

DRAFT
Council on Worker's Compensation
Meeting Minutes – Hybrid Meeting (In-person and WebEx)
201 E. Washington Avenue
GEF-1 Building
Madison, Wisconsin
March 19, 2025

The Department of Workforce Development (DWD) provided public notice of the meeting under Wis. Stat. § 19.84.

Members present in-person and via video: Ms. Bloomingdale, Mr. Buchen, Ms. Frank, Mr. Fugina, Mr. Kent, Ms. Kosnicki, Mr. Large, Ms. Meidl, Mr. Nettum, Mr. Dipko (Chairperson), Mr. Reese, Mr. Schwanda, Mr. Tindell, and Ms. Ver Velde.

Excused: None

Staff Present: Mr. Aiello, Mr. Brockman, Ms. Brown, Ms. Halsey, Ms. Lake, Ms. McCormick, Mr. O'Malley, Ms. Przybylo, Mr. Przybylo, Mr. Salvi, Mr. Sensenbrenner, and Mr. Spencer.

- 1. Call to Order/Introductions:** Mr. Dipko convened the Worker's Compensation Advisory Council (WCAC) meeting at approximately 10:12 a.m. in accordance with Wisconsin's open meetings law and called roll of the WCAC members.
- 2. Approval of the Minutes:** A motion was made by Ms. Bloomingdale to approve the minutes of the February 11, 2025 meeting. Ms. Ver Velde seconded the motion. The minutes were unanimously approved without correction.
- 3. Correspondence:** Mr. O'Malley reviewed correspondence since the last meeting.

A text message received on February 18, 2025 from Mr. Jimmie S. Roskow to Mr. Dipko. Mr. Roskow stated that he had been receiving worker's compensation benefits since 1989 and will continue to receive those benefits for the remainder of his life. He recalled getting a cost-of-living adjustment every few years but has not received any adjustment since 2013. He was concerned that his paperwork may have been lost. He asked why there has been no cost-of-living adjustment for more than 12 years.

Mr. Bernard Rosauer, President of the Worker's Compensation Rating Bureau, sent a letter dated March 10, 2025 advising that he requested Milliman to perform another analysis of the proposed minimum permanent partial disability (PPD) ratings due to the lack of clarity about the intent and methodology for the proposed new administrative rules. An attached letter from Milliman dated March 6, 2025 contained the updated analysis. Mr. Rosauer requested that his letter and the Milliman letter be shared with the WCAC members.

- 4. Public Comment:** Mr. Scott Meyer, through his attorney, Mr. John Neal, submitted a videotaped statement regarding cost-of-living adjustments for supplemental benefits. Mr. Meyer has been permanently and totally disabled since he was 19 years of age. As he ages, he has less financial resources to meet his needs and he depends on periodic cost-of-living adjustments for supplemental benefits to support himself.

- 5. Supplemental Benefit Overview:** Mr. O'Malley gave a brief overview about the history, statutory changes and current law for supplemental benefits. The overview included a PowerPoint presentation.

Supplemental benefits are authorized by s. 102.44 (1), Wis. Stats., and are additional benefits for older claims where the injured worker has been on continuous temporary total disability for more than 24 months or is permanently and totally disabled. Supplemental benefit increases are a type of periodic cost of living adjustment.

In 1972 the Second Injury Fund, precursor to the Work Injury Supplemental Benefit Fund (WISBF), began making payment of supplemental benefits to workers with old claims.

Beginning May 14, 2013 reimbursement from the WISBF to worker's compensation insurance carriers and self-insured employers was suspended due to an insufficient balance to cover all liabilities with the approval of the WCAC. Insurance carriers and self-insured employers continued to pay supplemental benefits to injured workers.

2015 Wisconsin Act 55, effective January 1, 2016, ended reimbursement from the WISBF for supplemental benefits paid by worker's compensation insurance carriers and self-insured employers. Worker's compensation insurance carriers were eligible to request reimbursement for supplemental benefits from the Worker's Compensation Operations Fund. Self-insured employers are no longer reimbursed for making supplemental benefit payments to workers.

Under current law workers with a date of injury before January 1, 2003 are eligible to receive supplemental benefits. As of January 28, 2025 there were 548 open claims associated with permanent total disability benefits. Of that number 325 employees were receiving supplemental benefits. The history of supplemental benefit rate increases was discussed and included in the PowerPoint presentation. The last supplemental benefit increase was on March 2, 2016.

Worker's compensation insurance carriers may be reimbursed from the Worker's Compensation Operations Fund for supplemental benefit payments made to injured workers. The WCD may assess and pay a maximum of \$5M per year for reimbursement from this fund. Mr. O'Malley discussed the process for worker's compensation insurance carriers to request reimbursement for supplemental benefit payments to workers and the WCD's assessment of the insurance carriers to provide funding for the reimbursement contained in ss. 102.44 (1) (c) and 102.75 (1g), Wis. Stats.

Although 2015 Wisconsin Act 55 authorized SEG Fund 227 to collect a maximum of \$5M per year for reimbursement of supplemental benefits, budget authority for payment was not included. Governor Evers' proposed Executive Budget for 2025-2027 includes a new annual alpha appropriation and budget authority in SEG Fund 227 for payment of supplemental benefit reimbursements to worker's compensation insurance carriers.

Mr. Kent inquired about how many permanent and total disability claimants are removed from the rolls each year. Mr. O'Malley stated that while he did not have an exact number, it is estimated that about 20 claimants pass away each year.

Ms. Bloomingdale inquired about the amount of money in the fund. Mr. O'Malley explained that the WCD does not have a separate fund for the supplemental benefit money, but rather

is authorized to assess insurance carriers for up to \$5M per year. At the current time, the WCD is assessing about \$2.3M per year. There is no reimbursement to self-insured employers.

6. **Pending Reports:** Mr. Aiello gave a presentation on the Bureau of Claims Management's recent updates to the Pending Reports.

The current pending reports system is over 20 years old and needed to be updated and rewritten. The rewrite contains a new architecture, enhanced features and Multi Factor Authentication (MFA) security. Enhancements to the users include: (1) employer look-up; (2) quick fill coding for hernia and hearing loss claims; (3) ability to upload documents such as medical reports directly to a claim; (4) ability to return and download claims by statuses and timeframes for when reports are due, such as "next week", "next month", and "overdue"; and (5) ability to see all past transmissions associated with a claim and the content of those transmissions.

The new security for the system will use an MFA that is required and controlled by the Department of Administration (DOA). Users will need to use either (1) Okta Verify (a mobile phone application); (2) Google Authenticator (a mobile phone application); (3) SMS authentication (such as a text message); or (4) Security Key (such as a YubiKey). The WCD was advised that sometime in June DOA is expected to approve a call-back option to be used for MFA.

7. **Other Business of the Council:** None

8. **Adjournment:** A motion was made by Ms. Ver Velde to go into a closed session under s. 19.85(1) (eg), Wis. Stats., to deliberate items on the agenda and to adjourn the meeting from closed session. The motion was seconded by Ms. Bloomingdale. The motion passed unanimously. Mr. Dipko announced the closed session, statutory authority, and the nature of business to be considered. The open session of the meeting was adjourned at approximately 10:54 a.m. The Worker's Compensation Advisory Council's next meeting is scheduled for April 29, 2025.

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