



Approved June 14, 2021

## **Workers' Compensation Program Committee Meeting**

ACWA Joint Powers Insurance Authority  
2100 Professional Drive  
Roseville, CA 95661  
(916) 786-5742

**May 28, 2020**

This meeting consisted of a simultaneous Zoom teleconference meeting at the ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661 and remote sites.

### **MEMBERS PRESENT**

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Chairman: David Drake, Rincon del Diablo Municipal Water District  
Dennis Erdman, South Coast Water District  
Rick Gilmore, Byron-Bethany Irrigation District (*joined meeting at 10:20 a.m.*)  
Traci Hart, Soquel Creek Water District  
Robert Kunde, Wheeler Ridge-Maricopa Water Storage District  
Eva Plajzer, Rancho California Water District (*joined meeting at 10:59 a.m.*)  
Scott Quady, Calleguas Municipal Water District

### **MEMBERS ABSENT**

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Thomas A. Cuquet, South Sutter Water District

### **STAFF PRESENT**

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Chief Executive Officer/Secretary: Walter "Andy" Sells  
David deBernardi, Director of Finance  
Robert Greenfield, General Counsel  
Dan Steele, Finance Manager  
Karen Thesing, Director of Insurance Services  
Melody Tucker, Workers' Compensation Claims Manager  
Bobbette Wells, Executive Assistant to the CEO (*Recording Secretary*)

### **OTHERS IN ATTENDANCE**

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Fred R. Bockmiller, Mesa Water District  
E.G. "Jerry" Gladbach, Santa Clarita Valley Water Agency  
Brent Hastey, Yuba Water Agency  
Al Lopez, Western Municipal Water District  
Melody A. McDonald, San Bernardino Valley Water Conservation District  
Randall J. Reed, Cucamonga Valley Water District  
J. Bruce Rupp, Humboldt Bay Municipal Water District  
Pamela Tobin, San Juan Water District, ACWA VP

## **WELCOME**

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Chairman Drake welcomed everyone in attendance and asked the recording secretary to do roll call for all in attendance.

## **CALL TO ORDER AND ANNOUNCEMENT OF QUORUM**

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Chairman Drake called the meeting to order at 10:09 a.m. He announced there was a quorum.

## **ANNOUNCEMENT RECORDING OF MINUTES**

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Chairman Drake announced that the meeting would be recorded to assist in preparation of minutes. Recordings are only kept 30 days following the meeting, as mandated by the California Brown Act.

## **PUBLIC COMMENT**

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Chairman Drake noted that, as the agenda stated, members of the public would be allowed to address the Workers' Compensation Program Committee on any agenda item prior to the Committee's decision on that item. Comments on any issues on the agenda, or not on the agenda, were also welcomed. No comments were brought forward.

## **CONSENT AGENDA**

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### Approval of the minutes

Chairman Drake called for approval of the May 6, 2019 minutes. Note was made in future agenda items *Online Reporting and Claims Management Training* were not included in this meeting's agenda. Additionally, the Committee had requested at the last meeting that a range of modifiers report be available for review to discuss large claims from a small number of districts, which was not.

M/S/C (Erdman/Quady) (Drake-Yes; Erdman-Yes; Hart-Yes; Kunde-Yes; Quady-Yes): That the Workers' Compensation Program Committee approve the minutes of the May 6, 2019 meeting with noted committee comments above.

### Report on meeting attended on behalf of the JPIA

Chairman Drake and other members of the Executive Committee stated that they had attended a JPIA Human Resources webinar recently.

## **LOSS REPORTS**

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### Review Claims Data

Mr. Sells explained that the JPIA has seen a favorable trend which suggests that the pool is making significant progress. The loss values moved slightly upward for the policy year of 2012-2013. Mostly the result of a higher number of high value claims. Currently, loss values appear to be stable.

Legislative changes, such as SB899, which was passed in 2004 and SB863, passed in 2012, continue to show positive results statewide.

The JPIA's training programs have emphasized workplace safety and management over the last several years. The downward trend in number of claims reported suggests that the emphasis is working.

## **MEMBERSHIP**

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Ms. Thesing reported that during the 2019-20 coverage year, Alameda County Water District, Truckee Donner Public Utility District, Panoche Water District and Westside Water Authority have all joined the Workers' Compensation Program.

The Program now has 197 members, covering 7,443 employees, with a combined payroll of \$566,471,558.

Otay Water District and Tuolumne Utilities District have both been approved by the Executive Committee to join the program and are expected to come on board July 1, 2020.

## **NEW BUSINESS**

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### Memorandum of Workers' Compensation Coverage

Ms. Thesing reported that the Workers' Compensation Committee annually reviews and recommends for approval the Memorandum of Workers' Compensation Coverage. There are no changes to the Memorandum for the upcoming program year.

M/S/C (Gilmore/Kunde) (Drake-Yes; Erdman-Yes; Gilmore-Yes; Hart-Yes; Kunde-Yes; Quady-Yes): That the Workers' Compensation Program Committee recommends that the Executive Committee approve the Memorandum of Workers' Compensation Coverage, effective July 1, 2020.

### Workers' Compensation Excess Insurance Renewal Proposal

Ms. Thesing explained that in 2018, staff secured a multi-year rate from Safety National at a cost of \$0.090 per \$100 of payroll. Due to the JPIA's excellent loss record, Safety National extended the policy terms and further reduced the rate to \$0.085. For the 2020-21 program year, the rate remains flat - \$0.085 per \$100 of payroll.

The Workers' Compensation Program maintains a \$2 million self-insured layer and then purchases Statutory limits through the excess workers' compensation market.

M/S/C (Gilmore/Kunde) (Drake-Yes; Erdman-Yes; Gilmore-Yes; Hart-Yes; Kunde-Yes; Quady-Yes): That the Workers' Compensation Program Committee recommends that the Executive Committee approve Safety National's excess renewal terms as presented with an effective date of July 1, 2020.

### Governor Newsom's Executive Order N-62-60

Ms. Tucker reported that on March 4, 2020, the Governor of California proclaimed a State of Emergency as a result of the threat of COVID-19. All individuals living in the state were ordered to stay at home. Not all employees could stay at home and those who had to report to work are exposed to a risk of contracting the virus. The executive order was put into place to cover those employees who are at risk.

On May 6, 2020, Governor Gavin Newsom signed [Executive Order N-62-20](#). The Executive Order will apply for 60 days from May 6, 2020 through July 4, 2020 (and could be extended). The order is retroactive to claims filed on or after March 19, 2020. Below is a summary of this order.

Any COVID-19 related illness is presumed compensable if it meets the following requirements: the employee tested positive for COVID-19 within 14 days of working at the place of employment under the direction of the employer; the employee was working on or after March 19, 2020; the employee was not working from home during this time period; and the employee must have a positive diagnosis from a licensed California physician.

Compensability determination must be done in 30 days instead of the usual 90 days.

If the claim is accepted and is qualified for temporary disability benefits, the employee must first exhaust the 80 hours of emergency paid sick leave.

The employee will also be entitled to all other workers' compensation benefits such as medical treatment which may include hospital stay, physician visits, pharmacy and diagnostics.

### Renewal Pricing

Mr. deBernardi reported that the Workers' Compensation Program renews on July 1, 2020 which includes the pooled portion as well as the excess layer.

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The Committee was provided two options for pricing: Option 1 would be no change in rate to the members and have an estimated \$2.4 million refund in four years; or Option 2 would provide a 10% reduction in rates with an estimated \$1 million refund.

M/S/C (Gilmore/Kunde) (Drake-Yes; Erdman-Yes; Gilmore-Yes; Hart-Yes; Kunde-Yes; Plajzer-Yes; Quady-Yes): That the Workers' Compensation Program Committee recommends that the Executive Committee approve no changes to the pricing for the Workers' Compensation Program, policy year 7/1/20-21.

#### Accident Investigation Process

Ms. Tucker explained that all workers' compensation claims are reported directly to the workers' compensation claims department through the website. A copy of the Employer's Report of Injury, which is completed by the member and the Supervisor's Investigation Report is sent through the website directly to the workers' compensation claims department. A copy of both of these forms are provided to the risk advisor assigned to the member.

The supervisor accident form has sections for both the injured worker to complete and supervisor. The supervisor section asks what immediate action will be taken and what action will be taken to prevent another injury from occurring.

The claims examiner assigned to the claim will also make contact with the member and the injured worker to obtain a description of the accident and the extent of the injuries sustained.

#### CEO Update

Mr. Sells gave a brief update due to time constraints. However, he did note going forward that he intended to have preliminary agendas to the program committee members 6-8 weeks in advance for review and comment.

### **MISCELLANEOUS**

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#### Future Agenda Items

- Online reporting update.

#### Availability for Upcoming Meeting(s)

There are no scheduled meetings for the remainder of the year.

The Workers' Compensation Program Committee meeting adjourned at 12:07 p.m.