



Legislative Activity Report

National Council on Compensation Insurance

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Regulatory Services

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State Issues Contacts: Please refer to the list of State Relations Executives at the end of this report.

LEGISLATIVE ACTIVITY—LEGISLATIVE SESSION UPDATES

This report contains descriptions and/or excerpts of relevant bills that have passed the first chamber, passed the second chamber, or have been enacted during the specific periods. In addition, a recap of significant legislative and judicial activity impacting the workers compensation system will be included in the first report published each month. This report is issued on a weekly basis throughout the legislative season, and it provides updates on the content of these bills if and when they progress through the legislative process. This report includes bills from states where NCCI provides ratemaking services (see state list under Contact Information) and the US Congress.

BILLS ENACTED

District of Columbia

DC B21-0030 was:

- Passed by the DC Council on September 22, 2015
- Included in NCCI's October 2, 2015 *Legislative Activity Report* (RLA-2015-36)
- Effective on December 15, 2015, after it passed the Congressional review period *

DC B21-0030 amends the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to require that Public Workers' Compensation Program participants receive an increase in compensation whenever District workers receive an increase in compensation.

* Once District of Columbia bills are passed by the DC Council, they must be sent to Congress for a period of 30 days before becoming effective as law (or 60 days for certain criminal legislation).

BILLS PASSING SECOND CHAMBER

There were no relevant workers compensation-related bills that passed the second chamber within the one-week period ending January 1, 2016.

BILLS PASSING FIRST CHAMBER

There were no relevant workers compensation-related bills that passed the first chamber within the one-week period ending January 1, 2016.

The following section contains monthly updates on significant legislative activity, judicial decisions, and regulatory committee activity that may impact the workers compensation system and will be included in the report the first week of every month throughout the year.

STATE LEGISLATIVE ACTIVITY

State	Update
Florida	<p>HB 1005/SB 1086 relate to prejudgment interest. The bills, in part, require a court to include interest on economic damages, attorney fees, and costs in the final judgment of a negligence action as a result of a personal injury.</p> <p>HB 771/SB 1154 relate to drug-free workplaces and, in part:</p> <ul style="list-style-type: none"> • Revise the definition of "drug" to include controlled substances classified as Schedule I, II, III, IV, and V • Revise the contents of an employer policy statement with respect to employee drug use

	<ul style="list-style-type: none"> • Increase the frequency of follow-up drug testing • Revise specimen collection, verification, and documentation procedures • Revise requirements for confirmation testing <p>HB 345 and SB 456 are similar, but not identical, with HB 345 relating to firefighters and paramedics, and SB 456 relating to firefighters only. Both bills apply only to full-time employees of the state or its political subdivisions and, in part:</p> <ul style="list-style-type: none"> • Establish a presumption that a condition or impairment of health caused by cancer was accidental and in the line of duty, subject to certain conditions being met • Provide requirements for the physical examination
Missouri	<p>HB 1490 establishes the Joint Committee on Missouri Division of Workers' Compensation to, in part:</p> <ul style="list-style-type: none"> • Investigate disparity directed at injured minorities, low-income workers, and workers under 35 years of age • Make a continuing study and analysis of the division of workers compensation bias, fraud, and noncompliance, investigation system, and regulatory agency • Address the need for additional resources to improve the quality of fairness provided to injured minorities while processing claims in this state • Review and redress for claims that prove to be fraudulent or noncompliant • Devise a plan for improving the structured decision-making process for compromise settlements • Study the feasibility of obtaining an evaluation from a workers compensation claimant once his/her case is closed • Determine the additional personnel and resources needed to adequately protect injured minorities, low-income workers, and workers under the age of 35 and improve their welfare and the welfare of their families • Investigate measures and methods for elimination of bias within the program <p>HB 1528 adds any person or corporation in the construction industry who erects, demolishes, alters, or repairs improvements to the definition of "employer" as it relates to workers compensation law.</p> <p>HB 1630 adds definitions and responsibilities around large deductibles.</p> <p>HB 1703 establishes the Professional Employers Organization Act.</p> <p>HB 1751, in part, relates to survivor benefits for survivors of public safety employees killed in the line of duty.</p> <p>SB 601, in part, includes post-traumatic stress disorder (PTSD) as an occupational disease.</p> <p>SB 700 amends the experience rating and contracting classification premium adjustment programs.</p> <p>SB 768 establishes the Prescription Drug Monitoring Act to create and maintain a program to monitor the prescribing and dispensing of schedule II through schedule IV drugs.</p>
New Hampshire	<p>HB 1331 clarifies the experience that the members of the compensation appeals board must have to be members of the board.</p> <p>HB 1475 establishes a death benefit for a school employee killed in the line of duty; includes any public school, public academy, community college, and state university.</p> <p>HB 1512 clarifies the definition of "employee" for purposes of determining an independent contractor.</p>
Vermont	<p>SB 211 proposes to create an interagency commission to investigate, evaluate, and address the negative impacts on workers compensation rates, unemployment insurance contributions, and state tax revenues from employee misclassification in Vermont.</p>

OTHER ITEMS OF INTEREST

State	Update
Missouri	In <i>Greer v. Sysco Food Services</i> , the Missouri Supreme Court ruled, in part, that maximum medical improvement should not be the sole determining factor in terminating temporary total disability benefits if the claimant is undergoing rehabilitative services.

Nebraska	<p>As of January 1, 2016, the following amendments related to medical fee schedules took effect:</p> <ul style="list-style-type: none"> • The Nebraska Workers Compensation Court amended diagnosis-related group (DRG) codes as required by statute to be included in the DRG inpatient hospital fee schedule. • The schedule of fees for medical services was updated in accordance with the methodology adopted in December 2014. The schedule includes the new 2016 resource-based relative value system (RBRVS) unit values established by the Centers for Medicare & Medicaid Services (CMS) that are geographically adjusted for Nebraska and the new 2016 CPT codes. Changes to the schedule will occur annually.
South Dakota	<p>Several parties, including the South Dakota Department of Labor, have indicated their intent to propose legislation to abrogate or clarify statutes from the South Dakota Supreme Court’s ruling in <i>Wheeler v. Cinna Bakers, LLC</i>, to allow aggregation of wages for indemnity benefits when an injured worker holds multiple jobs at the time of the injury.</p>
Texas	<p>On December 16, 2015, the Texas Department of Insurance (TDI) held a hearing to consider revised Texas classification relativities to be effective July 1, 2016. Staff recommended reducing the overall level of the classification relativities by 10%. There were no objections raised at the hearing. The comment period closed on January 4, 2016.</p> <p>The TDI released the following announcement (order dated December 7, 2015) on December 16, 2015:</p> <ul style="list-style-type: none"> • The commissioner of insurance adopted a rule to repeal the rules, factors, values, endorsements, and forms in the <i>Texas Retrospective Rating Plan Manual (Texas Retro Plan)</i> for new and renewal workers’ compensation policies written on a retrospectively rated basis with effective dates on and after 12:01 a.m., January 1, 2017. Insurers writing policies on a retrospectively rated basis with effective dates before January 1, 2017, under the <i>Texas Retro Plan</i> must use the <i>Texas Retro Plan</i> to make all retrospective adjustments for those policies. • NCCI’s <i>Retrospective Rating Plan Manual</i> has been available for use in Texas as an alternative to the <i>Texas Retro Plan</i> since June 1, 2011. With the repeal of the <i>Texas Retro Plan</i>, insurers continue to have the options of making a reference filing with TDI to use NCCI’s <i>Retrospective Rating Plan Manual</i>, or filing their own retrospective rating plans for use in Texas.

Contact Information

If you have any questions about the legislation or proposals mentioned, please contact the appropriate NCCI state relations executive (listed below) or a representative of your local insurance trade association.

State	State Relations Executive	Phone Number
CT, ME, NH, RI, VT	Laura Backus Hall	802-454-1800
FL, IA	Chris Bailey	850-322-4047
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AZ, CO, NM, NV, UT	Maggie Karpuk	818-707-8374
DC, MD, VA, WV	David Benedict	804-380-3005
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AR, IL, KS, TX	Terri Robinson	501-333-2835
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Federal Issues	Tim Tucker	202-403-8526

This report is informational and is not intended to provide an interpretation of state and federal legislation.