

BWC Board of Directors
GOVERNANCE COMMITTEE
Thursday, April 28, 2010, 12:30 p.m.
William Green Building
30 West Spring Street, 2nd Floor (Mezzanine)
Columbus, Ohio 43215

Members Present: Alison Falls, Chair
Larry Price, Vice Chair
William Lhota

Members Absent: None

Other Directors Present: James Harris, Kenneth Haffey, Robert Smith, James Matesich,
James Hummel, Thomas Pitts, Charles Bryan

Counsel Present: F. Ronald O'Keefe, Fiduciary Counsel, Hahn Loeser & Parks LLP

CALL TO ORDER

Ms. Falls called the meeting to order at 12:35 PM and the roll call was taken.

MINUTES OF JANUARY 22, 2010

The minutes were approved without changes by unanimous roll call vote on a motion by Mr. Price, seconded by Mr. Lhota.

REVIEW/ APPROVE AGENDA

Ms. Falls reviewed the agenda and noted no changes.

The agenda was approved by unanimous roll call vote on a motion by Mr. Price, seconded by Mr. Lhota.

EXECUTIVE SESSION

Ms. Falls moved at 12:37 p.m. to enter executive session pursuant to Ohio Revised Code 121.22(G)(1) to discuss personnel matters. Mr. Price seconded and the motion was approved by unanimous roll call vote. Mr. Lhota asked the record to reflect that Mr. Pitts would not be attending the executive session, and Mr. Pitts departed the meeting at 12:37 p.m.

Ms. Falls reconvened the Committee meeting from executive session at 1:45 p.m. Mr. Pitts rejoined the meeting at 1:48 p.m.

NEW BUSINESS / ACTION ITEMS

1. Administrator's Evaluation

Pursuant to matters discussed in executive session, Ms. Falls made a motion that the Governance Committee of the BWC Board of Directors recommends the Board approve

as final the draft evaluation form dated April 13, 2010, as amended, and the process as outlined in the draft memorandum from fiduciary counsel dated April 15, 2010, to complete the Administrator's annual review. The motion was seconded by Mr. Price and approved by unanimous roll call vote.

2. Task Force Presentation

Mr. Lhota and Administrator Ryan discussed their presentation to the General Assembly's task force on BWC privatization, and recognized the contributions of Mr. Smith who also attended. Ms. Ryan related that she had received a good deal of positive feedback from those in attendance. Responding to a question from Mr. Haffey, Ms. Ryan stated that the attendees included representatives from several insurance companies, MCO's, third-party administrators, several legislative aides, Senator Grendell, and Mary Jo Hudson, State Director of Insurance. Mr. Smith noted that there is currently no legislative appropriation for funding the data compilation that the task force will require in order to undertake its evaluation. Ms. Ryan noted that Director Pitts is the designee on the task force for Mr. Lhota as BWC Board chair.

3. New SEC Rule

Due to time constraints, Ms. Falls advised the discussion concerning the relevance to the Board of a new SEC disclosure rule regarding the role of the boards of directors of public companies in risk management would be deferred until the May meeting. Ms. Falls stated that, while the rule doesn't technically apply to BWC, it addresses evolving best practices and may be instructive as to the roles of the Board and its various committees in risk management oversight. Ms. Falls emphasized the need to not only focus on each committee's role in oversight of risk management, but also to the Board's role to bring together the entire picture of risk management oversight.

DISCUSSION ITEMS

1. Committee Calendar

Ms. Falls noted that there will be a follow-up on the Administrator's evaluation at the May Board meeting, and the May Governance Committee meeting will launch the Board self-assessment process, which will conclude in June to coincide with the director terms.

ADJOURNMENT

Mr. Price moved to adjourn the meeting at 1:59 PM, seconded by Mr. Lhota and approved by unanimous roll call vote.

Prepared by Jill Whitworth, Staff Counsel
April 28, 2010