



**WORKERS' COMPENSATION
BOARD OF DIRECTORS MEETING
JUNE 16, 2016
9:00 A.M.**

AGENDA

I. Consent Agenda

- A. Approval of Minutes for May 2016 Board of Directors Meeting Nick Kouklis
- B. Report of Claims for the Month of May 2016 in the Amount of \$1,151,599.62 and Bakersfield City Claims in the Amount of \$186,640.77 and Ratification of Payment of this Amount Nick Kouklis

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

II. Public Comment

IV. Reconvene To Open Session

A. Reports from Closed Session, if Required

V. Action Items

A. Financial Report – Presentation of Financial Statements for the Month of May 2016 Will Be Submitted for Approval Kim Sloan

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

B. Request Approval of the 2016-2017 Budget Kim Sloan

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

C. Request Approval of the 2016-2017 Board Meeting Times, Dates and Places Nick Kouklis

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

VI. Information and Discussion Items

- | | |
|---|-------------------|
| A. Update on the Work Group/Gatekeeper Network | Gabe Rodriguez |
| B. SISC I Risk Management Services Report | Christian Hootman |
| C. Update on the SISC Flex Navia Plan | Kim Sloan |
| D. Report on the Align Networks | Gabe Rodriguez |
| E. Executive Committee Report | Nick Kouklis |
| F. Presentation of the Organizational Chart | Nick Kouklis |
| G. List of Special Cases Not Requiring Board Approval | Nick Kouklis |
| H. Comments from the Board of Directors Will Be Heard | Nick Kouklis |

I. Next Meeting:
Thursday, July 21, 2016
9:00 a.m.
SISC Board Room, 4th Floor-Larry E. Reider Education Center
2000 K Street, Bakersfield, CA 93301

Nick Kouklis

J. Adjournment

Nick Kouklis

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

Any Materials required by law to be made available to the public prior to a meeting of the Governing Board of the SISC I JPA can be inspected at the following address during normal business hours at:

2000 K Street, Bakersfield, CA. 93301

For more information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation to participate in the public meeting, please contact Kristy Comstock at 661-636-4682 or

krcomstock@kern.org

*The number of Board Members needed to form a quorum for this meeting is six

Workers' Compensation Terminology

1. **All alleged claims are questioned and reviewed. They are then classified as either:**
 - a. **Admitted** - This means the claim is not being disputed and is accepted as a work related injury or illness.
 - b. **Alleged Injury** - this means the claim is questioned further to determine compensability. The claim is then either accepted (admitted) or denied in full, depending on the outcome of the workers' compensation process pursuant to the laws of the state.
2. **AME** – Agreed Medical Examiner
3. **AOE/COE** - Injury Arises Out of Employment/Course of Employment.
4. **Apportionment** - A portion of permanent disability (P.D.) that is due to a pre-existing condition, whether industrial or non-industrial, may be subtracted from the total amount of the permanent disability. Therefore, the total amount is "apportioned" between the injuries or conditions.
5. **Confidence Level** – The statistical certainty that an actuary believes funding will be sufficient. For example, an 80% confidence level means that the actuary believes funding will be sufficient in eight years out of ten.
6. **Expected Confidence Level** – This corresponds to approximately a 55% confidence level. Amounts above expected are prudent.
7. **Permanent and Stationary (P&S)** - the condition that is achieved once an individual's condition has stabilized and further medical treatment is not expected to produce further improvement. (As good as the person is going to get.)
8. **The seven areas of payment:**

1. **Medical** - Treatment to cure or relieve the effects of the injury.
2. **Temporary Disability (TD)** - To compensate the injured worker for lost wages.
3. **Permanent Disability (PD)** - To compensate the injured worker for the reduced ability to compete in the open labor market.

The PD may or may not interfere with that individual's ability to perform their usual work activities.

4. **Vocational Rehabilitation (Voc Rehab)** - In the past one of the most costly of the benefits. However, new legislation has now placed a ceiling of \$16,000.
5. **Death**
6. **Medical/Legal** - Costs to determine or resolve compensability and/or level of permanent disability.
7. **Legal** - Cost for outside counsel to handle litigated cases.
9. **Thomas Finding** - The finding that the Workers' Compensation Appeals Board (WCAB) judge is required to make in order to settle an injured worker's right to future vocational rehabilitation benefits. The finding must be that good faith issues exist, which if resolved against the applicant would deny the applicant entitlement to all workers' compensation benefits.
10. **Three Types of Findings and Awards (F&A)**

1. When the parties can't agree, the case is then tried and the judge issues the **Findings and Award**.
2. **Stipulation with Request for Award (Stips)** - All parties agree and stipulate to the period of temporary disability (T.D.), any permanent disability (P.D.), and if there is, or is not, the need for future medical treatment. The claimant has the right to reopen this case within five years from the date of injury if he/she experiences any "new and further" disability that is directly related to the original injury.
3. **Compromise and Release (C&R)** - All parties agree to a settlement amount and a lump sum payment is made. A C&R may close all issues or may leave open certain agreed-upon issues.

11. Additional Terminology

ACOEM – American College of Occupational and Environmental Medicine - These are the medical guidelines used to establish appropriate medical diagnostics and treatment, and are presumed on the extent and scope of medical treatment regardless of the Date of Injury (DOI).

AMA – American Medical Association - sets forth the medical evaluation protocols and rating procedures to determine the extent of an individual's impairments.

DRE – Diagnosis-Related Estimate - One of two methods a physician uses to determine spinal impairment. It is the preferred method over Range of Motion (ROM).

DFEC- Diminished Future Earning Capacity -A component of the 2005 Permanent Disability Rating Schedule (PDRS), used in calculating the level of permanent disability sustained due to an industrial injury, taking into consideration one's resulting diminished future earning capacity.

MMI – Maximal Medical Improvement – Formerly known as Permanent and Stationary; defined as the point in time when the injured workers' condition is well stabilized and unlikely to change substantially in the next year with or without medical treatment.

MPN- Medical Provider Network- is a group of health care providers set up by an insurer or self-insured employer and approved by DWC's administrative director to treat workers injured on the job.

WPI – Whole Person Impairment – A loss, or loss of use, or derangement of any body part, organ system, or organ function. Impairment is considered permanent when it has reached Maximum Medical Improvement (MMI)



**WORKERS' COMPENSATION
BOARD OF DIRECTORS MEETING
MAY 19, 2016
9:00 A.M**

MINUTES

The Regular Meeting of the Board of Directors of SISC I Workers' Compensation Program was called to order by Director Kouklis at 9:01 a.m. on Thursday, May 19, 2016 in the SISC Board Room on the 4th Floor of the Reider Center, 2000 K Street, Bakersfield, California 93301. The following individuals were in attendance:

MEMBERS PRESENT:

Nick Kouklis
Robin Shive (arrived 9:03)
Paul Miller
Dr. Mary Westendorf
Dr. John Mendiburu
Cynthia Arismendez(arrived 9:07)
Gerrie Kincaid
Sheila Shearer
Noemi Vazquez

ALTERNATES PRESENT:

Dr. Mary Barlow
Russ Clark

OTHERS PRESENT:

Kim Sloan
Megan Hanson
Bonnie Bowles
Kristy Comstock
Fred Bayles
Rich Edwards
Gabe Rodriguez
Christian Hootman
Maria Navarro
Rich Cameron

Consent Agenda

Motion was made by Director Kincaid seconded, by Director Miller and by roll call vote of 8-Yes, 0-No, and 0-Abstentions (8-0-0), to approve the Consent Agenda as follows:

Minutes

Approval of Minutes for April 2016 Board of Directors Meeting

Claims

Payment of Claims in the amount of \$1,431,966.88 and Bakersfield City Claims in the amount of \$235,442.02 for the month of April 2016 was approved.

Public Comment

None

Closed Session – Workers’ Compensation Liability Claims

The Board went into closed session at 9:02 a.m.

Reconvene to Open Session

The Board reconvened into open session at 9:16 a.m.

Director Kouklis reported on the following cases:

With respect to the claim filed by Maria Ramirez against Seeley Union Elementary School District after discussion, motion was made by Director Westendorf, seconded by Director Mendiburu and by roll call vote of 9-0-0 the board approved the payment of \$67,680.79 for the settlement of this claim with Maria Ramirez.

With respect to the claim filed by Rusty Ness/Karen Ness against Mojave Unified School District after discussion, motion was made by Director Shive, seconded by Director Arismendez and by roll call vote of 10-0-0 the board approved the payment of \$250,000 for the settlement of this claim with Rusty Ness/Karen Ness.

Action Items

Financial Report

Kim Sloan reviewed with the Board the Financial Report for the period ending April 30, 2016. Kim reported the LAIF rate for the month of April 2016 went up to .53% compared to last month of .51%. Investment reports for the quarter ending 3/31/16 were presented. After discussion, motion was made by Director Mendiburu, seconded by Director Westendorf and by roll call vote of 10-0-0, approving the Financial Report as submitted.

Information and Discussion Items

Update on the Work Group/Gatekeeper Network

Gabe Rodriguez informed the board that we are still working on adding more providers and facilities to the MPN. He also informed the board that we are still working on adding providers to the Gatekeeper meetings. Gabe informed the board that at the Gatekeeper meeting there were no issues or updates to discuss. Round table cases were presented.

SISC I Risk Management Services

Christian Hootman informed the board that he is working on incident investigations, inspections, referrals to P&L, consultations, service calls, trainings and meetings.

Special Cases Not Requiring Board Approval

Director Kouklis noted there were 20 cases under \$20,000.00 presented for review.

Comments from the Board of Directors

None

Adjournment

There being no further business to come before the Board, motion was made by Director Kincaid, seconded by Director Miller and by roll call vote of 10-0-0, adjourning the meeting at 9:41 a.m.

Next Meeting

The next meeting of the Board of Directors will be held **Thursday, June 16th** at 9:00 a.m. at the Larry E. Reider Education Center, 2000 K Street, Bakersfield CA 93301.

Robin Shive, Secretary