

MINUTES OF 6/17/16 SUMMER MEETING AT BOYNE MOUNTAIN

Chris Rabideau called the meeting to order at 9:00 and thanked all for their support during his term as Chairperson.

TREASURER'S REPORT

Dennis Flynn reported a balance of \$88,818.41.

DIRECTOR MARK LONG'S REPORT

Mark provided an overview of the WCA and Funds Administration. He reported that the computer upgrade was a failed project, and that they're looking for a new vendor. They're leaning toward a custom built system. Funds Administration is doing their own, and the WCA may follow their lead. One end goal is to allow for electronic filings.

Regarding the 2011 statutory changes: According to WCRI (Workers' Comp Research Institute), MI had the lowest cost/claim in the Midwest, 80% satisfaction with medical care, with 8% reporting major problems. Duration of TTD (temp total disability) is down. A 6% drop in premiums is expected in 2016, with an overall drop of 32% since 2011, representing \$327 million in savings.

Health Care Service Rules: they aim for 130% of Medicare's reimbursement rate, and try to stay ahead of group health insurance's rate. The Affordable Care Act may result in a shift to WC due to higher reimbursement rates. Opioids: MI is ahead of the curve. As of Dec '15, all claims are subject to the new opioid rules. EBM: Mark is the 3rd director to take a run at it, with feedback all over the map, generally that we're not ready for it. He has opted to 'back burner' the subject, and said there is no interest in taking it up again anytime soon.

Mark reported that the First Responders bill now has a \$3 million "placeholder fund", but there won't be an actual funding until a state budget is passed.

The WC Calc Program still can't compute interest. Applying a tort concept re: interest to a system of weekly benefits is complicated. Mark hopes the courts will step in. On Form C redemptions, Mark said he'd take a look at the WCA practice of first sending a file to the hearing office for the county of injury, even when the parties request otherwise. On providing coverage information, Mark says that policy periods are confidential, but the WCA will continue to disclose the carrier for a particular injury date.

CHIEF MAGISTRATE LISA KLAEREN'S REPORT

On Form C Redemptions, if there was a Form 701 or prior litigation, the file is sent to that venue, a process that has been taking about 2 weeks. Stips to change venue must await the file's arrival at the initial venue. Her practice is to put assign 6 week hearing dates on Form C redemptions.

The Board of Magistrates has been stable since Dave Kurtz's departure in Feb '16 with no plans to fill any vacancies. In Jan '17, 6 of 14 magistrates are up for reappointment.

Scheduling Orders: they are still working toward a consistent practice. Scheduling Orders are to be taken seriously—parties must comply with deadlines. On her own docket, Lisa is doing scheduling conferences at the initial pretrial. At a magistrate's discretion, scheduling order dates can be modified.

Filings: '13-7,100; '14 less than 6,200; '15 about 6,500 due to increase in Form C's. Decisions are running 22-23 days from the close of proofs; 16.4 mo's from 1st PT to signing decision on tried cases. Lisa does not favor withdrawing/refiling old cases just for statistical purposes. CD's are not for the magistrates, but for the parties.

Facilitations: magistrates average 13/mo. Facilitations are now tantamount to trials—Lisa recommends that the parties prepare accordingly.

WCAC REPORT—DANIELLE BROWN

The WCAC has significantly reduced the UIA backlog which should result in quicker attention to WC appeals. UIA's practice of data mining and reopening closed claims, reversing prior awards and ordering restitution of benefits paid plus 4x benefits awarded in penalties on cases up to 6 years back continues to produce a large number of appeals. There were 7 WC opinions issued from Jan-May '16. As of May '16, there were 85 perfected WC appeals awaiting review. Chairperson George Wyatt is very happy to have Dave DeGraw, a knowledgeable WC practitioner, added to the WCAC.

GUEST SPEAKER STEVE BOEHRINGER

Steve gave a very informative and interesting presentation of the differences between MI's WC and no fault laws.

RECENT CASELAW

Due to time constraints and the paucity of recent caselaw on which to report, Mike Reinholm passed on giving his presentation.

ELECTION OF OFFICERS AND COUNCIL MEMBERS

Officers elected were: Ella Parker—Chairperson; Tim Esper—Vice-chairperson; Dennis Flynn—Secretary; Andrea Hamm—Treasurer.

Council members elected for 3 year terms: Phil Frame; Rosa Bava; and Rick Lovernick.

All officers and members were elected by unanimous voice votes.

Motion to adjourn was made by new Chairperson Ella Parker, seconded, and passed without objection.

Tim Esper, Secretary Emeritus

9/7/16