

Dawn M. Drobnich
Executive Secretary

Board of Managers

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Sandra DiCicco
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Treasurer

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Doug Wright

DTE Energy
Jerome Hooper

Ford Motor Company
Kathryn Mason

General Motors LLC
Susan R. Azar

Marathon Petroleum Company LP
Lina Lee

Meijer
Barb Pelak

Perrigo Company
Lorraine Climer

Spectrum Health
Stephen Ohman

Trinity Health
Mark G. Schneider

Wayne County Airport Authority
Heather Day

Wayne State University
Pamela Galloway

MINUTES OF BOARD OF MANAGERS' MEETING

September 7, 2018

Livonia, 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:

BRUNO-HERLINE, L., AT&T Michigan
CLIMER, L., Perrigo (by phone)
COULSON, C., City of Grand Rapids
DAY H., Wayne County Airport Authority
DICICCO, S., Kelly Services
EDDY, C. (on behalf of Doug Wright – Consumers Energy)
FISK, T. (on behalf of Mark Schneider – Trinity Health)
GALLOWAY, P., Wayne State University
HOOPER, J., DTE Energy
MASON, K., Ford Motor Company
NIEHAUS, M., Ilitch Holdings, Inc.
OHMAN, S., Spectrum Health Occupational Services
PELAK, B., Meijer
RYCHLINSKI, K., University of Michigan

Chairperson's Council:

BLOCK, W., Michigan Chamber of Commerce (by phone)
SUSSER, D., MacArthur, MacArthur & Associates, P.C.
WHITE, D., FCA US LLC (by phone)

Not Present:

AZAR, S., General Motors LLC
LEE, L., Marathon Petroleum Company LP
McKINLEY, D., Michigan Manufacturers' Association
PENZ, M., HSA WCF (representing the Group Funds)

The Chairperson, Mr. Coulson, called the meeting to order at 11:48 a.m. to address the following Agenda:

Presiding: Craig Coulson, Chairman

1. Minutes of Board of Managers' prior Board Meeting
2. Treasurer's Report
 - a. Financial Reports April 2018
 - b. Financial Reports May 2018
 - c. Financial Reports June 2018
 - d. Financial Reports July 2018
3. Funds Trustee Report
4. Legislative Committee Report
5. Membership Committee Report
 - a. Update of membership applications
6. Nominating Committee Report
 - a. Remaining Board vacancy
7. *Amicus Curiae* Committee Report
 - a. *McQueer v Perfect Fence Company*
8. Technology Committee Report
9. Health Care Committee Report
 - a. Review of Spring Conference 2019 contract
10. 2018 Fall Conference Committee Report
11. 2019 Spring Conference Committee Report
12. Old Business
13. New Business
 - a. Susan Azar retirement/Welcome Shannon Gedert
 - b. MSIA bylaws and constitution

At the outset of the Meeting, the Board would like to thank Trinity Health Systems for hosting the Meeting, and specifically, Ms. Diane Shaw and Ms. Theresa Fisk on behalf of Trinity Health for providing their assistance in hosting and attending the Meeting in lieu of Mr. Schneider's absence.

Additionally, the Board welcomed Ms. Theresa Hileman who accompanied Ms. Barb Pelak on behalf of Meijer to the Meeting. Ms. Pelak announced she would be resigning from the Board due to a change in her work responsibilities, and Ms. Hileman will be replacing her on the Board.

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

The **Treasurer's Report** was submitted by Mr. Niehaus. He provided the financials from April to August 2018. He stated that the cash flow has fluctuated based upon the timing of the Conference expenses and the revenue associated with same. He indicated we are starting to see some positive cash flow after a decline in income over the last year. Mr. Niehaus believes that a budget will be helpful. He did state that we are seeing falling income over the past year due to a decrease in sponsorship for the Conferences, lower attendance, and rising costs and expenses of the venues. It was decided that following this year's Fall Conference, all vendor

contracts will be revisited to determine the cost effectiveness of same, performance expectations, and assistance in growing MSIA.

As this was Ms. Pelak's last Meeting, she thanked the Board for all the hard work she has witnessed, as well as for her experience of being a Board Member. She indicated that her outgoing observations include the fact that despite hiring a company to assist with same, she has not witnessed an increase in membership or a push to recruit new self-insureds or high deductible employers. Other Board Members, including Ms. Rychlinski, Mr. Hooper, and Mr. Niehaus, indicated that in line with budgetary concerns, we will need to determine where MSIA dollars are best spent. This issue will be tabled until following the Fall Conference.

The **Funds Trustee Report** was submitted by Ms. Pelak. She indicated the Trustees had met on August 17, 2018. She stated that 32 of the self-insured security cases were settled, with 16 being Delphi cases. She noted that 10 cases were pending, as well as 15 redemptions being scheduled.

Ms. Pelak advised that the State of Michigan has changed their bill review vendor from Brown Rehab, which subsequently became CareWorks Management Care Services, to Equian. Additionally, Ms. Pelak noted that 99% of all the employer assessments have been collected. She indicated there is no reason to believe that next year's assessment will increase and should remain at 3%.

Ms. Pelak advised the Board that as her employment duties have changed, she will also be resigning from the Funds Administration Trustee position. She indicated the State will be looking to replace her with an employer representative. There are four meetings a year in Lansing. The next scheduled Funds Trustee meeting is December 18, 2018.

The **Legislative Committee Report** was submitted by Ms. Block. She indicated that there are no current workers' compensation issues currently on the Agenda to discuss. She stated the focus has been on the Sick Time proposal which has now been adopted into law as the "Sick Time Act". She indicated by adopting the proposal, the Legislature retains the right to control it and make any changes by a simple majority. The Sick Time Act will go into effect in March 2019. This new law will require additional administrative work in tracking employees' time very carefully. The Board will be provided with the Sick Time Act to review and discuss more carefully at the October meeting.

The **Membership Committee Report** was submitted by Ms. DiCicco. She stated there was one new associate member who had applied for membership: Wilhems Law. The law firm is based in Perrysburg, Ohio. Upon motion by Ms. Bruno-Herline and seconded by Ms. Rychlinski, the new associate member was approved for membership and welcomed to MSIA.

Additionally, Ms. DiCicco advised the Board that the membership application needed to be updated. The requested changes regarding the benefits of membership were approved and will be adopted.

The **Nominating Committee Report** was submitted by Ms. Rychlinski. There was a continued discussion pertaining to the open vacancy on the Board. Ms. Rychlinski indicated she would work with Mr. Wright to

contact a potential candidate who has expressed interest in the Board vacancy. Any other self insured employers who may have an interest in a seat on the MSIA Board are invited to contact the Executive Secretary.

The ***Amicus Curiae Committee Report*** was submitted by the Executive Secretary. Ms. Drobnich indicated there have been no new *amicus curiae* requests.

The **Technology Committee Report** was submitted by Mr. Ohman. He stated that the website has been running well with no crashes or slowdowns. He indicated that photos were necessary from Ms. Day, Ms. Climer, and Ms. Hileman to update the website. He stated subsequent to the Fall Conference, the Technology Committee will be meeting to discuss how we can use the website to decimate MSIA information. Specifically, he discussed a potential link to *Amicus Briefs* being filed on behalf of MSIA so members could review same. Ms. Bruno-Herline added that it would be helpful to summarize the positions submitted on behalf of MSIA and then to post the subsequent results when received from the Appellate Courts. Additionally, Mr. Hooper discussed a potential link between the MSIA website and "Linked In" for more business development. A discussion about password protection for Conference materials was again discussed. This will be followed up with AKEA Web Solutions for the feasibility with respect to same.

The **Health Care Committee Report** was submitted by Ms. Mason. She stated that the Committee Meeting of July 18, 2018 had been cancelled. The next Meeting is scheduled for October 17, 2018.

The **Fall Conference Committee** report was submitted by Ms. DiCicco. She indicated that there were currently 98 registered participants with 4 gold sponsors and 14 general exhibitors currently registered. The theme for the Conference is "Surviving the New Normal: Workplace Trauma". The Conference is set for October 9-10, 2018 at the Marriott Eagle Crest in Ypsilanti, Michigan.

Additionally, Ms. DiCicco indicated there was a golf course on site and golf would be available at a discounted rate for the Conference.

The **Spring 2019 Conference Committee** report was submitted by Ms. DiCicco. She stated the Conference has been scheduled for June 5-6, 2019 at the Marriott Eagle Crest in Ypsilanti, Michigan. She indicated that any interested speakers should contact herself or the Executive Secretary for the Spring Conference.

Additionally, it was discussed that the Board is looking for a location for the 2019 Fall Conference. Several venues are being discussed.

Under **Old Business**, Mr. Coulson discussed his attendance at the National Conference of the National Council of Self Insurers. He provided the Board with a handout outlining the various presentations and his reflections upon same. Mr. Coulson shared information received at the meeting amongst the State associations. The main focus was in recruiting new members and increasing attendance at the various Conferences. He also indicated there were several roundtable discussions regarding the aging workforce, as well as disaster planning. Mr. Coulson was thanked for his attendance and representation of the MSIA at the National Conference last June in Florida.

MICHIGAN SELF-INSURERS' ASSOCIATION

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Under **New Business**, the Executive Secretary advised that Ms. Azar would be retiring from General Motors after being on the Board since 2004. Ms. Azar's replacement on the Board will be Ms. Shannon Gedert. Ms. Azar's retirement is effective next year. The Board thanked Ms. Azar for the many years on the Board and wished her luck in the upcoming year. Additionally, as noted above, Ms. Barb Pelak from Meijer will be resigning from the Board due to her job responsibilities being changed. The Board thanked Ms. Pelak for her hard work and dedication over the years. The Board welcomed Ms. Theresa Hileman of Meijer who will be replacing Ms. Pelak on the Board.

Finally, the MSIA By-Laws and Constitution were revisited. There will be administrative changes done to reflect the proper business address.

Upon motion by Ms. Bruno-Herline and seconded by Mr. Ohman, the meeting was adjourned at 4:11 pm.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary