

ILLINOIS SELF-INSURERS ADVISORY BOARD  
ILLINOIS WORKERS' COMPENSATION COMMISSION  
MEETING MINUTES  
December 9, 2015  
Chicago and Springfield, IL 10:30 a.m.  
Video Conference meeting

Board Attendees:

Springfield: Debbie Stafford

Chicago: Chairman Joann Fratianni, Gerald Cooper, John Rittenhouse, David Taylor

Conference call: Alex Alexandrou

Staff Attendees:

Springfield: Jean Cannon, Wendy Keithley, Kevin Leach

Chicago: Maria Sarli-Dehlin, Dennie Mogensen, Ron Rascia, Darlene Senger

**Closed Session**

V. Bankruptcy Report 9/30/2015

Maria Sarli-Dehlin presented the Bankruptcy Exposure to Security Fund report as of 9/30/2015 which included indemnity and medical reserves.

VI. Proposed Self-Insurance Rule Changes

Maria Sarli-Dehlin presented a memo regarding affiliates. Discussion ensued regarding the current and former processes of handling self-insured affiliates. After discussion, the Board agreed that when there is no consolidating parent company, an affiliate must qualify on its own financial strength and provide its own security instrument. Guaranty agreements will not be required when there is no ownership interest of one entity over another.

Further, the proposed changes to the self-insurance rules would be submitted to the Commission's rules committee omitting any mention of affiliates.

VII. Former self-insured companies

Maria Sarli-Dehlin presented to the Board a memo and recommendation regarding **Carpenter Contractors of America**. The former self-insured company requests an additional refund of the security held by the Board in its Security Fund (\$958,000) because it has one open claim that has not reached specific excess retention.

The remaining open claim is reserved for \$7,188 but there remains \$433,697 to be paid before the specific excess insurance retention is met.

**The Board discussed reducing the security requirement to \$450,000 and returning the difference. Board member John Rittenhouse abstained from discussions.**

Maria Sarli-Dehlin presented a memo and options regarding **Naki Cleaning Services, LLC**. The former self-insured company requests release of the \$200,000 security it provided for the self-insurance period of 7/1/2001 - 6/1/2014. The company has not had employees since 2008 and has no open claims.

**The Board discussed maintaining the current security until the three-year statute of limitations expires.**

Maria Sarli-Dehlin presented a memo and options regarding **R.R. Donnelley & Sons Co.** The former self-insured company requests reduction of its \$2,225,000 security it provided for the self-insurance period of 1/1/1980 - 6/30/2007. There remain three open claims reserved for \$141,923.

The request was presented to the Board because of possible occupational disease exposure.

**The Board discussed maintaining the current security and reviewing the security requirement once all claims are closed.**

Maria Sarli-Dehlin presented a memo and options regarding Witco Corporation. The former self-insured company requests release of its \$1,325,000 security it provided for the self-insurance period of 1/1/1973 - 6/1/1997 because all claims have been closed since 2006.

The request was presented to the Board because of possible occupational disease exposure.

**The Board discussed reducing the security to \$750,000.**

Upon motion by Alex Alexandrou, seconded by John Rittenhouse, the Board voted unanimously to adjourn the closed portion of the meeting, after which the Board reconvened in open session.