

LA WORKERS' COMPENSATION SECOND INJURY BOARD

Meeting of August 4, 2016

The regular meeting of the Second Injury Board convened at 2:00 p.m.

The following were present:

1. Ms. Sheral Kellar, OWCA Director
2. Ms. Lynette Mack, representing the State Treasurer
3. Mr. Steve Hawkland, representing the Secretary of State
4. Pauline Williams, Deputy Director/Acting Director of Second Injury Board
5. Jessica Masaracchia, Audit and Finance Supervisor
6. Jimmy Edwards, representing LAC SIF
7. Colette Johnson, representing LAC SIF
8. Mark Martin, Director of LRS
9. John Schweitzer, representing LRS
10. Chris Anthony, representing LRS
11. Michelle Sumrall, Program Compliance Supervisor
12. Meridith Trahan, General Counsel
13. Shaneka Davis, Recording Secretary

Director Kellar called the meeting to order and began with *Item 1* on the agenda, being the reading of the minutes from the previous meeting. Mr. Hawkland moved to dispense with the reading of the minutes and approve the minutes as printed and distributed. The motion was seconded by Ms. Mack and passed unanimously.

Director Kellar moved to *Item 2* on the agenda for hearings. No hearings were scheduled.

Director Kellar moved to *Item 3* on the agenda which included (7) items recommended for approval beginning with Claim #15-0300 and ending with Claim #16-0343. The motion to approve the recommendation was made by Mr. Hawkland, seconded by Ms. Mack and passed unanimously.

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|----|---------|------------------------------------|---------------------|
| 1. | 15-0300 | Louisiana Restaurant Association | 104 week deductible |
| 2. | 15-0318 | Louisiana Auto Dealers Association | 104 week deductible |
| 3. | 15-0585 | Ace American Insurance Company | 104 week deductible |
| 4. | 15-0623 | Ace American Insurance Company | 104 week deductible |
| 5. | 15-0673 | LCTA Casualty Insurance Company | 104 week deductible |
| 6. | 15-0868 | LUBA Casualty Insurance Company | 104 week deductible |
| 7. | 16-0343 | Diocese of Lake Charles | 104 week deductible |

Director Kellar moved to *Item 4* on the agenda, (43) claims recommended for denial, beginning with Claim #13-0471 and ending with Claim #16-0358. A request was made for a motion to postpone item 24, Claim #15-0810. The motion was made by Ms. Mack, seconded by Mr. Hawkland and passed unanimously. Director Kellar then asked for a motion to approve the recommendation to deny the remaining (42) claims as described in

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the August 1, 2016 agenda, with the exception of # 24. The motion was made by Ms. Mack; seconded by Mr. Hawkland and passed unanimously.

1. 13-0471 Unverified
2. 14-0904 St. Tammany Parish School Board
3. 14-0919 Louisiana Construction & Industry – SIF
4. 15-0082 LUBA Casualty Insurance Company
5. 15-0121 City of New Orleans
6. 15-0223 Louisiana Municipal Risk Mgmt. Agency
7. 15-0301 Louisiana Health Care – SIF
8. 15-0307 LUBA Casualty Insurance Company
9. 15-0328 American Interstate Insurance Company
10. 15-0333 Stonetrust Commercial Insurance Company
11. 15-0390 Safety National Casualty Corporation
12. 15-0415 City of Shreveport
13. 15-0498 Stonetrust Commercial Insurance Company
14. 15-0582 Bridgefield Casualty Insurance Company
15. 15-0753 Old Republic Insurance Company
16. 15-0759 Travelers Property Casualty Company of America
17. 15-0774 Safety National Casualty Corporation
18. 15-0783 Vulcan Materials Company
19. 15-0786 Farmington Casualty Company
20. 15-0792 Ochsner Clinic
21. 15-0798 Bridgefield Casualty Insurance Company
22. 15-0804 Bridgefield Casualty Insurance Company
23. 15-0807 Unverified
- ~~24. 15-0810 Archdiocese of New Orleans POSTPONED~~
25. 15-0816 Louisiana Hospital Association
26. 15-0825 New Hampshire Insurance Company
27. 15-0844 East Jefferson General Hospital
28. 15-0862 Louisiana Office of Risk Management
29. 15-0871 Louisiana Office of Risk Management
30. 15-0880 Unverified
31. 15-0886 Unverified
32. 16-0005 Louisiana Office of Risk Management
33. 16-0020 Louisiana Workers' Compensation Corporation
34. 16-0029 Louisiana Workers' Compensation Corporation
35. 16-0056 Lafayette Consolidated Government
36. 16-0058 Beauregard Parish School Board
37. 16-0117 Zurich American Insurance Company
38. 16-0138 St. Martin Parish School Board
39. 16-0150 Willis-Knighton Medical Center
40. 16-0161 Louisiana Construction & Industry - SIF
41. 16-0276 LUBA Casualty Insurance Company
42. 16-0330 Lumbermens Underwriting Alliance
43. 16-0358 New Hampshire Insurance Company

Director Kellar moved to *Item 5* on the agenda, being the recommendation to approve reimbursement of (286) partial payments beginning with Claim #82-0195 and ending with Claim #14-0584. Director Kellar asked for a motion to accept the recommendation and approve reimbursement of the partial payments as submitted on the agenda of August 4, 2016. The motion was made by Mr. Hawkland, seconded by Ms. Mack, and passed unanimously.

Director Kellar moved to *Item 6* on the agenda, being the recommendation to approve (81) quarterly payments due beginning with Claim #88-0220 and ending with Claim #13-0390. Ms. Mack moved to accept the recommendation of staff and approve reimbursement of quarterly payments as submitted on the agenda of August 4, 2016. The motion was seconded by Mr. Hawkland and passed unanimously.

Director Kellar moved to *Item 7, Public Comment*. Mr. Jimmy Edwards representing LAC SIF, on Claim #09-0650 for Carol Barron was present along with Mr. Clint Johnston with LAC. Mr. Edwards stated LAC previously submitted a claim for settlement authority in March and May that was declined and determined to be paid on an ongoing basis. It was resubmitted July 20th or 21st in urgency for settlement approval (see attached). Mr. Edwards presented facts as to why he wishes to settle the claim that included medical status and treatment as well as potential costs for future treatment. Mr. Edwards also gave specific details regarding current expenses the employee is incurring. The workers' compensation claim is currently in litigation regarding medical conditions the carrier is denying as related to the compensable injury. Director Kellar asked Mr. Edwards to clarify which parts of body were included in the settlement and he complied. Director Kellar asked for any other comments from the Board. There being none, Director Kellar thanked the representatives for appearing.

Director Kellar asked for a motion to add item #13 Claim #14-0354, Ola Mae Haley, to the list of litigated items to be discussed in Executive Session. Mr. Hawkland made the motion. It was seconded by Ms. Mack and passed unanimously. Director Kellar also asked for a motion to amend the agenda, moving the LRS Presentation listed under Item 9 to be heard prior to Executive Session. The motion was made by Ms. Mack, seconded by Mr. Hawkland and passed unanimously.

Mr. Mark Martin, Mr. John Schweitzer and Mr. Chris Martin were present representing LRS. Mr. Martin stated that in 2011 SIF could contribute up to 1% of the total budget to LRS (see attached). The total amount spent combining SIF dollars and the draw down from the government totals \$11.3 million (see attached). Mr. Martin stated to date, the successful cases totals 645 and open cases totals 164 (see attached). Mr. Schweitzer detailed some of the successes that were made possible due to the SIF/LRA partnership. Mr. Martin then asked the Board to approve continuing the relationship with LRS.

Director Kellar moved to *Item 8* on the agenda. Ms. Mack made a motion to go into Executive Session to discuss Second Injury Board litigation and settlements. Mr. Hawkland seconded the motion and it passed unanimously.

Upon returning from Executive Session, Director Kellar requested a motion to expand the agenda to add item 11, Claim #15-0735 Ms. Mack made the motion, Mr. Hawkland seconded the motion and it was passed unanimously.

Director Kellar moved to *Item 8a* of the agenda, being settlement recommendations on (7) claims. Director Kellar requested a motion to approve the recommendations of the Director regarding settlement authority as discussed in Executive Session and to extend settlement authority to be reimbursed on quarterly basis for the following claims:

1. 99-0456
2. 11-0373
3. 11-0546
4. 13-0182
5. 13-0821
6. 14-0406
7. 15-0735

Mr. Hawkland moved to accept the recommendation. The motion was seconded by Ms. Mack and passed unanimously.

The following claims were recommended for settlement denial and to continue to be paid on an on-going basis:

1. 00-0717
2. 01-0383
3. 09-0650
4. 11-0541

Ms. Mack moved to accept the recommendation. It was seconded by Mr. Hawkland and passed unanimously.

Director Kellar moved to *Item 8b* of the agenda, being Second Injury Board litigation. Director Kellar asked for a motion to grant authority to legal counsel as discussed in Executive Session and to represent the Board in the following manner:

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1. Claim #08-0621 Suit #632,940 Continue Litigation
2. Claim #10-0693 Suit #645,715 Continue Litigation
3. Claim #12-0159 Suit #616,352 Settlement Authority
4. Claim #12-0478 Suit #622,663 Settlement Authority
5. Claim #12-1025 Suit #620,378 Continue Litigation
6. Claim #13-0556 Suit #640,082 Settlement Authority
7. Claim #13-0602 Suit #630,934 Settlement Authority
8. Claim #14-0003 Suit #640,004 Settlement Authority
9. Claim #14-0165 Suit #631,750 Continue Litigation
10. Claim #14-0193 Suit #646,210 Continue Litigation
11. Claim #14-0481 Suit #639,346 Continue Litigation
12. Claim #14-0633 Suit #639,645 Settlement Authority
13. Claim #14-0354 Suit #644,028 Settlement Authority

Ms. Mack moved to accept the recommendation. The motion was seconded by Mr. Hawkland and passed unanimously.

Director Kellar moved to *Item 9* by asking if there were any other matters to discuss. Mrs. Williams (acting Director) stated that she recommends SIB continue funding at the same level as the past two years in the amount of \$500,000.00 in two installments (see attached). Director Kellar asked for a motion to accept the recommendation to grant LRS \$500,000.00 in two installments. The motion was made by Mr. Hawkland, seconded by Ms. Mack, and passed unanimously. There being no further business to discuss, Director Kellar asked for a motion to adjourn. Mr. Hawkland moved to adjourn. The motion was seconded by Ms. Mack and passed unanimously.

The meeting was adjourned at 3:18pm

Recording Secretary: Shaneka Davis