

By: Benson, Adair, Bastin,  
Begley, Beutler, Erwin,  
Glover, Hamilton,  
Hilliard, Kinnamon,  
Rice, Settle, Steidley,  
Thomas, Smith (Dale),  
Stites, Tyler, Dunegan  
and Matlock

A Resolution relating to workers' compensation; encouraging the State Board for Property and Casualty Rates to consider the effects of recent workers' compensation reforms on workers' compensation rates; requesting the State Board for Property and Casualty Rates to approve a workers' compensation rate decrease based on the recent reforms as well as experience and trend adjustments; and directing distribution.

WHEREAS, over the past several years the Oklahoma State Legislature has enacted numerous workers' compensation reforms including establishing and funding a Workers' Compensation Fraud Unit, establishing an Independent Medical Examiner system to eliminate dueling doctors, expanding a workers' compensation counseling program to educate employers and employees on the workers' compensation system, authorizing certified workplace medical plans designed to provide employees with better quality care at lower costs, expediting the delivery of benefits to injured workers, and providing for increased monitoring of

workers' eligibility for temporary disability benefits to detect possible fraud; and

WHEREAS, the State Board for Property and Casualty Rates is responsible for approving the rates and rating plans filed by insurers pursuant to Section 900.1 et seq. of Title 36 of the Oklahoma Statutes; and

WHEREAS, last year, the independent actuary retained by the State Board for Property and Casualty Rates recommended a possible workers' compensation rate decrease as high as 13 percent, the independent actuary retained by the Attorney General recommended a rate decrease of 7.2 percent, and the State Board for Property and Casualty Rates approved only a 4.5 percent decrease in workers' compensation rates; and

WHEREAS, the National Council on Compensation Insurance, an organization representing private workers' compensation carriers in Oklahoma and 32 other states, is seeking a 3.4 percent decrease in workers' compensation rates for 1997; and

WHEREAS, the independent actuary retained by the Attorney General recommends a 12.9 percent decrease in workers' compensation rates for 1997 based on experience and trend adjustments without specifically considering the effects of legislative reforms; and

WHEREAS, since the the workers' compensation reforms contained in House Bill No. 1002 of the Second Extraordinary Session of the 44th Legislature were enacted, workers' compensation filings have decreased by 8 percent, fraud charges have increased by 37 percent with 92 percent of the cases ending in guilty pleas, the use of independent medical examiners have increased by 42 percent, and more than 40,000 workers are currently enrolled in certified workplace medical plans; and

WHEREAS, the current downward trend in workers' compensation rates is due, in part, to legislative reforms, and such downward trend will continue as recent legislative reforms more fully impact the workers' compensation system.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE 1ST SESSION OF THE 46TH OKLAHOMA LEGISLATURE:

THAT the Oklahoma House of Representatives encourages the State Board for Property and Casualty Rates to carefully consider the workers' compensation reforms of HB 1002 along with other

legislative reforms passed in recent years when hearing the arguments for a workers' compensation rate change.

THAT the Oklahoma House of Representatives encourages the State Board for Property and Casualty Rates to approve an appropriate decrease in workers' compensation rates in light of the continuing positive effects of recent workers' compensation reforms.

THAT the Oklahoma House of Representatives requests a decrease in workers' compensation rates based on recent reforms in addition to any decrease in rates based on experience and trend adjustments as recommended by the actuary retained by the Attorney General.

THAT copies of this resolution shall be distributed to the members of the State Board for Property and Casualty Rates, the Attorney General of Oklahoma and the State Insurance Commissioner.

Adopted by the House of Representatives the 27th day of  
February, 1997.

Speaker of the House of  
Representatives