

Workers' Compensation Advisory Board
October 27, 2010 Open Meeting Minutes
Illinois Workers Compensation Commission, Springfield, IL
1:00 p.m.

Present at the meeting:

Chairman Mitch Weisz
Mr. Frank Cavarretta, United Steel Workers
Mr. Mark Flannery, Caterpillar, Inc.
Ms. Kim Maisch, National Federation of Independent Business
Mr. Darrell Widen, IWCC Assistant General Counsel

Attending the meeting via conference call:

Mr. Aaron Anderson, Painters District Council #30
Mr. Michael Holewinski, Ace Industries
Mr. David Menchetti, Cullen Haskins, Nicholson & Menchetti
Mr. Gerald Roper, Chicagoland Chamber of Commerce
Ms. Amy Masters, Secretary of the Commission

Also Present

Mr. Mark Denzler, Illinois Manufacturers Association (conference call)
Mr. Rob Karr, Illinois Retail Merchants Association
Mr. Jay Shattuck, Illinois Chamber of Commerce

Acting Chairman Weisz called the meeting to order at 1:05 p.m.

Upon motion duly made by Frank Cavaretta, seconded by Mark Flannery, and unanimously carried, the minutes of the meeting held on July 20, 2010, were approved.

The following documents were distributed to the board members:

- Notice and Agenda of Workers' Compensation Advisory Board meeting
- July 20, 2010 Workers' Compensation Advisory Board meeting minutes
- Correspondence from the Illinois Department of Insurance Workers' Compensation Fraud Unit Downstate Supervisor Francis Walsh regarding a recent fraud conviction
- Memo from Darrell Widen, Assistant General Counsel, regarding 4(d) procedures pursuant to the Appellate Court decision in *Keating* and draft order form.

Chairman Weisz provided a Commission update, noting the resignation of Commissioner Barbara Sherman and retirement of Arbitrator Hennessy. He explained coverage of oral arguments and dockets, and that Arbitrator Kinnaman would permanently take over the Geneva docket so it will no longer be a split docket. Additionally, Lynette Thompson-Smith, who administers insolvent employer workers' compensation claims for the IWCC Self-Insurance department, will also conduct status calls in the Chicago office in the afternoons. Her salary will be split between the Commission and Self-Insurance Security Fund.

Chairman Weisz also informed the board the Commission is creating an auditor position, and is currently in the process of hiring a General Counsel.

Chairman Weisz next discussed future rules changes.

The Chairman noted the Commission recently approved a recommendation by the Medical Fee Advisory Board to change out-of-state payment language from paying “greater than” 76 percent of charge (POC) or the other state’s fee schedule, to paying “lesser than” 76POC or the other state’s fee schedule.

Next, Chairman Weisz circulated a memo drafted by Assistant General Counsel Darrell Widen to Commissioners and explained newly implemented procedures related to claims filed against uninsured employers pursuant to Section 4(d) of the Act and a recent Appellate Court decision, *Keating v. 68th and Paxton LLC*. He indicated the procedures would be drafted into rules. The board discussed procedures and the impact of the *Keating* decision on Commission and Circuit court cases.

Chairman Weisz discussed rules changes related to the Rate Adjustment Fund (RAF) pursuant to agreement by the rules committee, which include implementing an application process, setting a 2-year statute of limitations for claiming outstanding benefits, and ending RAF benefits once a claim is settled.

The Chairman indicated his plans to submit all rules changes through the regular rulemaking process to the Joint Committee on Administrative Rules (JCAR).

Chairman Weisz noted a statistician position would be created within the IT department, and an IT steering committee had been established to regularly discuss technology issues at the Commission. Additionally, a project management office will be implemented in the near future, mostly contractual. He added wireless internet is currently being tested in the Chicago office and will be available in the near future. Additionally, motion information will soon be available on the online case search screen on the IWCC web site.

Chairman Weisz added he recently met with the Illinois Chamber of Commerce and other business groups to discuss current and future technology projects and set priorities as related to the funds available through the Chamber lawsuit.

Next Chairman Weisz indicated the Medical Fee Advisory Board has two vacancies, a medical provider representative and a labor representative. He noted that traditionally one medical provider representative is from the Illinois Hospital Association (IHA), and the IHA has recommended Bill McAndrew.

Chairman Weisz shared correspondence from Francis Walsh, Downstate Supervisor of the Department of Insurance Workers’ Compensation Unit regarding a recent fraud conviction.

Chairman Weisz then discussed the Injured Workers' Benefit Fund and money collected and distributed this past fiscal year. Approximately \$1.7 million was paid on thirty-one claims, which were paid in full. He added that medical benefits were reviewed and paid pursuant to the medial fee schedule, which resulted in savings of approximately \$280,000 after costs of review were deducted. He commended Insurance Compliance Manager Robert Ruiz and his staff for their excellent work.

Chairman Weisz also mentioned that two self-insured employers, United Airlines and YRC Worldwide, recently filed petitions for reconsideration with the Self-Insurance Advisory Board in regard to the bond amounts held by the Commission. The Chairman noted he and the board will continue to work with these companies.

Upon motion duly made by Jerry Roper, seconded by Mark Cavaretta, and unanimously carried, the meeting was adjourned at 2:00 p.m.