

Meeting minutes: Rehabilitation Review Panel

Date: April 4, 2024

Minutes prepared by: Katrina Namad

Location: Hybrid – Minnesota Room at Department of Labor and Industry, 443 Lafayette Road N., St. Paul, MN and via Webex.

Members present

- Carl Crimmins
- David Dubovich (remotely)
- Jessica Stimac
- Megan Schueller (remotely)
- Mike Anderson
- Monica Cronin
- Paul Osterbauer
- Richard Hills
- Richard Zeman
- Russell Gelfman
- Sarah Hunter (remotely)
- Steven Patton (remotely)

Members absent

- David Frary
- Matthew Schmidt
- Rob Otos
- Scott Parker

DLI staff members present

- Alexis Johnson
- April DelCastillo
- Bretta Hines
- Brian Mak
- Brian Zaidman (remotely)
- Chris Leifeld
- Denise Holmes (remotely)
- Ethan Landy
- Hared Mah
- Jeanne Vogel (remotely)
- Jeff Hendrix
- Jenny O'Brien (remotely)
- Katrina Namad
- Michelle Doheny
- Mike Hill
- Mike Solheid
- Pam Carlson (remotely)
- Patti Provencher

Visitors present

- Ames Gascoigne (remotely)
- Amy Hunter (remotely)
- Andy Le
- Steve Hollander (remotely)
- Tyler Walls

Agenda items

1. **Call to order** – Chair Carl Crimmins called the meeting to order at 1:03 p.m. A roll call was taken and a quorum was met.
2. **Approval of agenda** – a motion to approve the agenda was made by Sarah Hunter and seconded by Russell Gelfman. A roll call vote was taken and the motion carried.

3. **Approval of previous meeting minutes** – a motion to approve the Jan. 4, 2024, meeting minutes was made by Richard Zeman and seconded by Richard Hills. A roll call vote was taken and the motion carried.
4. **DLI updates – Assistant Commissioner Jessica Stimac**
 - Assistant Commissioner Jessica Stimac introduced herself as the new assistant commissioner. She noted she most recently served as the Department of Labor and Industry’s (DLI’s) chief general counsel and had worked in almost all areas of the Workers’ Compensation Division.
 - Most of her work since taking on this role has been with the Workers’ Compensation Advisory Council (WCAC). Stimac said she has testified three times about the WCAC’s bill, which has 50 sections with amendments to chapter 176. She said she hopes it will go to the floor of both the Minnesota House and Senate shortly.
 - Stimac introduced new Compliance, Records and Training (CRT) supervisor Joe Lolich, who replaced the retired Ralph Hapness. She also indicated Mike Hill will be retiring, with his last day as May 3. Stimac thanked Hill for his service and said Chris Leifeld will be posting the rehabilitation policy specialist position soon and to reach out to Leifeld if you have any questions about the position.
 - In a follow-up to the request for a presentation by the Minnesota RETAIN program, Stimac reported it is scheduled for the July meeting.
5. **Education – Assistant Commissioner Jessica Stimac**
 - The Minnesota Workers’ Compensation Symposium is May 8.
 - DLI’s Workers’ Compensation Summit is planned for the end of October. Michelle Doheny is in charge of planning the event and is looking for topic ideas and presenters. Please reach out to Doheny with your suggestions.
6. **Business Technology Office Work Comp Campus update – Jeff Hendrix and Mike Solheid**
 - Jeff Hendrix spoke briefly about the history of the Business Technology Office (BTO) and what it has done so far. In 2023, there was a need to upgrade the underlying technology platform that supports Work Comp Campus’ back end. Now, in 2024, it is focusing on making Campus more user-friendly.
 - Specifically, based on a BTO 2023 survey, the focus will be on document organization, data structure, user experience and design.
 - The previous Campus vendor released large quarterly updates in Campus. BTO will be making smaller updates in Campus every two weeks, which should be less disruptive for stakeholders. BTO’s plan is to have technology fit the stakeholder rather than make the stakeholder conform to the technology.
7. **Workers’ Compensation System Report: Vocational rehabilitation – Hared Mah**
 - Hared Mah, DLI Research and Data Analytics, said DLI’s data is adjusted for inflation when comparing different years.
 - The first statistic he showed was paid claims per 100 full-time-equivalent workers, which indicated claim rates have been steadily declining during the past 20 years. There was a slight increase due to the influx of COVID-19 claims. However, if COVID-19 claims are not counted, the data is consistent with previous years. Mah reported there has been a downward trend in system costs relative to payroll, which has decreased about 46% over 20 years.
 - Mah also showed a breakdown of the cost of workers’ compensation (2022 values), with medical benefits being the largest expense at 33.5%, followed by insurers expense at 31.5%, indemnity benefits at 30.3%, vocational rehabilitation benefits at 2.7% and, finally, by state administration costs at 2%.
 - Mah said the average duration of vocational rehabilitation services, which has been relatively stable, only changed slightly from 15 months to 13 months. Rehabilitation plan completion was about 48%

in 2023 and the plans closed by settlement was 33% in 2022. Return-to-work status was at 60% in 2023, a 2.7% decrease from 2022.

- Mike Anderson asked if the 31.5% insurance expense was related to the insurer's payroll and other administrative expenses rather than indemnity benefits for the injured workers. Mah confirmed this was correct. Anderson said vocational rehabilitation services are only 2.7% of the costs, or about \$46 million, and with 4,767 rehabilitation plans filed last year, divided by 265 qualified rehabilitation consultants (QRCs), this breaks down to 18 rehabilitation files for each QRC, each year. Anderson expressed concern that 50% of the cases are settling or going away without some type of vocational resolution.

8. Rulemaking – Ethan Landy

- In January, the decision was made for the department to move forward with adopting the revised Minnesota 5220 rehabilitation registration rules. Using the rule process chart, Ethan Landy, DLI Office of General Counsel, reported DLI is waiting for the governor's office to review the proposed rules.
- Following the return of the rules, the next step is to send the Notice of Intent to Adopt Rules. DLI will send information to all interested parties, so they have a chance to submit comments. DLI will keep the panel updated at future meetings about where DLI is in the process.
- Anderson asked how long this process would take. Landy said he could not give an exact timeline, but that there are requirements for timing for rulemaking and DLI continues to work on the rule, so it is ready for Office of Administrative Hearings review.

9. Mediation and settlement process – Brian Mak and Patti Provencher

- Brian Mak, DLI Alternative Dispute Resolution (ADR), introduced Patti Provencher, an ADR mediator and arbitrator. Mak said ADR facilitates the resolution of workers' compensation disputes in a timely manner.
- ADR tries to resolve disputes on the front end, such as an issue that may be due to a matter of miscommunication and that can be resolved in a few phone calls. If there is no resolution, an administrative conference is scheduled with the parties to discuss the issues involved. After that, ADR will issue a decision within 30 days. The decision is binding unless someone wants to appeal it to the Office of Administrative Hearings.
- Mediation is a voluntary process in which all sides must agree to a mediation. Most of the time attorneys participate in the mediations and not unrepresented employees.
- Anderson asked how many rehabilitation conferences there were in the past five years. Mak did not have the number and asked Provencher what she thought it was. Provencher said she presided over an equal number of rehabilitation conferences and medical conferences.
- Anderson also asked how the ombudsman fits in the process. Mak said when stakeholder issues are more complex than they can handle, the stakeholder will be referred to the ombudsman, who will unravel the issues and help the employee figure out what to do.
- Anderson asked if ADR keeps track of how many appeals go to the Office of Administrative Hearings after a decision and order has been filed. Mak said no, after a decision and order is issued, ADR closes its file.

10. Future agenda items –

- Monica Cronin said she is looking forward to hearing about the Minnesota RETAIN program.
- Crimmins asked about the continued need to make green meeting statements in future agendas. Landy said he would look into the possibility of removing it.

- Anderson asked if the panel was able to receive copies of panel meeting recordings so members could revisit what had been previously discussed. Landy said the recordings are not posted anywhere but are available if members are interested.
- No other agenda items were brought forward.

11. **Next in-person meeting** – the next in-person meeting is Thursday, July 11, at 1 p.m.

Adjournment

A motion to adjourn the meeting was made by Gelfman and seconded by Hills. A roll call vote was taken and the motion carried. The meeting was adjourned at 2:26 p.m.