

Speed up workers' comp, appeals, says U-M law prof

Businesses in Michigan have saved a half-billion dollars in the past two years on workers' compensation insurance, according to a University of Michigan authority.

The savings were due to reforms of the law and open competition in the writing of workers' comp insurance, according to law Professor Theodore J. St. Antoine.

"It is entirely too soon to seek major legislative amendments affecting the substantive rights of employers or employees under Michigan's Workers' Disability Compensation Act," St. Antoine said in a report to Gov. James J. Blanchard.

But major administrative changes are necessary for the workers' compensation appeals process, he said. The Appeals Board hears contested workers' compensation cases. The board had a backlog of nearly 7,000 cases in November compared with 2,000 cases in 1978.

THESE FINDINGS appear in a report by St. Antoine, former dean of the U-M law school, who conducted the study at Blanchard's request.

It was presented to the Governor's Cabinet Council on Jobs and Economic Development.

The 16-page study compares Michigan's workers' compensation standards and procedures to those of other industrial states to determine whether Michigan's coverage is competitive.

Current costs of workers' compensation insurance are probably down 30 percent from what they would have been during the past two years in the absence of open competition insurance, according to St. Antoine.

Michigan insurers now are able to vary rates among customers without approval of the state insurance commissioner. In addition, before open competition became effective in January 1983, insurers were required to use rates established by the National Council of Compensation Insurance.

"AS OF 1984," St. Antoine estimated, "employers in Michigan were paying about 4 percent less than the national average figure for workers' compensation insurance."

In 1978 Michigan costs were 33.1 percent above the national average.

Open competition is a major reason for Michigan's improved standing since 1978 relative to six other Great Lakes states. While the average yearly net cost of workers' compensation insurance in Michigan is about 18 percent higher than other Great Lakes states, that percentage is a dramatic contrast to the situation in 1978, St. Antoine said.

In that year, the most recent for which comprehensive data are available, Michigan's net cost was 53 percent above the seven-state average. At \$227.24 per worker, the net cost of insurance premiums in Michigan was the highest of all the Great Lakes states, St. Antoine said.

However, the average benefit per Michigan worker was \$230.21 in 1978, the second highest after Minnesota.

"The high costs of workers' compensation insurance in Michigan as of 1978 compared to other Great Lakes states appear largely to be explained by the high benefits received by Michigan workers compared to benefits in these other states," said St. Antoine.

In 1984, Michigan workers could receive a maximum of \$10,000 per year.

Lucas named to board

Wayne County Executive William Lucas has been elected to the board of directors of General Automation Inc. GA Chairman Leonard N. Mackenzie announced. General Automation is a California-based worldwide supplier of high technology computing products to the end-user, ISO and OEM marketplaces.

Lucas, 56, was elected county executive in 1982 for a term running until 1986. He was sheriff 1969-1982. He is a graduate of Fordham (N.Y.) Law School and of Manhattan College and is a member of the Bar in both Michigan and New York.

"BHI Lucas understands the industrial heartland of the United States, one of General Automation's principal customer bases. With our Cobra microcomputer family ready for release to our industrial and financial minicomputer base, his first-hand experience in Detroit will be particularly valuable," said Mackenzie.

Lucas serves on numerous public and charitable boards and lives in Detroit.

month of \$334 per week in benefits, an amount that ranks third behind maximum benefits in Illinois and Ohio.

MICHIGAN MUST try to disengage itself from its "fixation" on the workers' compensation costs of Indiana, "despite that state's unfortunate geographical proximity," he said.

Since the maximum weekly benefit for total disability in Indiana was \$156 as of Jan. 1, 1984, "the most an injured worker could receive in that state was below the poverty level for a family of four," he explained.

Among the law's modifications were changes in the basic benefit formula that reduced 1983 and 1984 benefit costs by about 6.2 percent, a savings for insured employers of about \$32 million and \$30 million respectively.

Other changes in the statutes included elimination of fringe benefits from the calculation of an employee's average weekly wage. St. Antoine believes that 1980 and 1981 amendments to the workers' compensation law have benefited both the business community and workers.

While he would not recommend any more substantial cuts in employee benefits now, neither would he suggest restoring the benefits eliminated in 1980 and 1981, "until we have a far better notion of their exact economic impact on both employer and employee."

HE RECOMMENDED major changes in the workers' compensation appeals process, calling the current backlog of 7,000 cases "intolerable."

To streamline the process, St. Antoine recommends making short-form findings of fact at the trial stage and eliminating duplicative review of facts already found conclusive by an administrative law judge.

He also would reduce the Appeals Board from 15 members to five or seven. St. Antoine criticizes the state's efforts to provide medical and vocational rehabilitation. "Perhaps the greatest tragedy of the workers' compensation system is that it does not put every injured worker back to work," he said.

St. Antoine also led a state inquiry into workers' compensation in the mid-1970s under Gov. William G. Milliken. St. Antoine is a noted legal scholar in the field of labor relations and has engaged in arbitration.

IN WINDSOR

Al Gervais FURS

MANUFACTURING MAKES THE BIG DIFFERENCE

50th Annual
January Fur Sale

Savings of
10% to 50%

NEWLY ARRIVED SKINS
NOW IN PRODUCTION
BADGER • STONE MARTIN • FITCH
SABLE • MINK • CHINCHILLA

...and all the usual quality furs
at Gervais lower Canadian prices

DUTY & SALES TAX REFUNDED
30% PREMIUM ON U.S. FUNDS

FINE CANADIAN FURRIER
762 Ouellette Ave. (2 blocks from tunnel in Windsor)
1-519-253-2111

HOURS: 9-6 Monday-Saturday
9-5 Friday



Have A
Good Day!

WANTED

OSCAR ODORS



AutoFlo® Whole
House Model 200P
Humidifier.

FOR OFFENDING YOUR SENSITIVE SNIFFER
(For Foul and Offensive Activities In Your Home.)

Destroy harmful bacteria on contact in your home now! It is effective against potentially infectious microorganisms. The SYLGARD™ Treatment coupled with AutoFlo's product technology, will bring your home closer to being a hygienically fresh environment that lasts and lasts. Ask for the AutoFlo "Hygienically Fresh" Humidifier with the SYLGARD™ treatment.

REWARD

ENJOY FRESH ODOR-FREE HUMIDITY!
Sygard is a trademark of Dow Corning Corporation.

autoFlo® A Division of Masco Corporation

SEE YOUR LOCAL autoFlo® DEALER

Andy's State Wide Hts. & Cooling
631 Brown Rd.
Troy, MI 48065
919-2000

Deborah Hts. & Cooling
5040 Grandfield
Dearborn, MI 48126
843-4800

Michigan Lakes Hts. & Cooling
14820 Plymouth Rd.
Dearborn, MI 48127
896-7878

ARRIVED
MONEY MACHINE TALLY HALL

ALL TYPES OF ROOFING
Immediate Delivery Available
ROOFING WHOLESALE, Inc.
19250 W. 8 Mile Southfield
353-6343

We bring the past up to date...



14 kt. yellow gold rope chain...
slides set with diamonds and
colored gems.

fredrick jewelers
of BLOOMFIELD HILLS
869 West Long Lake Road, just east of Telegraph... 646-0973



HOLIDAY SKI SAVINGS
AT
Bavarian Village
SKI SHOPS

**10% to 30% OFF
SELECTED MODELS OF
CURRENT 1985
SKIS and BOOTS**

'85 OLIN SKIS ON SALE \$295 OLIN 870 SALE \$250 \$290 OLIN 830 SALE \$245 \$265 OLIN 770 SALE \$215 \$245 OLIN 730 SALE \$195	'295 K-2 715 SLALOM SKIS \$229 ALL SIZES	'240 DYNAMIC VR-20 FX SKIS \$117 NEW 1985 MODEL
--	---	--

WE HAVE EVERYTHING FOR SKIERS AT ALL PRICE LEVELS	'225 HEAD SKIS \$149 ALL SIZES 280 MODEL	'275 LARGE SLS SPORT SKI \$192⁵⁰ ALL SIZES
--	--	--

CHOOSE FROM MICHIGAN'S LARGEST SKI BOOT SELECTION AT ALL PRICE LEVELS	LANE THERMO 2 PRO \$199 SALOMON SK-80 \$199 '235 HEIERLING CENTURY \$179 SALOMON SK-50 \$159	'180 NORDICA WINTER \$129 '145 NORDICA \$109 '120 NORDICA \$79 '120 HEIERLING \$69 '100 ALPHA \$59
--	--	--

'25 SCOTT SKI POLES \$16⁹⁹	ADULT SKI PACKAGE SETS AT ALL PRICE LEVELS KIDS SETS TOO	RETAIL '290 ROSSIGNOL EAGLE SKIS \$195 PREMIUM MODEL
---	---	---

SOLD TO '150 DYNAMIC SKIS ASST. MODELS \$69 SIZES 190-195-200	'250 DYNASTAR EQUIPE CX \$189 1985 MODEL SKIS	ALL 1985 K-2 SKIS ON SALE
---	--	------------------------------------

'288 ALPINE SKI PACKAGE SET \$129 SX-7 SKIS BINDINGS-POLES	CROSS COUNTRY SKI PACKAGE SETS AT ALL PRICE LEVELS FROM \$39 ⁹⁹ WITHOUT BOOTS	'151 TRAK CROSS COUNTRY SKI PACKAGE SET \$89 SKIS-BOOTS BINDINGS-POLES
---	---	---

Choose from Michigan's
**LARGEST SKIWEAR
SELECTION**
at ALL PRICE LEVELS
Bavarian Village

PRICES GOOD THRU SAT. JAN. 5, 1985
• BLOOMFIELD HILLS: 2540 WOODWARD at Square Lake Rd 338-0803
• BIRMINGHAM: 101 TOWNSEND corner of Pierce 644-5960
• LIVONIA/REDFORD: 14211 TELEGRAPH at the Jeffries Fwy 634-8200
• MT. CLEMENS: 1218 S. GRATIOT half mile north of 16M 463-3826
• EAST DETROIT: 22301 KELLY between 8 & 9 MI. 778-7020
• ANN ARBOR: 3336 WASHTEA HWY west of U.S. 23 973-9340
• FLINT: 4261 MILLER across from Genesee Valley Mall 313-732-5562
• ALPINE VALLEY: SKI AREA M-59 MILFORD 887-1870
• SUGAR LOAF: SKI AREA north of Traverse City 818-228-7700
• PARKINGTON HILLS: 27847 ORCHARD LAKE RD. NW 418-6666
• VISA *MASTER CARD *DINERS *ALL CASH *NOT ALL ITEMS AT ALL SHOPS
OPEN DAILY 10-9, SAT. 10-5:30, SUN. 12-5, DEC. 31, 1984, CLOSED JAN. 1, 1985