**MONTANA SELF INSURERS’ ASSOCIATION**

**December 16, 2022 Board Meeting Minutes**

**11:00a MST**

**Zoom Meeting ID: 843 1218 5660**

**Passcode: 900467**

Members Present: A. Komac (Chair) MMIA, J. Haun (Vice Chair) Rosauers, M. Marsh (Sec’y/Treas) Midland Claims, D Haeder Northwestern Energy, D. Walcheck Logan Health, P. Strauss (Exec Dir) ex-officio and non-voting member.

1. **Approval of 11/17/2022 Board Meeting Minutes**

The November 17, 2022 Draft Meeting Minutes were provided to the Board as part of the Zoom meeting invitation sent 12/12. There were no questions, corrections or comments.

**Komac moved and Haun seconded a motion to approve the minutes of the 11/17/22 Meeting Minutes as presented. Motion passed unanimously, with no abstentions.**

1. **Director’s Report**:

**Financials**

The November 2022 monthly statements from First Interstate Bank, the DA Davidson Savings, and Investment accounts were provided to the Board with the 12/12 meeting invitation. The most current fiscal year to date Financial Transactions spreadsheet, which is more up to date, was also provided at that time.

First Interstate Balance                               = $48,020.90

DA Davidson Bond Fund Balance        = $ 9,224.06

DA Davidson Investment Acct                   = $22,511.55

Intrepid CD = $10,301.06

We saw a slight uptick in our combined DA Davidson accounts with the end of the month increase in the stock market. Our overall financial situation remains sound. The Intrepid CD is our savings account and would likely be the last funds we tapped, should there be a financial disaster. This CD matures in March, 2023. In addition, we have the Intrepid CU Savings account with $5.00 (required to open the CD).

At the last meeting we approved a motion to take $15,000 from our First Interstate checking account, earning no interest and transfer it to an American Express business checking account, earning 1.3% interest. We discussed that the lowest we have run our checking account, which serves as our operational funds, is about $20,000 and we do not have any anticipation of needing these funds. At the same time, we would prefer to have them liquid. I followed up and made the application with American Express and we were rejected because they are not serving trade associations as a line of business for their accounts. As a result, we did not open the account as anticipated and no action has been taken on the motion to move the funds.

Wells Fargo Advisors has a money-market account available to businesses, and potentially available to MSIA at no cost as a result of Strauss’s existing relationship with the company. The Wells Fargo Advisors business money market account is currently earning 3.7% interest and is variable based on the Federal Reserve interest rates and the marketplace. It is a semi-liquid account, requiring a business day for funds to be available to us. We can execute an agreement for WFA to provide electronic transfers, only at our request, directly to and from our First Interstate operations checking account. We will need a corporate resolution (Board Motion) authorizing the account and identifying the signers for the account – I recommend the Board Chair, Treasurer and the Executive Director.

General discussion was held with the pluses and minuses of not having immediate access to our funds and the recognition that we are unlikely to be in a situation where we need immediate access, versus one day access. We discussed as well the potential income and value of committing our funds in this manner.

**Komac moved and Walcheck seconded a motion to commit $15,000.00 (FIFTEEN THOUSAND DOLLARS AND NO CENTS) of our operating funds from the First Interstate checking account to a Wells Fargo Advisors money market account and to provide electronic funds transfer to move money in and out of the WFA account. Signers on the account shall be the the Board Chair (Komac), Treasurer (Marsh) and the Executive Director (Strauss).** **Motion passed unanimously, with no abstentions.**

Association expenses incurred in November so far include only our usual domain name and CardSetter website maintenance charge for a total of $55.00. We also paid the accounting bill for our federal 990 tax form of $500 which is below budget by $300. Ann Komac countersigned that check. We will have the usual CardSetter and domain name expenses in December and the postage to mail the accountant’s check.

 **Taxes**

As a tax-exempt organization (yay!) as long as our revenues are under $50,000 we can file a postcard return. Given that this was our first year as a tax-exempt and we were not sure what the requirements were, we used Rudd & Co. as our accountants. Going forward, as long as we remain under $50,000 in revenue, the Executive Director should be able to file this on their own, saving all of the accounting fees. However, we are sneaking up on the $50,000 threshold; this year’s budget anticipates almost $48,000 in income. Once we pierce that threshold the filing becomes much more complicated, and we will need an accountant to assist us.

There was brief discussion regarding the differences between our tax-exempt status as a 501 (c)(6) trade association and charitable 501 (c)(3) organizations. Charitable organization contributions are tax deductible; membership and sponsor fees to a trade association are not, however they are legitimate business expenses.

**Membership**

We have three Associate members, Health-e-Systems, USI and COMT/Sababa who are on a January – December membership year. Those bills have gone out and at least Health-e-Systems and USI are expected to renew their membership. COMT/Sababa was looking for a way to break into the Montana market with their membership and there may not be enough of a market for them. Their membership may not renew. Ametros and Rising Medical Solutions, based on when they paid this year will be on that renewal cycle starting next year.

I continue to work with Fort Belknap as a potential employer member. The only outstanding commitment we have is from Craig Hospital who had committed, been billed but has not yet paid. Strauss will follow up with them.

1. **MSIA Webinar Series** –

Our next CE Webinar, with Ametros Senior Managing Director Paul Sighinolfi is set for February 15, 2023. While we have not settled on his talk, I expect it to be about settling out complex claims. Ristema Law has purchased one of the two sponsorships for this Webinar and I will be soliciting membership for the second sponsorship. Our contact list is currently over 240 individuals based in Montana and across the country; 100 of those contacts are affiliated with MSIA members.

1. **Web Site**

The Web Site has been updated with the most recent MSIA Update. I still have to provide the content update based on our positions. I continue to work with CardSetter on how we can provide for variable pricing opportunities so meeting or webinar and meeting sponsors can pay via the site’s credit card processing system. Currently we provide for fixed fee levels for Webinar attendance and membership dues only. We anticipate providing a link to the state’s self-insurance requirements and forms information.

Our Members Only password has been updated and Strauss has provided each member with their password. Notification was also provided to members that the Business & Annual Meeting material is available for their review, including the amended Bylaws, our Conflict of Interest statement and budget information.

**5. Old Business / New Business**

**Legislative Issues** – Based on all accounts this is not going to be a big workers’ compensation year – that is based on the fact that the system is working at least adequately, if not well. The Oregon Rate study has placed Montana at #15 – the lowest I have ever known. That is an indication that our system is not in crisis – and we know that from our everyday work in the system. We are not in crisis, therefore there is not much call, nor need, for significant change. That being said, there are a spate of bill request titles which are predictable to change the choice of provider law, to create an OD presumption, to create a COVID presumption and to impact the State Fund. Representative Nelly Nicol and Senator Mark Noland have State Fund bill titles requested, although no language is available as yet. Noland sponsored some of the bills in the last session to restrict State Fund operations – at least one of them to the point where the entirety of the system would have been impacted. Nicol testified as a citizen in favor of those bills at that time. MSIA will again remain neutral, unless the proposals negatively impact our marketplace. In addition Senator Greg Hertz, who was a plaintiff suing the state when the 2017 special session used some of the State Fund’s monies to balance the budget, has at least one bill to return those funds, with interest.

There are a number of bills to amend the marijuana laws, health care laws, insurance laws and other laws that may impact workers’ compensation. I will again provide weekly updates to members regarding legislative activity and bills of interest.

SB 22, by Senator Morigeau (D-Missoula) is the Independent Contractor clean up bill worked out with the EAIC during the interim. There should be no issue with this bill. MSIA worked with MCCF and the MCA in identifying the need to clean up the language from the last session.

One of the peripheral issues is a change to Title 37 – which is the Department of Labor’s professional licensing statute. It is very broad and covers EVERYONE who is licensed, from barbers to plumbers and medical professionals. The stated goal of the Department of Labor is to streamline the process and oversight. In so doing, there may be a diminution of the standards applied to professional licensees we are concerned with (medical) and more bureaucratic oversight rather than professional oversight through the existing Boards. In working with the Montana Medical Association, there is a concern as well that the Department will assign any number of different attorneys to help staff the Boards, rather than assigning someone who becomes an expert in the field. In that process, there is a concern there will be a bureaucratic application of the rules, rather than an individual situational application. While the goal is laudable, the details will become important.

It remains too early to know what most of the bill requests may mean. Typically, legislators can request a bill with a title such as Generally Revise the Workers Compensation law, or Generally Revise Insurance or Health Care or Workforce Laws. I currently have seven pages of potential bills that may impact our work. I expect many of them to just disappear, but at this point it is impossible to predict. There are over 4100 bill requests and more coming.

Strauss is retaining Amber Worman to assist me with the legislative work and weekly reporting. Worman worked with me at MSF and is a former MMIA claims examiner who has created her own consulting firm. She is a contractor to me, not MSIA and will be working for me on our legislative advocacy, monitoring and reporting for our members. I remain completely responsible for our actions and results. There is no financial impact to MSIA, she is going to be contracted to CF Parry Associates, not MSIA.

In short, it is generally too early to know anything for certain but to start to create our “watch” lists. In addition to the weekly reporting, I will be contacting those members who’s individual interests may be impacted by proposals for their assistance and input.

The Board asked about the proposal Strauss had floated to provide a time limit of 104 weeks to terminate temporary benefits, rather than going through the Coles criteria. No language has been drafted and at this point, issues that can be brought up will likely be as part of an amendatory process, or new language provided for an existing bill request, that may not have been contemplated as part of the original bill request. Walcheck identified that as a professional CRC should such a proposal be brought, she would have a difficult time supporting it. MSIA does not have an official position as yet and no language has been drafted.

**Meetings**

We had a period of a few months where we could not get together during the summer. The Board discussed the stability of the Association operations and our need for meetings every month. The Board discussed that based on policy decisions, we likely could be OK with a monthly report and meeting every other month, other than during legislative sessions.

**Marsh moved and Haun seconded a motion to hold Board meetings every month on the current schedule while the legislature was meeting and every other month during the legislative interim, subject to the call of the Chair, monthly reporting by the Executive Director and, if necessary, email Board motions and decisions. Motion passed unanimously with no abstentions.**

**Other Old or New Business –** none**.**

1. **Adjourn**

The meeting adjourned at 11:50a. The next meeting is scheduled for January 19 at 11:00a MDT.