

MTM Manufacturing Technology Mutual Insurance Company



Monthly Newsletter for April 2011



Participant in the Michigan Property & Casualty Guaranty Association

FROM THE DESK OF GARY WOOD

WELCOME TO MEMBERS OF THE PRINTING INDUSTRIES OF MICHIGAN (PIM) GROUP

Recently the MTMIC was fortunate to obtain the opportunity to provide workers' compensation coverage to the members of the former PIM Self Insured Group. We are excited to receive this endorsement and we were successful in adding the majority of their members as policyholders effective April 1, 2011.

Providing services to the Printing Industries of Michigan group enhances our position by allowing us to expand our core business while providing the required state coverage to the group at a reasonable cost. This is the second opportunity we have had to partner with a former self insured group (Michigan Plastic Processors was the other) during the last several years.

Thank you to all involved with the transition especially Nick Wagner, President and Larry Schehr of the Printing Industries of Michigan.

SAFETY CONFERENCE

Are you really serious about safety in your facility? If you are, have you ever been to the Michigan Safety Conference? Have you ever heard of the Michigan Safety Conference?



Annually safety professionals and other interested persons are offered the opportunity to attend a program sponsored by the various Safety Councils and vendors. This year the program is at the Lansing Center, 333 E. Michigan Ave, Lansing, Michigan on April 19 and 20 (www.michsafetyconference.org). This conference is educational, so it is not free, but it is a worthwhile expense to educate you and your staff on any changes in safety products and technology. The \$175 fee for two days might just save someone a lot of pain and suffering somewhere down the line.

There are many classes and several different tracks you can follow for education in the industry specialty which interests you. I encourage you to review the website and judge for yourself how



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important safety is in your environment.

The loss control staff of MTMIC will be attending on both days so if you plan on being there, please look them up.

CPA INFORMATION

Due to the many financial requirements of being a mutual insurance company, we contract with a CPA to provide an annual audit; one of the side benefits of us getting an outside audit is that some of the audit firms are vying for our work and as a result they are always sending me little informational bits that many of you are not privy to.

This month, for example, I received a newsletter from a CPA firm which announced in the lead story that "Income Tax Rates Hold Steady". I was shocked – I had not paid much attention to tax rates except as to how they impact me and our business but from all of the talk on the news programs, I thought we were being taxed to death.

The story continues that our current personal tax rates have been in effect since 2003 and are good through 2012. The tax rates applicable to long term capital gains and most dividend income can only be taxed at a maximum of 15% unless you are in the 10% and 15% tax bracket in which case the rate is 0%.

More great news is that itemized deductions and personal exemptions remain in effect no matter how high your income. That accompanies the reduction of your employee contribution to Social Security from 6.2% to 4.2% in effect through 2011.

For those of you that have attained a greater level of success, the estate tax cap has also been raised to \$5,000,000 up from the \$3,500,000 limit in 2009 and excess assets (over \$5,000,000) are taxed at 35% which is down from the 45% tax rate in 2009.

In summary, there seems to be a disparity between what the common perception is in regard to taxes and the reality of the tax code. In my lifetime (1970 to be exact) the highest personal income tax rate was 70%. When you compare the highest 1970 rate to the highest tax rate for the current year (35%) there seems to be clarity in my mind why we have an increasing deficit; we don't collect enough taxes to pay for all the great programs.

Here is a formula I have developed; I'll call it the Wood theory of economics:

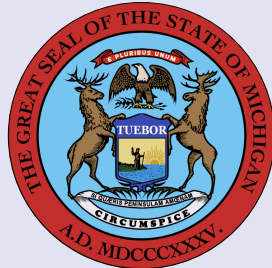
If less taxes result in less government and
 More taxes result in more government
 What happens when you have less taxes and
 more government?
(Answer: More debt).

Enjoy the beautiful early spring weather and be thankful you don't live somewhere else in the world where things are not going that great.

~Safety Tip - Have frequent safety meetings to increase employee awareness.

ERGONOMICS: MANDATE UPDATE

By: Ruth Kiefer, Loss Control



For those of you who have been following the ergonomic debate, you may be interested to know that on February 9th, 2011, the Senate panel approved the banning of ergonomic mandates under Senate Bill No. 20. The Senate Economic Development Committee, chaired by Sen. Mike Kowall (R) of White Lake, determined that employers couldn't afford the burdensome regulations that may have been put in place. Studies conducted showed that the state ergonomic rules could have cost Michigan employers an extra \$400 to \$500 million. Right now the Committee's focus is making Michigan attractive to businesses and with the pending ergonomic mandate they didn't see a way of attaining that goal.

The Senate Bill No. 20 does allow for MiOSHA to provide guidance, best practices information, or assistance with ergonomic issues on a voluntary implementation for those employers looking to reduce their injuries as a result of ergonomic risk factors or disorders that are caused by repetitive motion or stress. If you find you are trending upward with worker strain and sprain injuries we would be happy to work with you in reducing these types of injuries. Additionally, MiOSHA CET is also available to assist you as well. Please contact your loss control consultant for further information or assistance with determining the presence of ergonomic risk factors in your facility.

CLAIMS CORNER

By: Donna Motley, Claims Manager

By now, most employers should be familiar with Accident/Claims Reporting Procedures. You have been provided a CD ROM outlining the steps to take when an accident resulting in injury occurs. You have been provided accident reporting packets that take you through the reporting process step by step and provides the proper reporting forms.

Once an injury has been reported, **all** further correspondence and telephone calls you receive pertaining to the injury/claim should be directed to our attention. Particularly if you receive a letter from an attorney. Most likely this letter will advise that the attorney is now "representing" the injured worker but it will not indicate the basis for the representation other than maybe

referencing "an injury".

This letter, accompanied by a Release signed by the injured worker, will most likely request a copy of **ALL** records (personnel, medical, employment, investigative etc.) in your possession while citing the Bullard-Plawecki Employee Right to Know Act. **DO NOT RESPOND TO THIS REQUEST!** Instead, immediately forward the letter to our attention. We will request a copy of all records in your possession and respond to the attorney's request by providing the appropriate records only. They are not entitled to "everything" contained in your files.

Periodically we will get a request from an attorney for a copy of the injured worker's medical records in our possession. While the records do pertain to the injured worker, the attorney can obtain copies by contacting the medical provider direct - but the provider would charge a fee! Apparently they find it easier and/or cheaper to request the records from us. They do not realize we charge a fee for records in accordance with Michigan Workers' Compensation Health Care Services Rules. We know these requests for records are leading to litigation. Once litigation has commenced, we are required to provide a copy of all pertinent records to the court and will do so through our attorney.

As always, feel free to call our office with any questions you may have concerning these or any other matters.

