

BILL SUMMARY
2nd Session of the 52nd Legislature

Bill No.:	SB1973
Version:	CCS
Author:	Representative Sullivan Senator Coffee
Date:	5/26/2010
Impact:	Annual Revenue Increase: Workers' Comp Court - \$1.15 million FY-11 - \$1 million

Bill Summary

Research Analyst: Arnella Karges

The Conference Committee Substitute (CCS) for SB1973 amends provisions of the Workers' Compensation Act. The CCS requires that all proceedings of the Workers' Compensation Court (OWCC) sitting en banc be recorded by a court reporter of the OWCC. Any order of the OWCC sitting en banc that reverses a decision of the trial judge is required to contain specific finding explaining the reversal.

The CCS increases OWCC filing fees by \$50.00 for the appellant.

The CCS authorizes the Supreme Court to modify, reverse, remand or set aside the order or award if any of the following occur:

- the OWCC acted without or in excess of its powers;
- the order or award was contrary to law;
- the order or award was procured by fraud; or
- the order or award was against the evidence.

The CCS requires a \$100 fee per appeal to the Supreme Court, to be used for preparing for appellate review.

The CCS requires the OWCC Administrator to provide contact information for the Court's counselor program to the injured worker.

The CCS requires that the claimant be in attendance during mediation, unless all parties agree; and all parties are required to be represented during the mediation by a person with full settlement authority.

The CCS increases the fee to be paid by the party against any award is final from \$75 to \$140, with the \$65 increase going to the Administrator of the Workers' Compensation Revolving Fund. The CCS increases the fee per action to reopen any case from \$75 to \$130 (\$55 increase). The CCS doubles fees for annual applications for group self-insureds, individual own-risk, and servicing companies from \$500 to \$1,000.

The CCS requires the Administrator to waive payment for medical services rendered under the act, in the case of abusive practices.

Fiscal Summary

Fiscal Analyst: Marilyn Anderson

The CCS for SB1973 requires that all workers' compensation court proceedings be recorded by a court reporter; requires any order of the court which reverses a decision of the trial judge to contain specific findings to explain the reversal; increases the appeal fee; authorizes the Supreme Court to modify, reverse, remand, or set aside an order or award under certain conditions; creates fee for appeals to the Supreme Court; requires claimant to be in attendance at mediation sessions; increases the final award fee; increases the reopen fee; increases the group self-insured annual application fee; increases the self-insured annual application fee; establishes a new fee for review of self-insured interim financial statements; requires the Court Administrator to waive payment for medical services in cases where the provider has failed to adhere to the AMA Guides or overcharged for services.

Fiscal Analysis

The CCS for SB1973 increases the appeal fee from \$125 to \$175. According to the Workers' Compensation Court (WCC), the fee increase would generate approximately \$46,050 annually.

The CCS for SB1973 increases the final award fee from \$75 to \$140. According to the WCC, the fee increase would generate approximately \$888,160 annually.

The CCS for SB1973 increases the reopen fee from \$75 to \$130. According to the WCC, the fee increase would generate approximately \$42,350 annually.

The CCS for SB1973 increases the self-insured annual application fee from \$500 to \$1000. According to the WCC, the fee increase would generate approximately \$130,500 annually.

The CCS for SB1973 establishes a new fee for review of self-insured interim financial statements. According to the WCC, the fee would generate approximately \$45,000 annually.

The total annual revenue increase effective November 1, 2010 will be approximately \$1.15 million. The FY-11 revenue increase will be approximately \$1 million.

Long Term Fiscal Considerations

None

Fiscal Analysis Reviewed By:

Janice Buchanan

House Fiscal Director