

Meeting minutes: Workers' Compensation Advisory Council

Date: Oct. 9, 2024

Minutes prepared by: Alyssa Westergard, executive secretary to the Workers' Compensation Advisory Council

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

Attendance

Members attended

Bernie Burnham
Burt Johnson
Colin Beere
David Henrich
Doug Loon
Gary Thaden
Hannah Alstead
John Thorson
Maggie Hobbs
Matthew Schmidt
Nicole Van Heel
Sen. Jennifer McEwen

DLI staff members attended

Commissioner Nicole Blissenbach
Assistant Commissioner Jessica Stimac
Alyssa Westergard
April Del Castillo
Bretta Hines
Brian Mak
Brian Zaidman
Carey Wagner
Denise Holmes
Donna Olson
Emily Streier
Hared Mah
Jeanne Vogel
Jeff Hendrix
Joe Lolich
Josiah Moore
Karen Kask-Meinke
Laura Zajac

Michael Gray
Michelle Doheny
Nichole Sorenson
Sharon Benkufsky
Yuri Jelokov

Visitors present

Alison Khan, WCRA
Andrea Rau, Winthrop
Auntara De, MWCIA
Brad Lehto, AFL-CIO
Carla Ferrucci, MAJ
Carrie Jacobson, Brown and Carlson
Dana Gerber, Atkinson Gerber
Daniel Dwight, Stinson LLP
Daniel Gillis, Minnesota Senate
Deb Norsten, Hennepin County
Evan Cordes, WCRA
John Reynolds, NFIB
John Wiatros, Mackinaw Administrators
Joe Carlson, MAJ
Kara Huberty, LMC
Karen Ebert, MCIT
Kate Moulton, Allina
Kathryn H. Carlson, OAH
Kathy Bray, SFM
Katie Storms, MDLA/Lind Jensen
Laura Mundt, Mayo
Lauren Reller, Stinson
Lauryn Schothorst
Mark Freeman, Teplinsky Law Group
Marta James, Minnesota House of Representatives
Michael Tupy, Hennepin County
Rebecca Yang, WCRI

Ryan San Cartier, MMCA/NECA
Sandy Stoddard, UCWCP

Steven Hollander, Vocational Rehabilitation
Associates
Suzanna Kennedy, Stinson

Call to order and roll call

Commissioner Nicole Blissenbach called the meeting to order at 9:36 a.m. A roll call was taken and a quorum was present.

Approval of the minutes and agenda

Bernie Burnham moved to accept today's agenda and the minutes from March 13, 2024. Doug Loon seconded the motion. A roll call vote was taken and the motion carried.

Announcements

Commissioner Blissenbach noted there will not be a Workers' Compensation Advisory Council (WCAC) meeting in November and, instead, the next meeting will be in December, with the hopes the additional time will give both sides a chance to get their legislative proposals for 2025 ready to present to the council.

The commissioner also gave an update about items the Department of Labor and Industry (DLI) has been working on, such as budget formation discussions with the governor's office and interagency collaboration around those discussions. Commissioner Blissenbach said she has also been serving on the Misclassification Task Force through the Attorney General's Office. The task force is currently focusing on different tests the state uses to determine the existence of an employee-employer relationship.

Assistant Commissioner Jessica Stimac gave an update about the post-traumatic stress disorder (PTSD) study DLI is working on with the University of Minnesota. Data was gathered over the summer from various entities and, this fall, the study is moving into the stakeholder engagement phase. Assistant Commissioner Stimac also explained the study will be looking at a survey of stakeholders and key informant interviews, and that it is anticipated the University of Minnesota will be giving an update to the council at the December meeting.

Assistant Commissioner Stimac gave an overview of some recent staffing changes and open positions at the department, as well as a quick summary of all the rulemaking work that has been happening. She noted annual updates to the workers' compensation fee schedule and maximum fees are in effect for medical and rehabilitation services provided on or after Oct. 1, and that those rates were published in *COMPACT* and the *State Register*. She also recognized the council for its meaningful work in helping to improve the workers' compensation system.

Agenda items

1. Workers' Compensation Division overview – Workers' Compensation Division Leadership, DLI

Brian Mak, director, Alternative Dispute Resolution (ADR), introduced himself and gave an overview of the workers' compensation system, as well as the Workers' Compensation Division at DLI. Mak also explained the role of ADR and when it gets involved in workers' compensation cases.

Michelle Doheny, director, Business Technology Office (BTO), gave an overview of her unit and the role it plays in the Workers' Compensation Division. Her unit's primary focus is Work Comp Campus. That

includes keeping it updated and making improvements to its functionality and accessibility, as well as supporting users and stakeholders of Campus. Doheny's unit also oversees the Workers' Compensation Division Help Desk. The help desk, electronic data interchange (EDI) team and product team are key teams within BTO.

Joe Lolich, supervisor of Compliance, Records and Training (CRT), was next to introduce himself. He said the principle focus of CRT is to ensure injured workers are receiving benefits accurately and timely. He explained CRT is divided into two teams, the front-end team and the compliance team. The front-end team is responsible for the following: providing a mechanism for authorized parties to access claim information in Campus; providing hard copies of claim files not stored in Campus; ensuring a first report of injury is submitted; and producing and mailing statutorily required posters on behalf of DLI when requested by stakeholders. The compliance team is responsible for: ensuring the accuracy of insurers, third-party administrator, trading partners, employers, rehabilitation providers, medical providers and employee users in Campus. It also investigates complaints related to medical and vocational rehabilitation service providers, as well as complaints related to insurers and self-insured employers for noncompliance with workers' compensation laws. Lolich added that another service his unit provides is formal, informal and one-on-one training about workers' compensation requirements for insurers, self-insured employers and qualified rehabilitation consultants (QRCs).

Pam Carlson is the workers' compensation ombudsman at DLI. Karen Kask-Meinke, director, Special Compensation Fund (SCF), presented on Carlson's behalf. Kask-Meinke noted the key focus of the ombudsman is to provide information to stakeholders about workers' compensation benefits and how to report injuries. Carlson assists injured workers who have questions about their benefits that have been paid or denied. She also provides information to small businesses about workers' compensation insurance coverage requirements.

Kask-Meinke then gave an overview of her unit. SCF administers workers' compensation insurance requirements by investigating and penalizing employers when they do not have workers' compensation insurance coverage. Its aim is to educate and prevent uninsured injuries. It also administers the second-injury and supplementary benefit programs and co-administers the assessment program, with the assistance of DLI's Financial Services.

Jeanne Vogel, director, Vocational Rehabilitation unit (VRU), was the last to present. She said VRU is a registered QRC firm and provides statutory rehabilitation services to injured workers. Vogel also noted it primarily serves injured workers whose claims are denied by the insurer and has staff members located in six DLI locations throughout Minnesota.

2. Workers' Compensation System Report – Hared Mah, Research and Data Analytics, DLI

Hared Mah presented a summary of the Workers' Compensation System Report to the council. Mah said benefits per \$100 of payroll have been decreasing for the past 20 years. He also noted the system cost in 2022 was estimated to be about \$1.6 billion, with medical benefits accounting for 31.5%. Mah also noted average pre-injury wages have grown faster than the average statewide wages, leading to higher benefit costs. Another notable trend is that the average and median months from injury to starting services

decreased from eight to five months and five to less than three months, respectively, and the denial rate for non-COVID-19 claims was 17%, lower than the 38% denial rate for COVID-19 claims.

3. Campus presentation – Michell Doheny, Business Technology Office, DLI

Doheny gave an update about the work her unit has been doing to improve Campus. One of the primary focuses has been on improving user experience, including consolidating relevant documents into one location for easier navigation. She added her unit has been rolling out updates to Campus biweekly. It has also been partnering with the Workers' Compensation Court of Appeals on system enhancements to areas that directly affect them. Doheny also noted the unit is exploring the integration of artificial intelligence (AI) technologies into Campus.

Other business

The next Workers' Compensation Advisory Council meeting is scheduled for Dec. 11, 2024.

Adjournment

Gary Thaden moved to adjourn the meeting and Colin Beere seconded. A roll call vote was taken and the meeting adjourned at 11:30 am.

Respectfully submitted,
Alyssa Westergard, executive secretary