

**MASSACHUSETTS WORKERS' COMPENSATION
ADVISORY COUNCIL MINUTES**

October 8, 2003
Department of Industrial Accidents
600 Washington Street, 7th Floor
Boston, MA 02111

Present: Chairman Thomas M. Jones. CM: Robert Banks; Edmund C. Corcoran, Jr.; Antonio Frias (Inez Leonardo); Fran Fanning; Carol Falcone; Alan S. Pierce; Richard Weitzel (Department of Economic Development); Joan Lenihan (Department of Labor and Workforce Development).

Also Present: DIA: Senior Judge Daniel O'Shea; Jack Tynan, Director of Administration; Richard Morris, First Deputy Director of Administration, Bill Taupier, Deputy Director of Administration and EDP; Philip Wiswell, Data Processing Manager; Kevin Mulvey, State Auditor's Office.

Advisory Council Staff: Andrew Burton; Evelyn Flanagan; Ann Helgran.

Absent: CM: Jeanne-Marie Boylan; Bruce Cochrane; Stephen Sampson; John Perry.

Agenda:

DIA Update

Action Items

Minutes - August 6, 2003/September 10, 2003

Oracle Case Management System Presentation

Executive Director Update

Miscellaneous

Chairman Jones conducted today's meeting.

Chairman Jones began the meeting by introducing Mr. Jack Tynan who serves as the newly appointed Director of Administration. Mr. Tynan informed those present that his work history comprised of both financial and managerial experience. Mr. Tynan expressed his appreciation for being accepted to the

position of Director of Administration. Mr. Tynan stated that he looks forward to working closely with the Advisory Council.

DIA UPDATE

Judicial Update

Senior Judge Dan O'Shea began his update with the assistance of Mr. Bill Taupier (handout attached to minutes). Conference Queue: 784; Hearing Queue: 2,475; Reviewing Board Inventory: 110; Impartial Exams: 1,170 (22 waivers).

The Senior Judge anticipates that the hearing queue will decrease now that more judges are in place. He does not believe that the current caseload warrants another recall of judges at this time. The Senior Judge explained that the administrative judges are presently on a 17-week scheduling cycle, which should generate more hearings in the course of a year. The Senior Judge stated that the method of appointing judges is in the process of being reviewed and revised. The nominating panel should reconvene sometime in January to discuss recommendations. The Senior Judge stated that there are 245 impartial physicians currently under contract with the DIA. He informed Council Members that he intends to visit UMass Medical Center in an attempt to recruit more doctors.

Stop Work Orders (SWO)/Caseload Statistics

Utilizing overhead charts and graphs, Mr. Bill Taupier updated Council Members on the status of Stop Work Orders. Total Investigations for September: 759; Total SWO's Issued: 102; Total Fines Billed: \$12,400; Total Fines Collected: \$34,218. The charts indicated a decline in stop work orders due to the fact that the DIA is currently focusing on the quality of investigations versus quantity. Mr. Taupier indicated that the DIA would be taking a proactive role towards employer fraud through criminal and civil actions.

Members of the Council discussed the possibility of increasing fines on employers who are not carrying workers' compensation insurance. It was suggested that a meeting could be conducted with the Department's General Counsel, members of the Advisory Council and members of the legislature in an attempt to discuss the possibility of developing new legislation that would increase fines.

Mr. Taupier referred to the Department's Monthly Report on Caseloads (attached to minutes) and informed Council Members that uninsured claims paid by the Workers' Compensation Trust Fund in FY'03 totaled \$3.78 million. To date in FY'04, a total of \$879,940 in benefits has been paid from the Trust Fund. The number of cases filed for September of 2003 was 1,352. To date, the Section 37 caseload totaled 212 with \$6.6 million paid in benefits.

Budget/Personnel Issues

Mr. Richard Morris addressed Personnel Issues. Total DIA Positions Filled as of September 30, 2003: 289. In the month of September, the DIA has had 23 employees who have opted to retire, one resignation and one new hire for the position of Director of Administration. It was explained to Council Members that the DIA can only backfill positions that do not exceed 20% of the dollars saved from vacated positions due to early retirement. Chairman Jones thanked members of the Department for their presentation and update.

ACTION ITEMS

Chairman Jones asked for a motion to accept the minutes for the Advisory Council meeting on August 6, 2003 and September 10, 2003.

Motion made to accept the minutes of August 6, 2003 and September 10, 2003.

MMS - passed.

ORACLE CASE MANAGEMENT SYSTEM (CMS) PRESENTATION

Mr. Philip Wiswell conducted a presentation on the Department's new Oracle Case Management System. Mr. Wiswell proceeded to demonstrate for the Council Members the benefits of CMS. As displayed through the slides, attorneys are able to gather all relevant information concerning their clients, but are unable to gather information that is not relevant to them. Mr. Wiswell explained that firewalls were put in place to protect all parties from the unauthorized release of personal information.

Mr. Wiswell explained that CMS would allow the Department's internal systems to be more efficient than any systems utilized in the past. He stated that CMS is able to expedite information delivery to attorneys, insurers, employers and outside agencies. Mr. Wiswell noted that CMS is able to create internal reports that can be made available at any time for specific departments within the agency. He stated that this information could be updated in real-time, as was not the case with the prior Diameter System.

Mr. Wiswell explained how the case inquiry function of CMS operates. He explained that case inquiry is only accessible to the specific attorney who is handling a case. The case inquiry is able to generate pertinent information regarding the client, such as their board number and the status of the case. Mr. Wiswell explained that interested parties would be notified when cases are being scheduled. He indicated that another benefit derived by CMS is its ability to conduct a blind search. When an attorney inputs their name into CMS, the system can identify all of their cases within seconds. Mr. Wiswell explained that a great deal of time had been spent on the security component of the system ensuring that information

would only be accessible by those authorized to have access. Mr. Wiswell informed the Council that 300 companies are currently able to file reports on-line. The DIA has placed an announcement on their public web page explaining the new system. Mr. Wiswell concluded the presentation by reviewing how CMS will be used internally in the agency.

Chairman Jones thanked Mr. Wiswell for his presentation and congratulated members of the Department for their success in the implementation of the Oracle system.

EXECUTIVE DIRECTOR UPDATE

The Executive Director updated Council Members on current issues. Mr. Burton referred to a letter that had been previously mailed to Commissioner Buonopane on behalf of Chairman Jones regarding internal changes made to the stop work order system. The Executive Director explained that the letter had the dual purpose of both commending the administration on their efforts in improving a broken system and reiterating specific concerns voiced by Council Members during the past two meetings.

Mr. Burton explained to Council Members that his staff was currently compiling statistics for the Fiscal Year 2003 Annual Report. The Executive Director encouraged Council Members to communicate with him any concerns or recommendations that they would like addressed in the report. Mr. Burton stated that he would generate a list of concerns and recommendations for Council Members to review at the November meeting.

MISCELLANEOUS

Chairman Jones informed those present that the Workers' Compensation Rating and Inspection Bureau of Massachusetts (WCRIBM) has made internal reorganization changes. According to Chairman Jones, the WCRIBM has eliminated their chief actuary position while their second actuary is working part-time. The Chairman noted that the WCRIBM has decided to contract out with Tillinghast Towers-Perrin to conduct a large portion of the rate filing. Chairman Jones stated that this new contractual relationship with Tillinghast and the WCRIBM may create an appearance that the Advisory Council's review of the rate filing (also conducted by Tillinghast) is not impartial. The Executive Director explained that the Advisory Council has the option to renew the contract with Tillinghast to perform the actuarial analysis for the next rate filing. Chairman Jones asked Council Members to examine this possible conflict of interest so that it can be decided in the future whether to renew the contract with Tillinghast.

Chairman Jones again thanked all those who had participated in today's meeting and asked for a motion to adjourn.

Motion made to adjourn.

MMS - passed.

Meeting adjourned at 11:45 a.m.

The next regular meeting of the Advisory Council: November 12, 2003 at 9:00 AM, Division of Industrial Accidents, 7th Floor Conference Room, at 600 Washington Street, Boston, MA 02111