# Massachusetts Workers' Compensation Advisory Council Minutes

May 14, 2008 Department of Industrial Accidents 600 Washington Street, 7 <sup>th</sup> Floor Boston, MA 02111

Present: Chairman Edmund C. Corcoran, Jr., Vice-Chairman Mickey Long.

*CM:* John A. Pulgini; Tony Frias (Ines Leonardo); John Regan; Stephen Joyce; Stephen P. Falvey; David P. Powell; Kenneth J. Paradis, Jr.; Peter A. Cook, Sr. (Karen Shanley); Department of Labor (Tom Jones).

*Also Present:* DIA: Commissioner Paul V. Buckley; William C. Tattan, Deputy Commissioner/General Counsel; Timothy J. McMahon, Deputy Commissioner of Administration; Martine Carroll, Senior Judge; William Taupier, First Deputy Director of Administration; Jack Defina, CFO; Michael Bradley, Executive Director of the Underground Economy Task Force; John Glennon, Director of Information Technology; Peter Treadway, Information Technology; Ellen Keefe, WCRIB; Dorothy Linsner, Attorney; Anna Lucey, Joint Committee on Labor and Workforce Development; Jennifer Mercandante, Joint Committee on Labor and Workforce Development; Michael Kelley, AIM Mutual Insurance Company.

Advisory Council Staff: Andrew Burton; Evelyn Flanagan.

Absent: CM: John D. Boyle; William Corley; Dennis Hines; Department of Business Development.

Agenda:

Chairman's Welcome

**DIA Update** 

- Judicial Update Martine Carroll, Senior Judge
- Vital Statistics William Taupier, Deputy Director of Administration

- Underground Economy Task Force Michael Bradley, Director
- Information Technology Update John Glennon

Action Items

• Minutes - April 9, 2008

Second Injury Fund Subcommittee Update

### **CHAIRMAN'S WELCOME**

Vice-Chairman Mickey Long began today's meeting at 9:00 a.m. The Vice-Chairman informed the Council Members that Mr. Michael Bradley and Mr. John Glennon had asked to be moved to the front of the agenda to accommodate their morning schedules.

## UNDERGROUND ECONOMY TASK FORCE

Vice-Chairman Long introduced Michael Bradley, Director of the Underground Economy Task Force.

Mr. Bradley reported that the Task Force has been meeting regularly and sharing ideas on how to reach the goals set forth in the Executive Order. He explained that a "Tip Line" (1-877-96-LABOR) has been created with a general message that can be heard in both English and Spanish. The DIA has designated three investigators to answer calls, return messages, and refer cases to the Task Force. Mr. Bradley noted that the Task Force website is now online (www.mass.gov/dol/labortaskforce) and contains downloadable tip forms. Mr. Bradley reported that the site also has links to news and updates, the Task Force partner agencies, the recent redraft of the Independent Contractor Statute by the Attorney's General's Office, and a link to all companies that have been disbarred.

Mr. Bradley advised the Council Members that he has had meetings and conversations with several labor organizations. He also stated that he has informed the Massachusetts Bar Association, the Massachusetts Academy of Trial Attorneys, and the Massachusetts CPA Association about the educational outreach aspect of the Task Force.

Mr. Bradley reported that he has also met with several legitimate business and immigrant advocacy groups. He stated that these groups include, but are not limited to the Greater Boston Legal Services, Massachusetts Coalition for Occupational Safety & Health, Jobs with Justice, Metro West Immigrant Worker Center, and the Massachusetts Immigrant & Refugee Advocacy Coalition.

Mr. Bradley explained that he had been meeting with representatives from the Massachusetts Building Trade Association, members of the AFL/CIO, local labor unions, and legitimate business organizations, to discuss the development of stronger tips from their industries. He stated that these groups are working together to streamline the tip forms so that investigators can gather as much information as possible prior to referring the tip to the Task Force. Mr. Bradley also discussed the possibility of having the tip line information displayed on the Local #103 billboard adjacent to Route 93. Mr. Bradley explained that he had also spoken to representatives from Clear Channel regarding the placement of this information on a local billboard in the greater Boston area.

Mr. Bradley reported that the Task Force was still in the initial phase of identifying potential targets for sweeps. He also stated that the Task Force is working on joint investigations. He explained that several tips are received from other task force agencies through regular weekly meetings with the Research & Targeting team. He noted that the Tip Line has already produced a number of leads that are being investigated by several Task Force agencies. Mr. Bradley estimated that there are currently 30 joint investigations that involve two or more Task Force partner agencies.

Mr. Bradley explained that the Task Force is also creating a public outreach program. He stated that Linnea Walsh of the Executive Office of Labor and Workforce Development will soon be disseminating a press release detailing information about the Task Force. He noted that Town hall meetings will also play a role in disseminating information about the Task Force.

### **INFORMATION TECHNOLOGY UPDATE**

Mr. John Glennon informed the Council Members that he has taken a job with the Executive Office of Labor and Workforce Development (EOLWD) as their new Chief Information Officer. Mr. Glennon reported that the Case Management System was moving along smoothly and that Bill Taupier would be able to provide further information.

Mr. Glennon introduced Mr. Peter Treadway, Manager of Application Development at the DIA. Mr. Glennon explained that the batch claims program was currently being headed by Mr. Treadway, who would be available to answer any questions Council Members may have.

Mr. Glennon informed the Council Members that the DIA has 16 new security policies and procedures that are scheduled to be introduced in the near future. Mr. Glennon also noted that the Business Continuity Plan was going to be managed by Jack Defina.

### **DIA UPDATE**

#### Judicial Update

Mr. Bill Taupier updated Advisory Council Members on the information contained within the DIA's vital statistic report for May 2008 (see attached). Conference Queue: 665; Hearing Queue: 1,040; Reviewing Board Inventory: 146; Impartial Exams for FY'08 (to date): 3,876 (79 waivers). In fiscal year 2007 there were 5,246 Impartial Medical Examinations (202 waivers).

#### Stop Work Orders/Caseload Statistics

Mr. Bill Taupier updated Advisory Council Members on the Stop Work Order (SWO) and Caseload Statistics for the month of April 2008 (see attached). Total compliance investigations initiated in April 2008: 842; total investigations in FY'08 (to date): 11,471; total SWOs issued in April 2008: 200; total SWOs issued in FY'08 (to date): 679; total fines collected in April 2008: \$77,000; total fines collected in FY'08 (to date): \$389,868; total fines collected in FY'07: \$400,753.

Mr. Taupier continued the update of the monthly vital statistics. Total number of cases filed in April 2008: 1,432; total number of cases filed in FY'08 (to date): 12,239; total number of cases filed in FY'07: 15,149; total number of First Report of Injury Forms (FRI) filed in April 2008: 2,890; total number of FRI filed online in April 2008: 758 (26%); total number of FRI filed in FY'08 (to date): 27,823; total number of FRI filed in FY'07: 33,476; total number of FRI filed online in FY'07: 8,910.

Mr. Taupier proceeded with his update on uninsured claims (§65). Total number of §65 claims processed in FY'08 (to date): 145; total amount of §65 claims paid by the Trust Fund in FY'08 (to date): \$5,648,061; total number of §65 claims filed in FY'07: 192; total amount of §65 claims paid by the Trust Fund in FY'07: \$6,831,832.

Mr. Taupier proceeded with the vital statistics for the Second Injury Fund (§37/37A). Total number of §37/37A petitions approved for payment in FY'08 (to date): \$15,195,808; total amount paid on these claims in FY'07: \$26,575,359; total monies recovered by the Trust Fund in FY'08 (to date): \$1,054,208; total monies recovered in FY'07: \$1,167,465; total COLA reimbursements to insurers in FY'08 (to date): \$2,646,329; total COLA reimbursements to insurers in FY'07: \$2,646,329; total COLA reimbursements to insurers in FY'07: \$9.1 million.

#### **Budget/Personnel Issues**

Mr. Taupier reported that as of April 2008, the number of employees whose salary is paid by either the Special Fund or the Trust Fund was 272 (237 DIA employees, 35 WCTF employees). The DIA has no contract employees at this time. One temporary employee is being utilized within the DIA as of this report.

### Office of Education and Vocational Rehabilitation (OEVR) Update

Mr. Taupier presented the OEVR statistics. Total referrals to OEVR in FY'08 (to date): 2,304; total referrals to OEVR in FY'07: 2,839; total mandatory meetings in FY'08 (to date): 1,857; total mandatory meetings in FY'07: 2,282; total referrals to insurers in FY'08 (to date): 554; total referrals to insurers in FY'07: 706; total Individual Written Rehabilitation Plans (IWRP) approved in FY'08 (to date): 350; total IWRPs approved in FY'07: 428; total number of Return to Work (RTW) in FY'08 (to date): 139; total number of RTW in FY'07: 176; total number of IWRPs completed with no RTW in FY'08 (to date): 117; total number of IWRPs completed with no RTW in FY'07: 152.

### SECOND INJURY FUND SUBCOMMITTEE UPDATE

Mr. Tom Jones reported to the Council Members that the Subcommittee on the Second Injury Fund had convened their first meeting on May 7, 2008.

Mr. Jones stated that there was an excellent discussion on the fund and the impact it has on the hiring decisions for employers. Mr. Jones informed the Council Members that the Subcommittee identified a variety of questions that need to be addressed at future meetings. Mr. Jones reported that the next subcommittee meeting was scheduled to be held on June 9, 2008 at 10:00 a.m.

Vice-Chairman Mickey Long requested that wording on the fourth bullet point be changed. He explained that during the subcommittee meeting he had expressed that he would like to see what could be done to encourage employers to hire people with prior injuries or disabilities. Vice-Chairman Long informed the Council that he would like to improve the statute without losing sight of its purpose.

Council Member David Powell questioned if employers were aware of the statute and whether it would be helpful to inform them of the second injury fund and its intended purpose. CM Powell suggested that a brief summary of the second injury fund be put together and made available to employers and the construction industry. CM Powell explained that he had worked in Human Resources in a labor relations firm for over twenty years and had not until recently known about the second injury fund or its purpose.

Mr. Long informed the Council that representatives from the Workers' Compensation Rating and Inspection Bureau would be attending the next subcommittee meeting to discuss experience rating and its relationship with the second injury fund.

Council Member Kenneth Paradis indicated that he would like to find out the financial impact on smaller employers if the second injury fund were ever to be abolished.

### ACTION ITEMS

Chairman Corcoran asked for a motion to accept the Minutes for April 9, 2008.

Motion made to accept the Minutes for April 9, 2008.

MMS - Passed.

#### MISCELLANEOUS

Chairman Corcoran thanked all parties for attending today's meeting.

Motion made to adjourn into Executive Session to review the qualifications of judicial candidates.

MMS - Passed.

Meeting adjourned into Executive Session at 9:45 a.m.

```
<u>The next regular meeting of the Advisory Council is scheduled for Wednesday, June 11, 2008, at 9:00 AM, at the Division of Industrial</u>
<u>Accidents, 600 Washington Street, 7th Floor Conference Room, Boston, MA 02111.</u>
```