

Minutes: Workers' Compensation Insurers' Task Force

Date: March 20, 2019

Minutes prepared by: Carrie Rohling

Location: Minnesota Department of Labor and Industry

Attendance

Members present

Natalie Haefner
Lee Ingrassia (via telephone)
Michael Johns (via telephone)
Michael Joyce
Meg Kasting
Stacy Kohlhofer
Rob Rangel
Michael Schneider (via telephone)
Cheryl Tabbert
Gary Westman
John Wiatros

Members absent

Mary Abraham
Sean Curran
Robert Johnson
Steve Patton
Bobbi Pearson
Cindy Van Eyll

Visitors and staff members present

Kate Berger
David Berry
James Honerman
Karen Kask-Meinke
Ethan Landy
Nancy Leppink
Chris Leifeld
Brad Morse
Donna Olson
Lisa Smith
Julie Soderlund
Jeanne Vogel
Lisa Wichterman
Laura Zajac

Call to order

The meeting was called to order at 9 a.m. by co-chairman Gary Westman. Announcements and introductions were made.

Approval of the agenda

The agenda was approved by all.

Approval of the minutes

John Wiatros moved to accept the Nov. 21, 2018, meeting minutes. Meg Kasting seconded, all approved and the motion passed.

Commissioner's vision

Commissioner Nancy Leppink introduced herself and provided her background and vision. She has multiple years of experience working with the Department of Labor and Industry (DLI) as an assistant attorney general at the Attorney General's Office from 1985 through 2000, and later served as DLI's general counsel for about 10 years before moving on to the federal government and then working with the International Labour Organization in Geneva, Switzerland. Her responsibilities included labor administration and occupational safety and health programs before returning to DLI as commissioner.

Leppink said it is a pleasure to be at DLI and be able to put her local, national and international experience to good use. This agency has been in good hands with a lot of hard work and great successes. Her priorities include ensuring workers' compensation benefits are fair and said we now have an opportunity to think forward. There has been a significant drop in claims, for the right reasons, and she would like to build on these practices to continue the downward trend. Additionally, she would like to think about how DLI can encourage employers and workers to work in safe and healthy manners and environments and how DLI can provide social protections for them, assessing hazards and risks, and new jobs and look at employment relationships. She understands there are still some back and forth about some issues, but would like to focus on being proactive.

Leppink officially started in the middle of February and looks forward to working with all of the Workers' Compensation Insurers' Task Force (WCITF) members. The agency has a huge initiative with the Workers' Compensation Modernization Program (WCMP) that Chris Leifeld has been leading and we will continue to keep on this path. If members have any questions email the commissioner at nancy.leppink@state.mn.us.

Governor Tim Walz has made his vision clear and determined the agency has some community prosperity and health with workforce development. DLI is fully engaged in that effort. Wage theft is a growing concern; the agency is looking at making some changes in the senior leadership; Roslyn Robertson will be the new deputy commissioner overseeing the Workers' Compensation Division, Labor Standards unit and the Minnesota OSHA units. The commissioner will be engaging a new assistant commissioner to handle enforcement and compliance work and to work collaboratively with the Attorney General's Office and federal agencies. Heather McGannon will remain as the assistant commissioner overseeing the General Support Division and will be assisting the deputy commissioner with issues as they relate to enforcement and compliance. There may be another assistant commissioner vacancy as well.

The commissioner thanked Leifeld for his roles as assistant commissioner and deputy commissioner, saying he did a fantastic job in these roles. Leifeld will still be responsible as a business owner of WCMP and he will be taking over responsibility for the Compliance, Records and Training unit as it relates to the modernization program.

Department and legislative update

Leifeld indicated the first topic of the meeting will address safety announcements. He informed the group of where all building exits were located, to use caution during inclement weather to avoid slips, trips and falls, and to be aware of the ongoing construction project in the building. Wiatros was wondering why there are no more visitor badges.

The Workers' Compensation Advisory Council met March 6, 2019. At that meeting, three handouts were discussed to include dispute-resolution aggregate dispute data to the Legislature. Leifeld reviewed the handouts with the members, pertaining to self-insurers and employers as it relates to first reports of injury FROIs. Another issue DLI is working on is WCMP. The focus of the legislative language is that the modernization effort moves forward and pertains to the law with the goal to build an integrated web-based filing system. The C-Track system will still be in place. Brad Morse will talk more WCMP later in the meeting.

Website overview

James Honerman introduced himself and talked about the new website, discussing planning and showing the website. He said the old website was like a large filing cabinet. Statistics of the old website were reviewed to determine where people struggled to find what they are looking for. These factors went in to developing the new site. The new site was released in August 2018 and is set up to make it easier for the public to navigate and find the answers they are looking for. Kasting said that at some point it may be interesting to know what the most frequently visited places are in the workers' compensation section. Honerman said he has a "heat map" capability and would be able to obtain that information. When he obtains the results he will provide them to the group.

Workers' Compensation Modernization Program update

Morse and Valerie Brophy (CapTech) presented to the group about WCMP. Introductions were made and an update was provided about where DLI is with the process toward online access and self-service for the injured workers, insurers and attorneys. Morse indicated everything will be electronically submitted: RFA and medical requests will also be electronically submitted; briefs will be filed electronically. The real point is to make the system for the people who are using it and work with those people. Morse explained what the dashboard will look like. Calendaring for Alternative Dispute Resolution. DLI is still document-driven and you will still be able to view all your documents in this new system. The electronic data interchange (EDI) guide will be posted soon. If anyone wants this, it can be sent to the members, but DLI isn't ready to post it yet. The goal for the program is to go "live" in summer 2020. DLI will be rolling out testing about four months before going live. There will probably be a two-week break from submitting paper documents before go-live.

Westman said most everyone will want a copy of the guide. Morse will send it to members. Kasting and Wiatros asked if there will be a mechanism that will identify as tasks to claims instead of submitting a hard document. Morse said DLI is not yet in that part of the design phase, but will address it later. Michael Johns asked what about an adjuster change? That would need to be addressed as well.

Brophy is heading the stakeholder piece and getting feedback and making sure DLI is building and including everything, to include timelines. Super-user groups will consist of six to eight representatives of insurers and self-insurers. Anyone interested in participating should email her at valerie.brophy@state.mn.us. Brophy will be reaching out to members because she would like to put the group together in the next month. Morse thanked all the task force members.

2017 Workers' Compensation System Report

David Berry gave an overview about workers' compensation system claims and costs as reported in the first two chapters of the annual report. Regarding paid claims per 100 full-time-equivalent workers, charts show a decline in claims filed, average cost per claim and benefits per paid claim. There continues to be downward trends. The report includes details about indemnity costs, claims, average weeks of duration of wage-loss benefits alone and adjusted for average wage growth, average pre-injury wage as percentage of statewide average weekly wage, average benefit by type per claim with the given benefit type and adjusted for average wage growth. If you have any question, email him at david.berry@state.mn.us.

Post-traumatic stress disorder (PTSD) rulemaking update

Leifeld and Laura Zajac (Office of General Counsel) presented the PTSD rulemaking update to the group. Leifeld said the work group met a couple weeks ago about the language and is also working with the Medial Services Review Board (MSRB). DLI is to the point where it has pretty solid language. It has been successful in getting input from stakeholders and would still like the police to weigh in. DLI will run draft language by the commissioner and give her a chance to review it. MSRB will meet April 18, 2019, to consider the language. Zajac added there were three experts who spoke at the most recent meeting. DLI has gone above and beyond to reach out to stakeholders.

Other business

Hospital outpatient fee schedule

Wiatros said he is seeing some patterns since Oct. 1 that are disturbing and he wanted to bring it to the group to see if anyone else can relate to what he's seeing. He has seen instances where with the new statutory language they are paying more than 121%, billings where charges were \$22,000 – billed at two-and-a-half times the billed amount he is paying per Minnesota Statutes 176.1364. Examples include going from \$18,000 to \$44,000. He offered to provide other examples and had a law firm look into it. Leifeld suggested Wiatros pass this on to qualified DLI staff members for review. Cheryl Tabbert asked what the providers are doing when you are paying them double the money. Wiatros said Mayo Clinic refunded the difference; Fairview did not. Kasting said SFM has been seeing this too. DLI would be happy to look into this; Wiatros will pass around the information he has.

Adjournment

The meeting was adjourned 10:47 a.m.