

Meeting notes: Workers' Compensation Insurers' Task Force (WCTIF)

Date: May 21, 2025

Minutes prepared by: Katrina Namad

Location: Hybrid – Minnesota Room at the Department of Labor and Industry (DLI), 443 Lafayette Road N., St. Paul, MN

Members present

Gary Westman, co-chair
Lee Ingrassia, Co-chair
Angie Andresen (remotely)
Sarah Groskreutz (remotely)
Stacy Kohlnhofer (remotely)
Deb Norsten
Steve Patton (remotely)
Michael Schneider (remotely)
Ryan Shaughnessy (remotely)
Lee Ziegler (remotely)

Members absent

Evan Cordes
Matthew Fasse
Mike Johns
John Wiatros

DLI staff members present

Abdi Takhal (remotely)
April DelCastillo (remotely)
Bretta Hines
Brian Mak
Denise Holmes
Ethan Landy
Jeanne Vogel
Jessica Stimac, assistant commissioner
Joe Lolich
Katrina Namad
Lisa Wichterman
Michelle Doheny
Sandy Stoddard
Sharon Benkufsky (remotely)
Tom Garza (remotely)
Virginia Prax (remotely)

Visitors present

Catherine S.

Agenda items

1. **Call to order** – The meeting was called to order by co-chair Gary Westman at 9:02 a.m. Roll call was taken. Brief introductions were made.
2. **Legislation and rulemaking updates, DLI Office of General Counsel – Bretta Hines** –

- Rehabilitation rules for qualified rehabilitation consultant (QRC) and QRC intern registration are being updated with publication in the *State Register* pending Work Comp Campus updates. It is anticipated the rules will be adopted in June.
- The Workers' Compensation Advisory Council (WCAC) bill has passed the Legislature and awaits the governor's signature.
 - **Effective dates:** Most changes take effect the day after final enactment, with one housekeeping amendment applying to injuries on or after Oct. 1, 2025.
 - **Minnesota Statutes 176.011:** Clarifies "employee" status for direct support professionals in Department of Human Services programs, fixing a cross-reference without altering qualifications. Also defines corporate executive officers based on charter, bylaws or statutes.
 - **Minnesota Statutes 176.041:** Aligns workers' compensation exclusions with the updated corporate officer definition.
 - **Minnesota Statutes 176.135 and 176.361:** Considering *McKissick v. Bor-Son Construction*, expands "family member" definition for nursing services to include household members, persons like long-term partners and fiancés for nursing services. Related to intervention, a family or household member failing to intervene will not foreclose their claim for reimbursement for nursing services.
 - **Minnesota Statutes 176.151:** Standardizes the three-year statute of limitations, putting the Special Compensation Fund on the same footing as other filers regarding the three-year statute of limitations.
 - **Minnesota Statutes 176.175:** Increases the amount of workers' compensation benefits protected from seizure from \$1 million to \$10 million. Applies to injuries on or after Oct. 1, 2025.
 - **Minnesota Statutes 176.421:** Removes the requirement to file a copy of a notice of appeal with the commissioner, because DLI receives a copy via the Office of Administrative Hearings (OAH) interface.
 - **Minnesota Rules 5220.2840 repeal:** A previously uncodified provision was incorporated into statute last session, enabling the repeal of the rule this year.
- The next set of legislation is largely effective Jan. 1, 2026, and relates to the construction industry.
 - **Minnesota Statutes 176.011:** A new definition for the term zero estimated exposure policies, or "if any" policies, will be added to Minnesota Statutes 176.011 effective the day after final enactment.
 - **Minnesota Statutes Chapter 79:** A new section requires construction employers applying for zero estimated exposure policies to attest they have no employees and provide accurate exposure details. If employees are hired, insurers must be notified with payroll and classification

codes. Fraudulent misrepresentation is a criminal offense. Changes apply to policies issued or renewed on or after Jan. 1, 2026.

- **Minnesota Statutes 176.185:** Standardizes insurer reporting for zero estimated exposure policies, requiring total exposure and classification codes. Requires construction employers with zero estimated exposure policies to notify contracted entities of their policy status and provide a copy upon request, with records retained for three years. Changes take effect Jan. 1, 2026.
- **Minnesota Statutes Chapter 79:** A new section covers owner and contractor-controlled insurance programs, consolidating workers' compensation policies for large construction projects. This section sets out the requirements for the program and application.

3. DLI Assistant Commissioner Jessica Stimac –

- Efforts focused on securing an operational budget increase for workers' compensation staffing continue. The regular session ended without a finalized budget, but the increase remained noncontroversial in both House and Senate versions. A special session is expected soon to finalize the budget.
- The WCAC bill was approved by both chambers and awaits the governor's signature, with enactment timing dependent on post-signature procedures.
- Staffing updates: Jeanne Vogel, former Vocational Rehabilitation unit (VRU) director, assumes the role of assistant director in the Special Compensation Fund. Michael Haire, previously a VRU supervisor, becomes the new VRU director. These leadership transitions bring positive changes to the Workers' Compensation Division.
- Collaboration continues with the University of Minnesota on the post-traumatic stress disorder (PTSD) study, with the final report due Aug. 1. Efforts are focused on delivering a meaningful analysis for stakeholders. A presentation about the study will be arranged for the next meeting, pending leadership interest.

4. Training videos about submitting second injury (SI) and supplementary benefit (SB) claims – DLI Special Compensation Fund – Karen Kask-Meinke –

- Two instructional videos were created for claims adjusters to assist with annual reimbursement claims in Campus, supported by Jo Burr and Jess Larson in DLI's Business Technology Office. Narrated by Burr, the videos offer high-quality guidance and are available on the department's YouTube channel for independent viewing. The resources clarify submission procedures for insurers, self-insurers, attorneys of record and third-party administrators (TPAs).
- Annual claims must be filed under the insurer or self-insurer, with payments directed to TPAs in care of the insurer. Claims can be saved as drafts for later completion. Reimbursement dates must be accurate and non-overlapping, with proof of life required for permanent total disability benefits. Second-injury claims need medical records, EORs, EOBs, pharmacy charges and/or dispensary fees. Social Security documentation is essential, because outdated records can affect payment accuracy. Adjustments will be made based on verified Social Security rates.

- Claims adjusters must select the annual claim for reimbursement, specifying second injury or supplementary benefit. The injured worker’s claim number, benefit status and final claim designation are required, along with supporting documentation for settlements or death claims. The process involves multiple steps, all of which must be completed. Instructional videos on the department’s YouTube channel provide guidance, with the supplementary benefits video being slightly shorter.
- Supplementary benefit claims require detailed benefit information, including payment dates, rates and offsets, which must be completed for annual submissions. Submitting SB and SI claims together improves efficiency by reducing verification needs. The instructional video explains the 5% offset and references *Kaisershot*, though its use is limited. A link will be shared for further review. Final screenshots include contact information. Viewers are encouraged to watch and provide feedback. These resources serve as valuable training tools amid industry turnover.
- Questions for Karen Kask-Meinke:
 - Has the task force addressed difficulties in obtaining Social Security data for claims processing? Some cases lack access or worker cooperation, delaying reimbursements. Previous outreach to DLI provided limited solutions. Are there mechanisms to improve compliance?

Answer (Kask-Meinke): Obtaining Social Security data remains challenging due to federal system changes. Efforts continue to restore access for benefit payments and reimbursement claims. Similar issues arise with uninsured and bankrupt self-insured claims, relying on worker authorization or benefit statements. Adjustments are made for cost-of-living increases, though inaccuracies may occur.

- Is there a time limit for saving a draft?

Answer (Kask-Meinke): We will inquire and provide an answer.

- Efforts to streamline Social Security data access include using the federal portal, reducing reliance on authorizations and wait times. Adoption is improving with department guidance, but some claims remain challenging due to withheld information. Given reimbursement requirements by the Workers’ Compensation Reinsurance Association, the Special Compensation Fund and the Second Injury Fund, how can we collaborate to mitigate delays while addressing cases where information cannot be obtained?

Answer (Kask-Meinke): This challenge is acknowledged and the team will be reminded of its impact.

5. **Future agenda items** – Reach out to co-chairs Lee Ingrassia and Gary Westman if you have future agenda items.
6. **Next meeting** – The next WCITF meeting will be Sept. 17.

Adjournment

Westman declared the meeting adjourned at 9:49 a.m.