

Dawn M. Droblich
Executive Secretary

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Tracy A. Flynn

Consumers Energy Company
Doug Wright

Kelly Services, Inc.
Sandra DiCicco

University of Michigan
Kathleen M. Rychlinski

Marathon Petroleum Company LP
Lina Lee

Spectrum Health
Stephen Ohman

Lorraine Climer
Perrigo Company

MINUTES OF BOARD OF MANAGERS' MEETING

March 11, 2016

Muchmore Harrington Smalley & Associates
Lansing, Michigan

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:

AZAR, S., General Motors LLC
CLIMER, L. Perrigo (by phone)
DICICCO, S., Kelly Services
FLYNN, T., Johnson Controls (by phone)
GALLOWAY, P., Wayne State University
GREEN, D., DTE Energy
LEE, L., Marathon Petroleum Company LP
NIEHAUS, M., Ilitch Holdings, Inc.
OHMAN, S., Spectrum Health Occupational Services (by phone)
PARKER, J., Ford Motor Company
SCHNEIDER, M., Trinity Health
SMITH, C., Wayne County Airport Authority
WRIGHT, D., Consumers Energy Company

Chairperson's Council:

BLOCK, W.
PELAK, B., Meijer
PENZ, M., HSA WCF (representing the Group Funds)
SUSSER, D., MacArthur, MacArthur & Associates, P.C.
WHITE, D., FCA US LLC (by phone)

Not Present:

ALBAUGH, T., Kellogg Company
BRUNO-HERLINE, L., AT&T Michigan
CHILD, L.
COULSON, C., City of Grand Rapids
McKINLEY, Delaney Michigan Manufacturers' Association
RYCHLINSKI, K., University of Michigan

The Chairperson, Mr. Green, called the meeting to order at 11:34 a.m. to address the following Agenda:

Presiding: Douglas A. Green, Chair

1.
 1. Minutes of Board of Managers' prior Board Meeting
 2. Treasurer's Report
 3. Funds Trustee Report
 4. Legislative Committee Report
 5. Membership Committee Report
 6. Nominating Committee Report
 7. *Amicus Curiae* Committee Report
 - a. *Arbuckle v General Motors LLC*
 - b. *Roseman v City of Detroit*
 8. Technology Committee Report
 9. Health Care Committee Report
 10. 2016 Spring Conference Committee Report
 11. 2016 Fall Conference Committee Report
 12. Old Business
 - a. Further discussion on Spring Conference scheduled for 2017-2018
 13. New Business
 - a. Oklahoma Option/Opt-Out ruled Unconstitutional by OK Workers' Comp Commission

The Board welcomed Ms. Kathryn Mason from Ford Motor Company to the meeting. She will be Mr. Parker's replacement beginning April 2016.

The **Minutes** were approved upon motion by Mr. Schneider and seconded by Ms. Pelak.

The **Treasurers' Report** was submitted by Mr. Niehaus. He stated it was a routine month and that the cash flow reflects MSIA is doing well financially with the accelerated membership renewals and dues. He also presented to the Board a Profit & Loss Statement tracking financial information from September 2015 through August 2016. Mr. Niehaus stated this was a starting point and indicated he welcomed comments from the Board to better track ordinary income and expenses.

The **Funds Trustee Report** was submitted by Mr. Green. He stated that the Trustees met and now have a full complement to the Board. He stated that Governor Rick Snyder announced the appointment of Lee Anne Fontaine. She represents the insurance industry and fills the vacancy that had been on the Board. Ms. Fontaine is an assistant general counsel for the Accident Fund.

In other matters, Mr. Green indicated that at the Funds Trustees meeting there was discussion pertaining to the auditor and auditor general picking the appropriate audit period for the Self Insureds.

The **Legislative Committee Report** was submitted by Ms. Block. She indicated that after the Health Care Committee Meeting held in February, Director Long indicated he would be working on a draft as it pertains to Evidence Based Medicine. Director Long will continue to keep all stakeholders advised.

Additionally, Ms. Block discussed the potential of getting on the ballot this election year the proposal for the legalization of marijuana. She indicated that one of the three potential proposals has recently received a large influx of money. She will be monitoring this carefully. This potential ballot proposal could affect the workers' compensation industry, and have implications on employers and workplace safety.

Ms. Block also advised about the legislation pertaining to the Amish. As had been reported previously, there are certain groups with concerns that the Amish are creating individual LLC's and are undercutting employers who must pay for workers' compensation coverage. The whole question revolves around whether the Amish have a competitive advantage when not required to buy workers' compensation insurance due to the way they are structuring their business.

The **Membership Committee Report** was submitted by Ms. Smith. Ms. Smith presented one potential member to the Board for membership: WRS - Work Rehabilitation Specialists. Upon motion by Ms. Pelak and seconded by Mr. Wright, the Board approved and welcomed Work Rehabilitation Specialists as a new member.

The **Nominating Committee Report** was submitted by Ms. Susser. She indicated there was a full complement to the Board, and there are no issues to report pertaining to the attendance of current Board members.

The **Amicus Curiae Committee Report** was submitted by the Executive Secretary. Ms. Droblich advised that in the case of *Arbuckle v General Motors LLC*, we are waiting to hear when the Michigan Supreme Court will hear oral arguments. We have been advised by Mr. Marcincoski, who submitted the *Amicus* Brief on behalf of MSIA, oral argument should occur sometime in May.

Additionally, subsequent to the February Board meeting, there had been a request to submit an *Amicus Curiae* brief in the case of *Roseman v City of Detroit*. The Executive Board approved the request to submit an *Amicus* brief as same had to be completed before the March board meeting. The Board was advised as to the importance of submitting an *Amicus* Brief on the issue of keeping the exclusive remedy provision in the workers' compensation statute strong. The Executive Secretary will continue to keep the Board advised as to the developments with respect to same.

The **Technology Committee Report** was submitted by Mr. Parker. He indicating that there were no issues to report but that the March meeting would be his last, and that he would be transitioning his position to Ms. Kathryn Mason of the Ford Motor Company. Mr. Parker was thanked for his many years of dedicated work to the MSIA Board, and will be greatly missed.

April 1, 2016

The **Health Care Committee Report** was submitted by Ms. Azar. She indicated there have not been any new meetings since the February meeting regarding Evidence Based Medicine. She indicated the next Health Care Committee meeting was scheduled for May 3, 2016.

The **Spring Conference Committee Report** was submitted by Mr. Schneider. He indicated that he would like to continue to thank his Committee for the level of enthusiasm and the history of knowledge that his Committee Members have brought to the table. He indicated there is currently seven gold sponsors for the Spring Conference Committee and 25 exhibitors.

In addition, Mr. Schneider discussed increasing membership by inviting non-members located in the Grand Rapids area to attend the Spring Conference. Mr. Schneider proposed that self-insured employers would receive a 50% discount to join for the first year of MSIA membership. A Motion was made by Mr. Green, and seconded by Ms. Azar with respect to same, and the Board voted in favor of the proposal.

The **Fall Conference Committee Report** was submitted by Mr. Schneider. Mr. Schneider indicated the Fall Conference will be held on October 13, 2016 at the Lansing Center. There will be a reception to be held the night before on October 12, 2016. Lodging will be reserved at the adjacent Radisson Hotel.

Under **Old Business**, the Board will analyze the attendance at this year's Spring and Fall Conferences as well as eliciting further comments from members at the Spring Conference to determine whether the general membership would like to continue with the two annual Conferences.

Under **New Business**, the Board reviewed the recent ruling by the Oklahoma Workers' Compensation Commission ruling the Oklahoma Option/Opt Out was ruled unconstitutional.

Upon motion by Mr. Schneider and seconded by Mr. Ohman, the meeting was adjourned at 4:11 p.m.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary