

**MASSACHUSETTS WORKERS' COMPENSATION
ADVISORY COUNCIL MINUTES**

February 13, 2002
Department of Industrial Accidents
600 Washington Street, 7th Floor
Boston, MA 02111

Chairman: William H. Carnes

Vice Chairman: Edmund C. Corcoran, Jr.

Present: Chairman William H. Carnes; Vice Chairman Edmund C. Corcoran, Jr. *CM:* Jeanne-Marie Boylan; Stephen Sampson; Frank Fanning; Antonio Frias (Ines Leonardo); Richard Lord (Tom Jones); Alan S. Pierce; Carol Falcone; Department of Labor & Workforce Development (Joan Lenihan); Department of Economic Development (Robert Matthews).

Also Present: DIA: Commissioner Griffin; Deputy Commissioner Conant; Senior Judge O'Shea; Jerome Shea; Jim Hayes; Karen Fabiszewski; Barbara Allan (Vocational Rehab); Karen Wager (WCRIB); Jonathan Ablett (Commerce and Labor Committee).

Advisory Council Staff: Denise Lucciola; Andrew Burton; Ann Helgran.

Absent: *CM:* John Perry; Robert Banks; Bruce Cochrane.

Agenda:

DIA Update

Guest Speaker: Dr. Michael J. Follick Ph.D.

Action Items

Minutes - January, 2002

Miscellaneous

Chairman Carnes opened today's meeting and acknowledged the retirement of a member of the Advisory Council Staff, Ann Helgran. Chairman Carnes and Vice Chairman Corcoran voiced their recognition of her service to the Workers' Compensation Advisory Council. Chairman Carnes read a letter of appreciation

from the Advisory Council. A certificate on behalf of the Swift Administration and the Department was presented by Vice Chairman Corcoran. Gifts of appreciation were also given and all those present expressed words of gratitude.

Ms. Helgran thanked Chairman Carnes, Vice Chairman Corcoran, Members of the Council, and all those present. She stated that it had been a pleasure working for the Advisory Council and with the Department.

Chairman Carnes called the meeting to order and proceeded to conduct today's meeting.

DIA Update

Senior Judge O'Shea updated Council Members on current judicial statistics. Conference Queue: 1,660; Hearing Queue: 1,636; Reviewing Board Inventory: 187; Impartial Exams: 2,468 (57 waivers). The Senior Judge stated that there are presently 19 Administrative Judges and that one Administrative Judge (one-year term) is opting to take the early retirement incentive. He is, however, optimistic that the appointment process for judges will be resuming in the near future.

Vice Chairman Corcoran asked if the Department had a final number on how many employees would be taking early retirement. Commissioner Griffin stated that there are 15 employees at this time, but that the closing date was the 15th of February and that there could be more. He was asked to give an update on this figure at the next meeting.

Stop Work Orders

Mr. Shea updated Council Members on the stop work orders statistics. Total Investigations for January: 801 (724 investigations 77 default letter visits); Total SWO's Issued: 193; Total Fines Collected: \$29,569; Total Fines Billed: \$18,600.

Budget

Mr. Hayes informed Council Members that the supplementary budget was received and that Department will be set for the remainder of the year. Ms. Lucciola thanked Jonathan Ablett from the Commerce and Labor Committee for his assistance in obtaining the supplementary budget.

Personnel Issues

Mr. Shea continued to address the personnel statistics. As of January 31, 2002 the personnel number is 306.5. There have been no changes since the last meeting.

Assessment Audit

Karen Fabiszewski updated Council Members and distributed a handout (attached to minutes) that she reviewed with Council Members. She noted that since her last report, the Eastern Casualty Insurance Company remitted an additional \$131,194.00 in previously unpaid assessments. To date, Eastern Casualty has remitted a total of \$830,302.00 in previously unpaid assessments. On or about February 1, 2002, a notice was sent to Eastern Casualty requesting remittance of an additional \$621,594.00 in unpaid assessments for the period including the eight quarters ended June 30, 1998. In addition, Ms. Fabiszewski reported that following insurance companies remitted previously unpaid assessments: the Potomac Insurance Company of Illinois (\$8,046.00); the Commercial Union Insurance Company (\$428.00); the Pennsylvania General Insurance Company (\$40.00); and the General Accident Insurance Company (\$103.00).

Ms. Fabiszewski also noted that upon further review of M.G.L. §65(5), fines regarding unpaid assessments would be assessed prospectively in instances where insurance companies fail to remit previously unpaid assessments within thirty (30) days of receipt of a bill from the DIA.

Chairman Carnes thanked the members of the Department for their input.

Guest Speaker: Dr. Michael J. Follick, Ph.D.

Vice Chairman Corcoran introduced Dr. Follick. He informed Council Members that he had asked Dr. Follick to today's meeting to review and to share with Council Members the method he had used in helping Rhode Island design and implement a healthcare quality monitoring process to measure system performance and guide policy-making.

Vice Chairman Corcoran referred to Dr. Follick's biographical sketch that had been included in Council Members' packet. He stated that Dr. Follick had participated in the Rhode Island Workers' Compensation Reform of 1992. Dr. Follick also served as a consultant in workers' compensation for a number of years focusing on cost-containment and accident and injury prevention, and is a recognized expert in the area of health care quality measurement and research.

Dr. Follick addressed the Council and distributed a hardcopy of his slide presentation (attached to minutes). The handout labeled, "Technical Resource Center at the Rhode Island Department of Labor and Training" established by a grant from the Robert Wood Johnson Foundation Workers Compensation Health Initiative. Dr. Follick stated that he wanted to share with the Council what was done in Rhode Island, why it was done, what the preliminary data collected indicated, and what Rhode Island was

planning on doing with the information. Dr. Follick then proceeded to review each slide as outlined in his handout.

Dr. Follick explained that the objective was to establish a health care quality monitoring process for the Rhode Island Workers' Compensation System, to help stakeholders use that information to benchmark the Rhode Island system and establish a guide for policymaking. He noted that they were able to enhance all the necessary players because everyone would have something to gain. Information was gathered from injured workers, insurers and health care professionals.

Dr. Follick referred to the Rhode Island's Workers' Compensation Advisory Council and the commitment of their members that helped get this program started. He then continued his slide presentation following the handout describing concerns, blueprint for data collection, pilot samples, access to care and problem areas, etc. He noted that the issue of the non-speaking English population still needed to be addressed and the gap between policy and practice. In conclusion Dr. Follick stated that Rhode Island would be revising its Annual Report to include care and access information.

Discussion Followed.

Council Members inquired as to the doctors' fee structure in Rhode Island. Dr. Follick stated that it was agreed at the beginning of the program that Doctors would cooperate in helping fix the Rhode Island's workers' compensation system if their reimbursement rate was raised. Rhode Island did this and now also pays the doctors to fill out reports. As a result, the cost of the system came down and doctors' performance improved. However, he noted that Massachusetts had a major access problem because the reimbursement rate is based on Medicaid rates.

Dr. Follick identified what he believed to be three phases in the evolution of managed care. They were cost containment (fee schedule), utilization, risk and quality. He noted that data from carriers was not enough and that it was necessary to develop a subliminal data collection processing that would directly measure the experience of the injured worker.

Vice Chairman Corcoran inquired as to the possibility of Massachusetts obtaining a Robert Wood Johnson Foundation Grant to implement a system similar to Rhode Island.

Dr. Follick stated that because of the decrease of grant monies, the Foundation probably would not completely fund the program but may consider seed funding to get the program started.

Action Items

Chairman Carnes asked for a motion to accept the January 2002 minutes.

Motion made to accept the minutes.

MMS - passed.

Executive Director Update

Executive Director, Denise Lucciola updated Council Members. She stated that the Oracle Steering Committee was held on February 12th and that the completion date would be on April 2nd unless something unpredictable happens. The OEVR subcommittee that was to be held on December 4th had been postponed to January 16th and will now be held on the 28th of February.

Ms. Lucciola informed Council Members that the next Advisory Council Meeting would be held in Lawrence to acknowledge the retirement of Lou Connelly and Thomas Nee.

Ms. Lucciola had many compliments for Ms. Helgran and thanked her on behalf of Andrew and herself for her many years of dedication and loyalty to the Council.

Chairman Carnes asked for a motion to adjourn to Executive Session.

Motion made to adjourn to Executive Session.

Meeting adjourned 11:30 a.m.

The next regular meeting of the Advisory Council: March 13, 2002 at 10:30 AM DIA Lawrence Regional Office, 160 Winthrop Avenue, Lawrence, MA 01843