

ILLINOIS SELF-INSURERS ADVISORY BOARD
ILLINOIS WORKERS' COMPENSATION COMMISSION
MEETING MINUTES
June 3, 2014
Chicago, IL 10:30 a.m.

Board Attendees: Chairman Michael Latz, Gerald Cooper, John Rittenhouse, David Taylor and via conference call: Alex Alexandrou

Staff Attendees: Manager Maria Sarli-Dehlin, Barbara Bentivenga, Jean Cannon, Ron Rascia, and via conference call: Wendy Keithley and Kevin Leach

Chairman Latz called the meeting to order at 10:40 am. A previously prepared and posted agenda was distributed, a copy of which is attached.

I. Minutes

Upon motion by Alex Alexandrou, seconded by David Taylor, the minutes of the Board meeting held on April 1, 2014, were unanimously approved as presented.

II. Chairman's Report

Chairman Latz reported the Commission's FY2015 budget was approved with 4.6% increase. The budget included three IT positions to improve the Commission's technology, three investigators for the Insurance Compliance Dept., and law clerk positions to assist arbitrators.

The Chairman further reported that Senate Bill 3287 passed both houses and was waiting the Governor's signature. The bill provides that only service organizations that are wholly owned by the employer may be immune from a civil suit related to safety services or recommendations.

Chairman Latz also reported on two Appellate court decisions, Brais and Anderson, that both reversed the Commission.

III. Manager's Report

A. Security Fund Forecast

Maria Sarli-Dehlin presented to the Board the Security Fund forecast as of 3/31/2014. She reported that since the Security Fund assessment fund balance is \$1,814,015 an assessment was not being recommended.

B. FY2015 Budgets / Fund Balances

Maria Sarli-Dehlin presented to the Board the FY2015 Self-Insurers Security and Administration Funds budgets.

Maria Sarli-Dehlin reported she had discussed the FY2015 proposed budgets in detail with the Commission's CFO, and Budget Committee members Alex Alexandrou and David Taylor.

Maria Sarli-Dehlin also presented reports for the Security and Administration Funds that included current and past budgets, expenditures, revenue and fund balances. She stated that only 38% of the Security Fund's operating budget was spent at the end of 3rd quarter FY2014. Also, 51% of the benefits paid were from the employer's security and 49% were from assessments collected. She further reported that at end of 3rd quarter FY2014, the Administration Fund's expenditures exceeded revenues and that 73% of the budget was spent.

Thereafter, the Chairman moved to go into closed session to discuss personnel matters and the litigation report pursuant to 2(c)11 of the Open Meetings Act. The Board voted unanimously to adjourn the public portion of the meeting, after which the Board convened in closed session.

After discussion in closed session, the Board convened in open session.

VIII. Vote

1. FY2015 Budgets

Upon motion by Alex Alexandrou, seconded by David Taylor, the Board voted unanimously to approve the FY2015 budgets of \$108,480 for the Security Fund and \$264,174 for the Administration Fund.

2. Claim Administration Fee

Upon motion by David Taylor, seconded by Gerald Cooper, and unanimously carried the Board agreed to deduct the fees as proposed for FY2014.

3. Medical Bill Review Services

Upon motion by Alex Alexandrou, seconded by John Rittenhouse, and unanimously carried the Board agreed to use Equian to review medical bills starting FY2015.

4. Consolidated Freightways

Upon motion by Gerald Cooper, seconded by David Taylor, and unanimously carried the Board agreed to transfer the balance from the restricted portion of the Security Fund into the unrestricted portion of the Security Fund.

5. City Beverage

Upon motion by John Rittenhouse, seconded by Gerald Cooper, the Board agreed to schedule an informal hearing. Board member David Taylor recused.

6. Franciscan Sisters of Chicago Service Corp.

Upon motion by Gerald Cooper, seconded by David Taylor, and unanimously carried the Board agreed to grant the petition in part and reduce the security requirement. If the company does not accept the terms, a hearing will be scheduled.

7. Metro Staff Inc.

Upon motion by Michael Latz, seconded by David Taylor, and unanimously carried the Board agreed to grant the petition in part and reduce the security requirement based on the audited reserves.

There being no further business, upon motion by David Taylor, seconded by Gerald Cooper, the Board voted unanimously to adjourn the meeting, the meeting adjourned at 11:40 am.

The next meeting of the ISIAB is scheduled for September 10, 2014 at 10:30 am in the Chicago office.