

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals
(text not searchable)



WILLIAM D. HATHAWAY
COMMISSIONER

FEDERAL MARITIME COMMISSION
SUITE 11503
1100 L STREET, N.W.
WASHINGTON, D. C. 20573

(202) 523-5715

5 Columbia Ave.
Brunswick, ME 04011
March 26, 1992

Senator Judith Kany
Maine Senate
State House Station 3
Augusta, ME 04333

Dear Senator Kany:

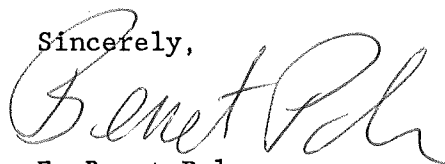
I am a recent law school graduate awaiting the results of the February 1992 Maine bar exam. I have substantial experience in workers' compensation and am seeking employment in the field. Because of my work for an insurer and my academic focus on workers' compensation, I believe that I am highly qualified to serve either the staff of the Banking and Insurance Committee or of the recently established blue-ribbon commission in their efforts to solve the workers' compensation crisis.

During law school I was employed doing research in workers' compensation with H.F.I.C. Management Company. H.F.I.C. is a captive insurer for and a wholly owned subsidiary of National Medical Enterprises (NME), a private health care provider which owns and operates health care facilities in forty-two states including Maine. Because of the risk inherent in providing health care, the large number of employees involved, and the number of states in which H.F.I.C. insures facilities, I have had exposure to a wide array of workers' compensation questions and the underlying insurance and employment law issues. My duties ranged from responding to claims initiated by employees of facilities affiliated with NME to updating facility protocols regarding work injury to giving advice regarding hiring practice and employee relations.

Although workers' compensation is not usually considered in a standard law school curriculum, I was able, as my project for a seminar in welfare and social policy, to write a paper analyzing workers' compensation systems as a method of social insurance. As a result, I became familiar with the historical basis and philosophical underpinnings of our systems as well as with the divergent methods states may use to handle practical problems associated with compensating injured workers. Other relevant courses include labor, insurance and administrative law.

I believe my broad experience with workers' compensation both at work and in law school make me a strong candidate to help the legislature and the state develop a more efficient and cost effective system. I have enclosed a resume for your review and look forward to hearing from you.

Sincerely,



E. Benet Pols

Enclosure

E. BENET POLS
5 Columbia Avenue
Brunswick, Maine 04011
(207) 725-6575

EDUCATION:

George Mason University School of Law, Arlington, Virginia. J.D., May 1991.

Class rank: top 30 percent
LSAT score: 42 (95th percentile)

Middlebury College, Middlebury, Vermont. B.A., 1986

Major: religion. Minor: economics. Dean's List
Study abroad: Tel Aviv University, Tel Aviv, Israel
Athletics: lacrosse

EMPLOYMENT:

Law Clerk. H.F.I.C. Management Company, Inc., Vienna, Virginia (captive insurer for National Medical Enterprises, a private health care provider with facilities in 42 states). March 1990-May 1991.

- Workers compensation and employment: researched and wrote memoranda concerning claims and related insurance and employment discrimination issues; reviewed and revised facility policies for compliance with compensation laws; reviewed and revised teaching materials for facility administrators
- Health care: researched and wrote memoranda concerning informed consent, confidentiality of medical records, patient rights, AIDS testing, mental health, and other health care issues; reviewed and revised facility policies and protocols for compliance with current law
- Other areas: researched and wrote memoranda concerning general and professional liability

Law Clerk. Stinson, Lupton & Weiss, Bath, Maine (a five-member general practice firm). Summer 1989.

- Researched and wrote memoranda for attorney use
- Drafted briefs, pleadings, contracts, agreements, and financial documents

Legal Assistant. Finnegan, Henderson, Farabow, Garrett & Dunner, Washington, D.C. December 1986 to April 1988.

- Participated in taking a patent infringement case to trial in federal district court

--references available on request--

UNIVERSITY OF MAINE

SCHOOL OF LAW



246 DEERING AVENUE
PORTLAND, MAINE 04102

April 14, 1992

Richard Dalback
c/o Abby Harkins
Office of the Governor
State House Station 1
Augusta, Maine 04333

Dear Mr. Dalback:

I am pleased to be able to offer the Blue Ribbon Commission on Workers Compensation the use of a law school room over the summer for your meetings and hearings.

I cannot say specifically which room will be available until you propose specific dates, times, and capacities, but I am sure we will be able to accommodate the Commission's work. I would appreciate specific scheduling requests as soon as possible. We do have a number of things going on at the Law School over the summer, including our summer session from May 18 to July 9 and a Law Related Education Summer Institute the week of July 27. I suggest that during these times there will be a decreased chance of finding the size room you require available at the exact time you want it, but if you call me at 780-4345 with a proposed schedule and some degree of flexibility, we will be able to meet your needs.

I look forward to hearing from you.

Sincerely,

A handwritten signature in cursive script that reads "Barbara E. Gauditz".

Barbara E. Gauditz
Assistant Dean

MARTHA E. FREEMAN, DIRECTOR
WILLIAM T. GLIDDEN, JR., PRINCIPAL ANALYST
JULIE S. JONES, PRINCIPAL ANALYST
DAVID L. ELLIOTT, PRINCIPAL ANALYST
JON CLARK
DYAN M. DYTTMER
GRO FLATÉBO
DEBORAH C. FRIEDMAN
MICHAEL D. HIGGINS
JANE ORBETON



STATE OF MAINE
OFFICE OF POLICY AND LEGAL ANALYSIS
ROOM 101/107/135
STATE HOUSE STATION 13
AUGUSTA, MAINE 04333
TEL.: (207) 289-1670

KAREN L. HRUBY
JILL IPPOLITI
JOHN B. KNOX
PATRICK NORTON
MARGARET J. REINSCH
PAUL J. SAUCIER
HAVEN WHITESIDE
MILA M. DWELLEY, RES. ASST
ROY W. LEHARDSON, RES. ASST
BRET A. PRESTON, RES. ASST.

April 16, 1992

Honorable William D. Hathaway, Co-Chair
Workers' Compensation System Blue Ribbon Commission
6707 Wimberly Way
McLean, VA 22101

Richard B. Dalbeck, Co-Chair
Workers' Compensation System Blue Ribbon Commission
17 Spoonrift Lane
Cape Elizabeth, ME 04107

Dear Senator Hathaway and Mr. Dalbeck:

At its meeting on April 14, the Legislative Council discussed section 4 of Resolve 1991, c 59, which requires Legislative Council authorization for the legislative staff to assist the Workers' Compensation System Blue Ribbon Commission, should the Commission seek such assistance. Since the Legislative Council may not meet again until mid-May, the Council wished to communicate to you their position regarding legislative staff assistance in case you wish such assistance prior to the May meeting. I am writing at the direction of the Council to inform you that the Council, by unanimous vote, authorized the nonpartisan legislative staff to assist the Commission.

The Council also unanimously directed me to inform you of their particular concern about the drafting of any legislation the Commission wishes to recommend. The Council hopes that any legislation produced by the Commission could be drafted or reviewed by the nonpartisan legislative staff prior to its submission to the Legislature for final printing. Technical drafting assistance or technical review by the legislative staff might expedite the resolution of any questions concerning the form or clarity of the Commission's legislation. To be in the best position to provide accurate drafting assistance, nonpartisan legislative staff would need to be present at Commission meetings at which workers' compensation policy issues are discussed.

On behalf of the Legislative Council, I would be happy to respond to any requests your Commission may have for assistance from the nonpartisan legislative staff.

Sincerely,

A handwritten signature in cursive script that reads "Martha E. Freeman".
Martha E. Freeman
Director

cc. Legislative Council members
Executive Director, Legislative Council

copy

April 21, 1992

TO: Dr. John F. Burton, Jr.
Director
Institute of Management and Labor Relations
Rutgers University

FAX: 908-932-5188

I am writing concerning the recently established Blue Ribbon Commission to Examine Alternatives to the Workers' Compensation System of which I am a member as well as co-chair with ex Senator Bill Hathaway. Since you are out of town, I thought a fax might be appropriate background.

I am sending a copy of the statute which created the Commission. The charge to the Commission is spelled out in para #2 on page 2 and continuing in para #3 on page 3. We are seeking consulting help on those items. You will note from Sec. 3 that our time frame is very short. The targets we have established for ourselves are to have all our studies done so we can begin making decisions by June 15th with a target for beginning to draft legislation by July 13th.

By way of additional background let me add that an ad hoc labor-management group has gotten together, done its own review of the various states and selected Michigan as the state they recommend for a model. Our minds are open; however, that recommendation has received considerable momentum.

At the moment, we are seeking some fast proposals which we would like to discuss at our May 4th meeting. (we currently are meeting on Mondays.) We are just in the process of hiring a law school student as staff and finding an office. In the meantime, you can contact me.

We look forward to discussing this with you.

Sincerely,

Richard B. Dalbeck
17 Spoonrift Lane
Cape Elizabeth, ME 04107

Phone: (207) 799-3602/0204
Fax: (207) 799-0204

JOHN F. BURTON, JR.

146 Wetumpka Lane
Watchung, N.J. 07060
(908) 753-7411

April 27, 1992

The Honorable Richard B. Dalbeck
Co-Chair, Maine Blue Ribbon Commission
17 Spoonrift Lane
Cape Elizabeth, ME 04107

By FAX and regular mail

Dear Dick:

As we agreed on Friday, I am writing to provide a preliminary proposal for assistance that I am prepared to provide to the Blue Ribbon Commission. This is tentative and subject to revision after I have an opportunity to interact with you and other members of the Commission.

I. The Areas of Possible Assistance

There appear to be four general areas that should be considered by the Blue Ribbon Commission. I will indicate the possible contributions I can make in these areas and then I conclude with a an assessment of what I can realistically contribute to the Commission in the time that is available.

Area One: Making Basic Decisions About Critical Issues in Workers' Compensation. There are probably a dozen or so key issues that need to be resolved in designing an effective workers' compensation program. These include (1) temporary disability benefits; (2) permanent disability benefits; (3) which employees should be covered; (4) which injuries and diseases should be covered; (5) medical benefits; (6) rehabilitation benefits; (7) insurance arrangements and other matters pertaining to the financing of the program; (8) the role of the administrative agency, which interacts with issues concerning dispute resolution and litigation; (9) the role of a permanent advisory committee or some other mechanism to monitor the program on a continuing basis; (10) the promotion of workplace safety; (11) the integration or coordination of workers' compensation with other health care or disability systems; and (12) the possible consequences of adopting specific solutions to these key issues in terms of costs and feasibility.

My contribution would be to assemble the consultants who could provide a crash course for the Commission on these issues, recognizing that the list of issues and their relative importance would be defined as the project unfolds. The task is similar to the role I played with the National Commission in 1971-72. The crucial difference is that the timetable for Maine is extremely tight, which means that research is virtually impossible.

What could be done between now and August 31st is to collect the best available knowledge on these topics and present them to the Commission, either by asking experts on various topics to prepare brief reports on the topics of interest to the Commission or to meet with the Commission or to do both. On a number of topics, such as permanent partial disability benefits and the design of an administrative agency, I have conducted research or served as a consultant to various states, so I can directly assist the agency. On other topics, I would enlist the assistance of experts who on a preliminary basis have agreed to participate, including Peter Barth (a specialist on occupational disease and permanent partial disability benefits) and Monroe Berkowitz (an expert on rehabilitation and the design of workers' compensation agencies).

Area Two: Drafting Legislation. The Commission has another formidable task, namely preparing statutory language to implement its decisions on the basic issues in workers' compensation. The assignment is complicated because the legislation creating the Commission contemplates that the current law will be entirely displaced. While wholesale adoption of another statute (such as the Michigan law) is possible, such a transplant would have to be evaluated carefully in light of the different industry mix, legal environment, and other factors in the different states. Selective incorporation of provisions from various states is also possible, although making sure the pieces mesh effectively is a challenge.

My contribution would be to assist the Commission in drafting legislation. I have experience in this area because of previous consulting assignments. I would enlist assistance from others who are familiar with workers' compensation statutes, such as Ed Welch from Michigan and John Lewis from Florida, who has served as a consultant in a number of states. The drafting effort would be coordinated with the staff of the Maine legislature who provide assistance on such matters to make sure that the proposed legislation is consistent with other laws in Maine. My experience is that such staff typically is not able to serve as the primary source of statutory language because of a general lack of familiarity with the concepts of workers' compensation.

Area Three: Building a Consensus Within Maine About the Desirability of the Proposed Changes. If the recommendations for the Blue Ribbon Commission are to be enacted and (more important) given a supportive environment in which to succeed, then the significant interest groups within Maine must be persuaded about the merits of the proposed changes.

My contribution would be limited here, because the Blue Ribbon Commission largely has to perform this role by itself. A cooperative relationship with the 16 members of the labor-management group is desirable, and I understand that you are already establishing a liaison with them. I would make myself available to such a group and would, through my contacts with interest groups outside of Maine (as described below), help build support for the recommendations of the Blue Ribbon Commission.

Area Four: Building a Consensus Outside of Maine About the Desirability of the Proposed Changes. Support from significant interest groups outside of Maine for the changes proposed by the Blue Ribbon Commission is important and perhaps crucial. The insurance industry has to be persuaded that they should not abandon Maine. Representatives of unions and employers outside of Maine will undoubtedly be contacted by their counterparts within Maine about the proposed changes, and their attitudes are likely to have a significant impact on the likelihood of success of the changes proposed by the Commission.

My contribution could be extensive here. I have good relationships with leaders from the employer, union, and insurance industry communities on a national basis. I would (with the advice and consent of the Blue Ribbon Commission) establish an informal external advisory panel that would consider and ideally support the proposals of the Commission.

II. The Nature of My Assistance

I am willing to serve as "Chief of External Staff" or "Chief Consultant" for the Blue Ribbon Commission. In that capacity, I would assemble a group of external consultants and coordinate their activities. I would also establish an external "interest group advisory panel" (with a better name) to provide external advice and support from labor, management, the insurance industry, etc. These consultants and interest group representatives would be chosen with the advice and consent of the Blue Ribbon Committee. Only consultants and interest group representatives that were mutually acceptable to the Commission and me would be used.

The following persons have indicated their willingness to participate (subject to a clear definition of timing, responsibility, and remuneration, which I have not explored with the individuals):

Peter Barth, Professor at the University of Connecticut and, among other attributes, the leading expert on occupational diseases and workers' compensation;

Monroe Berkowitz, Professor at Rutgers University and the leading expert on rehabilitation and workers' compensation;

John Lewis, consultant and attorney, who has worked with me on the National Commission on State Workmen's Compensation Laws, where I was Chairman and he was General Counsel, and in Massachusetts, where we were consultants to the legislature for a major revision of the law several years ago;

Jim Chelius, Professor at Rutgers University, who is an expert on insurance arrangements, especially assigned risk plans;

David Appel, now a Senior Consultant with Milliman and Robertson and formerly with the NCCI (National Council on Compensation Insurance); and

Ed Welch, former Director of the Michigan workers' compensation program and Co-Director of the National Symposium on Workers' Compensation.

If the Blue Ribbon Commission decides to retain me as Chief Consultant, I would proceed to contact other possible consultants, such as Alan Krueger at Princeton University and Bob Smith at Cornell University. I would also assist the Commission in designing a compensation plan for these consultants. My rate is \$200 per hour plus expenses. Dave Appel (at Milliman and Robertson) tells me his rate is \$270 per hour plus expenses, which reflects the higher overhead at a major consulting firm. (I am willing to charge \$270 per hour if you feel guilty.) My impression is that most of the people who would be recruited for this project would charge \$150 to \$200 per hour, but that needs to be verified.

III. The Timing and Extent of the Assistance

Ah, there's the rub.

You have an extremely tight timetable. There is no possibility of serious research with less than 120 days until your report is due. (The National Commission was able to sponsor research that was barely useful with a 13 month reporting deadline from the time we first met.) As a result,

you are forced to rely on experts who can draw on their current "human capital" and try to adapt their general knowledge to the Maine situation under serious time pressures.

I do not know the precise schedules of the other possible consultants. As an example, however, Peter Barth called me yesterday (Sunday) to express his concern about a timetable contained in the letter you sent to him. As I understand your proposed schedule, you hope to resolve the basic issues to be dealt with by the Commission by June 15, and then move to drafting legislation. Peter's reaction to this proposed timetable was to want to withdraw entirely from the project. I encouraged him to stay with the project for a while, although Peter and I agreed that neither of us wants to get involved with a project that is under so much time pressure that if we are involved we will undoubtedly be tarnished by the outcome.

My view is that an August 31st deadline is barely possible if we understand that there are serious limits on what can be done in that time period. As I indicated, the Commission is going to be forced to rely on current knowledge about workers' compensation, with some limited opportunities for actuaries to investigate possible statutory changes. I have relied enough on those investigations to know that what can be done by actuaries in a few months has to be considered rough estimates, especially when a wholesale revision of the law is contemplated. (On the other hand, if a wholesale revision of the law is recommended, an actuary can provide only a rough idea of the impact of the revision regardless of the time available.)

Even if August 31st is a firm deadline, the services I could provide would have to be "back-loaded" and limited. My commitments in July and August are relatively minimal at this time (other than a week in Singapore ! in early August). On the other hand, my obligations in May and (to a lesser extent) in June are substantial and not subject to modification at this date. For example, I have a Deans' Council meeting on most Mondays that is critical for me to attend. I also have long-standing travel obligations, not the least of which is a commitment to be out of town at a professional association meeting from May 6 to 10. In addition, the next few weeks are the end of the semester at Rutgers, which means that I have a number of activities to attend.

The result of these various obligations is that the earliest date I could meet with the Commission is May 15, a Friday. The other dates I am available next month are May 16, 17, 22, 23, 24, and 25-30. I do not want to mislead you: most of the days I am available in May are weekends or holidays.



Federal Maritime Commission
Washington, D.C. 20573

May 28, 1992

Office of the Commissioner
(202) 523-5715

Mr. Richard Liebmann
Millrock, Inc.
Sanford Industrial Estates
P.O. Box 974
Sanford, ME 04073

Dear Mr. Liebmann:

Thank you for your letter. We hope to come up
with something that is workable.

Sincerely,

A handwritten signature in cursive script that reads "Bill Hathaway". The signature is written in black ink and is enclosed within a large, hand-drawn triangular shape that points downwards.

William D. Hathaway

Commissioner



Federal Maritime Commission

Washington, D.C. 20573

May 28, 1992

Office of the Commissioner
(202) 523-5715

Mr. John Lewis
P.O. Box 330550
Coconut Grove, FL 33233

Dear John:

As per our conversation of today, please send copies of your report to the following - which will be received by June 16 at 10:00 a.m.:

Richard B. Dalbeck
17 Spoonrift Lane
Cape Elizabeth, ME 04107
(207) 799-3602/0204

William Hathaway
207 East Grand Avenue
Apartment 6D
Old Orchard Beach, ME 04064
(207) 934-5259

Emilien Levesque
52 Burke Street
Farmingdale, ME 04344
(207) 582-6234

Harvey Picker
P.O. Box 677
Camden, ME 04843
(207) 236-8851

James Ellenberger
Assistant Director
Department of Occupational
Safety and Health, AFL-CIO
815 - 16th Street, N.W.
Washington, DC 20006
(202) 637-5206

Michelle E. Bushey
Blue Ribbon Workers'
Compensation Commission
University of Maine School
of Law
246 Deering Avenue
Portland, ME 04102
(207) 780-4578

Your public testimony on your report will be on June 18 at 10:00 a.m. at the Portland Airport and will probably take up most of the day.

On July 14 and 15, we will meet with you in executive session at the University of Maine Law School. And again on July 20 and 21, to hopefully finalize this matter. Presumably you will stay up and work with the State of Maine drafting people from June 16 to July 21.

Let me know what time you will be arriving on the 14th and I will arrange to have someone pick you up to take you to the Law School.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill", with a small mark above the second 'l'.

William D. Hathaway

Commissioner

SCHOOL OF LAW University of Maine



246 Deering Avenue
Portland, ME 04102
Tel: (207) 780-4818
Fax: (207) 780-4913

LAW LIBRARY

DATE: 5/29 2 #PAGES (includes cover)

TO: John Lewis

FROM: Michelle Bushey

SPECIAL MESSAGES IF ANY:

PRELIMINARY ESTIMATED COSTS IMPACTS

ADOPTING THE MICHIGAN PLAN

I. The Greatest Savings will be achieved by Reducing Injuries (Both Frequency and Severity). Such savings are not quantifiable in advance.

- A. Maine's injury rate is the worst in the U.S. and is 46% above Michigan's
- B. Maine's severity (lost time) rate is the worst in the U.S. and is 58% above Michigan's

II. Quantifiable and Substantiated Savings	<u>Savings</u>	<u>Costs</u>
A. Servicing Carrier and Sales Fees Now 30% Can Be Reduced to 11-15%	15+%	
B. Investment Income -- Improvement compared to NCCI Managed Pool. (2% rate of return increase over 3.5 years weighted average "tail" by matching the maturity of investments to the payout portion of obligations)	7%	
C. Non-Profit Operation (14% rate of return sought by insurers based on 2:1 premium to equity ratio)	7%	

III. Benefits Savings & Costs

A. Savings

- 1. Quantified
 - a. 80% of net v. 66 2/3% of gross 2-3%
 - b. Workers' attorneys fees 3-4%
- 2. To Be Quantified
 - a. \$441 weekly max v. \$518 weekly max ?
 - b. 7-day v. 3-day waiting period ?
 - c. Surviving spouse's benefits/ restricted to 500 weeks ?
 - d. Age 65/5% reduction per year ?
 - e. "Significant" required for conditions of aging process ?
 - f. Michigan unlimited voluntary payment v. Maine restriction on unilateral termination (viewed by claims personnel as a substantial driver of severity) ?

B. Costs

Permanent partial not subject to arbitrary durational limit (Maine now 520 weeks of benefits) 7-8%

IV. Savings of W.C. System Costs from controlling intentional discrimination and failure to re-employ (Maine's severity [lost time] rate is worst in U.S. and 58% above Michigan's. ?

35%+ ? 7-8%

The greatest drivers of costs are the incidence and severity of workplace injuries. Control of incidence requires prevention and motivation. Control of severity requires actual re-employment, prevention of discrimination and avoidance of overpayments. The Michigan Plan's provision for unilateral suspension of benefits places control of overpayments exclusively in the hands of the payor. Actual re-employment requires incentive and, when that fails, an effective remedy and deterrent outside the workers' compensation system.

SCHOOL OF LAW University of Maine



246 Deering Avenue
Portland, ME 04102
Tel: (207) 780-4818
Fax: (207) 780-4913

LAW LIBRARY

DATE: 5/29 2 #PAGES (includes cover)

TO: Abby Harkins

FROM: Michelle Bushey

SPECIAL MESSAGES IF ANY:

If this isn't what you wanted, give me
a call.

PRELIMINARY ESTIMATED COSTS IMPACTS

ADOPTING THE MICHIGAN PLAN

I. The Greatest Savings will be achieved by Reducing Injuries (Both Frequency and Severity). Such savings are not quantifiable in advance.

- A. Maine's injury rate is the worst in the U.S. and is 46% above Michigan's
- B. Maine's severity (lost time) rate is the worst in the U.S. and is 58% above Michigan's

II. Quantifiable and Substantiated Savings Savings Costs

- A. Servicing Carrier and Sales Fees 15+%
 Now 30%
 Can Be Reduced to 11-15%
- B. Investment Income -- Improvement 7%
 compared to NCCI Managed Pool.
 (2% rate of return increase over
 3.5 years weighted average "tail"
 by matching the maturity of investments
 to the payout portion of obligations)
- C. Non-Profit Operation 7%
 (14% rate of return sought
 by insurers based on 2:1
 premium to equity ratio)

III. Benefits Savings & Costs

A. Savings

- 1. Quantified
 - a. 80% of net v. 66 2/3% of gross 2-3%
 - b. Workers' attorneys fees 3-4%
- 2. To Be Quantified
 - a. \$441 weekly max v. \$518 weekly max ?
 - b. 7-day v. 3-day waiting period ?
 - c. Surviving spouse's benefits/
 restricted to 500 weeks ?
 - d. Age 65/5% reduction per year ?
 - e. "Significant" required for
 conditions of aging process ?
 - f. Michigan unlimited voluntary
 payment v. Maine restriction on
 unilateral termination (viewed by
 claims personnel as a substantial
 driver of severity) ?

B. Costs

Permanent partial not subject to 7-8%
 arbitrary durational limit (Maine now
 520 weeks of benefits)

IV. Savings of W.C. System Costs from controlling intentional discrimination and failure to re-employ (Maine's severity [lost time] rate is worst in U.S. and 58% above Michigan's. ?

35%+ ? 7-8%

The greatest drivers of costs are the incidence and severity of workplace injuries. Control of incidence requires prevention and motivation. Control of severity requires actual re-employment, prevention of discrimination and avoidance of overpayments. The Michigan Plan's provision for unilateral suspension of benefits places control of overpayments exclusively in the hands of the payor. Actual re-employment requires incentive and, when that fails, an effective remedy and deterrent outside the workers' compensation system.

SARAH C. TUBBESING
EXECUTIVE DIRECTOR
OF THE LEGISLATIVE COUNCIL

RICHARD N. SAWYER, JR.
ADMINISTRATIVE SERVICES
DIRECTOR



MAINE STATE LEGISLATURE
OFFICE OF THE EXECUTIVE DIRECTOR
LEGISLATIVE COUNCIL

June 2, 1992

Michelle E. Bushey
Blue Ribbon Commission on Workers' Compensation
82 William Street
Portland, Maine 04103

Dear Michelle:

The telephone credit card arrived in this morning's mail. We have checked it against the number we sent you earlier, and it is the same - just late!

It was good to meet you in person yesterday.

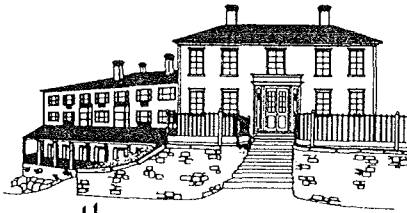
Sincerely,

A handwritten signature in cursive script that reads "Sally".

Sally Tubbesing
Executive Director

Enclosure

*I ran into Joan Amverling as we were leaving,
and learned that you are a Mt. Holyoke alum! I am of
Joan's era - I didn't realize that the Law School
had a real cluster!*



the
**Captain Daniel
Stone Inn**
& Narcissa Stone Restaurant

June 4, 1992

Michelle Bushey
U.S.M. School of Law
246 Deering Ave.
Portland, ME 04102

Dear Ms. Bushey:

We are pleased to present our proposal for the meeting you are hosting at the Captain Daniel Stone Inn on June 29 & 30, 1992.

We are tentatively holding function space for your meeting at a charge of ~~\$65~~^{125. MEB}. All meeting rooms are equipped with glasses, water, ashtrays and telephones. Complimentary easels, erasable marker boards, screens, and desk-top podiums are available with advance notice. Other equipment is available for rent.

It is our understanding that you will have coffee served in the room at a cost of \$2.95 per person, and that you will be adjourning to the restaurant for lunch to be put on a master bill. Please note that the 7% Maine State sales tax and a 15% gratuity are additional. This menu is a suggestion only. We will be happy to discuss other options with you.

Arrangements for bar service, if you wish, can be made at a later date.

We will require a guaranteed minimum guest count three days in advance of your conference. You will be billed for the actual number in attendance or for your guaranteed number, whichever is greater.

The Inn reserves the right to inspect and control all functions. Liability for damages to the premises will be charged accordingly. The inn cannot assume responsibility for lost or stolen property.

Enclosed is a copy of this function agreement. In order to confirm and guarantee the date and details of service, please sign the copy and return it, along with a non-refundable deposit of ~~\$65~~^{125. MEB}. The balance of your account will be due upon departure from the Inn.

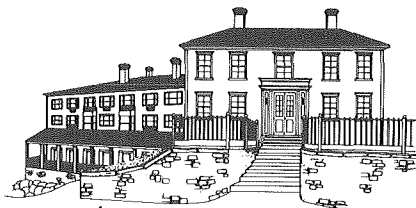
I will call you to confirm your receipt of this proposal and to answer any questions you may have. In the meantime, thank you for your inquiry. The staff of the Captain Daniel Stone Inn looks forward to serving you and your guests.

Sincerely,

Approved:

Martha B. Augat
Lrankaggar

Authorized Signature



the
**Captain Daniel
Stone Inn**
& Narcissa Stone Restaurant

June 4, 1992

Michelle Bushey
U.S.M. School of Law
246 Deering Ave.
Portland, ME 04102

Dear Ms. Bushey:

We are pleased to present our proposal for the meeting you are hosting at the Captain Daniel Stone Inn on June 29 & 30, 1992.

We are tentatively holding function space for your meeting at a charge of ~~\$65~~ ^{125.00 MEB}. All meeting rooms are equipped with glasses, water, ashtrays and telephones. Complimentary easels, erasable marker boards, screens, and desk-top podiums are available with advance notice. Other equipment is available for rent.

It is our understanding that you will have coffee served in the room at a cost of \$2.95 per person, and that you will be adjourning to the restaurant for lunch to be put on a master bill. Please note that the 7% Maine State sales tax and a 15% gratuity are additional. This menu is a suggestion only. We will be happy to discuss other options with you.

Arrangements for bar service, if you wish, can be made at a later date.

We will require a guaranteed minimum guest count three days in advance of your conference. You will be billed for the actual number in attendance or for your guaranteed number, whichever is greater.

The Inn reserves the right to inspect and control all functions. Liability for damages to the premises will be charged accordingly. The inn cannot assume responsibility for lost or stolen property.

Enclosed is a copy of this function agreement. In order to confirm and guarantee the date and details of service, please sign the copy and return it, along with a non-refundable deposit of ~~\$65~~ ^{125.00 MEB}. The balance of your account will be due upon departure from the Inn.

I will call you to confirm your receipt of this proposal and to answer any questions you may have. In the meantime, thank you for your inquiry. The staff of the Captain Daniel Stone Inn looks forward to serving you and your guests.

Sincerely,

Approved:

Martha B. Augat
Intake/express

Authorized Signature

BLUE RIBBON COMMISSION TO EXAMINE ALTERNATIVES
TO THE WORKERS' COMPENSATION SYSTEM
University of Maine School of Law
246 Deering Avenue
Portland, Maine 04102

Members of the Commission:

Richard B. Dalbeck
William D. Hathaway
Emilien Levesque
Harvey Picker

June 9, 1992

John H. Lewis
P.O. Box 330550
Coconut Grove, FL 33233

Dear Mr. Lewis:

I am forwarding the following materials at the request of the Commissioners:

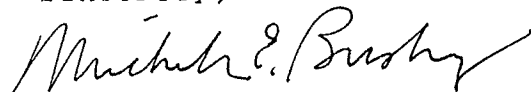
Testimony of the Public Advocates
Testimony/Policy Paper of the Maine Council of Self-Insurers
Testimony/Outline of Bill Hardy - ME Bar Assoc., Workers' Comp. Sec.
Testimony of the American Insurance Association
Testimony of Ed Welch
Overview of Workers' Comp. in Michigan by Ed Welch

In addition, I am sending you a copy of the latest Maine Council of Self-Insurers Quarterly and a copy of A Report of the Commission on Safety and Health in the Maine Workplace. Also at the request of the Commissioners you will be sent a copy of the Public Advocate's most recent rate brief which will be sent directly from that office.

Commissioners Hathaway and Picker wanted me to remind you that in order for them to receive a copy of your report of June 16 as soon as possible you will need to pay the additional surcharge required by Federal Express to ensure delivery at the earliest possible time.

I have received the signed letter of agreement between yourself and the Commission and will forward it to the Legislature which will allow you to receive payment for your services. Please send all bills directly to me at the above address and I will forward them to the Legislature.

Sincerely,



Michelle E. Bushey

BLUE RIBBON COMMISSION TO EXAMINE ALTERNATIVES
TO THE WORKERS' COMPENSATION SYSTEM
University of Maine School of Law
246 Deering Avenue
Portland, Maine 04102

Members of the Commission:

Richard B. Dalbeck
William D. Hathaway
Emilien Levesque
Harvey Picker

June 9, 1992

Martha Beardsley Augat
Manager
The Captain Daniel Stone Inn
10 Water Street
Brunswick, Maine 04011

Dear Martha:

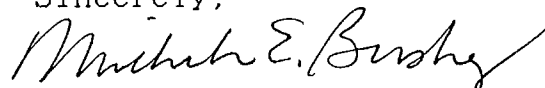
I have made the appropriate changes in the contract which reflect the higher rate for the larger room. As I mentioned in our phone conversation only the members of the Commission and the staff will have their lunch put on the master bill (5 people altogether). Others who attend may eat their lunch there or may go elsewhere, but they are responsible for their own bills.

With regard to coffee, it might be best if coffee is arranged for the 4 Commissioners and is put on the master bill and everyone else fends for themselves. Since this will be a public hearing we do not know how many people will be attending, therefore we would rather not have coffee service for an indefinite number. If it is possible it would be best for those who want coffee to order it when they get there and pay for their own. We will call you with a credit card number for our deposit.

The room should be arranged with a large conference style table at the front with 4 chairs. The rest of the room should be set up with 15 or so chairs (whatever the room will comfortably accommodate) in rows.

Thank you for arranging this. If you have any questions feel free call me at 780-4578.

Sincerely,



Michelle E. Bushey



presley & associates, inc.

~~File~~

left msg
on 6/19

June 10, 1992

The Honorable William D. Hathaway
Federal Maritime Commission
1100 L Street, N.W.
Room 11503
Washington, D.C. 20573

RE: Maine Blue Ribbon Panel on Workers' Compensation

Dear Senator Hathaway:

I testified at a medical malpractice rate hearing last week in Augusta. Harold Pachios represented the opposing side. Near the close of the hearing, he and I were chatting and he indicated that the Blue Ribbon Panel had been looking for actuarial help but had not yet been able to find anyone to satisfy their needs.

I am writing in order to make you aware of our firm's availability in this area as well as to give you some background information concerning our experience in workers' compensation. We are an independent consulting firm located in Hudson, New Hampshire. The firm has been in existence since 1976. One of our two prime specialty areas is workers' compensation, the greater part of which has been regulatory work or assistance to self-insurers.

I would be personally responsible for any work that we do for you, although other members of the staff would participate to varying degrees.

My own background in workers' compensation began in the early 1960s when I joined the American Mutual Companies in Massachusetts, major writers of this coverage. Throughout my eight years there, the majority of my work involved workers' compensation, including representing the company on the Actuarial Committee and Subcommittees of the National Council on Compensation Insurance, as well as those of various independent state rating bureaus. I obviously became very familiar with the ins and outs of this particular coverage.

I left American Mutual in 1972 to become the Property and Casualty Actuary for the State of New Hampshire. Concurrent with my work there, I consulted for the insurance departments of Maine, Vermont and Virginia. Among the services most frequently provided was the review and analysis of compensation filings.

ACTUARIAL CONSULTANTS

I left the New Hampshire Insurance Department in 1976 to form the present independent consulting firm. We have since provided support to the aforementioned insurance departments, most particularly that of Maine. In addition, our compensation clients in Maine included the Northern Woods Logging Association, the Maine Municipal Association and the Attorneys General Office. We have also been involved in workers' compensation matters in other states.

I feel that we are quite qualified to assist the panel in its work, and can provide you with references if you so require. I would therefore appreciate the opportunity to talk with you and to discuss further your needs. In the interim, if you have any questions, please let me know.

Very truly yours,



Philip O. Presley
Actuarial Consultant

POP/cmr





MILLIMAN & ROBERTSON, INC.

Actuaries and Consultants
289 Edgewater Drive
Wakefield, MA 01880
Phone: (617) 245-4847
Fax: (617) 246-0508

Handwritten initials

FACSIMILE TRANSMISSION

DATE: 6/16/92

NUMBER OF PAGES: 1
(including cover page)

TO: William Hathaway

FAX NUMBER: 1-207-780-4913

COMPANY: _____

FROM: _____

COMMENTS: TEL # 207-934-5259

Here is our letter. Call us if you have any comments or questions.



MILLIMAN & ROBERTSON, INC.

Actuaries and Consultants

Anthony J. Burke, A.C.A.S.
 Joel S. Chansky, F.C.A.S.
 Timothy J. Cremin, A.C.A.S.
 E. Frederick Fossa, F.C.A.S.
 John Herzfeld, F.C.A.S.
 Franklyn J. McGrath, A.S.A.
 Godfrey Perrott, F.S.A.
 Bertram N. Fife, F.S.A.

289 Edgewater Drive
 Wakefield, Massachusetts 01880
 Telephone: 617/243-4847
 Fax: 617/246-0508

Wendell Milliman, F.S.A. (1976)
 Stuart A. Robertson, F.S.A.
 Chairman Emeritus

June 16, 1992

Mr. William Hathaway
 Maine Blue Ribbon Commission on Workers Compensation

Dear Mr. Hathaway;

This letter responds to your request for information as to how Milliman & Robertson, Inc. ("M&R") could assist the Blue Ribbon Commission in estimating the cost of potential changes to the workers compensation system in Maine.

It is our understanding that the Commission is currently performing research and studying how to revise the Maine system. John Lewis, who is consulting to the Commission will be providing recommendations shortly. Once these recommendations are evaluated by the Commission, they will require assistance in estimating the premium (rate) impact of any change to the system in Maine.

Milliman & Robertson

Milliman & Robertson, Inc. is a nationwide independent actuarial firm. We have over 800 professional personnel in 25 offices around the country. We provide actuarial consulting services in the property/casualty, life, health and pension disciplines to clients which include regulators, insurance companies, insurance purchasers, self-insurers, captive insurers, risk retention groups, pension plan sponsors, etc.

M&R has extensive experience in all aspects of property/casualty insurance consulting including workers compensation, general liability and automobile liability. We have assisted six insurance departments in the review of workers compensation rate filings, and another four insurance departments in connection

Albany • Atlanta • Boston • Chicago • Cincinnati • Dallas • Denver • Hartford • Houston
 Indianapolis • Irvine • Los Angeles • Milwaukee • Minneapolis • New York • Omaha • Philadelphia
 Phoenix • Portland • St. Louis • Salt Lake City • San Diego • San Francisco • Seattle • Washington, D.C.

Internationally WOODROW MILLIMAN

Australia • Austria • Belgium • Bermuda • Canada • Channel Islands • Denmark
 France • Germany • Ireland • Italy • Mexico • Netherlands • New Zealand • Norway
 Philippines • Spain • United Kingdom • United States • West Indies

Maine Blue Ribbon Commission on Workers Compensation
Page 2

with a NAIC examination of the National Council on Compensation Insurance. We have also assisted parties in many states with pricing the effects of changes to workers compensation laws. In Maine, we assisted the superintendent with pricing in 1987 and 1991. We have assisted legislative committees in Oklahoma and Texas. We have also assisted the New Hampshire insurance department in evaluating workers compensation legislation.

We are familiar with the rate and benefit structure in Maine. We have been assisting the Bureau of Insurance on various assignments since 1987.

Other Considerations

The National Council on Compensation Insurance ("NCCI") is a ratemaking and statistical gathering organization. They will be pricing whatever legislation is passed in a future filing for rates. In order to assist you, we will require various kinds of data from the NCCI regarding benefits and loss experience in the Maine system and in other system(s) throughout the United States. In order to expedite the process as well as to control costs, it may be useful to get the NCCI involved soon. They could independently price proposed legislative changes, although we would suggest that pricing calculations they develop, be reviewed by us. We can assure you that NCCI's involvement will not impact on the independence of our study.

Cost of Services

Our fees are based on the amount of time spent on the project times our usual hourly billing rates. In addition, we are reimbursed for expenses related to computer use, typing, communications, travel and the like. The consultants who will work on this project and their hourly billable rates will vary from \$50 per hour to \$325 per hour.

The pricing of workers compensation legislative changes can be complex. In addition, legislative proposals often undergo frequent revisions. Occasionally, seemingly minor changes in wording can produce complex interactions in the benefit structure that require extensive changes to actuarial models. For this reason, it is difficult to estimate costs precisely.

We estimate that the cost of this assignment will be approximately \$30,000. This estimate includes the following:

Maine Blue Ribbon Commission on Workers Compensation
Page 3

1. Up to three days of meetings with the Commission to discuss legislative alternatives and our preliminary findings
2. Pricing one major legislative proposal, including several minor variations
3. Detailed analysis of NCCI's pricing of that one legislative proposal
4. One day of testimony before the Commission to describe our findings
5. A report of our findings and conclusions

Additional testimony or meetings other than those described above are outside the scope of our assignment.

We appreciate the opportunity to offer our services to the Commission. We would be happy to come up and meet with members of the Commission to discuss this proposal further.

Resumes of our consultants who may work on this project are attached.

Very truly yours,

E. Frederick Fossa, FCAS, MAAA

John Herzfeld, FCAS, MAAA

John Herzfeld
Consulting Actuary

John is an Associate Member with the Boston Office of Milliman & Robertson, Inc.

He has worked extensively on property and casualty consulting assignments. These assignments have covered areas such as loss reserving, ratemaking, captive planning, feasibility studies, and rate of return analysis. John has substantial expertise in the pricing and analysis of Workers' Compensation benefit changes. He has also worked on developing models for pricing and reserving for difficult casualty lines. John has expertise in Actuarial computer systems and applications. As former chief actuary for a Massachusetts domiciled insurer, he was responsible for ratemaking for all lines of insurance. In addition to multi-line property and casualty insurers, clients have included reinsurers, medical professional liability specialty insurers, workers' compensation specialty insurers, self-insurers, and captive insurers.

John is a Fellow of the Casualty Actuarial Society and Member of the American Academy of Actuaries. He is a graduate of Yale University. John joined M&R in 1986.

Milliman & Robertson, Inc.
289 Edgewater Drive
Wakefield, MA 01880
(617) 245-4847

E. Frederick Fossa
Consulting Actuary

Fred is a Principal of Milliman & Robertson, Inc. and manages the Boston Property Casualty Office. He joined M&R in 1987.

Fred has extensive experience in most areas of property and casualty insurance. He has expertise in ratemaking, in loss reserve analysis and in the valuation of insurance companies for mergers and acquisitions. He has assisted companies in the design of rating plans, the analysis of self-insurance funding mechanisms and the development of financial projections. Fred has advised commercial insurers, insurance brokers, professional associations, insurance departments and governmental agencies.

A Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries, Fred is a graduate of Merrimack College in North Andover, Massachusetts.

Fred has spoken at meetings and served on various committees for the Casualty Actuarial Society and the Casualty Loss Reserve Seminars. He is a former member of the Board of Directors of the Casualty Actuarial Society.

Milliman & Robertson, Inc.
289 Edgewater Drive
Wakefield, MA 01880
(617) 245-4847



Mark Mulvaney

Consulting Actuary

Mark is with the Denver office of Milliman & Robertson, Inc.

He has worked in workers compensation matters since 1978. Prior to joining Milliman & Robertson, Inc. in 1988, he worked at the National Council on Compensation Insurance as Regional Actuary, as the Manager of the Law Evaluation Division, and in various other positions. His responsibilities at NCCI included the determination, filing, and support of workers compensation rate filings for the western states, providing testimony in regulatory proceedings, and providing expert testimony at legislative hearings concerning the cost impact of new legislation.

Since joining Milliman & Robertson, Mark has continued his involvement in workers compensation matters, performing assignments to evaluate the feasibility of self insurance and captive insurance programs for workers compensation exposures, performing various valuation assignments for workers compensation carriers and state workers compensation funds.

A Fellow of the Casualty Actuarial Society and the American Academy of Actuaries, Mark is a graduate of Georgetown University.

He has spoken at meetings and other presentations of the NCCI, and meetings of Workers Compensation Self Insurers, Safety Engineers, Risk and Insurance Managers, Captive Insurance Association members, and other groups.

Milliman & Robertson, Inc.
370 Seventeenth Street, Suite 2250
Denver, CO 80202-5602
(303)592-5500

SCHOOL OF LAW University of Maine



246 Deering Avenue
Portland, ME 04102
Tel: (207) 780-4818
Fax: (207) 780-4913

LAW LIBRARY

DATE: 6/19/92 7 #PAGES (includes cover)

TO: John Lewis

FROM: Michelle Bushey for Sen. Hathaway

SPECIAL MESSAGES IF ANY:

Sen. Hathaway will call you this
afternoon to discuss. If he can't
reach you he will likely call on Monday.

Michelle



MILLIMAN & ROBERTSON, INC.

Actuaries and Consultants

Anthony J. Burke, A.C.A.S.
 Joel S. Chansky, F.C.A.S.
 Timothy J. Cremin, A.C.A.S.
 E. Frederick Fossa, F.C.A.S.
 John Herzfeld, F.C.A.S.
 Franklyn J. McGrath, A.S.A.
 Godfrey Ferrott, F.S.A.
 Bertram N. Pike, F.S.A.

289 Edgewater Drive
 Wakefield, Massachusetts 01880
 Telephone: 617/245-4847
 Fax: 617/246-0508

Wendell Milliman, F.S.A. (1976)
 Stuart A. Robertson, F.S.A.
 Chairman Emeritus

June 16, 1992

Mr. William Hathaway
 Maine Blue Ribbon Commission on Workers Compensation

Dear Mr. Hathaway;

This letter responds to your request for information as to how Milliman & Robertson, Inc. ("M&R") could assist the Blue Ribbon Commission in estimating the cost of potential changes to the workers compensation system in Maine.

It is our understanding that the Commission is currently performing research and studying how to revise the Maine system. John Lewis, who is consulting to the Commission will be providing recommendations shortly. Once these recommendations are evaluated by the Commission, they will require assistance in estimating the premium (rate) impact of any change to the system in Maine.

Milliman & Robertson

Milliman & Robertson, Inc. is a nationwide independent actuarial firm. We have over 800 professional personnel in 25 offices around the country. We provide actuarial consulting services in the property/casualty, life, health and pension disciplines to clients which include regulators, insurance companies, insurance purchasers, self-insurers, captive insurers, risk retention groups, pension plan sponsors, etc.

M&R has extensive experience in all aspects of property/casualty insurance consulting including workers compensation, general liability and automobile liability. We have assisted six insurance departments in the review of workers compensation rate filings, and another four insurance departments in connection

Albany • Atlanta • Boston • Chicago • Cincinnati • Dallas • Denver • Hartford • Houston
 Indianapolis • Irvine • Los Angeles • Milwaukee • Minneapolis • New York • Omaha • Philadelphia
 Phoenix • Portland • St. Louis • Salt Lake City • San Diego • San Francisco • Seattle • Washington, D.C.

Internationally WOODROW MILLIMAN

Australia • Austria • Belgium • Bermuda • Canada • Channel Islands • Denmark

Maine Blue Ribbon Commission on Workers Compensation
Page 2

with a NAIC examination of the National Council on Compensation Insurance. We have also assisted parties in many states with pricing the effects of changes to workers compensation laws. In Maine, we assisted the superintendent with pricing in 1987 and 1991. We have assisted legislative committees in Oklahoma and Texas. We have also assisted the New Hampshire insurance department in evaluating workers compensation legislation.

We are familiar with the rate and benefit structure in Maine. We have been assisting the Bureau of Insurance on various assignments since 1987.

Other Considerations

The National Council on Compensation Insurance ("NCCI") is a ratemaking and statistical gathering organization. They will be pricing whatever legislation is passed in a future filing for rates. In order to assist you, we will require various kinds of data from the NCCI regarding benefits and loss experience in the Maine system and in other system(s) throughout the United States. In order to expedite the process as well as to control costs, it may be useful to get the NCCI involved soon. They could independently price proposed legislative changes, although we would suggest that pricing calculations they develop, be reviewed by us. We can assure you that NCCI's involvement will not impact on the independence of our study.

Cost of Services

Our fees are based on the amount of time spent on the project times our usual hourly billing rates. In addition, we are reimbursed for expenses related to computer use, typing, communications, travel and the like. The consultants who will work on this project and their hourly billable rates will vary from \$50 per hour to \$325 per hour.

The pricing of workers compensation legislative changes can be complex. In addition, legislative proposals often undergo frequent revisions. Occasionally, seemingly minor changes in wording can produce complex interactions in the benefit structure that require extensive changes to actuarial models. For this reason, it is difficult to estimate costs precisely.

We estimate that the cost of this assignment will be approximately \$30,000. This estimate includes the following:

Maine Blue Ribbon Commission on Workers Compensation
Page 3

1. Up to three days of meetings with the Commission to discuss legislative alternatives and our preliminary findings
2. Pricing one major legislative proposal, including several minor variations
3. Detailed analysis of NCCI's pricing of that one legislative proposal
4. One day of testimony before the Commission to describe our findings
5. A report of our findings and conclusions

Additional testimony or meetings other than those described above are outside the scope of our assignment.

We appreciate the opportunity to offer our services to the Commission. We would be happy to come up and meet with members of the Commission to discuss this proposal further.

Resumes of our consultants who may work on this project are attached.

Very truly yours,

E. Frederick Fossa, FCAS, MAAA

John Herzfeld, FCAS, MAAA

John Herzfeld
Consulting Actuary

John is an Associate Member with the Boston Office of Milliman & Robertson, Inc.

He has worked extensively on property and casualty consulting assignments. These assignments have covered areas such as loss reserving, ratemaking, captive planning, feasibility studies, and rate of return analysis. John has substantial expertise in the pricing and analysis of Workers' Compensation benefit changes. He has also worked on developing models for pricing and reserving for difficult casualty lines. John has expertise in Actuarial computer systems and applications. As former chief actuary for a Massachusetts domiciled insurer, he was responsible for ratemaking for all lines of insurance. In addition to multi-line property and casualty insurers, clients have included reinsurers, medical professional liability specialty insurers, workers' compensation specialty insurers, self-insurers, and captive insurers.

John is a Fellow of the Casualty Actuarial Society and Member of the American Academy of Actuaries. He is a graduate of Yale University. John joined M&R in 1986.

Milliman & Robertson, Inc.
289 Edgewater Drive
Wakefield, MA 01880
(617) 245-4847

E. Frederick Fossa
Consulting Actuary

Fred is a Principal of Milliman & Robertson, Inc. and manages the Boston Property Casualty Office. He joined M&R in 1987.

Fred has extensive experience in most areas of property and casualty insurance. He has expertise in ratemaking, in loss reserve analysis and in the valuation of insurance companies for mergers and acquisitions. He has assisted companies in the design of rating plans, the analysis of self-insurance funding mechanisms and the development of financial projections. Fred has advised commercial insurers, insurance brokers, professional associations, insurance departments and governmental agencies.

A Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries, Fred is a graduate of Merrimack College in North Andover, Massachusetts.

Fred has spoken at meetings and served on various committees for the Casualty Actuarial Society and the Casualty Loss Reserve Seminars. He is a former member of the Board of Directors of the Casualty Actuarial Society.

Milliman & Robertson, Inc.
289 Edgewater Drive
Wakefield, MA 01880
(617) 245-4847



Mark Mulvaney

Consulting Actuary

Mark is with the Denver office of Milliman & Robertson, Inc.

He has worked in workers compensation matters since 1978. Prior to joining Milliman & Robertson, Inc. in 1988, he worked at the National Council on Compensation Insurance as Regional Actuary, as the Manager of the Law Evaluation Division, and in various other positions. His responsibilities at NCCI included the determination, filing, and support of workers compensation rate filings for the western states, providing testimony in regulatory proceedings, and providing expert testimony at legislative hearings concerning the cost impact of new legislation.

Since joining Milliman & Robertson, Mark has continued his involvement in workers compensation matters, performing assignments to evaluate the feasibility of self insurance and captive insurance programs for workers compensation exposures, performing various valuation assignments for workers compensation carriers and state workers compensation funds.

A Fellow of the Casualty Actuarial Society and the American Academy of Actuaries, Mark is a graduate of Georgetown University.

He has spoken at meetings and other presentations of the NCCI, and meetings of Workers Compensation Self Insurers, Safety Engineers, Risk and Insurance Managers, Captive Insurance Association members, and other groups.

Milliman & Robertson, Inc.
370 Seventeenth Street, Suite 2250
Denver, CO 80202-5602
(303)592-5500

SCHOOL OF LAW University of Maine



246 Deering Avenue
Portland, ME 04102
Tel: (207) 780-4818
Fax: (207) 780-4913

LAW LIBRARY

DATE: 6/26 2 #PAGES (includes cover)

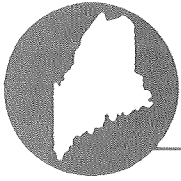
TO: Harvey Picker

FROM: Michelle Bushey

SPECIAL MESSAGES IF ANY:

future schedule

X can't make it



UNIVERSITY OF SOUTHERN MAINE

School of Applied Science
Production Technology Center

37 College Avenue
Gorham, Maine 04038
(207) 780-5439

June 12, 1992

Mr. William D. Hathaway
Danton Towers
207 East Grand Ave.
Apt. 6-D
Old Orchard Beach, ME 04064

Dear Mr. Hathaway:

On behalf of the Production Technology Center at the University of Southern Maine, you are cordially invited to attend a reception to commence the fourth annual ergonomics conference being held on June 25 and 26. The reception is being held June 24, from 6:00 - 8:00 p.m. at the Holiday Inn by the Bay in Portland. Light refreshments will be served.

Our keynote speaker, Mr. Roger Stephens, national director of OSHA, will be attending the reception, as well as this year's guest from Sweden, Mr. Goran Geiryd. Speakers, sponsors, cooperating organizations and guests from industry and academia will also be present.

As a member of the Blue Ribbon Committee on Workers Compensation, you have been identified as an interested party in the issues that will be discussed at the conference. Please RSVP by June 19 by contacting Suanne Johnson at 780-5439. I look forward to seeing you there.

Sincerely,

A handwritten signature in cursive script that reads "Ivan G. Most".

Ivan G. Most
Director

IGM/11j

TO: COMMISSIONERS DALBECK AND HATHAWAY
FROM: MICHELLE
DATE: AUGUST 18, 1992
RE: THE WINDING UP OF THE COMMISSION

I spoke with Sally Tubbesing (Executive Director of the Legislature) yesterday about what to do with the files of the Commission after August 31. I am to turn over all files to her and she in turn will turn them over to the Archives where all such files are kept. Over the course of the summer some correspondence has been sent directly to one or both of you as Chairs of the Commission and not to the office here at the Law School. Consequently, I do not have copies of all correspondence sent to the Commission. Sally suggested that at the end of the summer one (or both) of you turn over all the correspondence you have received over the summer to me. The material does not need to be organized in any way as that will be handled by the people at the Archives. This is only to ensure that we turn over a complete set of all the documents that the Commission has received.

In addition, I spoke with Sally about the tape recorder purchased for the Commission. She is going to find someone who can determine the value of the equipment and she will buy it from the Commission. I have also enclosed a copy of the expenses that the Commission has incurred over the summer. As of August 18 the Commission has spent approximately \$62,725.46.

On another note, I wanted to let you both know that school starts for me on Monday, August 31. If you need me to do anything for you that first week in September please let me know so that I may set aside some time. I will probably have to move everything out of the office at the Law School by Friday, August 28 as the occupants of the office will return. I will keep things at my house until I turn them over to Sally. I may be reached at my home number (828-1473). I am going to be out of town the weekend before school starts and would like to leave for the weekend on Friday, August 28 by noon. If there is a problem with my being unavailable on Friday afternoon please let me know. I will be back in town late Sunday, August 30.

I hope your work is going well.



BUDGET OF THE BLUE RIBBON COMMISSION

TOTAL BUDGET		250,000.00
4/24	Salary of M. Bushey	500.00
5/1	Salary of M. Bushey	500.00
5/1	Tape Recorder Rental (3 weeks) includes tapes	170.50
5/8	Salary of M. Bushey	500.00
5/19	Salary of M. Bushey	500.00
5/19	Expenses of R. Dalbeck	416.67
5/19	Expenses of W. Hathaway	449.08
5/22	Tape Recorder Purchase	596.42
5/22	Salary of M. Bushey	500.00
5/27	Expenses of W. Hathaway	448.00
5/29	Expenses of M. Bushey	88.47
6/3	Audio Tapes	12.00
6/3	Expenses of W. Hathaway	419.28
6/5	Salary of M. Bushey	500.00
6/9	Expenses of R. Dalbeck	151.05
6/11	Audio Tapes	15.40
6/12	Salary of M. Bushey	500.00
6/15	Expenses of E. Welch	1694.47
6/15	Expenses of E. Levesque	331.34
6/23	Expenses of M. Bushey	71.35
6/19	Salary of M. Bushey	500.00
6/26	Salary of M. Bushey	500.00
6/26	Phone Bill (credit cards)	167.53
6/29	Fees/expenses of J. Lewis	21,693.34

7/3	Salary of M. Bushey	500.00
7/6	Phone Bill (law school)	43.92
7/6	Audio Tapes	12.80
7/6	Expenses of T. Snow	124.49
7/6	Fees/Expenses of D. Gregory	2,300.00
7/13	Expenses of M. Bushey	53.77
7/13	Salary of M. Bushey	500.00
7/14	Expenses of R. Dalbeck	439.15
7/16	Salary of M. Bushey	500.00
7/20	Fees/Expenses of D. Gregory	2,800.00
7/24	Audio Tapes	12.80
7/24	Salary of M. Bushey	500.00
7/27	Phone Bill (credit cards)	314.94
7/27	Fees/Expenses of P. Barth	3,341.50
7/27	Phone Bill (law school)	38.45
7/29	Expenses of M. Bushey	52.97
7/31	Salary of M. Bushey	500.00
8/7	Salary of M. Bushey	500.00
8/13	Expenses of R. Dalbeck	116.26
8/13	Fees/Expenses of J. Lewis	14,271.51
8/14	Salary of M. Bushey	500.00
8/18	Fees/Expenses of D. Gregory	4,078.00

TOTAL AS OF 8/18 = 62,725.46

SCHOOL OF LAW University of Maine



246 Deering Avenue
Portland, ME 04102
Tel: (207) 780-4578
Fax: (207) 780-4913

LAW LIBRARY

DATE: 8/25 2 #PAGES (includes cover)

TO: Teen Griffin

FROM: Michelle Bushey

SPECIAL MESSAGES IF ANY:

Teen - I have scheduled the hearing for
Room 228. I hope you don't mind faxing this
ad to the papers you usually put ads in. If you
need me to do anything else regarding this matter please
let me know. Thanks!

PUBLIC HEARING NOTICE

BLUE RIBBON COMMISSION TO EXAMINE
ALTERNATIVES TO THE WORKERS' COMPENSATION SYSTEM

Time:

Monday, August 31, 1992, 10 a.m.

Location:

Room 228, State House, Augusta

Purpose:

The Blue Ribbon Commission to Examine Alternatives to the Workers' Compensation System will hold a public hearing at which time it will formally present its recommendations regarding workers' compensation in Maine to the Governor and the Legislature.

Questions:

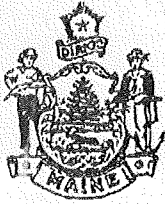
Office of the Blue Ribbon Commission, tel. 780-4578

TRANSMISSION REPORT

TEL NO. 01-111-1111
DATE AND TIME 08:00:00
DURATION 01:10
MODE
PAGE 01
RESULT GOOD

TRANSMISSION REPORT

TEL NO. 01-111-1111
DATE AND TIME 08:00:00
DURATION 01:10
MODE
PAGE 01
RESULT GOOD



MAINE STATE LEGISLATURE
Augusta, Maine 04333

FAX TRANSMITTAL

DATE: 8/24/92
DELIVER TO: Michelle Bushey
FAX #: 780-4913
SENDER: Ken Griffin
PHONE #: 209-1629
FAX - 209-1580

of pages, including this cover page: 2

MESSAGE:

Michelle -
Sally has spoken to Jane Orbeton about the room (334) & has suggested that you schedule the hearing in Room 228, State House instead. It will accommodate more people.

Legal Notices**BUDGET "PRE-HEARINGS"****ADVERTISEMENTS****PUBLIC HEARING NOTICE****MAINE LEGISLATURE****STANDING COMMITTEE ON****APPROPRIATIONS & FINANCIAL AFFAIRS****Time:**

Friday, November 1, 1991, 6 p.m. (Presque Isle)

Saturday, November 2, 1991, Noon (Bangor, Portland)

Location:

Presque Isle University of Maine at Presque Isle

Folsom Hall, Room 105

Bangor City Hall, Council Chambers

Portland University of Southern Maine,

Science Building, Room 165

Purpose:

The Joint Standing Committee on Appropriations and Financial Affairs will be holding public hearings on the General Fund budget of Maine State Government for state fiscal year 1991-92. These hearings are in response to Gov. McKernan's announcement that General Fund revenue estimates for FY 91-92 may need to be reduced by as much as \$100 million and that supplemental spending needs in FY 91-92 may be approximately \$25 million.

The Appropriations Committee is seeking public input on ways to reduce General Fund expenditures. Public comments on revenue enhancements or the protection of certain programs or policies will not be entertained at these hearings. The public will have an opportunity to make these, and any other, comments at a later date.

The Appropriations Committee requests that those people planning to comment present their comments clearly and concisely. The Committee would appreciate comments to be summarized and presented in written form (20 copies).

Questions:

Office of Fiscal and Program Review, tel. 289-1635

October 26, 1991