction, with the Spring Conference as to the General Membership's perspective on one versus two conferences per year. Additionally, she discussed the fact that the conference in the metro-Detroit area typically does not appear to be as well attended. It was suggested that outstate conferences require greater commitment to attend, and there are less cancellations and no-shows at same. Location of conferences was an additional topic to discuss at the March Meeting.

The **Funds Trustee Report** was submitted by Mr. Hooper. He indicated that he had gotten all the reported information to Director Mark Long. However, a new Trustee has not yet been appointed by the Governor.

The **Legislative Committee Report** was submitted by Ms. Block. There was discussion regarding the Board of Magistrates reappointments. Seven Magistrates had terms expiring on January 26, 2019 and were up for reappointment. The Magistrates with terms expiring include: Brian Boyle, David Grunewald, Lisa Klaeren, Beatrice Logan, Luke McMurray, Louis Ognisanti, and Chris Slater.

There was lengthy discussion regarding MSIA's recommendations for the seven appointments to Governor Whitmer's office regarding same. Additionally, there was discussion regarding whether Mark Long will remain as the Director of the Workers' Compensation Agency. Mr. Long is a civil servant, and his role will be decided by the Governor's office. The Board has found Mr. Long to be an effective and respected Director.

The **Membership Committee Report** was submitted by Ms. DiCicco. She stated there was one new member who had applied for membership this month. She stated that member is: Quest Research Group. Upon motion by Ms. Lee and seconded by Ms. Bruno-Herline, Quest Research Group was approved for membership and welcomed to MSIA.

Additionally, Ms. DiCicco indicated the website had been changed to include recent revisions pertaining to membership.

The **Nominating Committee Report** was submitted in Ms. Rychlinski's absence by Mr. Wright. He stated that it was the recommendation of the Nominating Committee to invite Mr. Randy Krichbaum of McKinley Company to the Board of Managers. Mr. Krichbaum would be sitting on the Board as a provisional member until he could be voted in as a permanent member of the Board of Managers at the Fall Conference. Upon motion by Mr. Coulson and seconded by Ms. DiCicco, Mr. Krichbaum was approved as a provisional member on the Board of Managers.

The **Amicus Curiae Committee Report** was submitted by the Executive Secretary. Ms. Droblich indicated that the motion of the Michigan Self-Insurer Association for leave to file an *amicus* brief with the Michigan Court of Appeals had been submitted on January 4, 2019. This brief was filed to support the State of Michigan by advocating the repudiation of the decision by the Workers' Compensation Appellate Commission in *Whirley v JC Penney Company*. The attorney filing the *amicus* brief argued that repudiation of *Whirley* was crucial as it is the origin of the principle that an employer can never recover overpayments of compensation that had been voluntarily paid.

While a reply from the State of Michigan was not expected, the lawyer for the State fully concurred in this view. The Court of Appeals was expected to grant the motion before proceeding with the consideration and decision of the case itself. Upon receipt from any order from the Court, the Board will be advised. It was noted that the Court of Appeals was expected to hear arguments on the case in mid-2019.

The **Technology Committee Report** was deferred in the absence of Mr. Ohman. However, Ms. Sites indicated that former retired Board member, Mark Schneider, had offered to work on new updates to the MSIA website. Ms. Sites was advised to thank Mr. Schneider for his continued work and dedication to the Board. The Executive Secretary will also reach out to Mr. Schneider to discuss same with him in further detail.

The **Health Care Committee Report** was submitted by Ms. Mason. She indicated the Health Care Committee would be meeting on February 13, 2019. She stated that there were three scheduled meetings in 2019 and would keep the Board closely advised.

The **Spring 2019 Conference Committee** report was submitted by Ms. DiCicco. She indicated that the Committee was finalizing decisions for the guest speaker, as well as looking for a speaker regarding the legalization of recreational marijuana and its potential effects on the workers' compensation sector. Several Board members had recommendations regarding experts in the area of marijuana law. The Conference Committee will be reaching out to all speakers in preparation for the conference.

Additionally, the Executive Secretary commented that as she would be unable to attend this year's Spring Conference, she had lined up a member of the National Council of Self Insurers to be speaking in her stead on national issues pertaining to workers' compensation. Additionally, the Committee was working with Mr. Bruce Stubbs to put together a task force pertaining to a potential golf outing at the Spring Conference. Additional details will follow.

The **Fall Conference Committee** report was submitted by Ms. DiCicco. She stated that the Conference Committee had decided on the Laurel Manor in Livonia, Michigan for the 2019 Fall Conference. She indicated the Conference contract has been received, and will be review by the Contract Committee. The membership will be advised of the date and details.

Under **Old Business**, the Board discussed the resignation of Ms. Climer from Perrigo from the Board. The Executive Secretary did speak with leadership at Perrigo Company who indicated at this point in time they would be vacating their seat on the Board. Perrigo did advise the Executive Secretary of their strong support of MSIA and what the association accomplishes for the employer community. Perrigo has indicated they may have an interest in obtaining a seat on the Board again in the future.

Additionally, the 2019 meeting dates were discussed, noting there was a vacancy for the September 13, 2019 meeting location. Ms. DiCicco was going to determine whether Kelly Services could host the meeting on that date.

Under **New Business**, the Executive Secretary discussed the current WCAC statistics noting that in 2017, there had been 90 appeals pending with 37 decisions issued, and in 2018, there were 63 appeals pending with 49

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decisions issued. The Board was appreciative of the Workers' Compensation Appellate Commission's hard work in rendering a greater number of decisions in 2018.

Finally, the 2019 Committee assignments were discussed. The new members to the Board in 2018 to include Shannon Gedert, Teresa Hileman, and Ellyse Sites were added to the various committees. For the February meeting, the 2019 committee appointment sheet will be re-circulated. Any Board members interested in additional Committees, should advise the Executive Secretary.

Upon motion by Ms. Bruno-Herline and seconded by Mr. Coulson, the meeting was adjourned at 4:06 pm.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary