

Dawn M. Droblich
Executive Secretary

Board of Managers

University of Michigan
Kathleen M. Rychlinski
Chair

Kelly Services, Inc.
Sandra DiCicco
1st Vice Chair

Ford Motor Company
Kathryn Mason
2nd Vice Chair

Ilitch Holdings, Inc.
Michael J. Niehaus
Treasurer

AT & T Michigan
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
March 22, 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
CLIMER, Lorraine, Spectrum Health (by phone)
COULSON, C., City of Grand Rapids
DAY, H. Wayne County Airport Authority (by phone)
DICICCO, S., Kelly Services
GALLOWAY, P., Wayne State University
HILEMAN, T., Meijer
HOOPER, J., DTE Energy
LEE, L., Marathon Petroleum Company LP
MASON, K., Ford Motor Company
NIEHAUS, M., Ilitch Holdings, Inc.
RYCHLINSKI, K., University of Michigan
SITES, E., Trinity Health
WHITE, D., FCA US LLC (by phone)
WRIGHT, D., Consumers Energy

Chairperson's Council:

BLOCK, W., Michigan Chamber of Commerce (by phone)
SUSSER, D., Charfoos Reiter Hebert PC

Not Present:

GEDERT, S., General Motors LLC
KRICHBAUM, R., McKinley Company
McKINLEY, D., Michigan Manufacturers' Association
OHMAN, S., Spectrum Health Occupational Services
PENZ, M., HSA WCF (representing the Group Funds)

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

Presiding: Kate Rychlinski, Chairperson

1. Minutes of Board of Managers' prior Board Meeting
2. Treasurer's Report
 - a. Financial Reports February 2019
 - b. Cash flow analysis and discussion
3. Funds Trustee Report
4. Legislative Committee Report
5. Membership Committee Report
 - a. Changes finalized regarding membership benefits
6. Nominating Committee Report
 - a. Vacancy on the Board
 - b. Resignation of Ms. Lee/Marathon's Board replacement
7. *Amicus Curiae* Committee Report
 - a. *Iesha Fisher v Kalamazoo Regional Psychiatric Hospital*
 - b. *Reidenbach v City of Kalamazoo*
8. Technology Committee Report
9. Health Care Committee Report
10. 2019 Spring Conference Committee Report
11. 2019 Fall Conference Committee Report
12. 2020 Spring/Fall Conference
13. Old Business
 - a. Schedule of 2019 Board Meetings
 - b. E-mail blast regarding Board vacancy
14. New Business
 - a. Annual conference vs. two conferences
 - b. Teleconference meetings
 - c. Board member address list

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

The **Legislative Committee Report** was submitted by Ms. Block. She indicated that the new administration was up and running, working hard to set the current agenda. Governor Whitmer's election platform of "fixing the damn roads" continues to be a discussion point in Lansing. Additional areas the Legislature is looking at include the reform of no-fault laws, as well as setting the State budget prior to October 1, 2019. Ms. Block indicated the good news is that there are not a lot of issues as it pertains to workers' compensation.

The **Treasurer's Report** was submitted by Mr. Niehaus. He stated that for the third month in a row, there has been a transfer from the Money Market Account to the General Checking Account. He indicated that there appears to be cash flow issues that need to be addressed by the entire Board. Mr. Niehaus worked hard in preparing a budget/cash overview analyzing various fiscal years' revenue and expenses. He also did a comparison of the last several years Fall and Spring conference costs. Mr. Niehaus included information pertaining to MSIA's membership dues as compared to other states.

Accordingly, the question was posed from Chairperson Rychlinski as to “where do we go from here.” The discussion involved creating a Budget Task Force to review revenue and expenses, evaluate the current membership dues structure, as well as reviewing the current purpose and number of events sponsored by MSIA. Other revenue producing ideas involve considering a tiered registration fee structure, organizing a membership drive, and evaluating membership benefits.

In analyzing revenue over the past five years, one-third of the revenue comes from conference fees. However, as the attendance has been down at the conferences, so has revenue. Moreover, 20% of the revenue comes from dues and likewise membership has declined. Various ideas were generated amongst the Board members as to ideas to generate revenue and decrease expenses.

Accordingly, Ms. Rychlinski proposed the idea of a one-day Board member retreat in the Fall to focus not only on revenue and expenses, but also the larger picture as to the overall direction of MSIA. The entire Board was supportive in setting up a one-day retreat to focus on the goals and objectives of MSIA. Ms. Sites indicated it may be useful in determining a strategy for the retreat beforehand and then focusing on a set agenda at the actual retreat. Mr. Wright agreed that a template for the retreat would be a good idea. It was mentioned in the past that there had been a facilitator who ran the MSIA annual retreat for Board members to set the goals and agenda. Mr. Wright and Ms. Droblich will be reviewing their notes from the previous MSIA facilitations to circulate amongst the Board.

Ms. Rychlinski indicated that at the retreat, it would be helpful to implement a five-year plan. She stated that MSIA needs to stay the course regarding its goals and objectives and further define what is the focus of MSIA in this current economic and political climate. Mr. Hooper commented that it will be helpful to review trends nationally and how MSIA can make all facets of issues facing the employer community to work together to reduce costs and integrate. Ms. Climer added that many self-insureds handle workers' compensation in a fashion that overlaps with other areas such as ADA and FMLA. The thought was that MSIA should take this into consideration regarding setting an updated mission statement, goals, and objectives.

The **Funds Trustee Report** was submitted by Ms. Droblich. She indicated that there still has not been an answer with respect to the appointment of a new Trustee. Ms. Droblich again communicated with Director Mark Long who indicated he anticipates a new Trustee will be appointed before the employer assessments are done in the Spring. Ms. Droblich will keep the Board advised of all developments.

The **Membership Committee Report** was submitted by Ms. DiCicco. She stated there was one new member who applied for membership this month. She stated that member is: Incingo, a medical equipment and supply, medical transportation, home healthcare, and home modification company out of Ann Arbor, Michigan. Upon motion by Ms. Lee and seconded by Ms. Bruno-Herline, Incingo was approved for membership and welcomed to MSIA.

The **Nominating Committee Report** was submitted by Ms. Rychlinski. She stated that per the e-mail blast that had been sent to the General Membership, several self-insured members had applied for the position of the vacancy on the Board. Ms. Rychlinski and the Executive Secretary will be reaching out to candidates for

further information regarding their qualifications. Ms. Rychlinski will advise the Board after discussing with her Committee, the recommendation pertaining to the Board vacancy.

Additionally, Ms. Lee announced that due to her job responsibilities changing at Marathon, Ms. Kim Benson will be taking over her position on the MSIA Board of Managers representing Marathon Petroleum Company. Ms. Lee was thanked for both her hard work and dedication to the Board.

Also, Mr. Ohman announced that he will be leaving his position with Spectrum Health and Ms. Lorraine Climer will be taking over his position on the Board for Spectrum Health. On behalf of the Board, Ms. Droblich thanked Mr. Ohman for his many dedicated years of serving on the Board as the past Chairperson and involvement in the planning of many conferences, committees, and MSIA events. Mr. Ohman's years of service to MSIA were recognized and greatly appreciated.

The **Technology Committee Report** was submitted by Mr. Wright. It was noted that Mr. Ohman had been the past Chairperson of the Technology Committee. Mr. Hooper graciously agreed to be the new Chairperson. Accordingly, Mr. Wright, Mr. Hooper, and Ms. Sites will meet and advise the Board regarding the technology issues.

The **Amicus Curiae Committee Report** was submitted by the Executive Secretary. Ms. Droblich indicated that an *amicus* brief has been filed in the case of *Iesha Fisher v City of Kalamazoo/Regional Psychiatric Hospital* supporting the State of Michigan and advocating the repudiation of the decision of the Workers' Compensation Appellate Commission in *Whirley v JC Penney Company*. A decision is expected sometime this summer from the Court of Appeals.

Additionally, there had been discussion regarding the potential for MSIA to file an *amicus* brief in the case of *Reidenbach v City of Kalamazoo*. However, at the current time, neither party has appealed the decision of the Michigan Court of Appeals, and therefore, filing an *amicus* brief at this point is premature. The Court of Appeals decided the so-called FICA "add-back" problem. This decision is binding and has been released for publication. The Executive Secretary will advise at a later date whether MSIA may wish to participate as an *amicus curiae* in support of rehearing to reverse this decision.

The **Health Care Committee Report** was submitted by Ms. Mason. She noted the new healthcare rules were effective January 8, 2019. She also noted that the State of Michigan is hosting a seminar on the current fee schedule. She indicated the seminar is scheduled for April 26, 2019 in Grand Rapids, May 3, 2019 in Lansing, and May 9, 2019 in Detroit. Any interested member is invited to attend the seminar. The next Health Care Committee meeting is set for May 15, 2019.

The **Spring 2019 Conference Committee** report was submitted by Ms. DiCicco. She indicated that the Conference is scheduled for June 5-6, 2019 at the Eagle Crest Marriott in Ypsilanti, Michigan. All speakers have been finalized. Additionally, there will be a 9-hole golf scramble beginning at 9:00 am. Mr. Stubbs of Manageability and Ms. Blower of Team Rehabilitation have offered to assist the Board in running the golf outing at the outset of the Conference. The Board is appreciated of Mr. Stubbs' and Ms. Blower's efforts in this regard. Please see the website and Conference email blasts that will be sent in the near future.

Additionally, there are currently 41 members who have registered for the Conference with 13 general vendors, 7 gold sponsors, and 1 lunch sponsor. The theme of this year's Conference is "Winds of Change". The link to register for the conference will be sent out shortly.

The **Fall 2019 Conference Committee** report was submitted by Ms. Mason. She stated that the Fall Conference will be held on October 15-16, 2019 at the Laurel Manor in Livonia, Michigan. The Committee is looking for hotel accommodations. The Committee has booked Ms. Lisa Smart as the keynote speaker. Additionally, details will follow after the Spring Conference.

Under **Old Business**, the 2019 Board meeting dates were again discussed. The Board now has meeting locations for the remainder of the year. Additionally, the Board again discussed the vacancies on the Board and filling same. Ms. Rychlinski will follow up with the potential candidates regarding the Board vacancy.

Under **New Business**, there was a lengthy discussion regarding having one annual conference vs. two conferences. Ms. DiCicco indicated that it may be worthwhile to have one conference with shorter half-day conferences throughout the year. Ms. White had provided the Board with information regarding how Ohio handles their annual conference and ideas with respect to same. Additional conversation will be had amongst the entire Board throughout the year and at the retreat in the Fall to determine the goals and objectives of MSIA and the pros and cons of one annual conference vs. the current schedule of Spring and Fall Conference.

The Board also discussed the recent meetings that had been held via teleconference. It was determined that it is more preferable to have the meetings at a set location. Accordingly, all meetings in 2020 will be held at a location to be determined.

Finally, the Executive Secretary will be circulating a Board Member address list to all Board members and the Chairpersons Council so that there is a master list available for the Board.

Upon motion by Mr. Niehaus and seconded by Ms. Hileman, the meeting was adjourned at 4:08 pm.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary