

Meeting minutes: Workers' Compensation Advisory Council

Date: July 17, 2019

Minutes prepared by: Executive secretary to the Workers' Compensation Advisory Council

Location: Department of Labor and Industry, 443 Lafayette Road N., St. Paul, MN 55155

Attendance

Members attended

Jeff Horner
Walter Frederickson
Lauryn Schothorst
Bill McCarthy
Gary Thaden
Dennis Galligan
Russell Hess
Colin Beere
Maggie Hobbs
Robert Ryan

Legislative liaisons attended

Representative Mike Sundin
Senator Paul Utke
Representative Tony Albright

Visitors attended

Shawn Strickler, STM
Lynn Carroll, WCRA
Deb Anger, LMCIT
Don Greensweig, LMCIT
Rob Boe, LMCIT
James Heer, WCRA
Brian Peters, MPPOA
Nick Zerwas, MN House
Jeremy Estenson, Stinson
Patricia Milun, WCCA
Brad Lehto, AFL-CIO
Suzanna Kennedy, MEWCA
Gary Westman, Department of Administration
Brandon Miller, MWCIA

DLI staff members attended

Sandy Barnes
Kate Berger
David Berry
Pam Carlson
Ethan Landy
Chris Leifeld
Commissioner Nancy Leppink
Brad Morse
Donna Olson
Deputy Commissioner Roslyn Robertson
Jessica Stimac
Jeanne Vogel
Brian Zaidman
Laura Zajac

Dean Salita
Phil Moosbrugger, Department of Commerce
Cody Marks, Corvel
William Marshall, Office of Administrative Hearings
Deb Norsten, SFM
Kristen Ohlson, MDCA
Matt Doughty, Minnesota Firefighters
Lauryn Schothorst, Minnesota Chamber of Commerce
Eric Pratt, Minnesota Senate
Wendy Wulff
Lauren Weaver, Stinson
Amy Strens, PERA
Kathy Bray, SFM
Bette Zerwas, North Memorial
Amanda Levitt, Minnesota Firefighters

Call to order and roll call

- Commissioner Nancy Leppink called the meeting to order at 9:50 a.m.
- A verbal roll call was taken and a quorum was present.

Approval of the minutes

Commissioner Leppink asked for approval of the minutes from the most recent Workers' Compensation Advisory Council (WCAC) meeting. Bill McCarthy moved to approve the minutes from the April 10, 2019 meeting, Gary Thaden seconded the motion and all voted in favor to approve the minutes.

Approval of the agenda

Commissioner Leppink asked for a change to today's agenda. Item (d) will be deleted from the agenda. McCarthy made a motion to approve the agenda with the change and it was seconded by Thaden. All voted in favor and the amended agenda was approved.

Announcements

Commissioner Leppink announced there was a new member of WCAC: Maggie Hobbs from Patterson Companies. Leppink also announced Interim Chief Administrative Law Judge William Marshall was present and welcomed him.

Agenda items

a. Commissioner update

The one proposal to the Legislature in the most recent session focused on the Workers' Compensation Modernization Program (WCMP). That legislative proposal was agreed to by the legislation and signed by the governor. That legislation also included changes that were proposed to the Union Construction Workers' Compensation Program that were amendments to Chapter 176. Consequently, recommendations made by WCAC were accepted and approved.

The other thing, in terms of the update, is there were a few takeaways from the session. That mainly had to do with a strong affirmation of the role of WCAC. However, the feedback the department received is that future recommendations made by WCAC to the Legislature will need to be presented to the Legislature earlier in the session. This is important so the Legislature can play its role in terms of their research and review of our recommendations. Leppink proposed to WCAC members that the group work toward a deadline of the first week of January 2020 to have all decisions made related to its recommendations. WCAC

will plan on meeting at least once a month until January 2020 to reach that goal. Stakeholders will also have to provide feedback during this timeline to reach deadlines as early as possible.

b. Legislative proposal – SF1109/HF478

The commissioner introduced Rep. Dean Urdahl, Minnesota House of Representatives, and Matt Doughty, founder and member of Firefighters with PTSD, to speak on behalf of this legislative proposal. Leppink indicated this proposal would not amend chapter 176; however, it does have implications that would impact the workers' compensation system. WCAC can either support or decide not to support such a proposal.

Urdahl said he was made aware of the growing concerns of mental health issues that affect firefighters and first responders initially by Julie Blaha, the state auditor. In March, the auditor released a report of the Volunteer Fire Relief Association. The report indicated that while the financial health of the fund was good, there was concern with the health of the firefighters. The report also said the auditor's office will continue to monitor the magnitude of survivor and disability payouts and the financial impacts on these pension funds. A large increase in the amount paid to survivor and disability benefits is cause for concern. The amount paid in survivor and disability benefits increased by 101% between 2016 and 2017. It is a big problem and it is a growing problem. Urdahl said the proposal today establishes a grant program to help firefighters and first responders with post-traumatic stress disorder (PTSD). Two components are service dogs and counseling for those affected and their families. He asked for the support of WCAC in getting this grant funding approved for the next session.

Doughty gave a brief history of the organization he represents and said he is post-treatment therapy and is now in a position to pass on what he has learned to others in the form of public awareness training. There are four areas where his group is focused: providing service dogs for those with PTSD; public awareness training; reimbursement and help with financial stability; and providing outings for first responders and their families. He stressed the grant program is needed because, while his organization can raise funds for some costs, there is still a great need for financial help.

To train service dogs, including vet bills, boarding, training, etc., the organization estimates it costs between \$10,000 and \$20,000. Fundraising is done for the majority of outings for the families, but it does not cover the costs of training for the dogs or the cost of some financial assistance for those needing help or treatment.

There were some questions and comments, including the following.

- Because the department is still working on treatment parameters for PTSD, how will this proposed legislation interact with the parameters?
- There needs to be discussion about how to deal with traumatic events immediately after they occur, such as having ways to defuse the trauma; this is going beyond the workers' compensation area.
- How will the language in the two separate bills be resolved, because they are now different in terms of the demographic of those treated.

The commissioner suggested the group hold off discussions until after the second proposal is completed.

The legislative proposal for the above is attached to these minutes in its entirety.

c. Legislative proposal – SF2022/HF1738

The commissioner introduced Sen. Eric Pratt and Wendy Wulff to speak about the proposal.

Pratt explained this legislative proposal will instigate a study to be done about the benefits for injured and disabled police officers. Wulff's husband was a commander of the Minneapolis Police Department bomb squad and suffered a debilitating injury 14 years ago.

Wulff explained her husband's injury was in 2005 and he is still unable to care for himself. In 2008, a bill was introduced to the pension commission that would increase the Public Employees Retirement Association (PERA) permanent total disability pension for all disabled police and firefighters from 60% to 75%. That was opposed by the pension commission because they were concerned about the overall cost. As a stop-gap measure, they agreed to increase just her husband's pension from 60% to 75%. Shortly after, the pension fund ran into financial issues and the pension fund had to focus elsewhere.

She stated she is looking for support for a joint study by the Department of Labor and Industry (DLI) and PERA that would begin a study about the police disability benefit adequacy. Specifically, looking at workers' compensation and PERA benefits for police officers who are disabled in the line of duty. She said the study will address what she feels are those inequities along the way.

Thaden commented he felt it would be best to have the proposal separate from chapter 176 because it is a more prudent way to proceed, but for DLI to cooperate with the pension commission in a study would also be beneficial.

Leppink stated DLI would engage and put its best effort forward if this legislation were enacted in terms of a joint study with PERA about the police disability benefit adequacy.

Regarding the first matter, dealing with supporting a grant program for first responder and veterans with PTSD, the council can provide advice to the Legislature related to support for this measure. But DLI will have to take into consideration how this measure will coordinate with the work already being done related to PTSD, the treatment parameters and provision for care under the workers' compensation system. These are matters WCAC will have to consider.

As for the proposal related to the study, the second matter (c), she said that while this would not directly amend chapter 176, it certainly relates to what could result in the amendments to chapter 176. She asked for comments and recommendations from the group.

Thaden said he would propose not moving forward with either one of these right now. It is unknown how the first proposal (b) will interact with the proposed rules on treatment parameters that are still being developed. Neither of these proposals directly affect chapter 176 and it would be best to put together a comprehensive proposal before the Legislature and study the matters further.

McCarthy said while he supports the two proposals in theory, he would like to know in more detail how these two matters effect the work of WCAC. He thought more information and updates are needed.

Walter Frederickson questioned why a legislative proposal is needed to do a study.

Leppink answered that while DLI has a degree of discretion to engage in research and data collection, if the Legislature is advising us and directing us to study a matter and it is a priority, then of course it makes it clear this is something we need to direct our resources to. In addition, if you have proposed legislation, DLI is in a position to prepare a fiscal note so we can actually engage in that calculation and engage with PERA to determine what would be required to complete a study.

The commissioner proposed the following for the next meeting.

- For the first legislative proposal (b), DLI could provide a briefing about where there may be implications for the current work being done regarding PTSD treatment parameters and to what degree there could be some things addressed in the proposed legislation. While WCAC may not want to weigh in on the proposal, at least the members would have more information regarding the issue.
- For the second matter (c), the department can give the members an estimate of what a study would cost, at least from DLI's perspective. At a minimum, we can then have a sense of how much time it would take from the department's side. If DLI cannot provide an approximate cost at the next meeting, at least a timeframe will be provided.

Thaden commented this may effect more than PERA; it may also effect the pension commission.

The legislative proposal for the above is attached to these minutes in its entirety.

d. Update about the Workers' Compensation Modernization Program – Brad Morse, program director

The commissioner introduced Brad Morse to explain the update and provide the members an opportunity to ask questions. DLI made a commitment to keep people informed about the status of WCMP and its Work Comp Campus product.

Morse explained the project is on time and on budget. The Work Comp Campus team is building the system in small pieces, testing each part and going back to build additional features. Morse explained they are building external functions at this time. By taking this measure, the external stakeholders are able to be part of testing the system.

With the system's ability to exchange data and get documents from the C-Track system at the Office of Administrative Hearings (OAH), injured workers can view any dispute documents. The event scheduling calendar will show all events for Campus. They will have to login to C-Track to see those coming events in C-Track.

Morse explained the system is being built with user experience at the forefront and implementation is taking a phase-by-phase approach. This method engages stakeholders throughout the process. The system is on track to go live by summer 2020 with continuing efforts to make necessary changes and modifications if needed. All stakeholders will have an opportunity to test the system before it goes live to the public.

It was asked that if a person logged into Campus, would he or she be able to view events in C-Track at OAH. Morse explained they could not view those events unless the events were on the Campus calendar. Thaden

said he believes there is a shortcoming, because an injured worker will have to log in to both systems to see all events.

A copy of the slide presentation is attached to these minutes.

Other business

The commissioner announced the next meeting dates: Aug. 14, Sept. 11, Oct. 9, Nov. 13 and Dec. 11, 2019.

Adjournment

The meeting adjourned at 12:20 p.m.

Respectfully submitted,
Executive secretary