

# HOUSE RESEARCH

## Bill Summary

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### Article 1: Policy and Housekeeping

- 1 **Disciplinary actions.** Gives the commissioner the discretion over whether to investigate a complaint filed against a qualified rehabilitation consultant (QRC) or rehabilitation vendor.
- 2 **Scope.** Removes the cap when the medical issue being disputed is whether the provider's charge for a service or product is excessive. Currently, the department may hold administrative conferences and issue decisions involving medical requests where the amount involved is \$7,500 or less.
- 3 **Employer reports.** Clarifies that an insolvent insurer is not entitled to reimbursement of supplementary or second injury benefits from the special compensation fund, except for those who filed for reimbursement prior to June 1, 2013.
- 4 **Medical data; access.** Specifies that medical data filed with the department in connection with a claim for workers' compensation benefits is not subject to the general prohibitions on state agencies from collecting, storing, or sharing data about individuals that contains genetic information.
- 5 **Notice by commissioner; rights of parties.** Requires the special compensation fund to provide notice to employers of a proposed settlement together with a copy of the settlement agreement. The notice must state that if the employer does not object to the settlement within 15 days, it will be deemed to have waived any defenses it may have to a subsequent claim for reimbursement by the fund.

## Section

- 6 Receipts for payment of compensation, filing.** Allows the commissioner to use any type of sampling methodology to perform the evaluation of whether insurers and employers are providing the department evidence of payment of compensation. Current law requires the commissioner to use Six Sigma methodology.
- 7 Settlement of claims.** Provides that if a workers' compensation case is settled at the time it is pending before the workers' compensation court of appeals, the proposed settlement must be approved by an administrative law judge (rather than the WCCA).

## **Article 2: Advisory Council Recommendations**

- 1 Occupational diseases.** Modifies the definition of "occupational disease" to mean mental impairments or physical diseases arising out of and in the course of employment to provide coverage for post traumatic stress disorder. Mental impairment means a diagnosis of PTSD by a licensed psychiatrist or psychologist.
- 2 Personal injury.** Modifies the definition of "personal injury" to mean mental impairments or physical diseases arising out of and in the course of employment to provide coverage for PTSD.
- 3 Limitation of fees.** Increases the cap on legal services fees to \$26,000. The current cap is \$13,000.
- 4 Award; additional amount.** Clarifies when attorney fees are to be reimbursed by an insurer.
- 5 Temporary total disability.** Increases the maximum weekly benefit amount from the current law level of \$850 per week to 102 percent of the statewide average weekly wage.
- 6 On-the-job training; job development limitation.** Places limits on the duration of job development services equal to a maximum of 20 hours per month for a maximum of 26 weeks.
- 7 Rehabilitation; consultants and vendors.** Specifies that a qualified rehabilitation consultant (QRC) registered by the commissioner, must not provide medical, rehabilitation, or disability case management services related to a compensable injury when these services are part of the same claim, unless approved as part of an approved rehabilitation plan.
- 8 Conference.** Directs that administrative conferences on rehabilitation issues must be held within 21 days after a conference is requested, unless the issue involves only fees for rehab services that were already provided, or there is good cause for holding the hearing later than 21 days.
- 9 Limitation of liability.** Specifies that a prevailing charge must be based on no more than two years of billing data immediately preceding the service.

**Section**

- 10**      **Adjustment of benefits.** Modifies the cap on cost of living adjustments to 3 percent per year and provides that no adjustment may be less than zero.
- 11**      **Treatment standards for medical services.** Clarifies the commissioner's current law rulemaking authority to specifically address criteria for use of opioids or other narcotic medications.
- 12**      **Patient advocate pilot program.** Directs the commissioner to establish a pilot patient advocate program for employees with back injuries considering back fusion surgery. Advocate services are payable from the special compensation fund.
- 13**      **Reimbursement cost study.** Directs the commissioner to study the effectiveness and costs of potential reforms and barriers within the reimbursement system. The commissioner must consult with stakeholders and report finding and recommendations to the advisory council by December 31, 2013.
- 14**      **Effective dates.** Sections are generally effective October 1, 2013.