
**WORKERS' COMPENSATION ADVISORY COUNCIL
MINUTES ~ ~ FEBRUARY 18, 2005 MEETING [10:00 A.M.]
710 JAMES ROBERTSON PARKWAY
HEARING ROOM, FIRST FLOOR
ANDREW JOHNSON TOWER
NASHVILLE, TENNESSEE**

The meeting was called to order at 10:15 a.m. by the chair, Mr. Dale Sims, State Treasurer.

The Advisory Council members made a determination that it was necessary to conduct the meeting electronically and that the matter(s) to be considered were such that timely action was necessary and the physical presence by a quorum of the voting members was not practical.

The following lists each member and indicates whether he/she attended the meeting:

***CHAIR:** Dale Sims, State Treasurer - Present

***VOTING MEMBERS:**

Employee Representatives

Jack A. Gatlin - Absent
Jerry Lee - Present
Othal Smith, Jr. - Absent

Employer Representatives

Neil Nevins - Present
Bob Pitts - Present
Steven Turner- Present via conference
call

***NONVOTING MEMBERS:**

Kitty Boyte [TDLA representative] - Absent
Claiborne (Chip) Christian, M.D. [health care providers representative] - Absent
Jackie Dixon [TBA representative] - Absent
Tony Farmer [TTLA representative] - Present
Bob Kirk [local governments representative] - Absent
Jerry Mayo [insurance companies representative] - Present
David Stout [health care providers representative] - Absent

***EX OFFICIO MEMBERS**

Senator Joe Haynes - Absent
Representative Jere Hargrove - Absent
Commissioner Paula Flowers - Absent; Designee was present
Commissioner Jim Neeley - Present

The following lists the topics discussed at the meeting and indicates the actions taken or recommended to be taken:

1. APPROVAL OF MINUTES

Draft minutes of the January 28, 2005 meeting were sent to the members prior to the meeting for review. The Executive Director reported she had received no corrections of comments.

>**ACTION:** The draft minutes for the January 28, 2005 meeting were unanimously approved.

2. ADVISORY COUNCIL ADMINISTRATIVE MATTERS

>**ACTION:** The voting members present at the meeting in person or on the telephone voted unanimously to conduct the meeting electronically.

3. NATIONAL COUNCIL ON COMPENSATION INSURANCE - LOSS COSTS FILING EFFECTIVE JULY 1, 2005

On December 28, 2004, the Department of Commerce and Insurance forwarded a loss costs filing to the Advisory Council for review and recommendation. The loss costs filing, to be effective on July 1, 2005, proposed an increase of +3.9%. The NCCI advised the filing was identical to the filing submitted to be effective on March 1, 2005, except three additional months of trend were included. Comments regarding the proposed filing were made by Ms. Carolyn Bergh, actuary for the NCCI, the Advisory Council's consulting actuary, Mr. Greg Alff, and the consulting actuary for the Department, Ms. Cheryl White.

>**ACTION:** The voting members of the Workers' Compensation Advisory Council unanimously agreed to recommend to Commissioner Flowers that *the NCCI's proposed overall increase of +3.9% from the loss costs that became effective on September 1, 2004, and the individual loss costs for each classification as included in the NCCI's filing, be approved to be effective on July 1, 2005.*

4. UPDATE RE: IMPLEMENTATION OF "REFORM ACT OF 2004"

*Commissioner James G. Neeley, Department of Labor and Workforce Development

Commissioner Neeley updated the members concerning the satellite offices that had opened or were scheduled to open since the last meeting. Commissioner Neeley also advised the members

that he expected to have the medical fee schedule finalized prior to the Council's scheduled meeting on March 18, 2005.

>**ACTION:** No action was taken by the members regarding this agenda item.

5. DISCUSSION OF DRAFT "BENEFIT REVIEW PROCESS RULES"

The Division of Workers' Compensation had submitted proposed "draft" rules regarding the benefit review conference process and had requested the members to provide comments to the Division. The members of the Advisory Council discussed how best to proceed with providing comments and suggested a working group of members meet with Division staff to discuss the draft rules.

>**ACTION:** The members agreed a working group would meet with the Department regarding the proposed rules the following week.

The members were reminded the next meeting would be Friday, March 4, 2005 and the meeting of the Advisory Council adjourned at 11:10 a.m.