

**Workers' Compensation Advisory Board
April 24, 2007 Meeting Minutes
Illinois Workers' Compensation Commission, Chicago**

Those present at the meeting were:

Chairman Dennis R. Ruth

Members:

- David Buckman, CORE Construction Group
- Michael Carrigan, Illinois AFL-CIO
- Mark Flannery, Caterpillar, Inc.
- Kim Maisch, National Federation of Independent Businesses
- Dave Menchetti, Cullen, Haskins, Nicholson, & Menchetti
- Boro Reljik, Abbott Laboratories
- Dave Vite, Illinois Retail Merchants Association
- Frank Cavaretta, United Steelworkers, by conference phone

Also Present: Dan Creedon, IWCC
Joan Parker, Chicagoland Chamber of Commerce
Jay Shattuck, Illinois Chamber of Commerce
Terry Robinson, NCCI

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Chairman Ruth called the meeting to order at 1:35 p.m.

Upon motion duly made, seconded and unanimously carried, the minutes of the Commission held on December 19, 2006 were approved, with revisions made to reflect correct attendance.

The Chairman updated the board on the Commission's comprehensive medical fee schedule. He first discussed the development of the hospital outpatient fee schedule, created by Ingenix for diagnostics, path and lab, and physical therapy from bills generated in a hospital outpatient setting. The fee schedule utilizes the same commercial data source used in the development of the HCPCS and Professional Services fee schedules already used in the existing fee schedules. Additionally, the Chairman informed the group that medical fee schedule project manager Glen Boyle is also developing the hospital outpatient surgery facility fee schedule. This data to create this fee schedule was obtained from the Illinois Department of Public Health (IDPH). There was a question regarding the length of time to create the last portions of the fee schedule and how increases since then might impact reimbursements. The Chairman explained that the fee schedule was created with data from the statutory 2002-2004 period with the CPI then being used as the inflationary measure to bring the fee schedule current. Thus

even though time has passed there will be savings due to the historical creation of the schedule.

The Chairman invited all members of the Workers' Compensation Advisory Board to attend the Medical Fee Advisory Board, where the development and impact of the fee schedules would be discussed more in-depth. The rules pertaining to the fee schedule should be presented in the June time frame.

The Chairman provided additional updates on implementation of the other legislative reforms. He noted the third commission panel is fully operational and all workers' compensation cases have been redistributed equally amongst all commissioners. He expects to see approximately 3600 arbitration decisions rendered this year, which once the commission is caught up in approximately a year, will be a manageable caseload. The Chairman noted that the backlog of cases pending at the commission has been reduced by approximately 20,000 over the past 4 years. This is due in part to reduced filings and increased trial of cases. The Chairman also noted the reduction in the oldest cases at the Commission, known as redline cases.

The Chairman provided an overview of the accomplishments of the Insurance Compliance division over the last year. As of December, he reported the division had raised \$400,000 for the Injured Workers' Benefit Fund, and recently had collected their largest fine of \$75,000. The Commission intends to hire 5 new insurance compliance investigators with 3 being in the Chicago area, 1 in Springfield and 1 in the Metro East area. Plans are to hire 2 bi-lingual investigators.

The Fraud Unit within the Department of Insurance has hired 4 new investigators with 3 investigators working out of Chicago and 1 investigator assigned downstate. DOI has indicated all investigators will handle investigations statewide as needed.

A motion to go into closed session pursuant to Section 2(c)(1) of the Open Meetings Act (5 ILCS 120(2)(c)(1) was made, seconded, and the board voted unanimously to go into closed meeting pursuant to Section 2(c)(1) of the Open Meetings Act.

The Closed Meeting began at 1:55 p.m. and was audio recorded.

The Advisory Board returned to Open Meeting at 2:10 p.m.

Upon motion the Advisory Board meeting was adjourned at 2:11 pm.