

**THE LABOR COMMISSION  
WORKERS' COMPENSATION ADVISORY COUNCIL**

**Wednesday, October 12, 2011 – 12:00 P.M.  
Room 319, Heber M. Wells Bldg.  
Salt Lake City, Utah**

**The following Advisory Council members were in attendance:**

Ralph Astorga, President, USWA Local 392  
David Bird, Esq., Parsons Behle and Latimer  
Dennis Lloyd, Workers Compensation Fund  
K. Dawn Atkin, Esq., Atkin & Associates  
Reo Castleton, President, SL Cnty Fire Dept Local 1696  
Dave Davis, President, Utah Food Industry Association  
Richard J. Thorn, President/CEO, Associated General Contractors - Utah Chapter  
Brian Kelm, Esq.  
Brandt Goble, Painters and Tapers Local 77  
Sen. Karen Mayne  
Jeff Rowley

**The following Advisory Council members were excused:**

Rep. Mike Morley  
Thomas Bingham, President, Utah Manufacturers Association  
Edward Holmes, M.D., Summit View Medical  
Kathleen Bissell, Liberty Mutual - by phone  
Brad Tibbitts, Utah Department of Insurance

**Others Present:**

Alan Hennebold, Deputy Commissioner  
Ron Dressler, Director, Division of Industrial Accident, Labor Commission  
Sara Danielson, Administrative Assistant, Labor Commission  
David Lamb, Administration Director, Labor Commission  
Sherrie Hayashi, Commissioner  
Rod Morris, Actuary with Deloitte Consulting

**WELCOME**

**Welcome –Commissioner, Sherrie Hayashi** brought the meeting to order at 12:05 p.m.

**1. Miscellaneous Business:**

**Commissioner Hayashi** called for a motion to approve the minutes of the last Advisory Council meeting. **Dave Davis** moved to approve the minutes; **Jeff Rowley** seconded the motion. Approval was unanimous.

## **2. Workers' Compensation Program Updates – Ron Dressler**

**Ron Dressler** stated that the Annual Workers Compensation Conference hosted by the Labor Commission was held on September 29. There were approximately 190 in attendance. The Southern Utah Conference will be held on January 27.

**Ron Dressler** stated that the Medical Committee will be meeting on November 8, 2011, to begin discussions on the 2012 changes. They will also be discussing how PPO's work within the Workers Compensation system and revising the RSA form.

**Jeff Rowley** presented a handout regarding lifetime medical costs. The comments contained in the handout are for informational purposes. Mr. Rowley stated he hoped to have further discussion with members of the council on the items listed.

## **3. Labor Commission Budget / Premium Surcharge Funds – David Lamb and Rod Morris**

**David Lamb** presented handouts for the budgets of UEF, ERF, Workplace Safety and the IARA. He reviewed the handouts and answered questions.

**Rod Morris** of Deloitte Consulting, presented the actuarial study for funding of the UEF and ERF. He explained that changes were made to the projected interest rates. He also stated that the medical reimbursements from the ERF increased substantially during 2011. He recommended that better data collection be done on the medical reimbursement aspect of ERF. **Ron Dressler** stated that this has already begun. **Rod Morris** recommended the following rates for the premium assessment for 2012: ERF at 3%, UEF at .3%, IARA at the statutory rate of .5%, and Workplace Safety at the statutory rate of .25% for a total assessment of 4.05 %.

Discussion was held.

**Dave Bird** moved that the Council approve continuing the current assessment rates of 3% for ERF, .05% for UEF, and the statutory rates for the IARA and Workplace Safety at .5% and .25% respectively. **Dawn Atkin** seconded the motion. Voting was unanimous.

## **4. Legislative and Rule-Making Matters – Alan Hennebold**

**Alan Hennebold** reported that the Workers Classification Enforcement Council would be issuing their report to the Legislature next week. **Dave Bird** asked if there were any enforcement proceedings regarding the findings of the council. **Mr. Hennebold** responded that there has been some enforcement proceedings begun on the findings of the council.

**Commissioner Hayashi** mentioned that the US Dept. of Labor has signed Memorandums of Understanding with several States regarding the sharing of information on the classification of workers.

**Alan Hennebold** reported that SB35 established employers' right to rebut the presumption of a worker being an employee for UALD and UOSH matters. It was determined that leaving out workers compensation matters was an oversight, so in the special session HB3003 was passed that added workers compensation matters to the rebuttable presumption. The Labor Commission is moving forward with rule making procedures to make this change.

**Senator Mayne** proposed putting together a discussion or working group on the issue of who pays for medical bills when workers compensation is denied and/or pending.

**Senator Urquhart** presented, by telephone, a proposal to put forward a bill to exempt dependents in non-hazardous family businesses. Discussion was held. **Reo Castleton** moved for support of language that defines the hours worked and dependents in non-hazardous work. **Brandt Goble** seconded the motion. Voting was unanimous. **Commissioner Hayashi** asked that **Alan Hennebold** work with **Senator Urquhart** on the language.

**Commissioner Hayashi** expressed appreciation to **Senators Mayne and Urquhart** for involving this Council in their legislative considerations.

**Ron Dressler** asked that the Council consider a Division name change. A suggestion was “The Division of Workers Compensation”. The council was unanimous in stating that if it would make life easier for the Division, they were okay with it. **Mr. Dressler** will have the change ready for discussion at the January 11, 2012 meeting.

## **5. Other Business**

**Commission Hayashi** presented the schedule of meeting for the 2012 calendar year.

**Brandt Goble** moved to adjourn the meeting. **Brian Kelm** seconded the motion. Voting was unanimous.

Meeting closed at 2:10 pm.