

LIABILITY ADJUSTER POINTS

- The liability program was not previously part of the workers' compensation program.
- When the liability program was on its own it consisted of two employees, Bill Duchac and Lisa Peduzzi.
- Ms. Peduzzi was not properly supervised. This combined with a lack of redundancy, transparency, and best business practices allowed Ms. Peduzzi to take advantage of her position and embezzle monies from the State of Vermont liability fund.
- When Ms. Peduzzi was escorted from her office and her work product confiscated as part of the investigation it was the workers' compensation program that Bill Duchac and Paul Rousseau came to requesting that we "jump in" and handle everything.
- The workers' compensation department stepped up and dealt with the repercussions of Ms. Peduzzi's actions. We started from scratch to recreate claims that had previously been sent in but were never created in the database. We dealt with irate claimants and internal departments over the backlog created by Ms. Peduzzi. We knew nothing about liability claims but we rose to the occasion and we educated ourselves.
- When the liability position was posted, workers' compensation adjuster, Danielle Lewis, that's me, applied for the position. Everyone thought I was crazy and when Paul Rousseau asked me why I wanted the job I told him that I was not afraid of a challenge and that I saw the position as an opportunity to take a broken program and help build it from the bottom up.
- The liability department, for the first time has a licensed liability adjuster and is now fully functioning. We have financial redundancy in place, we are

using best practices, and just as important, we have repaired broken relationships. For example, when I took over the liability adjuster position Fleet Management was completely frustrated with the handling of their claims and the lack of follow up with respect to subrogation recoveries for motor vehicle accidents that were not the State of Vermont's fault. Today, I have a cohesive and professional working relationship with Fleet. We worked together to clear up their backlog, get their monies back, and brought everything current.

- In addition to handling the subrogation for Fleet Management I have taken on the subrogation handling for the entire Agency of Transportation as requested by Wanda Knapp. They previously handled their own subrogation recovery, and I believe they would readily admit that much was "falling through the cracks." I have a cohesive and professional working relationship with Wanda Knapp and Ken Valentine of Transportation and we have procedures in place for handling all of the agencies subrogation needs.
- All of these changes have saved the State of Vermont money. It is troublesome that employees that have truly jumped into an adverse situation to help get the State of Vermont back on its feet, from a situation that had absolutely nothing to do with our department, are now left to fight for our jobs. We should not suffer the consequences of our predecessors. This is an injustice to the employees of our department. Thank you for your time.