



COVERAGE, CLAIMS & LITIGATION COMMITTEE
Meeting Minutes

Thursday, May 4, 2017
IRMA Office – 9:30 a.m.

PRESENT: Julia Cedillo, Chair Patrick Brennan
 Sharon Peterson Greg Van Dahm
 Kate Croteau (Via phone) Kevin Wachtel
 Bryon Vana Barbara Maziarek

ALSO
PRESENT: Margo Ely Susan Garvey
 Donna Sluis Colleen Rhodes
 Dorothy Mucha

ABSENT: Doris Harmon-Warren Carol LeBeau

I. CALL TO ORDER

Chair Cedillo called the meeting to order at 9:30 a.m., roll was taken and a quorum declared.

II. APPROVAL OF MINUTES

Cedillo asked if anyone had any questions and/or comments on the minutes of February 19, 2017. Hearing none, a motion was made by Vana and seconded by Wachtel to approve the minutes of February 19, 2017. A voice vote was called and the motion carried.

III. CLAIMS & LITIGATION REPORTS

A. Litigation Reports

Cedillo moved to the New Litigation Report from February 1, 2017 – April 25, 2017. Cedillo asked if there were any questions on the litigated claims. Vana asked what the Alleged Civil Conspiracy was and Garvey commented she believes it was an employment case. Cedillo moved to the Closed Liability Claims Report from January, February and March 2017. Cedillo asked if there were any questions on these reports. Cedillo asked if there were any questions. Hearing none, the committee moved to the Litigation Management Report.

B. Defense Counsel Performance Survey Report

Cedillo commented that this was one of the items discussed previously and that is surveying the membership regarding their ideas and feedback on the performance by the attorneys that represent them on various claims. The feedback that they received is included in the packet. Cedillo questioned how often this was going to be done and Ely commented every month and that this report will be part of the agenda item.

C. Update on New Reports

Subrogation Information – Cedillo commented that there was a lot of discussion about the claim reports that have been provided to this committee in the past. We had a lot of discussion on subrogation information and how that information can be better presented to identify positive performance. A new claims handling process has been created where the subrogation file is immediately assigned to the subrogation desk. Previously these types of claims were not moved to subrogation or were not looked at for a long period of time. We anticipate the subrogation desk to get a lot more claims. We currently have a half subrogation position and as part of this new process, we are asking the Administration and Finance Committee to make that a full time position.

Workers' Compensation Information – Cedillo commented that staff has been working with Milliman on the predictive modeling project. To date, they have done some work in putting it together and utilizing more than 3 years of data. At the May 24 Administration and Finance Committee they will consider a proposal to continue doing the predictive modeling. Ely commented that this will be done on an annual basis. They will give us these reports and score every one of the claims that come in and we will then know if it's a jumper claim or an auto pay claim. If it's a jumper claim we immediately assign a nurse and an attorney involved and watch it more closely. Cedillo commented that included in the materials are some of the pretend reports that Milliman has put together. Cedillo started on page 4 which is the Executive Summary page. Cedillo questioned what the Auto-Pay and Jumper scores are and what it all means. Ely commented that Milliman is going to score claims at 3 days and again at 30 days. Each of the claims at 3 days will get a score and if it's a jumper score after 3 days we are on it. Auto-Pay are claims that adjusters will not have to touch. The committee went through all the reports provided by Milliman and there was much discussion on the reports. The reports will be provided to the committee quarterly. Milliman will be presenting at the June Board meeting.

IV. REVISED GOALS AND OBJECTIVES FOR CCLC

Cedillo mentioned that there were two (2) goals added numbers 4 and 5. Creating new claims reports including information from the predictive modeling project and work with the AFC and staff to evaluate potential new claims processing software. Wachtel asked what their involvement would be with the claims processing software. Garvey mentioned for you to review it and it will require a vote on the budget. Ely also commented that if we do go with new claims software it's going to be better reports. A motion was made by Maziarek and seconded by Vana to approve the Goals and Objectives as amended. The motion carried.

V. ZONING DEDUCTIBLE REVISION

Cedillo reported that IRMA implemented a \$25,000 deductible for zoning cases because those types of cases can be both volatile and political so having a \$25,000 deductible is a way of discouraging those types of zoning decisions. Since the zoning deductible was enacted, IRMA put into place optional higher deductibles. As the coverage document is now, the zoning deductible does not stack on top of a higher deductible that a member may choose. Staff recommended that the coverage document be amended to require that the zoning deductible is stacked on top of a member's chosen deductible. After much discussion, a motion was made by Brennan and seconded by Vana to approve the amended changes distributed to the committee. The motion carried.

VI. ARLINGTON HEIGHTS COVERAGE AMENDMENTS

Cedillo reported that the staff memo is to approve a coverage amendment providing a stated SIR \$2 million applicable for Arlington Heights from June 1, 2017 to May 1, 2018. At the December 14, 2016 Board meeting, the IRMA board approved their membership application. Arlington Heights communicated to IRMA that they intend to take membership before their board on May 15th. If approved there has to be an additional revision to clarify the coverage for Arlington Heights to carry them through the expiration date of their current coverage through HELP. HELP provides Arlington Heights excess reinsurance from \$2 - \$12 million and IRMA will be providing coverage up to the \$2 million. Because IRMA's current SIR is \$3 million an amendment is required to clarify that Arlington Heights initial coverage with IRMA is at \$2 million. A motion was made by Wachtel and seconded by Vana to approve the amendments to the IRMA coverage documents for Arlington Heights. The motion carried.

VII. REVISED EARLY INTERVENTION PROGRAM

Cedillo reported that there are updates by staff on the Early Intervention Program. There were 3 additional programs added: Critical Incident Management Program, Safety First Program and The Rapid Response Team. Garvey mentioned that last year an entire intervention policy was approved that was geared towards pre-litigation. The additional programs also involve early intervention so the early intervention policy has been expanded into an umbrella, which covers the pre-litigation and the other programs. Swahlstedt gave an overview to the committee of each of the programs that were added to the early intervention program. It was recommended to have a one page flyer for prime contact names and phone numbers.

VIII. LITIGATION SUCCESSES

Cedillo commented next is the memo on Litigation Successes. There is a nice write up on each of the cases. Ely commented that if there are any questions she is happy to answer them.

ADDITIONS TO AGENDA

None

X. EXECUTIVE SESSION

A motion was made by Wachtel and seconded by Peterson to move into Executive Session to discuss matters of: review of closed session minutes, Executive Director's Performance Review, and pending litigation pursuant to 5 ILCS 120/2(c)(21) and (11) respectively.

A roll call vote was called and the motion carried.

Back in regular session, a motion was made by Peterson and seconded by Maziarek to approve the Executive Session Minutes of February 9, 2017. A voice vote was called and the motion carried.

XI. CONFIRMATION OF NEXT MEETING

Cedillo reported that the next scheduled meeting of the CCLC would be Thursday, September 7, 2017 at 9:30 a.m. at the IRMA Office.

XII. ADJOURNMENT

At 12:09, a motion was made by Wachtel and seconded by Peterson to adjourn the meeting. A voice vote was called and the motion carried.

Submitted by:

Accepted by:

Susan Garvey
Director of Legal Services

Julia Cedillo
Chair, Coverage, Claims & Litigation Committee