

Minutes
Labor-Management Advisory Council
June 23, 2010
Best Western Great Northern Hotel, Helena

Advisory Council members present: Lt. Governor John Bohlinger, Bob Worthington, Jason Miller, Annette Hoffman, Don Judge, Danny Lee, Doug Buman, Riley Johnson, Jerry Keck

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

Others present: Marv Jordan, MCCF; Larry Jones, Liberty NW; Will Lynn, DMC; Thom Danenhower, MMIA; Tim Fitzpatrick, MTSBA; Dwight Easton, Farmers Insurance; Bob Olsen, MHA; Pat Murdo, Legislative Services; Mark Schwager, RMC; Rick Clark, Plum Creek; Al Smith, MTLA; Chuck Hunter, MT House of Representatives; Joseph Sands, MSCOPFF; Douglas Neil, MT State Firemens; Andy Adamek, BKBH/Medtronic; John Gottbreit, Brentwood Services; nancy Butler, Carl Kochman, MSF; Ryan Morton, Teresa Graham, Kristine Shields, Bill Wheeler, Karen Wiles, Barb Gullickson, 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 workplan and noted the decisions that were made at the previous meeting that were shared with the Economic Affairs Interim Committee (EAIC). The recommendations in concept were accepted unanimously by EAIC. EAIC is waiting for the bill language from LMAC that will be worked on today.

Bob Worthington said he had concerns raised to him about the fees that medical providers are charging for independent medical exams. Jerry said this could be discussed during the fee schedule rule review.

IV. Report on the May 25-26 Economic Affairs interim Committee Meeting

Jason Miller reported on the EAIC meeting. He said it was a good moment for LMAC to get its work on the record. Bob thanked Riley Johnson for stepping in for him at the start of the EAIC meeting. Lt. Governor Bohlinger said he watched the meeting and was happy with the manner that everything was presented.

V. Comprehensive Package Draft Statutory Language

Judy Bovington, Department attorney, reviewed the language that had been revised after input received at the last meeting. A draft was circulated on June 10. Many comments were received since then and she incorporated some of them into the draft that she presented.

There were considerable comments and suggestions for changes to the draft language presented. Judy will take the suggestions and work on a new draft. There will be a subcommittee meeting of anyone who wants to participate on July 1, 2010, to do additional work on the language.

VI. Cost Drivers: Medical

Keith Messmer reported that Frank Neuhauser is continuing his evaluation of the facility fee schedules to determine what the base rates need to be set at to ensure that the schedules are paying 150% of Medicare as was recommended by LMAC and approved by EAIC. The Utilization and Treatment Guidelines Request for Proposal responses will be scored publicly on July 15th at the Great Northern and there will be a presentation from each of the applicants on July 16th. The Medical Director position, to be used primarily for utilization and treatment guidelines training and dispute resolution has been benchmarked and will be advertised soon.

Bob Olsen, Montana Hospital Association, commented that the fee schedule percentage being set at 150% of Medicare seems arbitrary. He suggested stepping back and relooking at the rate and seeing how it fits in the entire system of health care benefits. He is concerned that none of the savings will be passed on to employers. He also suggested moving to using the Medicare system and adding a multiplier to avoid the administrative costs of developing a different system for workers' compensation.

Annette Hoffman agreed with Bob Olsen and said she is concerned about moving to 150% of Medicare. She is concerned that access to care may be an issue as the initial response from the providers she has talked to is that they won't treat patients at those levels.

VII. Claims Examiner Certification

Barb Gullickson and Donna Kamany from the Claims Assistance Bureau presented an overview of the claims examiner certification program which is up and running.

VIII. WorkSafeMT

Carl Kochman recapped the WorkSafeMT efforts since the last meeting. He said they have had some success with fundraising for the program, lining up two solid commitments for money, one being substantial and ongoing. One other contribution is looking promising. Because of the visibility of the Safety Fest and the media campaign, the program is gaining momentum. The media campaign consists of two ads currently running on TV, radio, billboards and ads before the movies start in theaters. Another Safety Fest is being planned for Missoula on December 6-8 and for Great Falls or Bozeman in the spring.

IX. Public Comment

Doug Neil reported that there has been no action taken by the EAIC on the presumptive illness issue. The firefighters plan to take legislation to the next session establishing a presumptive illness for cancer. They had meetings with MaCO and Montana State Fund, but they went nowhere.

Pat Murdo reported that the EAIC will be meeting on June 29. She will be providing the members a copy of the bill and there should be someone from LMAC there to answer questions. The committee is also looking at sweeping certain funds such as the Workers' Compensation Administration Fund into the general fund.

Nancy Butler, Montana State Fund, said they are concerned about the attorney fee language and going back to the 5th edition of the Impairment Guide.

Al Smith, Montana Trial Lawyers Association, said he would like to see if there is willingness to consider employer penalties for unsafe work places such as they have in British Columbia.

Carl Kochman, Montana State Fund, Marvin Jordan, MCCF and Doug Buman discussed safety enforcement.

Don moved that the LMAC draft a resolution that the administrative fund not be swept into the general fund and that a portion be considered to be used for funding WorkSafeMT. Dan seconded. Riley said he supported the motion because the administrative fund was employer-funded for a specific purpose. The motion passed unanimously with Connie, Bill and Jacquie voting yes by proxy.

Next Steps:

The LMAC will revisit exemptions, presumptive illness and fraud at the next meeting and do work planning.

Bob asked staff to work with insurers to find out what is happening with IME fees and see what can be done.

The draft U&T Rules will be presented at the next meeting.

There will be a meeting on July 1 to review legislative language with the place to be determined.

Don reported that he will be gone for the next meeting and gave his proxy to Danny.

V. Next Meeting

There will be a two-day LMAC meeting on July 21st and 22nd at the Great Northern.