

MINUTES OF MEETING  
OF THE INDUSTRIAL COMMISSION OF ARIZONA  
Held at 800 West Washington Street  
Conference Room 308  
Phoenix, Arizona 85007  
Thursday, August 16, 2018 – 1:00 p.m.

Present:	Dale L. Schultz	Chairman
	Joseph M. Hennelly, Jr.	Vice Chair
	Scott P. LeMarr	Commissioner
	Steven J. Krenzel	Commissioner (Telephonic)
	James Ashley	Director
	Stacey Rogan	Assistant Chief Legal Counsel
	Trevor Laky	Legislative Affairs Chief / Public Information Officer
	Renee Pastor	Self Insurance
	Jessie Atencio	ADOSH Interim Director
	Stephen Ball	Staff Attorney
	Kara Dimas	Commission Secretary

Chairman Schultz convened the meeting at 1:00 p.m. Also in attendance were Heather Pacheco delaCruz; Michael Fassett with Snell & Wilmer; and Arthur Dehon and Elizabeth Dehon with Arrow Roofing Inc.

Approval of Minutes of July 26, 2018 and August 10, 2018 Regular Meeting Minutes.

Vice Chair Hennelly moved to approve the Minutes of the July 26, 2018 regular session meeting and Commissioner Krenzel seconded the motion. Chairman Schultz, Vice Chair Hennelly and Commissioner Krenzel voted in favor of the motion. The motion passed. Commissioner LeMarr abstained.

Commissioner LeMarr moved to approve the Minutes of the August 10, 2018 regular session meeting and Commissioner Krenzel seconded the motion. Chairman Schultz, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed. Vice Chair Hennelly abstained.

Consent Agenda:

All items following under this agenda item are consent matters and will be considered by a single motion with no discussion unless a Commissioner asks to remove an item on the consent agenda to be discussed and voted on separately. The Commission may move into Executive Session under A.R.S. § 38-431.03(A)(2) to discuss records exempt by law from public inspection. Legal action involving a final vote or decision shall not be taken in Executive Session. If such action is required, then it will be taken in General Session.

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- a. Approval of Requests for Renewal of Self-Insurance Authority.
  1. Chevron U.S.A., Inc.
  2. Mayo Clinic
  3. Pinnacle West Capital Corporation





Chairman Schultz and Mr. Ball discussed a client signing a contract for 25% of permanent disability benefits as being standard. Chairman Schultz noted his concern of a claimant who has signed a contract and then dismisses his attorney after the award of benefits after their attorney has done all of the work. Chairman Schultz asked how this works if the Applicant comes back to re-litigate or attempts to increase LEC. Mr. Ball and Chairman Schultz discussed how the proposed Order addresses splitting the fee.

Vice Chair Hennelly and Mr. Ball discussed the requirement of §23-1069.

Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion. The motion passed.

Mr. Ashley suggested on behalf of the guests who were attending the meeting for Agenda item 5, and the item that had been removed, that the Chairman entertain moving to the public comment section of the agenda at this time to accommodate the guests.

#### Public Comment.

Chairman Schultz asked if there was any public comment from Mr. or Ms. Dehon since their item was removed from the agenda. Ms. Dehon noted that they did not have any comment at this time.

There was no other public comment.

Discussion and/or action regarding Industrial Commission goals, objectives and key initiatives for 2018. This Agenda Item may include discussion regarding the Commission budget and review of Division, Department, and Section specific objectives.

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Mr. Ashley provided an update regarding the ALJ Division noting that candidates have accepted for both the Phoenix and Tucson positions and will start within a few weeks. There will be one more to fill later this year.

Mr. Ashley noted that the feedback regarding the Claims Seminar was very positive and there was record turnout.

Mr. Ashley provided an overview of the new Agency Scorecard and reviewed the new information being tracked and breakthroughs for fiscal year 2019 including the metric definition and algorithm for achieving each goal. Chairman Schultz and Mr. Ashley discussed the jumping off point numbers. Mr. Ashley noted that these metrics will be re-evaluated during the fiscal year to see if any course correction will need to happen to raise the bar or develop countermeasures. Chairman Schultz and Mr. Ashley discussed the Special Fund audits.

Commissioner LeMarr and Mr. Ashley discussed tracking of first time self-insured applications.

Mr. Ashley discussed the tracking of work related injuries and his recent meeting with the Director of the Office of Strategic Planning and Budgeting.

Chairman Schultz extended his congratulations to the staff on what they have been able to accomplish and the number of goals that have been achieved.

Commissioner Krenzel asked about the number of self-insured applications processed throughout the year. Mr. Ashley noted there are approximately 80 participants and will provide detailed information on the steps to process a new application, and the average received every year.

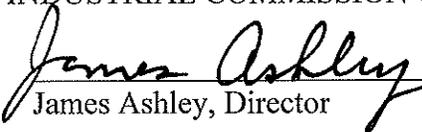
Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Ms. Dimas confirmed Commission meeting dates through October 2018. Commissioner LeMarr will call in for the August 23<sup>rd</sup> meeting pending Vice Chair Hennelly's availability.

Commissioner LeMarr moved to adjourn and Vice Chair Hennelly seconded the motion. Chairman Schultz, Vice Chair Hennelly, Commissioner LeMarr and Commissioner Krenzel voted in favor of the motion and the meeting was adjourned at 2:03 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By

  
James Ashley, Director

ATTEST:

  
Kara Dimas, Commission Secretary