



DMI Board of Directors Teleconference Meeting August 22, 2018 – 11:00 am

Present: Bonnie Baerwald, David Brown, Caleb White, Renea Ranguette, Roxanne Lutgen, Steven Stoeger-Moore

Guests: Sue Debe (Gateway Technical College)

Recording Secretary: Suzette Harrell (DMI Administrative Assistant)

Public access to the teleconference meeting, was provided by a public listening station located on the Moraine Park Technical College's Fond du Lac Campus (Library) – Room A211.8

- 1) **Call to Order** - B. Baerwald, DMI Board Chair, called the meeting to order at 11:02 am.
- 2) **Statement of Public Notice** – Read into record.
- 3) **Public / Member Comments** - None Received
- 4) **Out of State Worker Comp Exposure** – S. Stoeger-Moore reviewed information provided to Board members regarding The DMI Solution plan. The DMI Solution was developed to provide the Technical Colleges with coverage for their out-of-state employee worker comp exposures. The DMI Solution will provide the Colleges with a consistent, standardized workers comp coverage product from an administrative, claims and underwriting perspective. The plan works under the DMI umbrella and will be a complement to the current DMI provided Wisconsin workers comp coverage. Gallagher will be DMI's broker. They will provide record review and retention (as currently provided). United Heartland will provide the actual coverage. United Heartland is licensed in 48 states. They are not licensed in California or Hawaii. Coverage underwriting and licensure in these two states will be provided by United Heartland's parent company, The Accident Fund. United Heartland is willing to provide this coverage for a college because of DMI's long term business relationship. The Colleges will see consistency, continuity, familiarity in UH's administrative staff, claims processing, and underwriting activities for out-of-state residing employee's. The policy will be recognizable because United Heartland's logo will be on it. Administration will be handled exactly as it is now for Wisconsin workers comp coverage and services. The College (as employer of record) will need to reach out directly to individual state insurance funds for coverage in the monopolistic states of Ohio, North Dakota, Washington, and Wyoming to obtain worker comp coverage for employees residing in those states. S. Stoeger-Moore asked the Board of Directors to approve this plan for offering to the Colleges. He stated, "this is an annual opportunity for the Colleges to streamline all renewal for July 1." If desired, the colleges can opt in immediately (or anytime) for coverage. The policy will renew on July 1, along with DMI's other policies. There will be no brokerages fees and the Colleges will only pay premiums based on payroll exposures. Quotes for coverage should be turned over in days once the request is received by DMI. An informative memo will be sent to Risk Managers, Human Resource and Financial Officers. A motion was made by D. Brown to approve as presented. Seconded by R. Lutgen. All in favor. Action approved.
- 5) **Memon Litigation Update** – S. Stoeger-Moore updated Board members on last week's legal proceedings with Mr. Memon. DMI (lead plaintiff) filed a contempt of court charge for gross violation of the agreement signed during the mediation session in November 2017. Mr. Memon filed 16 new EEOC complaints, but said he really wanted to file a complaint against the Wisconsin Technical College System. Mr. Memon was examined by counsel and given the opportunity to speak on his own behalf, since he came into court as Pro se counsel. The judge listened and then assessed Mr. Memon with a \$16,000 fine (\$1,000 / EEOC filed complaints) plus \$4,000 to cover part of the mediation session costs from November. Mr. Memon was told

the fines would not go away. He had to pay them and make payment arrangements (within 10 days) with the plaintiffs. DMI general counsel will coordinate on behalf of the 16 Technical Colleges. Additionally, a 20-day jail sentence was levied. However, the 20-day jail sentence could be avoided if Mr. Memon dismissed his WTCS Federal lawsuit, filed in Dane County, within 30 days. DMI counsel is going to negotiate with Mr. Memon a lesser monetary penalty if he rescinds the 3 open cases (WCTC, NTC, WTC) that are still pending in the court system.

- 6) Adjourn** - A motion was made by R. Ranguette to adjourn the meeting. Seconded by C. White – All approved, meeting adjourned at 11:37 am.

Respectfully Submitted,

David Brown
DMI Board Secretary