

ILLINOIS SELF-INSURERS ADVISORY BOARD
ILLINOIS WORKERS' COMPENSATION COMMISSION
MEETING MINUTES
December 11, 2019
Chicago, IL 10:30 a.m.

Board Attendees:

Chicago: Chairman Michael Brennan, Paul Bergmann, Michael Castro, Gerald Cooper
Springfield (video conference call): David Taylor

Staff Attendees:

Chicago: Paul Fichtner, Ron Rascia, Maria Sarli-Dehlin
Springfield (video conference call): Jean Cannon, Wendy Keithley, Kevin Leach

Chairman Brennan called the meeting to order at 10:30 AM. A quorum was present. A previously prepared and posted agenda was distributed; a copy of which is attached.

I. Minutes

Upon motion by Paul Bergmann and seconded by Michael Castro, the minutes of the Board meeting held on 9/11/2019, were unanimously approved as presented.

II. Chairman's Report

Chairman Brennan reported that the Commission has partnered with Microsoft and is moving forward with its paperless computer system that will be cloud based. Short term goals include attorneys registering onto the new system and the acceptance of settlement contracts. The new system will impact the Commission's current need of storing 250,000 files.

The Chairman also reported staff was hired to handle circuit court e-filings per the Supreme Court's mandate that all court systems file documents electronically.

III. Manager's Report

A. Security Fund Forecast 9/30/2019

Maria Sarli-Dehlin presented the Security Fund forecast as of 9/30/2019. She reported that 1,215 Security Fund assessments were mailed on 10/11/2019. As of 12/11/2019, \$1,032,000 has been received.

B. Fund Balances

Maria Sarli-Dehlin presented reports of the Security and Administration Funds that included current and past budgets, expenditures, revenue, and fund balances. During the first quarter of FY2020, 26% of the Security Fund's and 14% of the Administration Fund's operation budgets were spent.

Chairman Brennan reported the legislature has agreed to combine the Administration Fund into the Security Fund. Discussions are in process for a potential increase of the application and renewal fee.

IV. New Business

A. Trending Factor

Maria Sarli-Dehlin presented a report prepared by Merlinos & Associates, Inc., a Fellow of the Casualty Actuarial Society, regarding the development of trending factors to be used in determining security requirements for the 2020 and 2021 applications.

B. Renewal Application

Maria Sarli-Dehlin presented three questions to be added to the renewal application regarding the self-insured company's participation in the setting of claim reserves with its third-party administrator. Discussion ensued.

At 10:51 AM, the Board convened in closed session. The member of the public departed prior to entering closed session.

At 11:11 AM, after discussion in closed session, and upon motion by Paul Bergmann, seconded by Gerald Cooper and unanimously carried, the Board reconvened in open session.

VIII. Public Comment

None

IX. Vote

1. Trending Factor

Upon motion by Paul Bergmann, seconded by Michael Castro, and unanimously carried, the Board agreed to approve the new trending factor of 6.8% for years 2020-2021.

2. Closed Meeting Minutes (year 2013)

Upon motion by Paul Bergmann and seconded by Michael Castro, the Board agreed to destroy the recordings and make available to the public the written closed meeting minutes for the following meeting dates: 4/15/2013; 6/19/2013; 9/18/2013; and 1/23/2014.

3. Cassens Transport Company

Upon motion by Paul Bergmann, seconded by Michael Castro, and unanimously carried, the Board agreed to grant the petition for reconsideration contingent upon the year-end financials' score improving.

There being no further business, upon motion by Paul Bergmann and seconded by Michael Castro, the Board voted unanimously to adjourn the meeting. The meeting adjourned at 11:15 AM.