

# Annual Meeting & Seminar



*Melrose Hotel, Washington, D.C., March 1-4, 2005*



## Registration Form — Please Copy and Include with Your Payment

Title \_\_\_\_\_ Name \_\_\_\_\_ Nickname \_\_\_\_\_

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Email \_\_\_\_\_@\_\_\_\_\_ . \_\_\_\_\_ Arrival date \_\_\_\_\_

Resident Insurance License # \_\_\_\_\_ State \_\_\_\_\_ | Resident Bar Ass'n # \_\_\_\_\_ State \_\_\_\_\_

SSP member (all categories) in good standing, \$495 by February 11, 2005, \$545 after February 11, 2005

Non-member (must be eligible to join the SSP), \$595 by February 11, 2005, \$645 after February 11, 2005

Credit card # \_\_\_\_\_ |  M/C;  Visa;  Amex | Expiration date \_\_\_\_\_

Name on card \_\_\_\_\_ Signature (authorization) \_\_\_\_\_

I will be attending:  Dinner Tuesday (Dutch Treat);  Dinner Wednesday (Dutch Treat);  Dinner Thursday (Included)

Hotel reservations must be made directly with the Melrose Hotel, 2430 Pennsylvania Avenue, NW, Washington, DC 20037-6986; phone (800) MELROSE. Ask for special room rate for Society of Settlement Planners.

SSP membership brochure and application form, as well as this program, may be downloaded at [www.settlementplanners.org](http://www.settlementplanners.org).

**Mail check and registration form to: Society of Settlement Planners, 19412 A East Mann Creek Drive, Parker, CO 80134.**

**If paying by credit card, you may fax to: (303) 841-2910. Direct questions to: (303) 841-0420.**

# Annual Report to Membership

In its short history, the Society of Settlement Planners has made a significant positive impact on securing the rights of claimants to make their own choices in resolving their injury claims. This has been accomplished by educating the plaintiffs' bar in the pitfalls of past practices and by sharing information among settlement planning professionals to enhance their roles in the resolution and funding of claims.

We have sought the issuance of published guidance from the Department of the Treasury on the use of the qualified settlement fund (QSF), which has become an important tool in client planning and securing the claimant's right to choose. This became necessary in order to overcome the campaign by some to disparage the use of the QSF through fear of adverse tax treatment.

The recent scandals involving undisclosed commission-sharing practices in the insurance industry have heightened the public's awareness of the need for reform. The SSP continues to inform and educate legislators and regulators of similar undisclosed financial arrangements that exist within the claims settlement industry. Additionally, we will continue to cultivate our relationships with natural affinity groups such as the Association of Trial Lawyers of America and the National Association of Elder Law Attorneys, as well as various organizations and support groups for persons with disabilities, etc.

The SSP has raised the bar every year with an educational seminar, which promotes critical thinking, in conjunction with its annual membership meeting. During the

coming year, we hope to expand the sharing of information and knowledge to our membership and the general public through the organization's website:

*[www.settlementplanners.org](http://www.settlementplanners.org)*



An important goal is the creation of a professional designation that would be recognized by the National Commission for Certifying Agencies, and to affiliate (or partner) with an accredited law school as the training arm of the professional designation program.

The SSP has reached the point in its size and scope where day-to-day management demands exceed the time availability of the member volunteers. We are investigating various options to engage professional management to afford a permanent headquarters location and provide leadership in the operational aspects of the society, within the parameters set by the elected leadership, which would allow elected and appointed leaders to devote more time to policy, strategy and organizational growth.

High on the list of priorities for the coming year will be the development of the SSP Standards of Professional Conduct to set the canons for ethical behavior as settlement planners participate in the resolution of injury claims and to continue to promote settlement planning as a recognized profession.

**Michele Whitmore**

**President, Society of Settlement Planners, Inc.**  
19412 A East Mann Creek Drive  
Parker, Colorado 80134  
(303) 841-0420

## Board of Directors

### **Kathleen Blevins (2007)**

Summit Settlement Services  
Sacramento, California  
kblevins@winfirst.com

### **Chuck Derenne (2006)**

Premier Settlement Services  
Richfield, Wisconsin  
plaintiffbroker@charter.net

### **Paul Lesti (2005)**

Lesti Structured Settlements, Inc.  
Los Altos, California  
paul@lesti.com

### **Bruno Mazzotta (2007)**

Summit Settlement Services  
St. Louis, Missouri  
bruno555@sbcglobal.net

### **Michele Whitmore (2005)**

Settlement Strategies, Inc.  
Parker, Colorado  
michele@settlementstrategies.com

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Settlement Strategies, Inc.  
Parker, Colorado  
michele@settlementstrategies.com

### **Kathleen Blevins, Secretary**

Summit Settlement Services  
Sacramento, California  
kblevins@winfirst.com

### **David Snyder, Treasurer**

Delta Group of Settlement Cos.  
San Juan Capistrano, California  
dave@deltasettlements.com

### **Jack Meligan, Past President**

Settlement Professionals, Inc.  
West Linn, Oregon  
meligan@settlepro.com

## Committee Chairs

### **Michele Whitmore, Education**

Settlement Strategies, Inc.  
Parker, Colorado  
michele@settlementstrategies.com

### **Tony Alfieri, Esq., Legal**

Settlement Professionals, Inc.  
Bellevue, Washington  
alfieri@settlepro.com

### **Mark Wahlstrom, Membership**

Wahlstrom & Associates, LLC  
Scottsdale, Arizona  
Mwahlstrom1@cox.net

### **Dick Risk, Esq., Public Relations**

Risk Law Firm  
Tulsa, Oklahoma  
dick@risklawfirm.com

### **Viren Patel, Technology**

StructureOnline, Inc.  
Salem, New Hampshire  
viren@structureonline.com



## Society of Settlement Planners

The Society of Settlement Planners (SSP) is a national nonprofit educational and public policy association of professional structured settlement producers and others who assist injured claimants in the settlement process. Its members support the furtherance of the SSP mission statement:

*"To assist injury victims, claimants and attorneys in resolving their legal financial claims, and to advocate the injury victim's right to choose settlement planning advisors and financial and guarantee providers."*

Settlement planning is a process that integrates immediate and periodic payments by planning for the timely use of funds by using annuities, trusts, taxable investments and other vehicles. It strives to preserve assets through coordination with other benefits such as Medicaid and Medicare and by prudent estate planning.

SSP members include settlement planners, structured settlement specialists, attorneys, product providers and other professional associations. Members seek to elevate the profession of settlement planning by promoting ethical industry standards, providing education and certification and knowledge transfer among its members. Members strive to assist personal injury claimants by providing information to them, their attorneys, guardians, con-

servators, judges, other advisors, product providers and the general public.

The SSP professional member has a fiduciary duty to the claimant and is obligated to provide information and programs which are in the best interests of the injured person and their attorney. This is achieved by complete financial disclosure and by using their experience, strategies and financial tools to create a program that best meets the needs of the claimant. These elements may include the use of daily quotes, jumbo case discounts, lock-ins, mortality or rated age improvements. Those representing the defendant or their insurer do not have such a duty, and expect a release when the case is settled.

# Society of Settlement Planners Annual Meeting and Seminar

March 1-4, 2005, Melrose Hotel, Washington, DC

## Tuesday, March 1 (Travel and Optional Visits):

Travel to DC – Optional visits to Congress and agencies  
5:00 to 7:00 – Hospitality Suite  
7:30 – Dinner at designated Distinguished Restaurants of North America (DIRONA) restaurant in DC to be announced (Dutch treat); fixed price menu; reservations requested (see registration form).  
After dinner to 11:00 – Hospitality Suite

## Wednesday, March 2 (Membership Events):

Wednesday is devoted to non-credit SSP organizational meetings and Board of Directors meeting (open to any SSP member). All professional members are encouraged to arrive in time to attend these important events.

Once an association like the SSP reaches a certain size and scope, managing the organization becomes too time-consuming for volunteers. At that time, the choice for effective association management generally boils down to two options: 1) an employed, “captive” association staff and a stand-alone office facility, or 2) an association management company (AMC). By professional management also taking a leadership role, within parameters established by the elected leaders, either option allows elected and volunteer leaders to devote more time to policy, strategy and ideas. Today’s presentation will explore the AMC concept as an option for the SSP.

The afternoon is devoted to the Board of Directors meeting, with a recess for the Annual Meeting to elect directors and conduct any other business. The newly elected Board will reconvene briefly following the Annual Meeting to appoint officers. All events on Wednesday are open to all members.

8:00 to 8:50 – Legal Committee Meeting – Tony Alfieri, Esq., Facilitator  
“*Developing the SSP Standards of Professional Conduct*”  
9:00 to 9:50 – Membership Committee Meeting – Mark Wahlstrom, Facilitator  
“*Growing the Organization with the Right Membership Mix*”  
10:00 to 10:50 – Education Committee Meeting – Michele Whitmore, Facilitator  
“*Creating a Meaningful ‘Certified Settlement Planner’ Designation*”  
11:00 to 11:50 – Association Management Company Concept – Russ Snyder, EVP, Kellen Co., Presenter  
Noon to 2:00 – Lunch on own  
2:00 to 5:00 – SSP Board of Directors and Annual Meeting (open to all members)  
6:00 to 7:00 – Hospitality Suite (Website demo – Viren Patel, SSP Technology Chair)  
7:30 – Dinner at designated Distinguished Restaurants of North America (DIRONA) restaurant in DC to be announced (Dutch treat); fixed price menu; reservations requested (see registration form).  
Program: Acknowledgements and open discussions of SSP matters  
After dinner to 11:00 – Hospitality Suite

## Thursday, March 3, 2005 (Seminar):

7:30 to 8:50 – Continental Breakfast (Included in Fee) and Seminar registration  
8:50 to 9:00 – Announcements and Introduction of 2005 Officers  
9:00 to 9:50 – Seminar Topic 1: “*Comprehensive Settlement Planning*” (1.0 hours of ethics)  
10:00 to 10:50 – Seminar Topic 2: “*Structured Settlements: An Ever Dynamic Industry*”  
11:00 to 11:50 – Seminar Topic 3: “*Impediments to Settlement Planning and How to Overcome Them*”  
Noon to 12:50 – Seminar Topic 4: “*Ethical Challenges in Settlement Planning*” (1.0 hours of ethics)  
1:00 to 2:00 – Group Lunch (Included in Fee): Speaker (25 min.) – Hon. John Morrison,  
“*NAIC Executive Task Force on Broker Activities*”  
2:00 to 2:50 – Seminar Topic 5: “*Creative Uses of the 468B Trust*” (Live Webcast)  
3:00 to 4:15 – Seminar Topic 6: “*Section 468B Trusts Created for Single Claimants*” (Live Webcast)  
4:30 to 5:20 – Seminar Topic 7: “*Preserving the Civil Justice System*” (Live Webcast)  
6:00 to 6:50 – Sponsored reception  
7:00 to 9:00 – Group Dinner (Included in Fee): Speaker (25 min.) – Jan Schlichtmann, “*A Civil Action*”  
9:00 to 11:00 – Hospitality Suite

## Friday, March 4, 2005 (Seminar):

8:00 to 9:00 – Continental Breakfast (Included in Fee)  
9:00 to 9:50 – Seminar Topic 8: “*Fallout from the Broker Commission Rebate Scandals*”  
10:00 to 10:50 – Seminar Topic 9: “*Legislation and Rulings Affecting Settlements*”  
11:00 to 11:50 – Seminar Topic 10: “*Integrating Medicare and Medicaid Benefits into the Settlement*”  
Noon – Lunch on own

**BADGE RIBBON  
COLOR CODE:**

DIRECTOR = GOLD; OFFICER = BLACK; COMMITTEE CHAIR = HUNTER GREEN;  
PRESENTER = RED; MODERATOR = WHITE; FOUNDING MEMBER = BLUE

# ***“The Emergence of Settlement Planning as a Profession”***

Society of Settlement Planners Seminar - Washington, D.C., Melrose Hotel, March 3 & 4, 2005

## **Topic #1: Thu., 9:00 – 9:50 “Comprehensive Settlement Planning” (Submitted for 1.0 hours of ethics credit)**

Michele Whitmore – Moderator – “The Emergence of the Profession”

Joe Tombs, Esq. – “Comprehensive Settlement Planning”

Prof. Sherman L. Cohn, Georgetown Law Center, Washington, D.C.

“Ethics Issues When a Team of Professionals Works Together”

Webster defines a profession as a “vocation requiring specialized training in a field of learning, art, or science.” Its attributes usually include, but are not necessarily limited to: general public recognition of the profession, a separate licensing or recognized accreditation of its practitioners, standards of conduct, a separate body of literature, and a training curriculum unique to the field. Settlement planning is evolving as a profession, but where does it stand today?

Plaintiff attorneys used to consider that their duty to their client was limited to obtaining a judgment or agreement from the opponent. But, recent case law, such as *Grillo*, suggests that the plaintiff’s counsel may need to call on the services of a settlement planner or be exposed to a legal malpractice claim. When the case “settles” for an amount the defense is willing to pay, the claimant is often bewildered when faced with the challenge of making irrevocable lifetime decisions. That’s when the real settlement process takes over. Settlement planning integrates several issues and concepts, including assessment of dissipation risk, investment risk, medical care entitlements, future needs, estate planning, and uses investment vehicles such as structured settlement annuities, settlement preservation trusts and investment accounts.

The financial planning team might consist of the trial attorney, a structured settlement professional, investment advisor, accountant, trust attorney, an estate-planning specialist, and advisors. When a team of professionals works together, there are ethics issues that could result in conflicts of interest and liability arising from a malpractice claim.

## **Topic #2: Thu. 10:00 – 10:50 “Structured Settlements: An Ever Dynamic Industry”**

Paul Lesti – Moderator – “Current Landscape in Structured Settlements”

Tony Alfieri, Esq. – “An Unprecedented Era of Litigation”

Andrew Hillman, Esq. – “Trends in Treatment of Factoring Applications”

Structured settlements historically have played a major role in the resolution of physical injury tort and workers’ compensation claims. New concepts and product innovations have expanded the use of periodic payments to taxable damage settlements and contract fulfillments. Many of the longstanding practices in structured settlements thought to be harmful to settling claimants and unfair to producers who desire to work on behalf of claimants are being challenged in the courts. *Macomber v. Travelers* was certified on May 26, 2004, as a class action. We are seeing an unprecedented number of lawsuits being brought against these practices. Are they having an effect on changing the challenged practices?

The addition of section 5891 to the Internal Revenue Code in 2002 imposes a 40 percent tax on the selling of future payments from structured settlements, unless advance written court approval is obtained. Certain procedures for seeking approval have been set by the states, including application by the court of a “best interest” test. How are the courts ruling on these applications? How have state legislatures responded?

## **Topic #3: Thu. 11:00 – 11:50 “Impediments to Settlement Planning and How to Overcome Them”**

Jack Meligan – Moderator – “An Assessment of the Risks”

Mark Wahlstrom – “Confessions of a Former Defense Producer”

John Darer – “Potential Deal Breakers and How They Surface”

Chuck Derenne – “Responding to the Challenges”

Claimant attorneys and structured settlement specialists who work with them are frequently faced with impediments posed by the defense that would place the claimant at a negotiating disadvantage or in an untenable situation of not being able to control the financial aspects of their settlement, and would place the attorney at risk of a legal malpractice claim for allowing these situations to occur. Such challenges may be in the form of problematic language or inappropriate restrictions in the settlement documents to the denial of a government-encouraged tax subsidy unless the claimant accedes to unfair or otherwise unfavorable settlement terms. There are ways to respond with proven success.

## **Topic #4: Thu. Noon – 12:50 “Ethical Challenges in Settlement Planning” (Submitted for 1.0 hours of ethics credit)**

Bruno Mazzotta – Moderator – “Ethical Challenges in Settlement Planning”

Sherman L. Cohn, Professor of Law, Georgetown University Law Center, Washington, D.C.

“Applying ABA Model Rules and Model Code to Hypothetical Scenarios Based on Real Practices”

Hon. John Morrison, Insurance Commissioner, Montana – “Applying NAIC’s Model Unfair Trade Practices Act”

Opposing attorneys often are faced with ethical challenges when the financial aspects of a settlement are being considered. Defense attorneys, when given instructions from their employers (often liability insurers) to enforce policies

that may be harmful to plaintiffs, may have a conflict of interest if they jeopardize the opportunity for their client (the insured) to settle within policy limits. Plaintiff attorneys who accede to the demands of the defense, in the interest of settling the case, may be allowing their clients to be harmed. Structured settlement specialists (insurance producers), sometimes working through the attorneys, often raise ethical questions not only of their own conduct but of the attorneys' conduct. How do these scenarios fare when legal ethics are considered? Are the insurance producers in violation of their state's unfair insurance practices act and unfair trade practices act when they participate in schemes that are being found by the courts to be tortious and illegal?

Professor Cohn is one of the preeminent authorities in this country on legal ethics and professional responsibility as well as civil procedure, and has published various books and articles on those subjects in recent years. He was a law clerk in the federal D.C. Circuit and was in the Appellate Section of the Civil Division of the U.S. Department of Justice before becoming a professor at the Georgetown Law Center in 1965. He is a member of the American Law Institute, the American Judicature Society and the Society of American Law Teachers. Commissioner Morrison heads the National Association of Insurance Commissioners' Consumer Protections Working Group. His credentials appear on page four of this syllabus. These distinguished panelists will analyze various hypothetical scenarios for their ethical issues and compliance with the law, applying the ABA's Model Rules of Professional Conduct (and its older Model Code counterpart), the NAIC's Model Unfair Trade Practices Act, various statutes and case law.

**Topic #5: Thu. 2:00 – 2:50 “Creative Uses of the 468B Trust” (Live Webcast)**

Mark Wahlstrom – Moderator  
Robert W. Wood, Esq. – “A Useful Tool in Tort Litigation”  
Bob Johnson – “The Single-Claimant Case”

Critics claim that using a qualified settlement fund solely to remove control of the settlement process from the defense is inappropriate. Advocates admit that, while the QSF certainly allows the plaintiff to make all of the choices affecting his or her future financial security, the reasons for creating a QSF — whether for a single or multiple claimants — are numerous and offer protection to both the claimants and their attorneys. Reasons cited include: to avoid the conflict of interest of having an adversary advising the claimant; to avoid a legal malpractice claim against the claimant's attorney; to take advantage of free-market competition in annuity selection; to preserve tax benefits when the defense threatens to cause them to be lost; to resolve post-settlement issues without delaying the settlement, etc. Advocates say that, as long as the QSF meets the requirements of CFR § 1.468B-1(c), no other justification is necessary. Plaintiff attorneys are finding the use of QSFs to be an indispensable tool in settling claims involving a wide range of scenarios. Recent private letter rulings from the IRS such as PLR 200351008 and PLR 200444004 provide additional clarity to their use.

**Topic #6: Thu. 3:00 – 4:15 “Section 468B Trusts Created for Single Claimants” (Live Webcast)**

Dick Risk, Esq. – Moderator – “The Urgent Need for Guidance”  
Jody Brewster, Esq., Skadden Arps Slate Meagher & Flom, LLP – “Technical Tax Arguments”  
Helen Hubbard, Tax Legislative Counsel, U.S. Department of the Treasury – “Issues Under Consideration”  
Judy Miller, U.S. Senate Finance Committee – “Political Aspects of This Issue”

The U.S. Department of the Treasury has announced it will publish guidance on whether a qualified settlement fund created for the benefit of a single claimant causes the claimant to have economic benefit of the money, which would foreclose the option to make a section 130 qualified assignment. The defense sector makes political arguments that the expanded use of QSFs for single-claimant cases removes the incentive of insurers to offer structured settlements and, thus, will reduce their usage, contrary to public policy meant to encourage them. QSF proponents believe that current practices discourage structures and that there are no tax issues precluding the use of QSFs in single-claimant cases.

**Topic #7: Thu. 4:30 – 5:20 “Preserving the Civil Justice System” (Live Webcast)**

Jan Schlichtmann, Esq. – Moderator  
Rick Kuykendall, Esq.  
Various guests in person and via telephone

This live webcast is part two of the Legal Broadcast Network's Telethon Series, “Fight for Your Rights,” to raise public awareness to preserve and protect the right to a jury trial and access to civil justice — the first part being held on February 3, 2005, at Boston's historic Faneuil Hall, called the “Cradle of Liberty.” This program will consist of both studio panelists and listeners to interactively participate through email and special toll-free call-in numbers to submit questions and provide comments. This topic is, of course, of vital interest to settlement planners, including structured settlement specialists, as state and federal proposed legislation and other efforts to affect an injured party's right to seek redress of their grievance will affect settlements.

See biographical information on Jan Schlichtmann on page four of this syllabus. Rick Kuykendall of Mobile, Alabama, is a regular host of LBN's *Tort Talk* and *Lawyer Talk* programs. There likely will be other celebrity panelists, both in person and via telephone. This program can be heard live at [www.legalbroadcastnetwork.com](http://www.legalbroadcastnetwork.com), or replayed from the website's archives.

**Topic #8: Fri. 9:00 – 9:50 “Fallout from the Broker Commission Rebate Scandals”**

Ward Zimmerman, PhD – Moderator – “Response by the Regulators”

Tony Alfieri, Esq. – “The Possible Relationship to and Impact on Structured Settlements”

Patrick Hindert, Esq. – “How the NAIC Disclosure Requirements Impact Structured Settlements”

New York Attorney General Eliot Spitzer shocked the insurance industry when his office initiated action against the world’s largest insurance brokerage, Marsh & McLennan, and others for receiving undisclosed rebates and arranging rigged bids. California Insurance Commissioner John Garamendi responded by instituting new rules governing brokerage compensation. Other states have begun similar probes and initiatives. The National Association of Insurance Commissioners formed an Executive Task Force on Broker Activities and is developing model laws for recommended adoption by the state legislatures, sparking public comments from consumer, producer and industry groups, some wanting to carve out exclusions for insurance agent behavior and others contending that the initiatives do not go far enough. The structured settlement industry is monitoring the fallout to see how they might be affected. Note that Commissioner John Morrison of Montana, will address the NAIC’s response in his lunchtime presentation on Thursday, March 3.

**Topic #9: Fri. 10:00 – 10:50 “Legislation and Rulings Affecting Settlements”**

Rick Bishop – Moderator

Dan Cohen, Esq., Director, National Affairs, Association of Trial Lawyers of America – “Action on the Hill”

Robert W. Wood, Esq. – “Taxable Damage Structures and Non-Qualified Assignments of the Obligation”

Marjorie Suisman, Esq.. – “When Are Damages Taxable and To Whom?”

Before there can be a settlement, there must be an actionable cause and the ability to recover damages. Recent and ongoing legislative initiatives in Congress and in state legislatures, called “tort reform” by their proponents, are perceived by plaintiff’s advocates as an assault on the justice system. Such initiatives include caps on non-economic damages and limitations on the filing of class actions. What are these initiatives and what do they mean for injury victims?

The recently enacted American Jobs Creation Act of 2004 (H.R. 4520), which added section 409A pertaining to non-qualified deferred compensation plans to the Internal Revenue Code, initially was thought to impact attorney fee structures, but IRS Notice 2005-1 sent out a wave of relief. The new law provides relief in taxable damage “illegal discrimination” cases by amending Code section 62 to allow an above-the-line deduction for attorney fees, removing them from double taxation and rescuing successful plaintiffs from the draconian effects of the alternative minimum tax. However, monetary recoveries from other types of taxable damage injuries remain subject to being taxed twice and application of the AMT, which can cause the plaintiff to owe more in taxes than the net recovery. The Tax Court ruling in *Amos v. Commissioner* seems to ignore the origin-of-the-claim rule that makes all damages arising from a physical injury or sickness excluded from gross income, sending a signal of caution when including confidentiality covenants in settlement agreements. The large number of church-related sexual abuse cases poses the question of what factors make sexual abuse a physical injury. What are non-qualified assignments and do they work? The U.S. Circuit Courts of Appeal were divided on whether attorney fees in taxable damages cases should be included in the plaintiff’s gross income. The U.S. Supreme Court, having denied *certiorari* in previous appeals from taxpayers, granted *certiorari* for the *Banks* and *Banaitis* cases, on appeal by the U.S. Solicitor General on behalf of the commissioner of the Internal Revenue Service, two cases in which the taxpayers had prevailed. The Supreme Court reversed and remanded, deciding against the taxpayers, in a ruling issued January 24, 2005. Are there ways to avoid double taxation and the effects of the AMT?

**Topic #10: Fri. 11:00 – 11:50 “Integrating Medicare and Medicaid Benefits Into the Settlement”**

Patrick Hindert, Esq. – Moderator

Tim Nay, Esq. – “Securing Medicare’s Interest through Set-Aside Arrangements”

“Preserving Medicaid Eligibility for Future Medical Care”

On October 15, 2004, the Center for Medicare and Medicaid Services issued a policy memorandum that includes important new rules for structured settlements and present value calculations. Medicare has the right to recover for services provided, not just in workers’ compensation cases, but also in tort cases arising from physical injury or sickness. It has announced recent changes in its enforcement of the secondary payer rules for personal injury cases, including the requirements for Medicare set-aside arrangements for future medical expenses that otherwise would be covered by Medicare. Unless Medicare’s interests are protected, the settling claimant and claimant’s attorney may be liable to Medicare for the value of the medical expenses.

If a claimant with ongoing medical needs loses eligibility for Medicaid because the damage recovery from a settlement causes the claimant to fail the “means test,” all that has been accomplished is the replacement of public assistance with private funds until the private funds are dissipated—perhaps even longer—leaving the claimant no better off or worse off than before the settlement and making the claimant’s attorney vulnerable to a legal malpractice claim. A Medicaid disability trust, when created for a beneficiary under age 65, creates a safe haven for damage recovery, excluding it from the means test. When coupled with periodic payments, the interests of derivative claimants may be protected from the secondary beneficiary’s (the state’s) claim at the death of the primary beneficiary, if proper measures are taken at the time of the settlement.

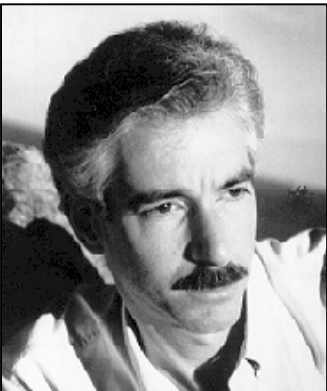


**LUNCH: Thursday, 1:00 – 2:00 (Program 25 min.) – Hon. John Morrison, Auditor-Securities Commissioner-Insurance Commissioner, State of Montana “NAIC Executive Task Force on Broker Activities”**

As state auditor, John Morrison serves as the state's securities commissioner and insurance commissioner. As the state regulator of these important financial markets, Morrison protects Montana consumers while encouraging capital formation, and economic growth and development in the state. Commissioner Morrison is a member of the National Association of Insurance Commissioners (NAIC) Executive Task Force on Broker Activities, which was created specifically to put into place a tangible action plan for state insurance regulators, and chairs the NAIC Consumer Protections Working Group, which has ongoing oversight of insurance practices that are harmful to consumers.

The National Association of Insurance Commissioners, a nonprofit, nongovernmental organization, has adopted model legislation that would implement new disclosure requirements designed to ensure consumers are provided the information necessary to understand the manner in which brokers are compensated for the sale of insurance products. The model legislation, adopted on December 29, 2004, amends the NAIC's current Producer Licensing Model Act and is a key component of an aggressive initiative by state insurance regulators to address issues surrounding the use of compensation arrangements by insurance brokers. The task is not finished. The NAIC Executive Task Force on Broker Activities has been directed to give further consideration to the development of additional requirements, such as recognition of a fiduciary responsibility of producers, disclosure of all quotes received by a broker, and disclosures relating to agent-owned reinsurance arrangements.

The impact on structured settlements of the new NAIC model legislation plus legal actions already being taken in several states in response to the Marsh & McLennan-type practices is still being assessed. At least one major life insurance company that issues structured settlement annuities has responded by identifying types of practices in structured settlement transactions that must be avoided and reported. The Society of Settlement Planners and some of its individual members have provided comments and recommendations to the NAIC to help identify similarities between the broker practices already being scrutinized and common practices in structured settlements.



**DINNER: Thursday, 7:00 – 9:00 (Program 25 min.) – Jan Schlichtmann, Esq. “A Civil Action”**

Jan Schlichtmann is a Massachusetts attorney best known as the central character in the 1981 lawsuit filed by eight Woburn, Massachusetts, families against W.R. Grace and Beatrice Foods for having dumped a cancer-causing industrial solvent into the water table. The controversy surrounding the case was the basis of the 1995 book, *A Civil Action*, by Jonathan Harr. The movie of the same title was released in 1999 and starred John Travolta. After the case was settled out of court, Schlichtmann assisted in authoring a complete revision of the Massachusetts hazardous waste statute.

Schlichtmann is regarded as one of the country's most notable plaintiff's attorneys, specializing in the area of complex civil litigation including environmental, product and toxic tort litigation. He will discuss the wide-ranging nature of the case, the involvement of experts from many specialties, and how his role led him to appreciate the interaction and interdependence of all levels of life. He graduated Phi Beta Kappa from the University of Massachusetts at Amherst, earned a law degree at Cornell University, and at one time served as special counsel on the U.S. House Special Select Committee on Assassinations. He is a strong advocate for the preservation of the civil justice system. His webcasts can be heard regularly on The Legal Broadcast Network: [www.legalbroadcastnetwork.com](http://www.legalbroadcastnetwork.com).

*The registration fee covers: admission to all seminar events, including continental breakfasts on Thursday and Friday and lunch and dinner on Thursday; CD-ROM; and course completion certification necessary for continuing education (CE) credit for insurance producers. The seminar programs are being submitted for CE credit through the reciprocity program of the National Association of Insurance Commissioners. Approval is not guaranteed, as state requirements vary, and some individual initiative might be required. You will be provided with sufficient course documentation. Attorneys should submit a Uniform Application for Accreditation of Continuing Legal Education (Form 1) or other documentation, according to individual state bar requirements. We will provide a Form 1 containing course and provider information. Sessions will be recorded in MP3 format on CD-ROM and distributed by mail several weeks afterward. The CD-ROM will also contain accompanying graphics, speaker biographies and supplemental material.*

*Hotel reservations must be made directly with the Melrose Hotel 2430 Pennsylvania Avenue, NW, Washington, DC 20037-6986, phone (800) MELROSE; [www.melrosehotel.com](http://www.melrosehotel.com). A limited number of rooms are being reserved on a first-come, first-served basis the nights of March 1 through 3 for attendees of the Society of Settlement Planners meetings on Wednesday and the seminar on Thursday and Friday. The program will end before lunch on Friday. Special rate is \$199 per night plus tax. Cancellation may be made until 3 p.m. the day prior to arrival to make changes or cancel without penalty.*

CURRENT AS OF FEBRUARY 22, 2005. THE PROGRAM IS SUBJECT TO CHANGE. © 2005 SOCIETY OF SETTLEMENT PLANNERS