



STATE OF OKLAHOMA

**WORKERS' COMPENSATION COMMISSION**

M I N U T E S

of the

WORKERS' COMPENSATION COMMISSION

FOR THE STATE OF OKLAHOMA

for the

June 18, 2015

Regular Public Meeting

MINUTES OF THE MEETING OF THE WORKERS' COMPENSATION COMMISSION FOR THE STATE OF OKLAHOMA

NOTICE OF THIS MEETING WAS FILED WITH THE SECRETARY OF STATE ON JUNE 2, 2015.

The members of the Workers' Compensation Commission for the state of Oklahoma met at 1915 N. Stiles Ave., Oklahoma City, Oklahoma, on June 18, 2015.

Members present: Chairman Bob Gilliland, Commissioner Mark Liotta, and Commissioner LeRoy Young.

Others in attendance on behalf of the Commission: Kim Bailey, Andrea Bair, Jay Cannon, Neal Leader, and Holly Miller.

Chairman Gilliland expressed appreciation for those in attendance. After the roll was taken, he announced the presence of a quorum and the Statement of Compliance with the Open Meeting Act was read. The meeting was called to order at approximately 1:30 p.m.

**Approval of Minutes**

Chairman Gilliland presented the minutes of the June 11, 2015, special meeting and made a recommendation for approval.

**Motion:** Commissioner Liotta moved to approve the minutes of the June 11, 2015 special meeting.

**Second:** Commissioner Young.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

**1. Discussion and Consideration of Proof of Coverage database**

The Commission considered the need to continue maintaining the daily download of the Proof of Coverage database in its case management system. The Commission receives a daily download from the National Council on Compensation Insurance (NCCI) into its case management system, WCIS. Richard Fisher presented information on the Commission's proof of coverage database system. Chairman Gilliland asked if there was a recommendation or discussion to consider the Commission's continued use of the Proof of Coverage Database.

**Motion:** Commissioner Liotta moved to assign a group of Commission employees to review the Proof of Coverage database and prepare a report and recommendation for the Commission.

**Second:** Commissioner Young.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

**2. Discussion and Determination of Account Balances of the Oklahoma Option Insured Guaranty Fund and the Oklahoma Option Self-insured Guaranty Fund**

- A. Until the Insured Guaranty Fund under the Oklahoma Option contains two million dollars (\$2,000,000.00) or if the amount in the fund falls below one million dollars (\$1,000,000.00), each insurer shall be assessed. If the account balance prompts an assessment to be issued for the Option Insured Guaranty Fund, it shall be paid to the Insured Guaranty Fund, care of the Commission. Each insurer shall be assessed two percent (2%) of all gross direct premiums written during each quarter of the calendar year for insurance covering a benefit plan under this act after deducting from such gross direct premiums, return premiums, unabsorbed portions of any deposit premiums, policy dividends, safety refunds, savings and other similar returns paid or credited to policyholders.
- B. Until the Self-insured Guaranty Fund under the Oklahoma Option contains one million dollars (\$1,000,000.00) or if the amount in the fund falls below seven hundred fifty thousand dollars (\$750,000.00), each self-insurer shall be assessed. If the account balance prompts an assessment to be issued for the Option Self-insured Guaranty Fund, it shall be paid to the Self-insured Guaranty Fund, care of the Commission. Each self-insurer shall be assessed a fee at the rate of one percent (1%) of the total compensation for permanent partial disability awards paid out during each quarter of the calendar year by the employers.

Andrea Bair, Deputy, Insurance Services, presented the account balances of each of the Option Guaranty Funds to the Commission and made the recommendation to determine the need for an assessment.

**Motion:** Chairman Gilliland moved that the Commission determine the balance of the Insured Guaranty Fund under the Oklahoma Option is below the statutory amount, therefore, requiring an assessment.

**Second:** Commissioner Liotta.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

**Motion:** Chairman Gilliland moved that the Commission determine the balance of the Self-insured Guaranty Fund under the Oklahoma Option is below the statutory amount, therefore, requiring an assessment.

**Second:** Commissioner Liotta.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

### **3. Consent Agenda for Travel Vouchers Currently Outstanding**

85A O.S. §23 states any commissioner or employee of the Commission shall be entitled to receive his or her necessary traveling expenses as provided in the State Travel Reimbursement Act. The expenses shall be certified by the person who incurred them and shall be allowed and paid on presentation of vouchers approved by the Commission. In accordance with this section, the Commission considered a vote to approve the currently outstanding vouchers, listed as Agenda Item 3 and included as part of these minutes.

**Motion:** Commissioner Young moved that the Commission approve the outstanding travel vouchers.

**Second:** Commissioner Liotta.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

**4. Consent Agenda for Payments Made from the Workers' Compensation Fund Currently Outstanding**

85A O.S. §22(A)(5) states that all expenditures in the administration of the act shall be allowed and paid from the Workers' Compensation Fund on the presentation of itemized vouchers approved by the Commission. In accordance with this section, the Commission considered a vote to approve the currently outstanding vouchers, listed as Agenda Item 4 and included as part of these minutes.

**Motion:** Commissioner Young moved that the Commission approve the currently outstanding vouchers.

**Second:** Commissioner Liotta.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

**5.-6. A) Possible Executive Session for Confidential Communications Between the Commission and Its Attorneys Concerning Pending Claim with Penloyd, LLC and F&M Bank & Trust Company; and the Ongoing Investigation by Commission's Compliance Division and Related Ongoing Bankruptcy Involving Texoma Peanut Company, Pursuant to Title 25 O.S. § 307(B)(4).**

**Motion:** Chairman Gilliland moved to determine that disclosure of the communications will seriously impair the ability of the Commission to take appropriate action in pending claim with Penloyd, LLC and F&M Bank & Trust Company, and the ongoing investigation and bankruptcy proceeding of Texoma Peanut Company, and go into Executive Session for the purpose of discussing the aforementioned items under §307(B)(4); and for the purpose of discussing the employment of Candidate A, Candidate B, or Candidate C for the position of Executive Director; and employment evaluation, promotion, demotion, performance, salary or employment of Human Resources Manager under § 307(B)(1).

**Second:** Commissioner Liotta.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

**B) Vote to Reconvene in Open Session**

**Motion:** Chairman Gilliland moved to reconvene in Open Session.

**Second:** Commissioner Young.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

No action was taken with regard to the hiring, salary, or employment of the Executive Director or Human Resources Manager.

**Announcements**

Chairman Gilliland announced that the next special meeting for appeals is scheduled for Friday, June 19, 2015 at 9:00 a.m.

The Commission's next public meeting is scheduled for Thursday, June 25, 2015 at 9:30 a.m.

**Adjournment**

*Motion* to adjourn: Chairman Gilliland.

*Second:* Commissioner Young.

Those voting aye: Commissioner Liotta, Commissioner Young, and Chairman Gilliland.

**The motion carried.**

The meeting was adjourned.