

**Minutes of Second Injury Fund Advisory Board  
Wednesday, November 12, 2015 Meeting  
Approved by the Advisory Board June 22, 2016**

**Office of the Treasurer  
Second Injury Fund  
Advisory Board  
November 12, 2015**

Present: State Senator Ed Gomes, Co-Chair Labor and Public  
Employees Committee;  
State Representative Peter Tercyak, Co-Chair Labor and Public  
Employees Committee;  
Lori Pelletier, Connecticut AFL-CIO;  
Clifford G. Leach, The Hartford Financial Services Group, Inc.  
Eric Gjede, Connecticut Business and Industry Association;  
Dorothy Siniscalchi, International Union of Operating Engineers, Local  
478 Benefits Funds;  
Kathleen Cooper, Greater Hartford Chapter of the Coalition  
of Black Trade Unionists

For the Fund: Maria M. Greenslade, Assistant Deputy Treasurer  
Deborah D'Agostino, Collections  
Hank Gaffney, Claims Manager  
Gloria G. Williams, Controller  
George Petropoulos, Investigations (representing James Eatherton,  
Supervising Special Investigator)  
Amber Bassett, Executive Secretary

Meeting was called to order at 11:02AM and was held by teleconference.

- 1. Welcome/Roll Call:** Ms. Greenslade introduced members of the Fund who were present on the call, introduced all Board members who joined the call and welcomed everyone to the Advisory Board meeting.
- 2. Adoption of Minutes:** Ms. Pelletier invited adoption of the June 2015 meeting minutes which were included in the Agenda packet. Representative Tercyak moved to adopt the minutes; Mr. Leach seconded the motion. There was no discussion and the minutes were unanimously adopted.
- 3. Update on Operation of the Fund:** Ms. Greenslade asked Ms. Williams to present an update on the Financial Operation of the Fund. Ms. Williams stated in summary the Fund's financial statements, for the fiscal year ending June 30, 2015. Financial Statements will be published in December 2015. Total Operating Revenues were \$41 million, which is flat compared to the prior year with no significant change in any of the components that make up the operating

revenues. Ms. Williams stated the Total Operating Expenses of \$36 million were almost \$3 million (7%) lower than the prior year with Settlements, Indemnity and Medical Claims all reporting lower amounts for this Fiscal Year. Administrative Expenses were slightly higher this year (\$200,000) reflecting the new computer upgrade for the Fund.

Ms. Williams continued by saying The Change in Net Position, which is the difference between revenue and expenses, for Fiscal Year 2015, was approximately \$5 million, with revenues exceeding expenses. This represents an almost \$3 million increase over last year's performance.

For the current Fiscal Year, during the first four months, Revenues of \$11 million are in line with last year, however, Benefits Paid (Settlements, Indemnity and Medical costs) are lower than Fiscal Year 2015 by \$1.4 million. Ms. Williams reported the current result is a Change in Net Position of \$312,000 compared to Fiscal Year 2015 which showed a negative \$1 million position after the first four months. There were no questions regarding the financial operation of the Fund.

Ms. Greenslade asked Mr. Gaffney to update the Board on the Claims Unit. Mr. Gaffney reported the claims unit combined payout for Fiscal Year ending June 30, 2015 was \$28.4 million, which is the first time in recent memory that the Fund's combined annual payout fell below \$30 million.

Mr. Gaffney stated that payout through the first four months of current Fiscal Year has been lower compared to the same period last year, and that preliminary indications suggest current Fiscal Year's payout will likely fall below \$30 million as well.

Mr. Gaffney reported the continuation of the customary \$12 million annual reduction in the Fund's estimates over the past twelve months to its current level of \$378.9 million. He reported an open claim inventory of just below 2,900 claims, 40% of which are claims involving administration of benefits by SIF to injured workers, with the remaining 60% limited to reimbursement of portions of indemnity benefits paid by employers or insurers to injured workers. There were no questions regarding the Claims Unit of the Fund.

Ms. Greenslade updated the Board regarding the computer upgrade. She stated the Fund has been working for a couple of years to upgrade a system created in 2004 to a web based system where the Attorney General's office and Fund staff can access the system from various locations. The final user acceptance testing for the claims segment of the system began Thursday, November 12. Once this testing is complete the Fund can move the system into production.

Ms. Greenslade reported that the external customers will be able to file their remittances online however; this may take several months due to the additional work that must be completed with the State's Finance system (CORE-CT). Ms. Greenslade added the Fund's vision in a year or two is to not only have the Attorney General's office but the Worker's Compensation Commission accessing the new system to read files. There were no further questions or comments regarding the computer upgrade.

**4. Legislative Update:** Ms. Greenslade indicated that in 2016 the Fund will not be proposing legislation. However, the Fund will continue to follow any new legislation with a financial impact on the Fund.

**5. Other Business:** Ms. Greenslade began with stating the Fund's Annual Report to the Governor was sent on July 1, 2015 and the members of the Board received copy.

Ms. Greenslade told the Board that the Fund will begin working on recommending an Assessment Rate to the Treasurer by April.

Ms. Greenslade noted the recommended meeting dates for 2016 are scheduled for June and November. The Board agreed to meet on Wednesday, June 1, 2016 and Wednesday, November 16, 2016, at 11AM by teleconference.

Ms. Pelletier commended the Treasurer and the Fund on working diligently to maintain or lower the assessment rates and for assuring injured workers receive appropriate care and benefits.

Ms. Pelletier asked members if there was any further business. Hearing none, Ms. Pelletier concluded by asking for a motion to adjourn the meeting. Ms. Cooper moved to adjourn the meeting; Representative Tercyak seconded the motion. Motion passed unanimously.

Meeting adjourned at 11:16AM.