

**Massachusetts Workers' Compensation  
Advisory Council Minutes**

February 12, 1997  
Department of Industrial Accidents  
600 Washington Street  
Boston, MA 02111

**Chair:** Edmund C. Corcoran, Jr.

**Vice Chair:** William H. Carnes

**Present:** Chairman Edmund C. Corcoran, Jr.; Vice Chair William H. Carnes

**CM:** Edward Sullivan, Jr.; Jeanne-Marie Boylan; John Gould (Donald Baldini); John Perry; Tony Frias; Robert Banks; J. Bruce Cochrane; Angelo Buonopane, Director of the Dept. of Labor & Work Force Development (Ken Paradis and Joan Cunningham); Economic Development (John Malena)

**Staff:** Andrew Burton; Matthew A. Chafe; Ann Helgran

**Also Present:** DIA: Commissioner Campbell; Senior Judge Jennings; Vinny Luca; Neil Gibbons (WCRIB); Carol Arrick Wells (Department of Mental Retardation); Joseph Tamulis (T Equipment Corp.); Carol Falcone

**Absent:** CM: Robert Jones; Amy Vercillo; Alan S. Pierce; Lawrence Morrisroe

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**Agenda:**

DIA Update

- Judge Jennings
- Stop Work Orders
- Budgetary Matters

Action Items

- Minutes - January 8, 1997

FY' 98 DIA Budget

Employer Fines Meeting Update

Workers' Compensation Legislation

Executive Director Update

Miscellaneous

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Vice Chair Carnes opened today's meeting.

### **Action Items**

Vice Chair Carnes asked that a motion be made to accept the January 8th minutes. Motion made to accept the minutes of January 8, 1997.

MMS - passed.

The Executive Director informed Council Members on the status of judges' appointments. The Governor submitted to the Governor's Council the names of Judge Sumner, Bradford and LaMothe currently serving one year recall terms, to fill six year term vacancies. Judge Levine was nominated to serve as an ALJ to replace Judge Kirby. Their interviews are scheduled for this week and next week. Judge Pickett was reappointed as an ALJ and Judge Vergados was reappointed as an AJ to be paid hourly on a contract basis. Three judicial support secretaries have been transferred to the Office of Health Policy after the judge positions were eliminated.

### **DIA Update**

Senior Judge Jennings updated the Council. The conference queue is at 1,826 (there are six judges off-line); the reviewing board has received 67 appeals and have resolved 50 cases; the impartial exams are expected to total 5,000 this year. There will be twenty-one judges as of July 1, 1997, four one-year judges will not be reappointed.

### **Stop Work Orders**

Vinny Luca updated the Council on stop work orders. January Investigations, 465; total SWO's issued, 205; total fines imposed, \$14,400.00.

### Budgetary Matters

Chairman Corcoran asked Mr. Luca to explain to the Council the DIA budgetary plans for next year.

Vinny Luca informed Council Members that House I was issued with the recommendation of a 17 million dollar budget and a 301 staff level. The agency's budget has been reduced by \$2,017,209 from the amount budgeted in Fiscal Year 1997, and full-time employees reduced from 333 positions to 301. A new spending plan has been submitted to the Department of Labor.

Chairman Corcoran noted that the Commerce and Labor Committee has been interested in how the Council voted regarding the budget, and that the Council had not as yet responded to the fiscal year 1998 budget plan. Chairman Corcoran requested that the Council have the opportunity to respond to the DIA's budget plan. Mr. Luca said that it would be submitted to the Council as soon as it has been returned.

Discussion followed as to where cuts would be initiated and as to where the unspent money of prior years went. Mr. Luca explained that there will be cuts in consultants and employees, and the unspent money went to computer equipment and software. Mr. Luca will provide the Council with information on the budget for the next Council meeting. A breakdown by subsidiaries was distributed to Council Members (attached to minutes).

### Employer Fines Meeting Update

Chairman Corcoran informed the Council that a meeting was held on January 31, 1997 to discuss the adequacy of the current schedule of fines and penalties levied against employers that fail to carry workers' compensation insurance. He asked that the Executive Director summarize the events of that meeting.

The Executive Director assembled a group of interested parties which included representatives of the insurance industry, the DIA and interested Advisory Council members to discuss employer fines and penalties. He prepared and reviewed a summary of the meeting which was distributed to Council Members (attached to minutes). He also reviewed two bills that have been filed that seek to address the issue.

Discussion followed the review of the Executive Director's summary. It was agreed that the current fines are inadequate, and the implementation of a fine based on the amount of premium avoided was necessary. Some Council Members felt that legislation should be drafted in which avoided premium be the basis of the fine, and that avoided premium is preferable on a sliding scale. Others voiced concern that this would be difficult to administer. Chairman Corcoran suggested that another meeting be arranged

and the views of this committee be shared at the March meeting. The Executive Director will prepare alternatives for the meeting.

### **Workers' Compensation Legislation**

Chairman Corcoran informed Council Members that the Commerce and Labor Committee will be conducting hearings April 30, 1997 on legislation. He stated that he had been attending an International Board of Industrial Accidents Boards and Commissions and was impressed with the involvement of the various Councils. He hoped that Council Members would become more involved with upcoming legislation.

The Executive Director mentioned that a large number of bills are before the Commerce and Labor Committee and summaries are now being prepared and will be issued to Council Members. Council Members will be able to review these bills at the next meeting, and testimony will be presented at the April meeting.

Chairman Corcoran asked Commissioner Campbell to encourage his staff members to attend the next Council meeting to give insight into some of the proposed bills.

### **Miscellaneous**

Commissioner Campbell referred to a Boston Globe article that appeared previously regarding a DIA employee involved in a conciliation of a family member. He wanted the Council to know that the employee was investigated by the State Ethics Commission which concluded there was no need for further investigation since there had been no infraction of the rules.

The Executive Director referred to the Advisory Council's Annual Report that had been put in Council Members packets and to the reformatting of the Advisory Council's pamphlet (see attached).

Motion made to adjourn 10:45 a.m.

MMS - passed

**The next regular meeting of the Advisory Council will be held on March 12, 1997, 9:00 AM, at the Division of Industrial Accidents, 7th Floor Conference Room, Boston, MA 02111.**