

**TENNESSEE ADVISORY COUNCIL ON WORKERS' COMPENSATION  
MINUTES  
Legislative Plaza, Room 30  
Nashville, Tennessee  
Monday, August 22, 2011  
1:00 p.m.**

**Members Present:**

Voting Members:

David H. Lillard, Jr., State Treasurer, Chair

Jack Gatlin – via telephone

Bob Pitts

Dan Pohlgeers

Gary Selvy

Non-Voting Members:

David Davenport

Stephen Graves

Lynn Lawyer

Alisa Malone

Jerry Mayo

Sam Murrell

Gregg Ramos

Mike Shinnick

Lynn Ivanick, Administrator

**Also Present:**

Steve Curry, Assistant Treasurer for Programs, Treasury Department

Janice Cunningham, Chief of Staff, Treasury Department

Anne Adams, Director Division of Claims, Treasury Department

Ben Simpson, Claims Examiner, Division of Claims, Treasury Department

Tom Redel, AON Risk Services

Cathy Booth, NCCI

Landon Lackey, Attorney, Department of Labor and Workforce Development

Dr. McCord

J. Nathan Green, RobinsonGreen, LLC, Tennessee Orthopaedic physicians

**Call to Order**

Chairman, David Lillard called the meeting to order at 1:10 p.m. in Room 30, Legislative Plaza, Nashville, Tennessee. Four of the six voting members were present either in

person or via phone. Chairman Lillard declared a quorum. He explained that roll would be called for all votes including a vote regarding the allowance of participation by telephone. A resolution regarding the allowance of member presence via telephone was read. A **motion** was made by Mr. Bob Pitts to permit Council to meet with members present via telephone. The **motion** was seconded by Mr. Gary Selvy. A roll call resulted in a unanimous vote in favor of **adopting the motion**.

Chairman Lillard introduced and welcomed the newest members of the Council, Paula Claytore representing Health Care Providers and Lynn Lawyer, an attorney representing Insurers. The reappointment of Bruce Fox, attorney representing employees, was announced and congratulated. The Chair then thanked those members whose terms had expired, Katherine "Kitty" Boyte and Stephen Johnson for their years of service on the Council and to the State.

The next item was the approval of the minutes of the April 25, 2011 meeting. Chairman Lillard recognized Mr. Pitts who explained that the minutes needed amendment on page two, paragraph one, 4th sentence to delete "not" and to add "to be sure they are work related" for clarification. Mr. Pitts then made a **motion to approve** the minutes so amended. This motion was **seconded** by Mr. Dan Pohlgeers, a roll call was taken and the minutes were **approved as amended**.

Chairman Lillard made a general announcement that there were several presentations coming up, that no vote by the Council was anticipated today and that recommendations regarding NCCI filings would be made at the Council's September meeting.

Mr. Mike Shinnick, Workers' Compensation Manager for the Department of Commerce and Insurance made a presentation on the workers' compensation market conditions and environment.

Mr. Tom Redel, of AON, which is the Plan Administrator for Assigned Risk Plan made his annual presentation. He indicated that his presentation covered a lot of the same information as Mr. Shinnick's but that the information comes from a different data source. Our database system is from applications. We don't update for policy changes, so, although not real accurate data, it is very good for trending. The bottom line is that 2009-2010 premiums went down 9.4%.

Cathy Booth, of NCCI gave a brief overview of the NCCI Law Only filing proposed to go into effect 11/1/11. The data in the law only filing can be summarized in three parts. DLWFD 8/26/09 rule changes caused increase in the amount of 2.1% and Medicare updates in 2010 and 2011 caused an increase of 1.3% and 2.8% respectively. NCCI measures the Tennessee fee schedule and compares from one to the next when changes are made. Data used in filing is Tennessee specific data for 2009 service. The medical fee schedule pricing is separate and apart from the experience filings.

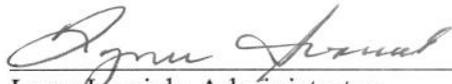
Mr. Landon Lackey of the Tennessee Department of Labor and Workforce Development gave a presentation on the proposed Medical Fee Schedule Amendments. In 2009 amendments went into place without all the proper procedures. It was an oversight on the DLWFD part. When we saw NCCI Law only filing increase, we proposed an emergency Rule to go back to the pre-August 2009 rate and go back to round numbers. 9/28/11 public hearing on the permanent rules at the DLWFD 220 French Landing Blvd., Nashville, TN. Next April for permanent rules implementation.

Nathan Green of RobinsonGreen representing Orthopaedic Surgeons of Tennessee, spoke as to the impact of the medical fee changes on orthopaedic surgeons in Tennessee.

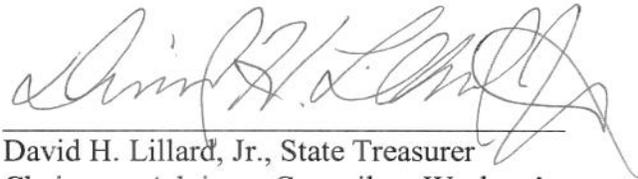
Dr. David McCord spoke as to the cyclical nature of the business, the types of cases presented to surgeons due to workers' compensation injuries and the effect the medical fee changes may have on the surgeons of Tennessee who handle workers' compensation cases.

Chairman Lillard reiterated that if the Council decides to provide comment on the proposed changes to the rules regarding the medical fee schedule for the Department of Labor and Workforce Development, they will do so at the next meeting scheduled for September. Additionally, any recommendation concerning the NCCI filings will take place after formal presentation by the actuaries at the September meeting.

There was a **motion to adjourn** made by Mr. Pitts, **seconded** by Mr. Pohlgeers. Seeing no objection, Chairman Lillard **adjourned** the meeting at 3:15 p.m.



Lynn Wanick, Administrator  
Advisory Council on Workers'  
Compensation



David H. Lillard, Jr., State Treasurer  
Chairman, Advisory Council on Workers'  
Compensation