

Minutes
Labor-Management Advisory Council
May 18-19, 2010
Great Northern Hotel

Advisory Council members present: Lt. Governor John Bohlinger, Bob Worthington, Jason Miller, Connie Welsh, Bill Dahlgren, Annette Hoffman, Don Judge, Danny Lee, Doug Buman, Riley Johnson, Jacquie Helt (Friday), Jerry Keck

Project team members present: Diana Ferriter, Keith Messmer, Anne Wolfinger, Judy Bovington, Georgiana Kochman, Dustin de Yong

Others present: Rick Clark, Plum Creek Timber; Marv Jordan, MCCF; Thom Danenhower, MMIA; Al Smith, MTLA; Mickey Marion, Tom McLaughlin, Genex; Tim Fitzpatrick, MTSBA; Pat Schendel, RPM; Luca DeVecchi, Nancy Butler, Carl Kochman, MSF; Bonnie Lyytinen-Hale, HRC, Inc., RAM; Viki White, Montana Health Systems; Dick Martin, Fair Claim; Charla Tadlock, Murphy Law Firm; Larry Jones, Liberty NW; Jon Bennion, Montana Chamber of Commerce; Pat Murdo, Legislative Services; Lance Zanto, DOA; Mark Cadwallader, DLI; Mark Hurlbut, Anni Druce, Karen Wiles, Kristine Shields, Ryan Morton, Barb Gullickson, Teresa Graham, ERD.

I. Welcoming & Introductions

Lt. Governor John Bohlinger greeted those present and had all in attendance introduce themselves.

II. Approval of Agenda and Minutes Activities

The agenda and minutes were approved as written.

III. Workplan

Jerry Keck reviewed the three years of Council work that has been done to date. There has been an exhaustive look at the cost drivers. Frequency, duration, stay at work/return to work, cost of medical care, closing claims are all important cost drivers that are being addressed. SJ30 placed greater urgency and some time frames for addressing these issues. He reviewed the work plan, pointing out it called for decisions to be made today and tomorrow.

IV. Efficient Benefits Delivery/Return-to-Work.

Jerry Keck reviewed the work being done to insure we can measure benefit adequacy in the future. He then reviewed the Decision Tree handout that the Department has developed to work through the benefit decisions.

Ann Clayton, ERD Consultant, reviewed Recommendations on Improving Montana's Benefit Structure that she first presented in February. Goals were to maintain or improve benefit equity and adequacy, lower premiums for employers, and improve benefit predictability without decreasing efficiency. The recommendations that she prepared were a result of her review of our system. She reviewed her summary of recommendations in the Creating a More Efficient and Equitable Benefit Delivery System handout.

Diana Ferriter reviewed the Efficient Benefits Delivery proposal by walking the Council through the process flow for benefit delivery under the current system and under the recommended system. She then reviewed the formulas for benefit calculations contained in the scenarios.

Don asked why it is necessary to go to the Sixth edition verses the Fifth under this proposal. Diana explained that it doesn't make any difference in these calculations.

Dick Martin, Fair Claim, stated that a higher weekly rate ignores the ability to lump sum the settlements.

Frank Neuhauser, ERD Consultant, reviewed the relationship of wage loss to impairment ratings. His research shows that the impairment rating has a direct linear correlation with the wage loss that results. He also shared a graph that shows that there is a wage loss as a result of the impairment even if the injured worker goes back to work for their time of injury employer. Paying something for the impairment makes sense to compensate for this wage loss even though the individual is returning to the employer and may have no immediate wage loss.

Bonnie Lyytinen-Hale, Headwaters Rehabilitation, questioned whether the research looked at the time off of work? Frank responded that all variations of time loss were included.

Don said the impairment guides say that the impairment should not determine the disability. Frank responded that the take away from that is that the guides shouldn't be used for disability ratings, but it gives you a starting point as the basic predictor as indicated by the research he presented.

Don said the public policy statement in the statute says that the indemnity payment must bear a reasonable relationship to the wage loss. Frank responded that an individual's wage loss is almost impossible to determine, but using the average wage loss makes good sense. Jerry added that this was the reason we looked at these studies that Frank presented. The proposed system will improve the relationship of benefits to wage loss. The benefit adequacy studies will add to this research.

Larry Jones, Liberty Northwest, said this gives him more comfort, but it will still be argued in court.

Don stated that the individual situation is important and must be considered rather than averages.

Bob stated that legislation is not good at dealing with the extremes and said we have to look at the system as a whole and look at averages, not the extremes.

Annette commented that under the Sixth edition providers are saying that the amount of time it takes to do an impairment rating is longer. Also, we have legal challenges that are occurring and it will be expensive if we have to reopen these claims. She wonders if staying with the Sixth is worth it, on the other hand she does not want to be locked into the Fifth for a long time.

Connie said if as a result of litigation you have to use the guide in place at the time of the injury, you may have to use multiple versions of the Guide.

Don commented that locking into the Fifth will reduce the amount of lawsuits and bring some certainty as the court cases will take years to work their way through.

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Bob questioned, if we adopt the Fifth how do we insure we are not there for a long period of time? Judy Bovington recommended giving the Department the ability to adopt a guide by rule.

Jerrysaid the decision about moving from the Sixth to the Fifth does impact the benefit proposals.

Don stated, if the recommendation is to move back to the Fifth, then this will send the message to insurers that they start using the Fifth until the legislature affirms this decision.

Jason asked if the determination of what Guide is used requires a great deal of analysis, can the department support this process? Jerry responded that Montana is a small system and may not have the ability to do that going forward. Connie responded that the state does have other processes and models that may help address this.

Doug proposed that we go forward with the Fifth Edition.

Frank stated that over time the reduction in benefits will be \$4.4 million as a result of moving from the Fifth to the Sixth edition.

Bob questioned, since NCCI has done several loss cost filings, haven't they would have encompassed this change? Frank responded that they did not explicitly build it in, but over time it will show up in reduced benefit payments. It will take several years to trickle through.

Ann walked the Council through her proposal on implementing an Early RTW model.

Dick Martin stated that there is a detriment to the injured worker if there is a forced return to work program where there is friction between the employer and the worker. We don't need this change as good employers will do it anyway.

Connie asked if we have resolved the impact on small employers. Jerry responded that we still need to explore all options. To address Dick's comment, it is designed to be a voluntary situation.

Tom McLaughlin stated that he wrote policies for small employers in CA that contained RTW processes. It requires an education effort in order to be successful. We were successful in developing a program that resulted in savings and eliminated demeaning jobs from the process.

Doug stated there needs to be structure in this process and not demeaning duties.

Ann walked through the flow chart of the Stay at Work/Return to Work Process.

Larry Jones commented on the 30 days to end PPD. Is this a forfeit of benefits at that point if not pursued? Ann replied, no.

Bonnie Lyytinen-Hale asked what happens if there is a request, but the employer doesn't follow through? Ann responded in the ERTW process if either the employer or employee says no, it doesn't happen.

Bonnie Lyytinen-Hale asked if the injured worker wants to look at other options, does the Rehab provider continue to work with the worker on other options? Diana responded, yes if the Department gets funding. But beyond ERTW there are options identified.

Mark Cadwallader, Department attorney, reviewed the statutory language that he developed.

Larry Jones provided a handout of concerns to this proposal.

Riley stated that comments have been made that going through this RTW will not benefit the small employers. He said we should not just automatically write them off and should still make the effort to educate the small employers.

Luca DeVecchi, Montana State Fund, stated that small employers in CA are given a 15% reduction in the permanency benefit if the employer returns the individual to work. He suggested the Council consider this.

V. Claim Closure Subcommittee

Judy Bovington, Department attorney, reviewed the revised language that Jason and Don asked her to make to the draft Claim Closure Bill language. She suggested that the part that was stricken which gave the Department 14 days to approve or disapprove the settlement resulted in approval, be amended to increase the time allowed to 30 days and be put back in.

Rick Clark, Plum Creek, raised the question whether this could apply to all claims.

Nancy Butler, Montana State Fund, proposed that the statute be written to apply retroactively. The insurer does have exposure if they do not consider the set aside, so do not want the Department to require payments that are not approved by Medicare. Diana responded that the contract currently used approves the settlement, but says subject to approval by Medicare.

Annette suggested that the Department come up with some generic wording that says the parties will comply with the current Medicare requirements as the Medicare requirements are changing daily. Otherwise the parties are subject to fines.

Don suggested that Judy should redraft this to say that compliance with current Medicare requirements is required. Bob agreed and suggested adding the retroactivity language.

Jason suggested also changing the language about what has to be provided to the department and moved that this language be taken to the larger committee.

VI. Provider Access Subcommittee

Diana reviewed the survey that was done of other states regarding ombudsmen programs. She reported that Ombudsmen are typically neutrals in the other States except for Texas. The Ombudsmen are typically State employees funded through assessments in most states. Diana believes that the services that are performed by her staff are very similar to the ombudsmen programs. They do act as neutrals and help whatever parties call. They are referred to by attorneys and insurers. The benefit pamphlet also has their names and phone numbers.

Don suggested that the original SB285 language be considered and asked that the language be brought tomorrow for consideration.

VII. Cost Analysis

Frank reviewed the impact on the financial impact of moving from the Sixth back to the Fifth edition of the AMA Guides. There was a 4.4 million dollar reduction when the Sixth edition was adopted. It reduced benefits by 10.3%. If you added 37 weeks to PPD or adopted the proposal of payment of double the impairment rating and 100% of the State's AWW it would be

cost neutral. If move to the Fifth and adopt the proposal, you would increase costs by 7 million dollars.

Don suggested that there is a third option where we don't make the changes to the benefit system and stay on the Fifth.

VIII. Fifth Verses the Sixth Edition of the AMA Impairment Guides

Doug suggested moving to 500 weeks, adopting the retroactive payment of benefits and going back to the Fifth edition.

Jason proposed moving back to the Fifth Edition. Annette supported making a decision on the Edition to be used as the starting point. Doug seconded.

Connie said she would like to try a conceptual motion. Motion for the Department to bring legislation to move to the Fifth edition and authorizing the Department to have rule making authority to adopt standards for evaluation of impairment. Recommend the Department bring recommendations to the Council for future changes. Can be done as part of recommendations to the EAIC.

Danny Lee: Seconded the motion.

The proposal was adopted unanimously.

The Lt. Governor stated the Department should bring draft language to the meeting tomorrow.

IX. NCCI Evaluation of Costs:

Mike Taylor, NCCI, reported back on the analysis of the Department's proposal to move to 130% or 150% of Medicare for benefit payments. The savings would be between 15.8 and 29.3 million dollars if moving to 130% of Medicare. Savings of 15.1 to 17.8 million dollars if move to 150% of Medicare. He reported NCCI will need to see the RFP and rule language before they price U&T Guidelines.

Don stated that we were hoping to get NCCI's analysis on the U&T Guidelines. Mike responded that we feel that there is a potential for savings, but without seeing the language, we can't forecast this.

Don asked about guideline reductions in other states? Mike explained that if Idaho and South Dakota adopted the exact same guidelines, you would have different results. He also commented that he was the ombudsman in Oregon for small employers and there was one for injured workers and both were very beneficial.

Frank Neuhauser reviewed his handout titled Impact of Changing the Fee Schedules Relative to Medicare Reimbursement. He stated that NCCI's analysis of savings is considerably less than the savings he is projecting. He will analyze NCCI's evaluation to determine where the numbers differ.

IV. Efficient Benefit Delivery and Return to Work (Continued)

Larry Jones reported he worked with State Fund to review the language and provided a handout addressing concerns. They have reviewed from a process standpoint and are not advocating for these system changes. He pointed out that the injured worker can get rehab help even before the claim is accepted under this proposal. He stated that this will result in increased costs for the

system. He said the drivers for voc rehab assistance are currently when there is greater than a 15% impairment and the ability to retrain to reduce wage loss have been removed and you have a free flowing voc rehab program allowing assistance in many more circumstances. He expressed concern that the treating physician rule may be sufficient to overcome the presumption that the guidelines are correct. He suggested the Council should do something about the treating physician rule. Perhaps similar to what was done in California. Also, the amount of evidence necessary to overcome the U&T presumption needs to be addressed.

Rick Clark added that he has concerns about the language as one of the stated goals was to reduce vocational rehab costs, but this requires voc rehab providers to determine specific items increasing their involvement. He also has concerns regarding unintended consequences and increased impairment payments in some areas.

Dick Martin reported he has concerns about the intent of making these changes. The purpose of the committee was to reduce costs, not to determine benefit adequacy. The complexity of the proposal is concerning. He suggested staying with the current benefit delivery system and adjusting the weeks of benefits. He believes, to propose complete reform after a few months of review is out of bounds.

Tom Danenhower, MMIA, reported that after visiting with claims examiners, 14 days turnaround is difficult because you don't have the medical records. He agrees the Council should go with 21 days after receipt of records. Also, to get a CRC to help a worker takes them about a week and getting this lined up within a day may not be possible. He suggested that they could file a medical only claim right away and get the claim started and then could get CRC to start working with the claimant.

Nancy Butler stated MSF would support any changes that would keep up with advances in medicine. Any new legislation should contain clear applicability language. Support RTW, but are concerned about adding another layer of reporting, should be kept with the insurer.

Charlotte stated that putting back in place up front what you were proposing to delete for voc rehab eliminates the savings you are getting from elimination of the voc later on. There is a great danger of unintended consequences if you use the impairment rating instead of looking at wage loss.

Annette went to her finance director and asked what it would look like at 160% would be at 5% profit margin and break even on outpatient. At 150%, zero profit margin and losing money on outpatient. She is concerned about access for injured workers.

Connie stated a fair amount of modeling would be necessary because of case mix severity. Jerry asked Annette and Connie if they could say at what level Blue Cross reimburses at.

Frank responded to Annette that typically wc is about 1% of a hospital's business and this means that your hospital is losing money on every Medicare patient which is about 40% of your business.

Next Steps:

Process where we need to be at with medical reimbursement and continue with the decision tree tomorrow.

Don said he would like to look at benefit change recommendations using the Fifth edition.

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I. Welcome and Introductions

Lieutenant Governor Bohlinger welcomed everyone back and had everyone introduce themselves.

II. Review of Previous Day's Discussion

Jerry reviewed the progress from Day 1. The decision made yesterday was to move to the Fifth Edition of the Impairment Guide. The major decision that needs to be made today is on the benefit delivery system.

III. Decisions: LMAC Comprehensive Issues Package

Jerry stated that if the Council makes decisions, the decisions will be presented to EAIC. If the EAIC agrees with those decisions they will pass on to Pat Murdo to draft the bills. The Department will then give those to the NCCI to rerun the numbers to see if the initial pricing is accurate. The legislature will be most comfortable with the pricing done by NCCI. This group will have to decide what level of pricing they are comfortable with moving forward.

Don asked if the Claims settlement pricing included prior claims or just claims from the date of passage. Frank responded that the pricing includes all claims.

Jason feels that we will have a full year to do fine tuning to the language as the legislature rarely takes language as is and passes it.

Proposed Benefit Delivery System 1a through 1e:

Public Comment:

Rick Clark reported he has talked to many of those in the System. He supports some of the concepts including early vocational rehabilitation intervention, elimination of the formal training process, ending of TTD at MMI. The devil is in the details. There is strong opposition to making these changes. Not everyone is willing to speak up. There are some equity issues with the proposal. Our existing system has been in place for 19 years and we can make the change of a few words and fix the concerns. You can change the number of weeks or the percent of the AWW and fix much of this.

Dick Martin stated that not one stakeholder has asked for these changes. This is the Department's idea and you are not going to save any money.

Al Smith, MT Trial Lawyers Association pointed out that the Council is trying to do too much too quickly. It would create less chaos to increase weeks and percentages and leave the system as is. Otherwise you will have added costs. No one has said how this will make the system more efficient. The complaints are about weeks of benefits

Nancy Butler, Montana State Fund said she believes we can administer what you have come up with. We may see more money in some areas, Voc Rehab for small employers will be larger for example. For pricing we use NCCI with minor tweaks. The private carriers are bound to use NCCI's pricing.

Ann Clayton responded that the recommendation that was made was assuming some of the goals were to improve the system's vertical and horizontal equity as well as looking at comparisons between MT and other states. There are a number of questions that policy makers have to review.

Ann has given the Council that background. In her interviews with stakeholders she heard that Montana pays TTD benefits longer than most state, because of the unique transition between these benefits and PPD benefits due to the time that it takes for a voc rehab provider to determine the capabilities of the worker. This also increases the disability of the injured worker. The determining point should be whether the worker has returned to work or not. There is wage loss even when someone is able to return to work. The current wage loss percentages appear to be arbitrary. In the scenarios if an injured worker makes \$300, \$600 or \$800 a week, everyone gets the same benefits. She doesn't think that is equitable. The benefits proposal just changes a few things as the basic system is sound.

Connie responded that Risk and Insurance Magazine highlighted Montana as one of the 5 worst states in terms of their workers compensation system. The status quo is not good. One of the things she likes about this proposal is the impairment is recognized as having a permanent effect. They will have wage loss for the rest of their life.

Annette stated that she agrees with Connie. We will need to fine tune, but what we are looking at here is the principle. The Voc Rehab we do now is not valuable. We need to use them to get workers back to work.

Doug said that the biggest cost driver in MT is duration. Giving more weeks is not the answer. RTW is the biggest thing. The proposal tries to shorten the duration. The COHE project reflects the 60 Summits. Education of the providers and the claimants on RTW results in an average savings of \$1,400 per claim. There will be unintended consequences that we will need to fix, no doubt. The cost drivers are hurting too many people and the duration off work. The system has to be more responsive to the claimants.

Bonnie Lyytinen-Hale stated that the emphasis has not been on return to work/stay at work. We can make a difference there rather than focusing on the settlement of claims. Sitting at home waiting for MMI is detrimental. Pay for voc rehab at the beginning of the claim rather than the end of it. The shorter the time off work, the better.

Bob stated that there was a conscious discussion last year that we needed to look at fixing the entire system, not just parts. We have rubs in the system; let's tweak what needs to be tweaked.

Danny said I make a motion we vote. Annette seconded.

Jason suggested this group can look at this later and make tweaks as necessary.

Riley stated that there will always be examples that are inequitable. We have looked at making tweaks since 1981 and it hasn't worked. We need to look at the whole system.

Don opined that we need to change the mindset to support WorkSafeMT, which is where the savings will come from. There will be a saving on the medical side.

Danny made a motion to vote on the new benefit delivery proposal--A through E and Fifth edition.

Don abstained. Aall others voted aye and the motion passed.

A question came up about Section D which has an alternative. Jerry explained that you can leave it at 50%, or raise it up to any range to a 100%. Wait until you see the costs.

Don suggested raising PPD rate to 100%, Jason seconded it.

Frank Neuhauser reviewed the pricing.

Jerry suggested agreeing to a set of assumptions and then ERD and NCCI can work together to see the cost. WCRI is doing an analysis of the fee schedules compared to the rest of the nation. We are much higher than we need to be. Recommend we pay at Medicare plus 50%.

Annette stated that she has discussed this issue with the Finance Director at St. Vincent's, but she needs to review the numbers. He believes they are currently seeing a 16% profit.

Don moved that we use 150% of Medicare reimbursement rate for modeling. Riley seconded the motion, and it passed unanimously. Don motioned moving to PPD at 100% of AWW. Jason seconded. Passed unanimously.

Frank said that the premiums in 2009 were used with NCCI recommendations for 2010. He does not think that the impact of the sixth has occurred yet.

Ryan Morton reminded the Council that 60% of the claimants were capped at the PPD rate in the data modeled by ERD.

Bob voiced concern over the 14 day accept or deny time as possibly causing additional concern for claimants because the insurer will have to deny because they don't have medical information yet. Doug responded that waiting up to 6 weeks for that first check is an undue hardship.

Bob stated that the issue is waiting for the medical information. Is there another way to address this? Doug responded, I think you will lessen the foreclosures. I don't have a problem with sending out a 608 letter. Danny added that the longer you go the quicker they are to get an attorney. We look at it as an attempt to starve the person out.

Annette stated that HIPAA gives 30 days to get the medical records out. Providers use vendors for copying. We will see more 608 letters which isn't a problem if there is good communication. I am in favor of 14 days.

Ann Clayton said based on the national inventory, approximately 18 states have a 14 day pay or deny statute. For accidents, she has heard that it is not a problem; it is the other cases that take longer.

Jason moved that we accept the 14 day accept or deny provision, Jacquie seconded. The motion passed unanimously.

Retroactive payments at 14 days

Frank reported that this provision will add \$4 million in additional cost.

Bill said he is comfortable with 21 days of TTD triggering the retroactive payment.

Don moved for adoption of the 21 day retroactive period. The motion was seconded and passed unanimously.

Settlement Language:

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Judy walked the Council through the proposed statutory language and a form for estimating the future medical costs to be included with the settlement proposal.

Jason motioned acceptance of the settlement language, Don seconded.

Nancy Butler said the form requires detailing the costs eliminating the incentive for settling claims. The form may have more detail than what is needed.

Don requested a simple paragraph be included saying that Medicare interests must be considered. The detail form may be needed for the injured worker to know what they are giving up with the settlement, so they can make an informed decision.

Diane added we don't know that Medicare will not come back at the Department for approving something that did not consider Medicare's interests. Don't feel we need a detailed analysis of benefits only what portion of the settlement is for medical benefits. Fifty percent of the settlements are pro se claimants.

Judy stated the department does need something to know if the settlement is grossly inadequate.

Annette said that she likes the form. She would explain that information to the claimant anyway.

Bonnie Lyytinen-Hale said she likes the form. If you can outline what they are agreeing to then you have an informed claimant.

Approval of the language as drafted passed unanimously.

Provider Access Language:

Don stated that in the estimate we should look at 51% of what the NCCI projected based on the percentage of time the claimant prevails.

Judy reviewed language of SB285 introduced in the last session, with one change: new sub 4 in section 611 that prevents fees in excess of the amount of the benefit. The same concept is in section 612 and 614.

Don motioned that the language as passed out be adopted.

Larry Jones suggested striking 611(3) (b) because as it is the insurer who will have to pay the attorney fees if they have initially denied liability and then later accepts the claim.

Judy cautioned it was the original version that went to NCCI and was priced.

Don moved that with the language in 611(3)(b) stricken and the language reinserted in 612(4)(iv) with the addition of "less than 30 days prior to a scheduled court date" the Council adopt the language as handed out. Jason seconded.

The motion passed unanimously.

Frank reviewed the cost estimates revised to reflect the decisions that were made today. The benefit increases will cost \$13.2 million and the savings are \$92.6 million.

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Bill pointed out the ratio of savings to benefits has decreased significantly since we started these discussions.

Frank confirmed we are using more conservative figures now. He still expects the savings to be in the original range for the U&T guidelines.

Early RTW

Jason moved the proposed SAW/RTW process be placed into the full package. The motion was seconded by Danny and passed unanimously.

Riley moved that the Department develop a funding method for this proposal. It was seconded by Jason.

Tom Danenhour, MMIA, expressed a concern that several Plan I employers have these plans already and would not benefit from this proposal.

Larry Jones commented that this is a pass through cost to employers so we would have to go to insureds to see how they feel about it.

The motion was passed unanimously.

Don proposed that the Council go with 400 weeks of PPD with a July of 2013 implementation date.

Mike Taylor explained a week's change is easy to price and we will make it effective in the next rate filing.

Frank's calculations are that the change to 400 weeks will be \$3 million.

Jason questioned, how do we address triggers or delayed language? Could we work this out over the next several months?

Riley expressed concern over taking this to the EAIC with uncertainty in our proposal. We need to make a decision.

Bill stated he would like to bundle all expenditures to a trigger of savings.

John Bennion, Montana Chamber of Commerce, said the costs will be priced immediately. The benefit savings will take some time. The business equipment tax was tied to a federal government statistic. Need to look at a delayed effective date to make sure we have the savings.

Frank said the concern about recognizing the cost increases but not the decreases is overblown. The fee schedule impact will be seen immediately, if not in the rates, then in reserves and dividends.

Riley said I think letting the 2013 legislature have an opportunity to review it is a good thing.

Jerry suggested a series of implementation dates:

- Implement PPD at 75% of AWW effective July 1, 2011
- Implement PPD at 100% of AWW effective July 1, 2013

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- Implement adoption of 400 weeks maximum of PPD benefits effective July 1, 2013
- Implement ERTW effective July 1, 2011
- Fee schedule changes be in place on January 1, 2011
- Implement the 14 day accept or deny decision effective July 1, 2011
- Implement the retroactive benefit payment effective July 1, 2011
- Implement Parts 7,8, and 9 effective July,1, 2011
- Implement attorney fees effective July1, 2011

Don moved for the adoption of proposals as above with everything having an immediate effective date of July 1, 2011 except for 100% of AWW and the 400 weeks provisions be delayed until 2013. Bill seconded.

Marv Jordon asked if the Council wanted to consider funding for WorkSafeMT Jerry suggested that this be talked about at the next meeting.

The motion was adopted unanimously.

Riley made a motion to direct staff to develop a resolution in support of the WorkSafeMT funding.

Frank estimated benefit increase of \$7.9 million, savings of \$92.6 million with all of the proposals.

IV. Next Steps

Anne reviewed the U & T draft schedule - posted May 28th, RFP due date July 2, evaluations on July 15 and 16th, rules posted in August and implementation December 1, 2010

The LMAC is right on target on the timeline. In June the LMAC is scheduled to revisit exemptions, presumptive illness, fraud and cost shifting. Danny has asked to look at WorkSafeMT funding.

Riley, asked for a report on claims examiner certification.

U & T draft rules will brought to the next meeting.

At the next meeting, the LMAC can decide whether to have a 1 or 2 day meeting in July and August at the next meeting.

Riley stated that we have come a long way. Thanks to those who have come and participated and represented their interests. Thanks to Jerry and Diana and all of the ERD folks. Thanks to Ann and Frank for bringing the one element we have never had before.

V. Next Meeting

June 23rd, 9:00 to 5:00 at the Great Northern.