1	ENGROSSED HOUSE AMENDMENT TO
2	ENGROSSED SENATE BILL NO. 701 By: Daniels of the Senate
3	and
4	Kannady of the House
5	
6	An Act relating to workers' compensation; amending Sections 2, as amended by Section 1, Chapter 150,
7	0.S.L. 2018, and 3, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 2 and 3), which relate to
8	the Administrative Workers' Compensation Act; modifying definitions; specifying application of the
9	Administrative Workers' Compensation Act; amending Section 6, Chapter 208, O.S.L. 2013, as amended by
10	Section 1, Chapter 390, O.S.L. 2015, ds amended by 2018, Section 6), which relates to crimes in
11	violation of the Administrative Workers' Compensation Act; modifying certain notice requirement; amending
12	Section 18, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 18), which relates to billing and
13	collection of fees for services; * * * amending Section 158, Chapter 208, O.S.L. 2013 (85A O.S. Supp.
14	2018, Section 115), which relates to joint petitions for settlement; correcting references; amending
15	Section 161, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 118), which relates to fees; modifying
16	scope of fee requirement; correcting statutory references; amending Section 163, Chapter 208, O.S.L.
17	2013 (85A O.S. Supp. 2018, Section 120), which relates to inquiries about compensation claims;
18	modifying scope of certain requests; correcting
19	statutory reference; amending Section 164, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 121), which relates to the Advisory Council on Markers!
20	which relates to the Advisory Council on Workers' Compensation; modifying duties of the Council;
21	amending Section 165, Chapter 208, O.S.L. 2013, as amended by Section 4, Chapter 344, O.S.L. 2015 (85A
22	O.S. Supp. 2018, Section 122), which relates to tax rates and distribution of certain funds; modifying
23	certain apportionment and funding amount; amending Section 166, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018 Section 122) which relates to perivry:
24	2018, Section 123), which relates to perjury; establishing exception to certain filing requirement;

1 amending Section 167, Chapter 208, O.S.L. 2013, as amended by Section 7, Chapter 169, O.S.L. 2014 (85A 2 O.S. Supp. 2018, Section 124), which relates to transfers from the Workers' Compensation Court; 3 modifying transfer; amending Sections 121, 125, 126, 133, 134, 135, 137, 139, 141, 142, 143, 144 and 148, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, 4 Sections 300, 304, 305, 312, 313, 314, 316, 318, 320, 5 321, 322, 323 and 327), which relate to the Workers' Compensation Arbitration Act; updating statutory references; amending Section 169, Chapter 208, O.S.L. 6 2013 (85A O.S. Supp. 2018, Section 400), which relates to the Workers' Compensation Court of 7 Existing Claims; eliminating the authority of the Workers' Compensation Commission to appoint 8 administrative law judges to assist the Court when 9 vacancies occur on the Court; eliminating procedure whereby rulings of the Court are appealable to the 10 Commission; eliminating certain duty of administrative law judges; repealing Section 15, 11 Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 15), which relates to reports regarding 12 funding needs for the Workers' Compensation Fraud Investigation Unit; * * * providing an effective date; 13 and declaring an emergency. 14 15 AMENDMENT NO. 1. Delete the title, enacting clause and entire bill and replace with: 16 17 "[workers' compensation - modifying provisions of 18 the Administrative Workers' Compensation Act -19 effective date -20 emergency] 21 22 23 ENACTED RY THE PROPIE OF THE STATE <u>OKTAHOMA :</u> 24

1SECTION 1.AMENDATORYSection 2, Chapter 208, O.S.L.22013, as amended by Section 1, Chapter 150, O.S.L. 2018 (85A O.S.3Supp. 2018, Section 2), is amended to read as follows:

4 Section 2. As used in the Administrative Workers' Compensation 5 Act:

1. "Actually dependent" means a surviving spouse, a child or
any other person who receives one-half (1/2) or more of his or her
support from the employee;

9 2. "Carrier" means any stock company, mutual company, or
10 reciprocal or interinsurance exchange authorized to write or carry
11 on the business of workers' compensation insurance in this state.
12 Whenever required by the context, the term "carrier" shall be deemed
13 to include duly qualified self-insureds or self-insured groups;

14 3. "Case management" means the ongoing coordination, by a case 15 manager, of health care services provided to an injured or disabled 16 worker, including but not limited to systematically monitoring the 17 treatment rendered and the medical progress of the injured or 18 disabled worker; ensuring that any treatment plan follows all 19 appropriate treatment protocols, utilization controls and practice 20 parameters; assessing whether alternative health care services are 21 appropriate and delivered in a cost-effective manner based upon 22 acceptable medical standards; and ensuring that the injured or 23 disabled worker is following the prescribed health care plan;

24

ENGR. H. A. to ENGR. S. B. NO. 701

4. "Case manager" means a person who is a registered nurse with
 a current, active unencumbered license from the Oklahoma Board of
 Nursing, or possesses one or more of the following certifications
 which indicate the individual has a minimum number of years of case
 management experience, has passed a national competency test and
 regularly obtains continuing education hours to maintain
 certification:

a. Certified Disability Management Specialist (CDMS),
b. Certified Case Manager (CCM),
c. Certified Rehabilitation Registered Nurse (CRRN),
d. Case Manager - Certified (CMC),
e. Certified Occupational Health Nurse (COHN), or

13 f. Certified Occupational Health Nurse Specialist (COHN-14 S);

15 5. "Certified workplace medical plan" means an organization of 16 health care providers or any other entity, certified by the State 17 Commissioner of Health, that is authorized to enter into a 18 contractual agreement with an employer, group self-insurance 19 association plan, an employer's workers' compensation insurance 20 carrier, third-party administrator or an insured to provide medical 21 care under the Administrative Workers' Compensation Act. Certified 22 plans shall only include plans which provide medical services and 23 payment for services on a fee-for-service basis to medical 24 providers;

ENGR. H. A. to ENGR. S. B. NO. 701

1 6. "Child" means a natural or adopted son or daughter of the 2 employee under eighteen (18) years of age; or a natural or adopted son or daughter of an employee eighteen (18) years of age or over 3 who is physically or mentally incapable of self-support; or any 4 5 natural or adopted son or daughter of an employee eighteen (18) years of age or over who is actually dependent; or any natural or 6 7 adopted son or daughter of an employee between eighteen (18) and 8 twenty-three (23) years of age who is enrolled as a full-time 9 student in any accredited educational institution. The term "child" 10 includes a posthumous child, a child legally adopted or one for whom 11 adoption proceedings are pending at the time of death, an actually 12 dependent stepchild or an actually dependent acknowledged child born 13 out of wedlock;

14 7. "Claimant" means a person who claims benefits for an injury 15 or occupational disease pursuant to the provisions of the 16 Administrative Workers' Compensation Act;

17 8. "Commission" means the Workers' Compensation Commission; 18 9. "Compensable injury" means damage or harm to the a. 19 physical structure of the body, or prosthetic 20 appliances, including eyeqlasses, contact lenses, or 21 hearing aids, caused solely as the result of either an 22 accident, cumulative trauma or occupational disease 23 arising out of the course and scope of employment. An

24

ENGR. H. A. to ENGR. S. B. NO. 701

1	";	acci	dent" means an event involving factors external
2	to	o th	e employee that:
3	(1	1) ·	was unintended, unanticipated, unforeseen,
4			unplanned and unexpected,
5	(2	2)	occurred at a specifically identifiable time and
6			place,
7	(3	3)	occurred by chance or from unknown causes, and
8	(4	4)	was independent of sickness, mental incapacity,
9			bodily infirmity or any other cause.
10	b. "(Comp	ensable injury" does not include:
11	(1	1)	injury to any active participant in assaults or
12			combats which, although they may occur in the
13			workplace, are the result of non-employment-
14			related hostility or animus of one, both, or all
15			of the combatants and which assault or combat
16			amounts to a deviation from customary duties;
17			provided, however, injuries caused by horseplay
18			shall not be considered to be compensable
19			injuries, except for innocent victims,
20	(2	2)	injury incurred while engaging in or performing
21			or as the result of engaging in or performing any
22			recreational or social activities for the
23			employee's personal pleasure,
24			

ENGR. H. A. to ENGR. S. B. NO. 701

1 (3) injury which was inflicted on the employee at a 2 time when employment services were not being 3 performed or before the employee was hired or 4 after the employment relationship was terminated, (4) 5 injury where the accident was caused by the use 6 of alcohol, illegal drugs, or prescription drugs 7 used in contravention of physician's orders. If τ a biological specimen is collected within twenty-8 9 four (24) hours of the employee being injured or 10 reporting an injury, an or if at any time after 11 the injury a biological specimen is collected by 12 the Oklahoma Office of the Chief Medical Examiner 13 if the injured employee does not survive at least 14 twenty-four (24) hours after the accident and the 15 employee tests positive for intoxication, an 16 illegal controlled substance, or a legal 17 controlled substance used in contravention to a 18 treating physician's orders, or refuses to 19 undergo the drug and alcohol testing, there shall 20 be a rebuttable presumption that the injury was 21 caused by the use of alcohol, illegal drugs, or 22 prescription drugs used in contravention of 23 physician's orders. This presumption may only be 24 overcome if the employee proves by clear and

ENGR. H. A. to ENGR. S. B. NO. 701

1convincing evidence that his or her state of2intoxication had no causal relationship to the3injury,

- 4 (5) any strain, degeneration, damage or harm to, or 5 disease or condition of, the eye or 6 musculoskeletal structure or other body part 7 resulting from the natural results of aging, osteoarthritis, arthritis, or degenerative 8 9 process including, but not limited to, 10 degenerative joint disease, degenerative disc 11 disease, degenerative 12 spondylosis/spondylolisthesis and spinal 13 stenosis, or
- 14 (6) any preexisting condition except when the 15 treating physician clearly confirms an 16 identifiable and significant aggravation incurred 17 in the course and scope of employment.
- c. The definition of "compensable injury" shall not be
 construed to limit or abrogate the right to recover
 for mental injuries as described in Section 13 of this
 title, heart or lung injury or illness as described in
 Section 14 of this title, or occupational diseases as
 described in Section 65 of this title.

24

ENGR. H. A. to ENGR. S. B. NO. 701

- d. A compensable injury shall be established by medical
 evidence supported by objective findings as defined in
 paragraph 31 of this section.
- 4 e. The injured employee shall prove by a preponderance of
 5 the evidence that he or she has suffered a compensable
 6 injury.
- f. Benefits shall not be payable for a condition which
 results from a non-work-related independent
 intervening cause following a compensable injury which
 causes or prolongs disability, aggravation, or
 requires treatment. A non-work-related independent
 intervening cause does not require negligence or
 recklessness on the part of a claimant.
- 14 g. An employee who suffers a compensable injury shall be 15 entitled to receive compensation as prescribed in this 16 act. Notwithstanding other provisions of law, if it 17 is determined that a compensable injury did not occur, 18 the employee shall not be entitled to compensation 19 under this act;

20 10. "Compensation" means the money allowance payable to the 21 employee or to his or her dependents and includes the medical 22 services and supplies provided for in Section 50 of this title and 23 funeral expenses;

24

ENGR. H. A. to ENGR. S. B. NO. 701

1 11. "Consequential injury" means injury or harm to a part of
 2 the body that is a direct result of the injury or medical treatment
 3 to the part of the body originally injured in the claim. The
 4 Commission shall not make a finding of a consequential injury unless
 5 it is established by objective medical evidence that medical
 6 treatment for such part of the body is required;

7 12. "Continuing medical maintenance" means medical treatment 8 that is reasonable and necessary to maintain claimant's condition 9 resulting from the compensable injury or illness after reaching 10 maximum medical improvement. Continuing medical maintenance shall 11 not include diagnostic tests, surgery, injections, counseling, 12 physical therapy, or pain management devices or equipment;

13 13. "Course and scope of employment" means an activity of any 14 kind or character for which the employee was hired and that relates 15 to and derives from the work, business, trade or profession of an 16 employer, and is performed by an employee in the furtherance of the 17 affairs or business of an employer. The term includes activities 18 conducted on the premises of an employer or at other locations 19 designated by an employer and travel by an employee in furtherance 20 of the affairs of an employer that is specifically directed by the 21 employer. This term does not include:

22

23

 a. an employee's transportation to and from his or her place of employment,

24

ENGR. H. A. to ENGR. S. B. NO. 701

1 b. travel by an employee in furtherance of the affairs of 2 an employer if the travel is also in furtherance of 3 personal or private affairs of the employee, 4 any injury occurring in a parking lot or other common с. 5 area adjacent to an employer's place of business before the employee clocks in or otherwise begins work 6 7 for the employer or after the employee clocks out or otherwise stops work for the employer, or 8 9 d. any injury occurring while an employee is on a work 10 break, unless the injury occurs while the employee is 11 on a work break inside the employer's facility and the 12 work break is authorized by the employee's supervisor; 13 14. "Cumulative trauma" means an injury to an employee that is 14 caused by the combined effect of repetitive physical activities 15 extending over a period of time in the course and scope of 16 employment. Cumulative trauma shall not mean fatigue, soreness or 17 general aches and pain that may have been caused, aggravated, 18 exacerbated or accelerated by the employee's course and scope of 19 employment. Cumulative trauma shall have resulted directly and 20 independently of all other causes and the employee shall have 21 completed at least one hundred eighty (180) days of continuous 22 active employment with the employer; 23 "Death" means only death resulting from compensable injury 15.

23 15. "Death" means only death resulting from compensable injury 24 as defined in paragraph 9 of this section;

ENGR. H. A. to ENGR. S. B. NO. 701

1 16. "Disability" means incapacity because of compensable injury
 2 to earn, in the same or any other employment, substantially the same
 3 amount of wages the employee was receiving at the time of the
 4 compensable injury;

5 17. "Drive-away operations" includes every person engaged in 6 the business of transporting and delivering new or used vehicles by 7 driving, either singly or by towbar, saddle-mount or full-mount 8 method, or any combination thereof, with or without towing a 9 privately owned vehicle;

"Employee" means any person, including a minor, in the 10 18. a. service of an employer under any contract of hire or 11 12 apprenticeship, written or oral, expressed or implied, 13 but excluding one whose employment is casual and not 14 in the course of the trade, business, profession, or 15 occupation of his or her employer and excluding one 16 who is required to perform work for a municipality or 17 county or the state or federal government on having 18 been convicted of a criminal offense or while 19 incarcerated. "Employee" shall also include a member 20 of the Oklahoma National Guard while in the 21 performance of duties only while in response to state 22 orders and any authorized voluntary or uncompensated 23 worker, rendering services as a firefighter, peace 24 officer or emergency management worker. Travel by a

ENGR. H. A. to ENGR. S. B. NO. 701

1policeman, fireman, or a member of a first aid or2rescue squad, in responding to and returning from an3emergency, shall be deemed to be in the course of4employment.

b. The term "employee" shall not include:

5

6

7

8

9

10

11

12

13

14

- (1) any person for whom an employer is liable under any Act of Congress for providing compensation to employees for injuries, disease or death arising out of and in the course of employment including, but not limited to, the Federal Employees' Compensation Act, the Federal Employers' Liability Act, the Longshore and Harbor Workers' Compensation Act and the Jones Act, to the extent his or her employees are subject to such acts,
- 15 (2) any person who is employed in agriculture, 16 ranching or horticulture by an employer who had a 17 gross annual payroll in the preceding calendar 18 year of less than One Hundred Thousand Dollars 19 (\$100,000.00) wages for agricultural, ranching or 20 horticultural workers, or any person who is 21 employed in agriculture, ranching or horticulture 22 who is not engaged in operation of motorized 23 machines. This exemption applies to any period 24 of time for which such employment exists,

ENGR. H. A. to ENGR. S. B. NO. 701

irrespective of whether or not the person is employed in other activities for which the exemption does not apply. If the person is employed for part of a year in exempt activities and for part of a year in nonexempt activities, the employer shall be responsible for providing workers' compensation only for the period of time for which the person is employed in nonexempt activities,

- (3) any person who is a licensed real estate sales associate or broker, paid on a commission basis,
- (4) any person who is providing services in a medical care or social services program, or who is a participant in a work or training program, administered by the Department of Human Services, unless the Department is required by federal law or regulations to provide workers' compensation for such person. This division shall not be construed to include nursing homes,
- (5) any person employed by an employer with five or
 (5) any person employed by an employer with five or
 fewer total employees, all of whom are related
 within the second degree by blood or marriage to
 the employer, if the employer is a natural person
 or a general or limited partnership, or an

ENGR. H. A. to ENGR. S. B. NO. 701

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

1 incorporator of a corporation if the corporation 2 is the employer, all of whom are dependents 3 living in the household of the employer, or all 4 of whom are a combination of such relatives and 5 dependents. In the event the employer is not a 6 natural person, such relative shall be related 7 within the second degree by blood or marriage to 8 a person who owns fifty percent (50%) or more of 9 the employer or such dependent shall live in the 10 household of a person who owns fifty percent 11 (50%) or more of the employee,

- 12 (6) any person employed by an employer which is a 13 youth sports league which qualifies for exemption 14 from federal income taxation pursuant to federal 15 law,
- 16 sole proprietors, members of a partnership, (7) 17 individuals who are party to a franchise 18 agreement as set out by the Federal Trade 19 Commission franchise disclosure rule, 16 CFR 20 436.1 through 436.11, members of a limited 21 liability company who own at least ten percent 22 (10%) of the capital of the limited liability 23 company or any stockholder-employees of a 24 corporation who own ten percent (10%) or more

stock in the corporation, unless they elect to be covered by a policy of insurance covering benefits under the Administrative Workers' Compensation Act,

1

2

3

4

5

6

7

8

9

10

11

23

24

- (8) any person providing or performing voluntary service who receives no wages for the services other than meals, drug or alcohol rehabilitative therapy, transportation, lodging or reimbursement for incidental expenses except for volunteers specifically provided for in subparagraph a of this paragraph,
- 12 a person, commonly referred to as an owner-(9) 13 operator, who owns or leases a truck-tractor or 14 truck for hire, if the owner-operator actually 15 operates the truck-tractor or truck and if the 16 person contracting with the owner-operator is not 17 the lessor of the truck-tractor or truck. 18 Provided, however, an owner-operator shall not be 19 precluded from workers' compensation coverage 20 under the Administrative Workers' Compensation 21 Act if the owner-operator elects to participate 22 as a sole proprietor,

(10) a person referred to as a drive-away owneroperator who privately owns and utilizes a tow

ENGR. H. A. to ENGR. S. B. NO. 701

1 vehicle in drive-away operations and operates 2 independently for hire, if the drive-away owneroperator actually utilizes the tow vehicle and if 3 4 the person contracting with the drive-away owner-5 operator is not the lessor of the tow vehicle. 6 Provided, however, a drive-away owner-operator 7 shall not be precluded from workers' compensation coverage under the Administrative Workers' 8 9 Compensation Act if the drive-away owner-operator 10 elects to participate as a sole proprietor, and 11 (11)any person who is employed as a domestic servant 12 or as a casual worker in and about a private home or household, which private home or household had 13 14 a gross annual payroll in the preceding calendar 15 year of less than Fifty Thousand Dollars 16 (\$50,000.00) for such workers;

18 association, limited liability company, corporation, and the legal 19 representatives of a deceased employer, or the receiver or trustee 20 of a person, partnership, association, corporation, or limited 21 liability company, departments, instrumentalities and institutions 22 of this state and divisions thereof, counties and divisions thereof, 23 public trusts, boards of education and incorporated cities or towns 24 and divisions thereof, employing a person included within the term

"Employer" means a natural person, partnership,

ENGR. H. A. to ENGR. S. B. NO. 701

17

19.

"employee" as defined in this section. Employer may also mean the employer's workers' compensation insurance carrier, if applicable. Except as provided otherwise, this act applies to all public and private entities and institutions. Employer shall not include a qualified employer with an employee benefit plan as provided under the Oklahoma Employee Injury Benefit Act in Sections 200 through 213 of this title;

8 20. "Employment" includes work or labor in a trade, business, 9 occupation or activity carried on by an employer or any authorized 10 voluntary or uncompensated worker rendering services as a 11 firefighter, peace officer or emergency management worker;

12 21. "Evidence-based" means expert-based, literature-supported 13 and outcomes validated by well-designed randomized trials when such 14 information is available and which uses the best available evidence 15 to support medical decision making;

16 22. "Gainful employment" means the capacity to perform 17 employment for wages for a period of time that is not part-time, 18 occasional or sporadic;

19 23. "Impaired self-insurer" means a private self-insurer or 20 group self-insurance association that fails to pay its workers' 21 compensation obligations, or is financially unable to do so and is 22 the subject of any proceeding under the Federal Bankruptcy Reform 23 Act of 1978, and any subsequent amendments or is the subject of any 24 proceeding in which a receiver, custodian, liquidator,

ENGR. H. A. to ENGR. S. B. NO. 701

1 rehabilitator, trustee or similar officer has been appointed by a 2 court of competent jurisdiction to act in lieu of or on behalf of 3 the self-insurer;

4 24. "Incapacity" means inadequate strength or ability to 5 perform a work-related task;

6 25. "Insurance Commissioner" means the Insurance Commissioner7 of the State of Oklahoma;

8 26. "Insurance Department" means the Insurance Department of
9 the State of Oklahoma;

10 27. "Major cause" means more than fifty percent (50%) of the 11 resulting injury, disease or illness. A finding of major cause 12 shall be established by a preponderance of the evidence. A finding 13 that the workplace was not a major cause of the injury, disease or 14 illness shall not adversely affect the exclusive remedy provisions 15 of this act and shall not create a separate cause of action outside 16 this act;

17 28. "Maximum medical improvement" means that no further 18 material improvement would reasonably be expected from medical 19 treatment or the passage of time;

20 29. "Medical services" means those services specified in 21 Section 50 of this title;

22 30. "Misconduct" shall include the following:

23 a. unexplained absenteeism or tardiness,

24

ENGR. H. A. to ENGR. S. B. NO. 701

1		b.	willful or wanton indifference to or neglect of the
2			duties required,
3		с.	willful or wanton breach of any duty required by the
4			employer,
5		d.	the mismanagement of a position of employment by
6			action or inaction,
7		e.	actions or omissions that place in jeopardy the
8			health, life, or property of self or others,
9		f.	dishonesty,
10		g.	wrongdoing,
11		h.	violation of a law, or
12		i.	a violation of a policy or rule adopted to ensure
13			orderly work or the safety of self or others;
14	31.	a.	(1) "Objective findings" are those findings which
15			cannot come under the voluntary control of the
16			patient.
17			(2) (a) When determining permanent disability, a
18			physician, any other medical provider, an
19			administrative law judge, the Commission or
20			the courts shall not consider complaints of
21			pain.
22			(b) For the purpose of making permanent
23			disability ratings to the spine, physicians
24			shall use criteria established by the most

ENGR. H. A. to ENGR. S. B. NO. 701

1	current edition of the American Medical
2	Association "Guides to the Evaluation of
3	Permanent Impairment".

4

5

6

7

8

9

10

11

- (3) (a) Objective evidence necessary to prove permanent disability in occupational hearing loss cases may be established by medically recognized and accepted clinical diagnostic methodologies, including, but not limited to, audiological tests that measure air and bone conduction thresholds and speech discrimination ability.
- 12 (b) Any difference in the baseline hearing 13 levels shall be confirmed by subsequent 14 testing; provided, however, such test shall 15 be given within four (4) weeks of the 16 initial baseline hearing level test but not 17 before five (5) days after being adjusted 18 for presbycusis.
- b. Medical opinions addressing compensability and
 permanent disability shall be stated within a
 reasonable degree of medical certainty;
 32. "Official Disability Guidelines" or "ODG" means the current
 edition of the Official Disability Guidelines and the ODG Treatment
 in Workers' Comp as published by the Work Loss Data Institute;

ENGR. H. A. to ENGR. S. B. NO. 701

33. "Permanent disability" means the extent, expressed as a
 percentage, of the loss of a portion of the total physiological
 capabilities of the human body as established by competent medical
 evidence and based on the current edition of the American Medical
 Association guides to the evaluation of impairment, if the
 impairment is contained therein;

7 34. "Permanent partial disability" means a permanent disability 8 or loss of use after maximum medical improvement has been reached 9 which prevents the injured employee, who has been released to return 10 to work by the treating physician, from returning to his or her pre-11 injury or equivalent job. All evaluations of permanent partial 12 disability must be supported by objective findings;

13 35. "Permanent total disability" means, based on objective 14 findings, incapacity, based upon accidental injury or occupational 15 disease, to earn wages in any employment for which the employee may 16 become physically suited and reasonably fitted by education, 17 training, experience or vocational rehabilitation provided under 18 this act. Loss of both hands, both feet, both legs, or both eyes, 19 or any two thereof, shall constitute permanent total disability;

20 36. "Preexisting condition" means any illness, injury, disease, 21 or other physical or mental condition, whether or not work-related, 22 for which medical advice, diagnosis, care or treatment was 23 recommended or received preceding the date of injury;

24

ENGR. H. A. to ENGR. S. B. NO. 701

1 37. "Pre-injury or equivalent job" means the job that the 2 claimant was working for the employer at the time the injury 3 occurred or any other employment offered by the claimant's employer 4 that pays at least one hundred percent (100%) of the employee's 5 average weekly wage;

6 38. "Private self-insurer" means a private employer that has 7 been authorized to self-insure its workers' compensation obligations 8 pursuant to this act, but does not include group self-insurance 9 associations authorized by this act, or any public employer that 10 self-insures pursuant to this act;

11 39. "Prosthetic" means an artificial device used to replace a 12 part or joint of the body that is lost or injured in an accident or 13 illness covered by this act;

40. "Scheduled member" or "member" means hands, fingers, arms, legs, feet, toes, and eyes. In addition, for purposes of the Multiple Injury Trust Fund only, "scheduled member" means hearing impairment;

18 41. "Scientifically based" involves the application of 19 rigorous, systematic, and objective procedures to obtain reliable 20 and valid knowledge relevant to medical testing, diagnoses and 21 treatment; is adequate to justify the general conclusions drawn; and 22 has been accepted by a peer-review journal or approved by a panel of 23 independent experts through a comparably rigorous, objective, and 24 scientific review;

ENGR. H. A. to ENGR. S. B. NO. 701

42. "State average weekly wage" means the state average weekly
wage determined by the Oklahoma Employment Security Commission in
the preceding calendar year. If such determination is not
available, the Commission shall determine the wage annually after
reasonable investigation;

43. "Subcontractor" means a person, firm, corporation or other
legal entity hired by the general or prime contractor to perform a
specific task for the completion of a work-related activity;

9 44. "Surgery" does not include an injection, or the forcing of
10 fluids beneath the skin, for treatment or diagnosis;

11 45. "Surviving spouse" means the employee's spouse by reason of 12 a legal marriage recognized by the State of Oklahoma or under the 13 requirements of a common law marriage in this state, as determined 14 by the Workers' Compensation Commission;

15 46. "Temporary partial disability" means an injured employee 16 who is temporarily unable to perform his or her job, but may perform 17 alternative work offered by the employer;

18 47. "Time of accident" or "date of accident" means the time or 19 date of the occurrence of the accidental incident from which 20 compensable injury, disability, or death results; and

21 48. "Wages" means money compensation received for employment at 22 the time of the accident, including the reasonable value of board, 23 rent, housing, lodging, or similar advantage received from the 24 employer and includes the amount of tips required to be reported by

ENGR. H. A. to ENGR. S. B. NO. 701

1 the employer under Section 6053 of the Internal Revenue Code and the 2 regulations promulgated pursuant thereto or the amount of actual 3 tips reported, whichever amount is greater.

4 SECTION 2. AMENDATORY Section 3, Chapter 208, O.S.L. 5 2013 (85A O.S. Supp. 2018, Section 3), is amended to read as 6 follows:

7 Section 3. A. Every employer and every employee, unless otherwise specifically provided in this act, shall be subject and 8 9 bound to the provisions of the Administrative Workers' Compensation 10 Act. However, nothing shall pay or provide benefits according to 11 the provisions of this act for the accidental injury or death of an 12 employee arising out of and in the course of his or her employment, 13 without regard to fault for such injury, if the employee's contract 14 of employment was made in this state or if the injury occurred 15 within this state. If an employee makes a claim for an injury in 16 another jurisdiction and a final adjudication is entered in the 17 case, the employee is precluded from a right of action under the 18 Administrative Workers' Compensation Act of this state. If the 19 employee makes a claim or brings an action in this state prior to a 20 final adjudication in another jurisdiction, any receipt of benefits 21 in the other jurisdiction shall not bar the claim or action in this 22 state; provided, however, in no event shall the Workers' 23 Compensation Commission grant benefits that duplicate benefits paid 24 by the employer or the employer's insurance carrier in the other

ENGR. H. A. to ENGR. S. B. NO. 701

jurisdiction. Nothing in this act shall be construed to conflict with any valid Act of Congress governing the liability of employers for injuries received by their employees.

4 This act The State of Oklahoma accepts the provisions of the в. 5 Acts of Congress designated as 40 U.S.C., Section 3172, formerly 40 U.S.C., Section 290, and hereby extends the territorial jurisdiction 6 7 of the Administrative Workers' Compensation Act of this state to all lands and premises within the exterior boundaries of this state 8 9 which the federal government of the United States of America owns or 10 holds by deed or act of cession, and to all purchases, projects, 11 buildings, constructions, improvements and property within the 12 exterior boundaries of this state belonging to the federal 13 government of the United States of America, in the same manner and 14 to the same extent as if the premises were under the exclusive 15 jurisdiction of this state, subject only to the limitations placed 16 thereon by the Acts of Congress.

17 <u>C. The Administrative Workers' Compensation Act</u> shall apply
 18 only to claims for injuries and death based on accidents which occur
 19 on or after the effective date of this act February 1, 2014.

20 C. D. The Workers' Compensation Code in effect before the 21 effective date of this act February 1, 2014, shall govern all rights 22 in respect to claims for injuries and death based on accidents 23 occurring before the effective date of this act February 1, 2014. 24

2 2013, as amended by Section 1, Chapter 390, O.S.L. 2015 (85A O.S. 3 Supp. 2018, Section 6), is amended to read as follows: 4 Section 6. 5 A. 1. a. Any person or entity who makes any material false 6 statement or representation, who willfully and 7 knowingly omits or conceals any material information, 8 or who employs any device, scheme, or artifice, or who 9 aids and abets any person for the purpose of: 10 (1) obtaining any benefit or payment, 11 (2) increasing any claim for benefit or payment, or 12 (3) obtaining workers' compensation coverage under 13 this act, 14 shall be guilty of a felony punishable pursuant to 15 Section 1663 of Title 21 of the Oklahoma Statutes. 16 b. A material false statement or representation includes, 17 but is not limited to, attempting to obtain treatment 18 or compensation for body parts that were not injured 19 in the course and scope of employment. 20 Fifty percent (50%) of any criminal fine imposed and 21 collected under this section shall be paid and 22 Fifty percent (1	SECTION 3. AMENDATORY Section 6, Chapter 208, O.S.L.	
4 Section 6. 5 A. 1. a. Any person or entity who makes any material false 6 statement or representation, who willfully and 7 knowingly omits or conceals any material information, 8 or who employs any device, scheme, or artifice, or who 9 aids and abets any person for the purpose of: 10 (1) obtaining any benefit or payment, 11 (2) increasing any claim for benefit or payment, or 12 (3) obtaining workers' compensation coverage under 13 this act, 14 shall be guilty of a felony punishable pursuant to 15 Section 1663 of Title 21 of the Oklahoma Statutes. 16 b. A material false statement or representation includes, 17 but is not limited to, attempting to obtain treatment 18 or compensation for body parts that were not injured 19 in the course and scope of employment. 20 c. Fifty percent (50%) of any criminal fine imposed and 21 collected under this section shall be paid and 22 allocated in accordance with applicable law to the 23 Workers' Compensation <u>Commission Revolving</u> Fund	2	2013, as amended by Section 1, Chapter 390, O.S.L. 2015 (85A O.S.	
5 A. 1. a. Any person or entity who makes any material false 6 statement or representation, who willfully and 7 knowingly omits or conceals any material information, 8 or who employs any device, scheme, or artifice, or who 9 aids and abets any person for the purpose of: 10 (1) obtaining any benefit or payment, 11 (2) increasing any claim for benefit or payment, or 12 (3) obtaining workers' compensation coverage under 13 this act, 14 shall be guilty of a felony punishable pursuant to 15 Section 1663 of Title 21 of the Oklahoma Statutes. 16 b. A material false statement or representation includes, 17 but is not limited to, attempting to obtain treatment 18 or compensation for body parts that were not injured 19 in the course and scope of employment. 20 C. Fifty percent (50%) of any criminal fine imposed and 21 collected under this section shall be paid and 22 allocated in accordance with applicable law to the 23 Workers' Compensation <u>Commission Revolving</u> Fund	3	Supp. 2018, Section 6), is amended to read as follows:	
6 statement or representation, who willfully and 7 knowingly omits or conceals any material information, 8 or who employs any device, scheme, or artifice, or who 9 aids and abets any person for the purpose of: 10 (1) obtaining any benefit or payment, 11 (2) increasing any claim for benefit or payment, or 12 (3) obtaining workers' compensation coverage under 13 this act, 14 shall be guilty of a felony punishable pursuant to 15 Section 1663 of Title 21 of the Oklahoma Statutes. 16 b. A material false statement or representation includes, 17 but is not limited to, attempting to obtain treatment 18 or compensation for body parts that were not injured 19 in the course and scope of employment. 20 c. Fifty percent (50%) of any criminal fine imposed and 21 collected under this section shall be paid and 22 allocated in accordance with applicable law to the 23 Workers' Compensation <u>Commission Revolving</u> Fund	4	Section 6.	
 knowingly omits or conceals any material information, or who employs any device, scheme, or artifice, or who aids and abets any person for the purpose of: obtaining any benefit or payment, obtaining workers' compensation coverage under this act, shall be guilty of a felony punishable pursuant to Section 1663 of Title 21 of the Oklahoma Statutes. b. A material false statement or representation includes, but is not limited to, attempting to obtain treatment or compensation for body parts that were not injured in the course and scope of employment. c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	5	A. 1. a. Any person or entity who makes any material false	
8or who employs any device, scheme, or artifice, or who9aids and abets any person for the purpose of:10(1) obtaining any benefit or payment,11(2) increasing any claim for benefit or payment, or12(3) obtaining workers' compensation coverage under13this act,14shall be guilty of a felony punishable pursuant to15Section 1663 of Title 21 of the Oklahoma Statutes.16b. A material false statement or representation includes,17but is not limited to, attempting to obtain treatment18or compensation for body parts that were not injured19in the course and scope of employment.20c. Fifty percent (50%) of any criminal fine imposed and21collected under this section shall be paid and22allocated in accordance with applicable law to the23Workers' Compensation Commission Revolving Fund	6	statement or representation, who willfully and	
 aids and abets any person for the purpose of: (1) obtaining any benefit or payment, (2) increasing any claim for benefit or payment, or (3) obtaining workers' compensation coverage under this act, shall be guilty of a felony punishable pursuant to Section 1663 of Title 21 of the Oklahoma Statutes. b. A material false statement or representation includes, but is not limited to, attempting to obtain treatment or compensation for body parts that were not injured in the course and scope of employment. c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	7	knowingly omits or conceals any material informatio	n,
 10 (1) obtaining any benefit or payment, 11 (2) increasing any claim for benefit or payment, or 12 (3) obtaining workers' compensation coverage under 13 this act, 14 shall be guilty of a felony punishable pursuant to 15 Section 1663 of Title 21 of the Oklahoma Statutes. 16 b. A material false statement or representation includes, 17 but is not limited to, attempting to obtain treatment 18 or compensation for body parts that were not injured 19 in the course and scope of employment. 20 c. Fifty percent (50%) of any criminal fine imposed and 21 collected under this section shall be paid and 22 allocated in accordance with applicable law to the 23 Workers' Compensation <u>Commission Revolving</u> Fund 	8	or who employs any device, scheme, or artifice, or	who
 (2) increasing any claim for benefit or payment, or (3) obtaining workers' compensation coverage under this act, shall be guilty of a felony punishable pursuant to Section 1663 of Title 21 of the Oklahoma Statutes. b. A material false statement or representation includes, but is not limited to, attempting to obtain treatment or compensation for body parts that were not injured in the course and scope of employment. c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	9	aids and abets any person for the purpose of:	
 12 (3) obtaining workers' compensation coverage under 13 this act, 14 shall be guilty of a felony punishable pursuant to 15 Section 1663 of Title 21 of the Oklahoma Statutes. 16 b. A material false statement or representation includes, 17 but is not limited to, attempting to obtain treatment 18 or compensation for body parts that were not injured 19 in the course and scope of employment. 20 c. Fifty percent (50%) of any criminal fine imposed and 21 collected under this section shall be paid and 22 allocated in accordance with applicable law to the 23 Workers' Compensation <u>Commission Revolving</u> Fund 	10	(1) obtaining any benefit or payment,	
13this act,14shall be guilty of a felony punishable pursuant to15Section 1663 of Title 21 of the Oklahoma Statutes.16b. A material false statement or representation includes,17but is not limited to, attempting to obtain treatment18or compensation for body parts that were not injured19in the course and scope of employment.20c. Fifty percent (50%) of any criminal fine imposed and21collected under this section shall be paid and22allocated in accordance with applicable law to the23Workers' Compensation <u>Commission Revolving</u> Fund	11	(2) increasing any claim for benefit or payment, o	r
 shall be guilty of a felony punishable pursuant to Section 1663 of Title 21 of the Oklahoma Statutes. b. A material false statement or representation includes, but is not limited to, attempting to obtain treatment or compensation for body parts that were not injured in the course and scope of employment. c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	12	(3) obtaining workers' compensation coverage under	
 Section 1663 of Title 21 of the Oklahoma Statutes. A material false statement or representation includes, but is not limited to, attempting to obtain treatment or compensation for body parts that were not injured in the course and scope of employment. c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	13	this act,	
 b. A material false statement or representation includes, but is not limited to, attempting to obtain treatment or compensation for body parts that were not injured in the course and scope of employment. c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	14	shall be guilty of a felony punishable pursuant to	
but is not limited to, attempting to obtain treatment or compensation for body parts that were not injured in the course and scope of employment. c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund	15	Section 1663 of Title 21 of the Oklahoma Statutes.	
18or compensation for body parts that were not injured19in the course and scope of employment.20c. Fifty percent (50%) of any criminal fine imposed and21collected under this section shall be paid and22allocated in accordance with applicable law to the23Workers' Compensation Commission Revolving Fund	16	b. A material false statement or representation includ	es,
19 in the course and scope of employment. 20 c. Fifty percent (50%) of any criminal fine imposed and 21 collected under this section shall be paid and 22 allocated in accordance with applicable law to the 23 Workers' Compensation <u>Commission Revolving</u> Fund	17	but is not limited to, attempting to obtain treatme	nt
 c. Fifty percent (50%) of any criminal fine imposed and collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	18	or compensation for body parts that were not injure	d
 collected under this section shall be paid and allocated in accordance with applicable law to the Workers' Compensation <u>Commission Revolving</u> Fund 	19	in the course and scope of employment.	
22 allocated in accordance with applicable law to the 23 Workers' Compensation <u>Commission Revolving</u> Fund	20	c. Fifty percent (50%) of any criminal fine imposed an	d
23 Workers' Compensation <u>Commission Revolving</u> Fund	21	collected under this section shall be paid and	
	22	allocated in accordance with applicable law to the	
24 administered by the Commission.	23	Workers' Compensation Commission Revolving Fund	
	24	administered by the Commission.	

ENGR. H. A. to ENGR. S. B. NO. 701

2. Any person or entity with whom any person identified in
 division (1) of subparagraph a of paragraph 1 of this subsection has
 conspired to achieve the proscribed ends shall, by reason of such
 conspiracy, be guilty as a principal of a felony.

5 B. A Except for forms submitted through the electronic data 6 <u>interchange system employed by the Commission pursuant to Section</u> 7 <u>101 of this title, a</u> copy of division (1) of subparagraph a of 8 paragraph 1 of subsection A of this section shall be included on all 9 forms prescribed by the Commission for the use of injured employees 10 claiming benefits and for the use of employers in responding to 11 employees' claims under this act.

C. Where the Commission or the Attorney General finds that a violation of division (1) of subparagraph a of paragraph 1 of subsection A of this section has been committed, or that any other criminal violations in furtherance of this act were committed, the chair of the Commission or the Attorney General shall refer the matter for appropriate action to the prosecuting attorney having criminal jurisdiction over the matter.

19D. 1. a.There shall be established within the Office of the20Attorney General a Workers' Compensation Fraud21Investigation Unit, funded by the Commission. The22Attorney General shall appoint a Director of the23Workers' Compensation Fraud Investigation Unit, who24may also serve as the director of any other designated

ENGR. H. A. to ENGR. S. B. NO. 701

1 2

3

4

5

6

7

8

insurance fraud investigation division within the Attorney General's office.

- b. (1) The Unit shall investigate workers' compensation fraud, any additional criminal violations that may be related to workers' compensation fraud, and any other insurance fraud matters as may be assigned at the discretion of the Attorney General.
- 9 (2) The Attorney General shall designate the 10 personnel assigned to the Unit, who, on meeting 11 the qualifications established by the Oklahoma 12 Council on Law Enforcement Education and 13 Training, shall have the powers of specialized 14 law enforcement officers of the State of Oklahoma 15 for the purpose of conducting investigations 16 under this subparagraph. Personnel hired as 17 specialized law enforcement officers shall have a 18 minimum of three (3) years of certified law 19 enforcement experience or its equivalent in 20 national or military law enforcement experience 21 as approved by the Oklahoma Council on Law 22 Enforcement Education and Training. 23 2. The Attorney General and his or her deputies and assistants 24 and the Director of the Workers' Compensation Fraud Investigation

Unit and his or her deputies and assistants shall be vested with the
 power of enforcing the requirements of this section.

3. It shall be the duty of the Unit to assist the Attorney 3 General in the performance of his or her duties. The Unit shall 4 5 determine the identity of employees in this state who have violated division (1) of subparagraph a of paragraph 1 of subsection A of 6 7 this section and report the violation to the Office of the Attorney 8 General and the Commission. The Attorney General shall report the 9 violation to the prosecuting attorney having jurisdiction over the 10 matter.

4. a. In the course of any investigation being conducted by
the Unit, the Attorney General and his or her deputies
and assistants and the Director and his or her
deputies and assistants shall have the power of
subpoena and may:

- (1) subpoena witnesses,
- 17 (2) administer oaths or affirmations and examine any
 18 individual under oath, and

(3) require and compel the production of records,
books, papers, contracts, and other documents.
b. The issuance of subpoenas for witnesses shall be
served in the same manner as if issued by a district
court.

24

16

ENGR. H. A. to ENGR. S. B. NO. 701

- c. (1) Upon application by the commissioner or the Director of the Unit, the district court located in the county where a subpoena was served may issue an order compelling an individual to comply with the subpoena to testify.
 - (2) Any failure to obey the order of the court may be punished as contempt.
- d. If any person has refused in connection with an 8 9 investigation by the Director to be examined under 10 oath concerning his or her affairs, then the Director 11 is authorized to conduct and enforce by all 12 appropriate and available means any examination under 13 oath in any state or territory of the United States in 14 which any officer, director, or manager may then 15 presently be to the full extent permitted by the laws 16 of the state or territory.
- e. In addition to the punishments described in paragraph
 1 of subsection A of this section, any person
 providing false testimony under oath or affirmation in
 this state as to any matter material to any
 investigation or hearing conducted under this
 subparagraph, or any workers' compensation hearing,
 shall upon conviction be guilty of perjury.
- 24

6

7

ENGR. H. A. to ENGR. S. B. NO. 701

1 5. Fees and mileage of the officers serving the subpoenas and 2 of the witnesses in answer to subpoenas shall be as provided by law. 6. Every carrier or employer who has reason to suspect 3 a. 4 that a violation of division (1) of subparagraph a of 5 paragraph 1 of subsection A of this section has occurred shall be required to report all pertinent 6 7 matters to the unit. b. No carrier or employer who makes a report for a 8 9 suspected violation of division (1) of subparagraph a 10 of paragraph 1 of subsection A of this section by an 11 employee shall be liable to the employee unless the 12 carrier or employer knowingly and intentionally

14 Any carrier or employer who willfully and с. (1)15 knowingly fails to report a violation under 16 division (1) of subparagraph a of paragraph 1 of 17 subsection A of this section shall be guilty of a 18 misdemeanor and on conviction shall be punished 19 by a fine not to exceed One Thousand Dollars 20 (\$1,000.00).

included false information in the report.

(2) Fifty percent (50%) of any criminal fine imposed and collected under this subparagraph shall be paid and allocated in accordance with applicable

24

21

22

23

13

ENGR. H. A. to ENGR. S. B. NO. 701

1 law to the fund administered by the Workers' <u>Compensation</u> Commission <u>Revolving Fund</u>.
3 d. Any employee may report suspected violations of division (1) of subparagraph a of paragraph 1 of subsection A of this section. No employee who makes a report shall be liable to the employee whose suspected violations have been reported.

8 E. 1. For the purpose of imposing criminal sanctions or a fine 9 for violation of the duties of this act, the prosecuting attorney 10 shall have the right and discretion to proceed against any person or 11 organization responsible for such violations, both corporate and 12 individual liability being intended by this act.

13 2. The prosecuting attorney of the district to whom a suspected 14 violation of subsection A of this section, or any other criminal 15 violations that may be related thereto, have been referred shall, 16 for the purpose of assisting him or her in such prosecutions, have 17 the authority to appoint as special deputy prosecuting attorneys 18 licensed attorneys-at-law in the employment of the Unit or any other 19 designated insurance fraud investigation division within the 20 Attorney General's office. Such special deputy prosecuting 21 attorneys shall, for the purpose of the prosecutions to which they 22 are assigned, be responsible to and report to the prosecuting 23 attorney.

24

F. Notwithstanding any other provision of law, investigatory files as maintained by the Attorney General's office and by the Unit shall be deemed confidential and privileged. The files may be made open to the public once the investigation is closed by the Director of the Workers' Compensation Fraud Investigation Unit with the consent of the Attorney General.

G. The Attorney General, with the cooperation and assistance of
the Commission, is authorized to establish rules as may be necessary
to carry out the provisions of this section.

H. Nothing in this section shall be deemed to create a civil cause of action.

12 I. The Except for forms submitted through the electronic data 13 <u>interchange system employed by the Commission pursuant to Section</u> 14 <u>101 of this title, the</u> Commission shall include a statement on all 15 forms for notices and instructions to employees, employers, carriers 16 and third-party administrators that any person who commits workers' 17 compensation fraud, upon conviction, shall be guilty of a felony 18 punishable by imprisonment, a fine or both.

J. If an injured employee is charged with workers' compensation fraud, any pending workers' compensation proceeding, including benefits, shall be stayed after the preliminary hearing is concluded and the claimant is bound over and shall remain stayed until the final disposition of the criminal case. All notice requirements shall continue during the stay.

ENGR. H. A. to ENGR. S. B. NO. 701

1 K. J. If the Attorney General's Office is in compliance with 2 the discovery provisions of Section 258 of Title 22 of the Oklahoma 3 Statutes, medical records created for the purpose of treatment and 4 medical opinions obtained during the investigation shall be 5 admissible at the preliminary hearing without the appearance of the medical professional creating such records or opinions. However, 6 7 when material evidence dispositive to the issues of whether there was probable cause the crime was committed and whether the defendant 8 9 committed the crime, was not included in a report or opinion 10 admitted at preliminary hearing, but might be presented at a 11 pretrial hearing by a medical professional who created such report 12 or opinion, the judge may, upon the motion of either party, order 13 the appearance of the medical professional creating such report or 14 opinion. Questions of fact regarding the conduct of the defendant 15 that conflict with the findings of the medical professional 16 evaluating the defendant shall not constitute material evidence. Ιn 17 the event of such motion, notice shall be given to the Attorney 18 General's Workers Compensation Fraud and Investigation and 19 Prosecution Unit. A hearing shall be held and, if the motion is 20 granted, the evidence shall not be presented fewer than five (5) 21 days later.

22 L. K. Any person or entity who, in good faith and exercising 23 due care, reports suspected workers' compensation fraud or insurance 24 fraud, or who allows access to medical records or other information

ENGR. H. A. to ENGR. S. B. NO. 701

pertaining to suspected workers' compensation or insurance fraud, by 1 persons authorized to investigate a report concerning the workers' 2 compensation and insurance fraud, shall have immunity from any civil 3 4 or criminal liability for such report or access. Any such person or 5 entity shall have the same immunity with respect to participation in any judicial proceeding resulting from such reports. For purposes 6 7 of any civil or criminal proceeding, there shall be a presumption of good faith of any person making a report, providing medical records 8 9 or providing information pertaining to a workers' compensation or 10 insurance fraud investigation by the Attorney General, and 11 participating in a judicial proceeding resulting from a subpoena or 12 a report.

SECTION 4. AMENDATORY Section 18, Chapter 208, O.S.L. (85A O.S. Supp. 2018, Section 18), is amended to read as follows:

16 Section 18. A. No hospital, physician, or other health care 17 provider shall bill or attempt to collect any fee or any portion of 18 a fee for services rendered to an employee due to a work-related 19 injury or report to any credit-reporting agency any failure of the 20 employee to make the payment, when a claim for compensation has been 21 filed under this act and the hospital, physician, or health care 22 provider has received actual notice given in writing by the employee 23 or the employee's representative. Actual notice shall be deemed 24 received by the hospital, physician, or health care provider five

ENGR. H. A. to ENGR. S. B. NO. 701

1 (5) days after mailing by certified mail or sending by facsimile, 2 electronic mail or other electronic means with receipt of 3 confirmation by the employee or his or her representative to the 4 hospital, physician, or health care provider. 5 Β. The notice shall include: The name of the employer; 6 1. 7 2. The name of the insurer, if known; 3. The name of the employee receiving the services; 8 9 4. The general nature of the injury, if known; and 10 5. Where a claim has been filed, the claim number, if known. When an injury or bill is found to be noncompensable under 11 С. 12 this act, the hospital, physician, or other health care provider 13 shall be entitled to pursue the employee for any unpaid portion of 14 the fee or other charges for authorized services provided to the 15 employee. Any applicable statute of limitations for an action for 16 the fees or other charges shall be tolled from the time notice is 17 given to the hospital, physician, or other health care provider 18 until a determination of noncompensability in regard to the injury 19 which is the basis of the services is made, or if there is an 20 appeal, until a final determination of noncompensability is rendered 21 and all appeal deadlines have passed. 22

D. This section shall not avoid void, modify, or amend any
other section or subsection of this act.

24

E. An order by the Commission under this section shall stay all
 proceedings for collection.

3 SECTION 5. AMENDATORY Section 19, Chapter 208, O.S.L. 4 2013, as amended by Section 4, H.J.R. No. 1096, O.S.L. 2014 (85A 5 O.S. Supp. 2018, Section 19), is amended to read as follows: 6 Section 19. A. There is hereby created the Oklahoma Workers' 7 Compensation Commission, an executive agency of the State of Oklahoma, which shall have the exclusive responsibility and duty to 8 9 carry out the provisions of this act the Administrative Workers' 10 Compensation Act, except as otherwise provided.

11 The Commission shall consist of three (3) full-time в. 12 commissioners, each of whom must have been involved in the workers' 13 compensation field for at least three (3) years, appointed by the 14 Governor: one of whom is chosen from a slate of three selected by 15 the Speaker of the House of Representatives, with all three 16 confirmed by the Senate. The term of each appointee shall be six 17 (6) years to administer the provisions of this act. The Governor 18 may request a subsequent slate of nominees from the Speaker of the 19 House of Representatives if a suitable nominee is not found. Any or 20 all of the commissioners may be reappointed for additional six-year 21 terms upon reconfirmation by the Senate. However, the initial 22 commissioners shall serve staggered terms of two (2), four (4), and 23 six (6) years, respectively, as determined by the Governor. If the 24 Legislature is not in session at the time of appointment, the

ENGR. H. A. to ENGR. S. B. NO. 701

1 appointment shall be subject to confirmation by the Senate upon convening of the next regular session of the Legislature. 2 Membership on the Commission shall be a full-time position and no 3 4 commissioner shall have any other employment, unless authorized or 5 excused by law. Each commissioner shall receive a salary equal to that paid to a district judge of this state; provided however, the 6 7 commissioners shall not receive any increase in salary as a result of the provisions of Section 1 of this resolution House Joint 8 9 Resolution No. 1096 of the 2nd Session of the 54th Oklahoma

10 Legislature.

11 The Commission shall have the authority to adopt reasonable С. 12 rules within its respective areas of responsibility including the 13 rules of procedure for administrative hearings, after notice and 14 public hearing, for effecting the purposes of this act the 15 Administrative Workers' Compensation Act, in accordance with the 16 Oklahoma Administrative Procedures Act. All rules, upon adoption, 17 shall be published and be made available to the public and, if not 18 inconsistent with the law, shall be binding in the administration of 19 this act the Administrative Workers' Compensation Act.

D. The principal office of the Commission shall be situated in the City of Oklahoma City in quarters assigned by the Office of Management and Enterprise Services. The Commission shall maintain and keep open, during reasonable business hours, the office in Oklahoma City, for the transaction of business, at which office its

ENGR. H. A. to ENGR. S. B. NO. 701

official records and papers shall be kept. The Commission or any
 commissioner may hold hearings in any city of this state.

E. The Governor shall appoint one of the commissioners to be chair of the Commission. In addition to other duties, the chair of the Commission shall have the following powers and duties:

To organize, direct and develop the administrative work of
 the administrative law judges, including but not limited to
 docketing, clerical, technical and financial work and establishment
 of hours of operation;

To employ administrative staff for the Commission, within
 budgetary limitation; and

Such other duties and responsibilities authorized by law or
 as the Commission may prescribe.

F. All appeals or disputes arising from actions of the
Commission shall be governed by provisions of this act the
<u>Administrative Workers' Compensation Act</u> and the Commission shall
not be subject to the provisions of the Oklahoma Administrative
Procedures Act, except as provided in this act the Administrative

19 Workers' Compensation Act.

G. When any commissioner of the Commission is disqualified for any reason to hear and participate in the determination of any matter pending before the Commission, the Governor shall appoint a qualified person to hear and participate in the decision on the particular matter. The special commissioner so appointed shall have

ENGR. H. A. to ENGR. S. B. NO. 701

1 all authority and responsibility with respect to the particular 2 matter before the Commission as if the person were a regular commissioner of the Commission but shall have no authority or 3 4 responsibility with respect to any other matter before the 5 Commission. A person appointed as a special commissioner of the 6 Commission under the provisions of this subsection shall be entitled 7 to receive a per diem equal to the annual salary of the 8 commissioners prorated for the number of days he or she serves in 9 the capacity of a special commissioner of the Commission. 10 Furthermore, when a vacancy on the Commission occurs or is certain 11 to occur, the position shall be filled pursuant to the provisions of 12 this section.

13 H. Communications, whether in person, by electronic medium or 14 in writing, that reflect the pre-decisional deliberations of the 15 Commissioners among each other or with Commission staff, and which 16 occur while exercising their quasi-judicial duties such as reviewing 17 decisions or awards made by the administrative law judges of the 18 Commission pursuant to Section 78 of this title or reviewing 19 arbitration awards pursuant to Section 322 and Section 323 of this 20 title, shall not be subject to requirements of the Oklahoma Open 21 Meeting Act or Oklahoma Open Records Act, shall be confidential and 22 shall be considered protected deliberative communications. 23

24

1	SECTION 6	. AMENDATORY Section 22, Chapter 208, O.S.L.	
2	2013 (85A O.S	. Supp. 2018, Section 22), is amended to read as	
3	follows:		
4	Section 2	2. A. 1. For the purpose of administering the	
5	provisions of this act title, the Workers' Compensation Commission		
6	is authorized:		
7	a.	to make rules necessary for the administration and	
8		operation of the Commission,	
9	b.	to appoint and fix the compensation of temporary	
10		technical assistants, medical and legal advisers,	
11		clerical assistants and other officers and employees,	
12		and	
13	с.	to make such expenditures, including those for	
14		personal service, rent, books, periodicals, office	
15		equipment, and supplies, and for printing and binding	
16		as may be necessary.	
17	2. a.	Before The Commission shall vote on any substantive	
18		change to any form and the effective date of such	
19		substantive change.	
20	b.	The Commission shall comply with the Administrative	
21		Procedures Act applicable to the filing and	
22		publication requirements for rules before the	
23		adoption, prescription, amendment, modification, or	
24		repeal of any rule, regulation, or form, the	

ENGR. H. A. to ENGR. S. B. NO. 701

1	Commission shall give at least thirty (30) days'		
2	notice of its intended action.		
3	b. The notice shall include a statement of the terms or		
4	substance of the intended action or description of the		
5	subjects and issues involved, and the time, place, and		
6	manner in which interested persons may present their		
7	views thereon.		
8	c. The notice shall be mailed to any person specified by		
9	law or who shall have requested advance notice of		
10	rule-making proceedings.		
11	3. The Commission shall afford all interested persons a		
12	reasonable opportunity to submit written data, views, or arguments,		
13	and, if the Commission in its discretion shall so direct, oral		
14	testimony or argument.		
15	4. Each rule, regulation, or form adopted by the Commission		
16	shall be effective twenty (20) days after adoption unless a later		
17	date is specified by law or in the rule itself.		
18	5. All expenditures of the Commission in the administration of		
19	this act shall be allowed and paid from the Workers' Compensation		
20	Fund on the presentation of itemized vouchers approved by the		
21	Commission.		
22	B. 1. The Commission may appoint as many persons as may be		
23	necessary to be administrative law judges and in addition may		
24	appoint such examiners, investigators, medical examiners, clerks,		

1 and other employees as it deems necessary to effectuate the
2 provisions of this act title.

3 2. Employees appointed under this subsection shall receive an4 annual salary to be fixed by the Commission.

5 C. Additionally, the Commission shall have the following powers6 and duties:

7 1. To hear and approve compromise settlements;

2. To review and approve own-risk applications and group selfinsurance association applications, except for those established
pursuant to Section 85.58A of Title 74 of the Oklahoma Statutes;
3. To monitor own-risk, self-insurer and group self-insurance
programs, in accordance with the rules of the Commission, except for
those established pursuant to Section 85.58A of Title 74 of the

14 Oklahoma Statutes;

4. To contract with an appropriate state governmental entity, insurance carrier or approved service organization to process, investigate and pay valid claims against an impaired self-insurer which fails, due to insolvency or otherwise, to pay its workers' compensation obligations, charges for which shall be paid from the proceeds of security posted with the Commission as provided in

21 Section 38 of this act;

5. To establish a toll-free telephone number in order to provide information and answer questions about the Commission;

ENGR. H. A. to ENGR. S. B. NO. 701

6. To hear and determine claims concerning disputed medical
 bills;

7. To promulgate necessary rules for administering this act
<u>title</u> and develop uniform forms and procedures for use by
administrative law judges. Such rules shall be reviewable by the
Legislature;

7 8. To invest funds on behalf of the Multiple Injury Trust Fund;
8 9. To appoint a Commission Mediator to conduct informal
9 sessions to attempt to resolve assigned disputes; and

10 9. To establish a petty cash fund in an amount not to exceed 11 Five Hundred Dollars (\$500.00) to be used for the purpose of making 12 change for persons purchasing printed or electronic materials from 13 the Commission, paying fees and fines, and transacting other such 14 business with the Commission. The fund shall be established and 15 replenished from any monies available to the Commission for 16 operating expenses and it shall be administered pursuant to the 17 requirements of Section 195 of Title 62 of the Oklahoma Statutes; 18 and

19 10. Such other duties and responsibilities authorized by law.
20 D. It shall be the duty of an administrative law judge, under
21 the rules adopted by the Commission, to hear and determine claims
22 for compensation and to conduct hearings and investigations and to
23 make such judgments, decisions, and determinations as may be
24 required by any rule or judgment of the Commission.

ENGR. H. A. to ENGR. S. B. NO. 701

1 SECTION 7. AMENDATORY Section 28, Chapter 208, O.S.L. 2 2013, as last amended by Section 1, Chapter 344, O.S.L. 2015 (85A O.S. Supp. 2018, Section 28), is amended to read as follows: 3 Section 28. A. There are established within the Office of the 4 5 State Treasurer two separate funds: The "Multiple Injury Trust Fund"; and 6 1. 7 2. The "Self-insurance Guaranty Fund". B. Except as provided in Section 97 of this title, no money 8 9 shall be appropriated from these funds for any purpose except for 10 the use and benefit, or at the direction, of the Oklahoma Workers' Compensation Commission. 11 12 C. Except as provided in Section 96 of this title, all funds established under this section shall be administered, disbursed, and 13 14 invested under the direction of the Commission and the State 15 Treasurer. 16 D. All incomes derived through investment of the Multiple 17 Injury Trust Fund shall be credited as investment income to the fund 18 that participated in the investment. 19 E. C. No monies deposited to these funds shall be subject to 20 any deduction, tax, levy, or any other type of assessment. 21 If the balance in the Multiple Injury Trust Fund becomes F. D. 22 insufficient to fully compensate those employees to whom it is 23 obligated, payment shall be suspended until such time as the 24

ENGR. H. A. to ENGR. S. B. NO. 701

Multiple Injury Trust Fund is capable of meeting its obligations,
 paying all arrearages, and restoring normal benefit payments.

G. E. On the effective maturity dates of each investment, the
investment shall be transferred to the State Treasurer for deposit
into the Multiple Injury Trust Fund created in this section.

H. <u>F.</u> Unless provided otherwise in the Administrative Workers'
Compensation Act, all fines and penalties assessed under the
Administrative Workers' Compensation Act shall be deposited into the
Workers' Compensation Commission Revolving Fund. Any monies
remaining in the Workers' Compensation Fund on June 30, 2015, shall
be transferred to the Workers' Compensation Commission Revolving
Fund.

SECTION 8. AMENDATORY Section 29, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 29), is amended to read as follows:

Section 29. A. Each carrier writing compensation insurance in this state shall pay to the Commission at the time of securing a license to transact business in this state an annual application fee of One Thousand Dollars (\$1,000.00) for the privilege of qualifying with the Commission for the writing of compensation insurance.

B. Each self-insurer shall pay to the Commission <u>an annual</u>
 <u>application fee of</u> One Thousand Dollars (\$1,000.00) at the time it
 <u>is approved to self-insure the obligations under this act</u>.

24

C. The Commission may assess Each third-party administrators
 administrator and marketing firm shall pay to the Commission an
 annual fee of One Thousand Dollars (\$1,000.00).

D. Fees required pursuant to this section shall be deposited
into the Workers' Compensation <u>Commission Revolving</u> Fund.
SECTION 9. AMENDATORY Section 31, Chapter 208, O.S.L.
2013, as amended by Section 3, Chapter 344, O.S.L. 2015 (85A O.S.
Supp. 2018, Section 31), is amended to read as follows:

9 Section 31. A. The Multiple Injury Trust Fund shall be derived10 from the following additional sources:

11 1. As soon as practicable after January 1 of each year, the 12 commissioners of the Workers' Compensation Commission shall 13 establish an assessment rate applicable to each mutual or 14 interinsurance association, stock company, CompSource Oklahoma, or 15 other insurance carrier writing workers' compensation insurance in 16 this state, each employer carrying its own risk, and each group 17 self-insurance association, for amounts for purposes of computing 18 the assessment authorized by this section necessary to pay the 19 annual obligations of the Multiple Injury Trust Fund determined on 20 or before December 31 of each year by the MITF Director, provided 21 for in subsection P of this section, to be outstanding for the next 22 calendar year, and to pay the allocations provided for in subsection 23 I of this section. The rate shall be equal for all parties required 24 to pay the assessment. If CompSource begins operating as a mutual

ENGR. H. A. to ENGR. S. B. NO. 701

1 insurance company, the Board of Directors for CompSource Mutual 2 Insurance Company shall have the power to disapprove the rate 3 established by the MITF Director until the Multiple Injury Trust 4 Fund repays in full the amount due on any loan from CompSource 5 Mutual Insurance Company or its predecessor CompSource Oklahoma. Ιf the MITF Director and CompSource have not agreed on the assessment 6 7 rate within thirty (30) days, the Commission shall set an assessment rate sufficient to cover all foreseeable obligations of the Multiple 8 9 Injury Trust Fund, including interest and principal owed by the Fund 10 on any loan. The rate in effect on the effective date of this act 11 shall remain effective through June 30, 2014;

12 2. The Oklahoma Tax Commission shall assess and collect from 13 any uninsured employer a temporary assessment at the rate of five 14 percent (5%) of the total compensation for permanent total 15 disability awards, permanent partial disability awards, and death 16 benefits paid out during each quarter of the calendar year by the 17 employers;

18 3. The assessments shall be paid to the Tax Commission.
19 Insurance carriers, self-insurers, group self-insurance associations
20 and CompSource Oklahoma shall pay the assessment in four equal
21 installments not later than the fifteenth day of the month following
22 the close of each quarter of the calendar year of the assessment.
23 Assessments shall be determined based upon gross direct written
24 premiums, normal premiums or actual paid losses of the paying party,

as applicable, during the calendar quarter for which the assessment is due. Uninsured employers shall pay the assessment not later than the fifteenth day of the month following the close of each quarter of the calendar year of the assessment. For purposes of this section, "uninsured employer" means an employer required by law to carry workers' compensation insurance but who has failed or neglected to do so.

The assessment authorized in this section shall be 8 a. 9 determined using a rate equal to the proportion that 10 the sum of the outstanding obligations of the Multiple 11 Injury Trust Fund as determined pursuant to paragraph 12 1 of this subsection and the allocations provided for 13 in subsection I of this section bear to the combined 14 gross direct written premiums of all such insurers; 15 all actual paid losses of all individual self-16 insureds; and the normal premium of all group self-17 insurance associations, for the year period from 18 January 1 to December 31 preceding the assessment. 19 b. For purposes of this subsection: 20 "actual paid losses" means all medical and (1) 21 indemnity payments, including temporary 22 disability, permanent disability, and death 23

benefits, and excluding loss adjustment expenses and reserves, and

ENGR. H. A. to ENGR. S. B. NO. 701

24

1 2 (2) "normal premium" means a standard premium less any discounts;

4. By April 15 of each year, the Insurance Commissioner, the
MITF Director and each individual and group self-insured shall
provide the Commission with such information as the Commission may
determine is necessary to effectuate the purposes of this section;

7 5. Each mutual or interinsurance association, stock company, CompSource Oklahoma, or other insurance carrier writing workers' 8 9 compensation insurance in this state, and each employer carrying its 10 own risk, including each group self-insurance association, shall be 11 notified by the Commission in writing of the rate for the assessment 12 on or before May 1 of each year in which a rate is determined. The 13 rate determined by the Commission shall be in effect for four 14 calendar quarters beginning July 1 following determination by the 15 Commission; and

16 6. No mutual or interinsurance association, stock a. 17 company, CompSource Oklahoma, or other insurance 18 carrier writing workers' compensation insurance in 19 this state may be assessed in any year an amount 20 greater than six percent (6%) of the gross direct 21 written premiums of that insurer. 22 b. No employer carrying its own risk may be assessed in

any year an amount greater than six percent (6%) of

24

23

ENGR. H. A. to ENGR. S. B. NO. 701

- the total actual paid losses of that individual selfinsured.
- 3 c. No group self-insurance association may be assessed in
 4 any year an amount greater than six percent (6%) of
 5 the normal premium of that group self-insurance
 6 association.
- 7 d. If the maximum assessment does not provide in any one year an amount sufficient to make all necessary 8 9 payments for obligations of the Multiple Injury Trust 10 Fund and for the allocations provided for in 11 subsection I of this section, the unpaid portion shall 12 be paid as soon thereafter as funds become available. 13 The Multiple Injury Trust Fund is hereby authorized to Β. 14 receive and expend monies appropriated by the Legislature.

15 C. It shall be the duty of the Tax Commission to collect the 16 payments provided for in this act. The Tax Commission is hereby 17 authorized to bring an action for the recovery of any delinquent or 18 unpaid payments required in this section.

D. Any mutual or interinsurance association, stock company, or other insurance company, which is subject to regulation by the Insurance Commissioner, or CompSource Oklahoma, failing to make payments required in this act promptly and correctly, and failing to report payment of the same to the Insurance Commission within ten (10) days of payment shall be subject to administrative penalties as

1 allowed by law, including but not limited to a fine in the amount of 2 Five Hundred Dollars (\$500.00) or an amount equal to one percent 3 (1%) of the unpaid amount, whichever is greater, to be paid to the 4 Insurance Commissioner.

5 E. Any employer carrying its own risk, or group self-insurance association failing to make payments required in this act promptly 6 7 and correctly, and failing to report payment of the same to the Commission within ten (10) days of payment shall be subject to 8 9 administrative penalties as allowed by law, including but not 10 limited to a fine in the amount of Five Hundred Dollars (\$500.00) or 11 an amount equal to one percent (1%) of the unpaid amount, whichever 12 is greater, to be paid to the Commission.

13 On or before the first day of April of each year, the F. 1. 14 State Treasurer shall advise the Commission, the MITF Director and 15 the Tax Commission of the amount of money held as of March 1 of that 16 year by the State Treasurer to the credit of the Multiple Injury 17 Trust Fund. On or before the first day of November of each year, 18 the State Treasurer shall advise the Commission, the MITF Director 19 and the Tax Commission of the amount of money held as of October 1 20 of that year by the State Treasurer to the credit of the Multiple 21 Injury Trust Fund.

22 2. Until such time as the Multiple Injury Trust Fund fully 23 satisfies any loan obligation payable to CompSource Mutual Insurance 24

ENGR. H. A. to ENGR. S. B. NO. 701

1 Company or its predecessor CompSource Oklahoma, the State Treasurer 2 shall:

advise the Chief Executive Officer of CompSource on or 3 a. 4 before the first day of April of the money held as of 5 March 1 of that year by the State Treasurer to the credit of the Multiple Injury Trust Fund, and 6 7 advise the Chief Executive Officer of CompSource on or b. before the first day of November of the money held as 8 9 of October 1 of that year by the State Treasurer to 10 the credit of the Multiple Injury Trust Fund.

11 G. Eighty percent (80%) of all sums held by the State Treasurer 12 to the credit of the Multiple Injury Trust Fund may by order of the 13 MITF Director be invested in or loaned on the pledge of any of the 14 securities in which a state bank may invest the monies deposited 15 therein by the State Treasurer; or may be deposited in state or 16 national banks or trust companies upon insured time deposit bearing 17 interest at a rate no less than currently being paid upon insured 18 savings accounts in the institutions. As used in this section, 19 "insured" means insurance as provided by an agency of the federal 20 government. All such securities or evidence of indebtedness shall 21 be placed in the hands of the State Treasurer, who shall be the 22 custodian thereof, who shall collect the principal and interest when 23 due, and pay the same into the Multiple Injury Trust Fund. The 24 State Treasurer shall pay by vouchers drawn on the Multiple Injury

ENGR. H. A. to ENGR. S. B. NO. 701

1 Trust Fund for the making of such investments, when signed by the
2 MITF Director, upon delivery of such securities or evidence of
3 indebtedness to the State Treasurer. The MITF Director may sell any
4 of such securities, the proceeds thereof to be paid over to the
5 State Treasurer for the Multiple Injury Trust Fund.

H. The refund provisions of Sections 227 through 229 of Title
68 of the Oklahoma Statutes shall be applicable to any payments made
8 to the Multiple Injury Trust Fund. Refunds shall be paid from and
9 out of the Multiple Injury Trust Fund.

I. The Tax Commission shall pay, monthly, to the State Treasurer to the credit of the Multiple Injury Trust Fund all monies collected pursuant to the provisions of this section. The State Treasurer shall pay out of the Multiple Injury Trust Fund only upon the order and direction of the Workers' Compensation Commission acting under the provisions hereof.

J. The Commission shall promulgate rules as the Commission deems necessary to effectuate the provisions of this section.

18 K. The Insurance Commissioner shall promulgate rules relating 19 to insurers as defined in Title 36 of the Oklahoma Statutes, as the 20 Insurance Commissioner deems necessary to effectuate the provisions 21 of this section.

L. The MITF Director shall have authority to fulfill all
payment obligations of the Multiple Injury Trust Fund.

24

M. The Multiple Injury Trust Fund may enter into an agreement
 with any reinsurer licensed to sell reinsurance by the Insurance
 Commissioner pursuant to a competitive process administered by the
 Director of Central Purchasing in the Office of Management and
 Enterprise Services.

N. Any dividend, rebate, or other distribution, payable by
CompSource Oklahoma or any other workers' compensation insurance
carrier, to a state agency policyholder shall be paid to the State
Treasurer, and shall be credited as follows:

In the event of failure of the Multiple Injury Trust Fund to
 meet all lawful obligations, the monies shall be credited to the
 Multiple Injury Trust Fund and shall be used by the Multiple Injury
 Trust Fund to meet all lawful obligations of the Multiple Injury
 Trust Fund; and

15 2. Otherwise, all future dividends made by CompSource Oklahoma
16 or any workers' compensation insurance carrier, on behalf of state
17 agencies, shall be deposited to the credit of the General Revenue
18 Fund of the State Treasury.

19 O. The Workers' Compensation Commission shall be charged with
 20 the administration and protection of the Multiple Injury Trust Fund.

21 P. The person serving as the Administrator of the Multiple
22 Injury Trust Fund on the date of passage and approval of this act
23 shall serve as the initial MITF Director, provided such person is
24 serving as the Administrator of the Multiple Injury Trust Fund on

ENGR. H. A. to ENGR. S. B. NO. 701

the effective date of this act. The MITF Director shall be
 appointed by and serve at the pleasure of the Governor.

3 Q. P. Any party interested shall have a right to bring a
4 proceeding in the Supreme Court to review an award of the Commission
5 affecting such Multiple Injury Trust Fund, in the same manner as is
6 provided by law with reference to other awards by the Commission.

R. The State Treasurer shall allocate to the Commission out of
the Multiple Injury Trust Fund sufficient funds for administration
expenses thereof in amounts to be fixed and approved by the

10 Administrator for the Multiple Injury Trust Fund, unless rejected by 11 the Commission.

SECTION 10. AMENDATORY Section 38, Chapter 208, O.S.L. 32013 (85A O.S. Supp. 2018, Section 38), is amended to read as follows:

Section 38. A. An employer shall secure compensation to employees under this act in one of the following ways:

17 1. By insuring and keeping insured the payment of compensation 18 with any stock corporation, mutual association, or other concerns authorized to transact the business of workers' compensation 19 20 insurance in this state. When an insurer issues a policy to provide 21 workers' compensation benefits under the provisions of this act, it 22 shall file a notice with the Workers' Compensation Commission 23 containing the name, address, and principal occupation of the 24 employer, the number, effective date, and expiration date of the

policy, and such other information as may be required by the Commission. The notice shall be filed by the insurer within thirty (30) days after the effective date of the policy. Any insurer who does not file the notice required by this paragraph shall be subject to a fine by the Commission of not more than One Thousand Dollars (\$1,000.00);

7 2. By obtaining and keeping in force guaranty insurance with any company authorized to do guaranty business in this state. Each 8 9 company that issues workers' compensation guaranty insurance shall 10 file a copy of the contract with the Commission within thirty (30) 11 days after the effective date of the contract. Any company that 12 does not file a copy of the contract as required by this paragraph 13 shall be subject to a fine by the Commission of not more than One 14 Thousand Dollars (\$1,000.00);

3. By furnishing satisfactory proof to the Commission of the 15 16 employer's financial ability to pay the compensation. The 17 Commission, under Under rules adopted by the Insurance Department 18 Commission, the Commission shall require any employer that has: 19 less than one hundred employees or less than One a. 20 Million Dollars (\$1,000,000.00) in net assets to: 21 (1) deposit with the Commission securities, an 22 irrevocable letter of credit or a surety bond 23 payable to the state, in an amount determined by 24 the Commission which shall be at least an average

1	of	the yearly claims for the last three (3)
2	уе	ars, or
3	(2) pr	ovide proof of excess coverage with such terms
4	an	d conditions as is commensurate with their
5	ab	ility to pay the benefits required by the
6	pr	ovisions of this act, and
7	b. one hun	dred or more employees and One Million Dollars
8	(\$1,000	,000.00) or more in net assets to:
9	(1) se	cure a surety bond payable to the state, or an
10	ir	revocable letter of credit, in an amount
11	de	termined by the Commission which shall be at
12	le	ast an average of the yearly claims for the
13	la	st three (3) years, or
14	(2) pr	ovide proof of excess coverage with terms and
15	cc	nditions that are commensurate with their
16	ab	ility to pay the benefits required by the
17	pr	ovisions of this act;
18	4. By forming a	group self-insurance association consisting of
19	two or more employers	which shall have a common interest and which
20	shall have entered in	to an agreement to pool their liabilities under
21	the Administrative Wc	rkers' Compensation Act. Such agreement shall
22	be subject to rules c	f the Commission. Any employer, upon
23	application to become	a member of a group self-insurance

24 association, shall file with the Commission a notice, in such form

ENGR. H. A. to ENGR. S. B. NO. 701

1 as prescribed by the Commission, acknowledging that the employer 2 accepts joint and several liability. Upon approval by the 3 Commission of such application for membership, said member shall be 4 a qualified self-insured employer; or

5 5. By any other security as may be approved by the Commission6 and the Insurance Department.

7 Β. The Commission may waive the requirements of this section in an amount which is commensurate with the ability of the employer to 8 9 pay the benefits required by the provisions of this act. 10 Irrevocable letters of credit required by this subsection shall 11 contain such terms as may be prescribed by the Commission and shall 12 be issued for the benefit of the state by a financial institution 13 whose deposits are insured by the Federal Deposit Insurance 14 Corporation.

C. An employer who does not fulfill the requirements of this section is not relieved of the obligation to pay compensation under this act. The security required under this section, including any interest, shall be maintained by the Commission as provided in this act until each claim for benefits is paid, settled, or lapses under this act, and costs of administration of such claims are paid.

D. Failure on the part of any employer to secure the payment of compensation provided in this act shall have the effect of enabling the Commission to assert the rights of an injured employee against the employer.

ENGR. H. A. to ENGR. S. B. NO. 701

E. Any employer that knowingly provides false information to the Commission for purposes of securing or maintaining a selfinsurance permit shall be guilty of a felony and subject to a maximum fine of Ten Thousand Dollars (\$10,000.00).

5 SECTION 11. AMENDATORY Section 40, Chapter 208, O.S.L.
6 2013 (85A O.S. Supp. 2018, Section 40), is amended to read as
7 follows:

8 Section 40. A. 1. Any employer who fails to secure 9 compensation required under this act, upon conviction, shall be 10 guilty of a misdemeanor and subject to a fine of up to Ten Thousand 11 Dollars (\$10,000.00) to be deposited in the Workers' Compensation 12 Commission Revolving Fund.

This subsection shall not affect any other liability of the
 employer under this act.

15 Whenever the Workers' Compensation Commission has reason в. 1. 16 to believe that any employer required to secure the payment of 17 compensation under this act has failed to do so, the Commission 18 shall serve on the employer a proposed judgment declaring the 19 employer to be in violation of this act and containing the amount, 20 if any, of the civil penalty to be assessed against the employer 21 under paragraph 5 of this subsection.

22 2. a. An employer may contest a proposed judgment of the
23 Commission issued under paragraph 1 of this subsection
24 by filing with the Commission, within twenty (20) days

ENGR. H. A. to ENGR. S. B. NO. 701

of receipt of the proposed judgment, a written request for a hearing.

- b. The request for a hearing does not need to be in any particular form but shall specify the grounds on which the person contests the proposed judgment, the proposed assessment, or both.
- 7 If a written request for hearing is not filed with the с. Commission within the time specified in subparagraph a 8 9 of this paragraph, the proposed judgment, the proposed 10 penalty, or both, shall be a final judgment of the 11 Commission and shall not be subject to further review 12 by any court, except if the employer shows good cause 13 why it did not timely contest the judgment or penalty. 14 A proposed judgment by the Commission under this d. 15 section shall be prima facie correct, and the burden 16 is on the employer to prove that the proposed judgment
- 17 is incorrect.

1

2

3

4

5

6

- 18 3. a. If the employer alleges that a carrier has contracted
 19 to provide it workers' compensation insurance coverage
 20 for the period in question, the employer shall include
 21 the allegation in its request for hearing and shall
 22 name the carrier.
- b. The Commission shall promptly notify the carrier of
 the employer's allegation and of the date of hearing.

ENGR. H. A. to ENGR. S. B. NO. 701

1 The carrier shall promptly, and no later than five (5) с. 2 days before the hearing, respond in writing to the employer's allegation by providing evidence of 3 4 coverage for the period in question or by 5 affirmatively denying the employer's allegation. 6 4. Hearings under this section shall be procedurally conducted 7 as provided in Sections 69 through 78 of this act title. The Commission may assess a fine against an employer who 8 5. 9 fails to secure the payment of compensation in an amount up to One 10 Thousand Dollars (\$1,000.00) per day of violation payable to the 11 Workers' Compensation Revolving Fund, but not to exceed a total of 12 Fifty Thousand Dollars (\$50,000.00) for the first violation. 13 6. If an employer fails to secure the payment of compensation 14 or pay any civil penalty assessed against the employer after a 15 judgment issued under this section has become final by operation of 16 law or on appeal, the Commission may petition the Oklahoma County

18 employer's principal place of business is located for an order 19 enjoining the employer from engaging in further employment until 20 such time as the employer secures the payment of compensation or 21 makes full payment of all civil penalties.

District Court or the district court of the county where the

22 <u>7. Upon any penalty becoming final under this section, the</u> 23 <u>Commission may institute collection proceedings independently or in</u> 24 <u>district court including, but not limited to, an asset hearing,</u>

ENGR. H. A. to ENGR. S. B. NO. 701

17

1	garnishment of income and wages, judgment lien against personal or
2	business property, or an intercept of an employer's income tax
3	refund consistent with Section 205.2 of Title 68 of the Oklahoma
4	Statutes.
5	8. Information subject to subsection A or B of Section 4-508 of
6	Title 40 of the Oklahoma Statutes may be disclosed to employees of
7	the Commission for purposes of investigation and enforcement of
8	workers' compensation coverage requirements pursuant to this title,
9	and any such information shall be admissible in any hearing before
10	an administrative law judge of the Commission.
11	SECTION 12. AMENDATORY Section 45, Chapter 208, O.S.L.
12	2013, as amended by Section 2, Chapter 390, O.S.L. 2015 (85A O.S.
13	Supp. 2018, Section 45), is amended to read as follows:
14	Section 45. A. Temporary Total Disability.
15	1. If the injured employee is temporarily unable to perform his
16	or her job or any alternative work offered by the employer, he or
17	she shall be entitled to receive compensation equal to seventy
18	percent (70%) of the injured employee's average weekly wage, but not
19	to exceed seventy percent (70%) of the state average weekly wage,
20	for one hundred four (104) weeks. Provided, there shall be no
21	payment for the first three (3) days of the initial period of
22	temporary total disability. If an administrative law judge finds
23	that a consequential injury has occurred and that additional time is
24	needed to reach maximum medical improvement, temporary total

ENGR. H. A. to ENGR. S. B. NO. 701

disability may continue for a period of not more than an additional fifty-two (52) weeks. Such finding shall be based upon a showing of medical necessity by clear and convincing evidence.

4 2. When the injured employee is released from active medical 5 treatment by the treating physician for all body parts found by the Commission to be injured, or in the event that the employee, without 6 7 a valid excuse, misses three consecutive medical treatment appointments, fails to comply with medical orders of the treating 8 9 physician, or otherwise abandons medical care, the employer shall be 10 entitled to terminate temporary total disability by notifying the 11 employee, or if represented, his or her counsel. If, however, an 12 objection to the termination is filed by the employee within ten 13 (10) days of termination, the Commission shall set the matter within 14 twenty (20) days for a determination if temporary total disability 15 compensation shall be reinstated. The temporary total disability 16 shall remain terminated unless the employee proves the existence of 17 a valid excuse for his or her failure to comply with medical orders 18 of the treating physician or his or her abandonment of medical care. 19 The administrative law judge may appoint an independent medical 20 examiner to determine if further medical treatment is reasonable and 21 necessary. The independent medical examiner shall not provide 22 treatment to the injured worker, unless agreed upon by the parties. 23 Temporary Partial Disability. в.

24

ENGR. H. A. to ENGR. S. B. NO. 701

1 1. If the injured employee is temporarily unable to perform his 2 or her job, but may perform alternative work offered by the employer, he or she shall be entitled to receive compensation equal 3 4 to the greater of seventy percent (70%) of the difference between 5 the injured employee's average weekly wage before the injury and his or her weekly wage for performing alternative work after the injury, 6 7 but only if his or her weekly wage for performing the alternative work is less than the temporary total disability rate. The injured 8 9 employee's actual earnings plus temporary partial disability

10 compensation shall not exceed the temporary total disability rate.

11 2. Compensation under this subsection may not exceed fifty-two
12 (52) weeks.

13 3. If the employee refuses to perform the alternative work
14 offered by the employee, he or she shall not be entitled to benefits
15 under subsection A of this section or under this section.

16 C. Permanent Partial Disability.

17 1. A permanent partial disability award or combination of 18 awards granted an injured worker may not exceed a permanent partial 19 disability rating of one hundred percent (100%) to any body part or 20 to the body as a whole. The determination of permanent partial 21 disability shall be the responsibility of the Commission through its 22 administrative law judges. Any claim by an employee for 23 compensation for permanent partial disability must be supported by competent medical testimony of a medical doctor, osteopathic 24

ENGR. H. A. to ENGR. S. B. NO. 701

1 physician, or chiropractor, and shall be supported by objective medical findings, as defined in this act. The opinion of the 2 3 physician shall include employee's percentage of permanent partial 4 disability and whether or not the disability is job-related and 5 caused by the accidental injury or occupational disease. A physician's opinion of the nature and extent of permanent partial 6 7 disability to parts of the body other than scheduled members must be based solely on criteria established by the current edition of the 8 9 American Medical Association's "Guides to the Evaluation of 10 Permanent Impairment". A copy of any written evaluation shall be sent to both parties within seven (7) days of issuance. Medical 11 12 opinions addressing compensability and permanent disability must be 13 stated within a reasonable degree of medical certainty. Any party 14 may submit the report of an evaluating physician.

15 2. Permanent partial disability shall not be allowed to a part 16 of the body for which no medical treatment has been received. А 17 determination of permanent partial disability made by the Commission 18 or administrative law judge which is not supported by objective 19 medical findings provided by a treating physician who is a medical 20 doctor, doctor of osteopathy, chiropractor or a qualified 21 independent medical examiner shall be considered an abuse of 22 discretion.

3. The examining physician shall not deviate from the Guides
except as may be specifically provided for in the Guides.

ENGR. H. A. to ENGR. S. B. NO. 701

4. In cases of permanent partial disability, the compensation
 shall be seventy percent (70%) of the employee's average weekly
 wage, not to exceed Three Hundred Twenty-three Dollars (\$323.00) per
 week, for a term not to exceed a total of three hundred fifty (350)
 weeks for the body as a whole.

6 5. Except pursuant to settlement agreements entered into by the 7 employer and employee, payment of a permanent partial disability award shall be deferred and held in reserve by the employer or 8 9 insurance company if the employee has reached maximum medical 10 improvement and has been released to return to work by his or her 11 treating physician, and then returns to his pre-injury or equivalent 12 job for a term of weeks determined by dividing the total dollar 13 value of the award by seventy percent (70%) of the employee's 14 average weekly wage.

- a. The amount of the permanent partial disability award
 shall be reduced by seventy percent (70%) of the
 employee's average weekly wage for each week he works
 in his pre-injury or equivalent job.
- b. If, for any reason other than misconduct as defined in
 Section 2 of this act title, the employer terminates
 the employee or the position offered is not the preinjury or equivalent job, the remaining permanent
 partial disability award shall be paid in a lump sum.
 If the employee is discharged for misconduct, the

ENGR. H. A. to ENGR. S. B. NO. 701

1

2

employer shall have the burden to prove that the employee engaged in misconduct.

3 If the employee refuses an offer to return to his preс. 4 injury or equivalent job, the permanent partial 5 disability award shall continue to be deferred and shall be reduced by seventy percent (70%) of the 6 7 employee's average weekly wage for each week he refuses to return to his pre-injury or equivalent job. 8 9 d. Attorney fees for permanent partial disability awards, 10 as approved by the Commission, shall be calculated 11 based upon the total permanent partial disability 12 award and paid in full at the time of the deferral. 13 Assessments pursuant to Sections 31, 98, 112 and 165 e. 14 122 of this act title shall be calculated based upon 15 the amount of the permanent partial disability award 16 and shall be paid at the time of the deferral.

17 6. Previous Disability: The fact that an employee has suffered 18 previous disability or received compensation therefor shall not 19 preclude the employee from compensation for a later accidental 20 personal injury or occupational disease. In the event there exists 21 a previous permanent partial disability, including a previous non-22 work-related injury or condition which produced permanent partial 23 disability and the same is appravated or accelerated by an 24 accidental personal injury or occupational disease, compensation for

ENGR. H. A. to ENGR. S. B. NO. 701

permanent partial disability shall be only for such amount as was caused by such accidental personal injury or occupational disease and no additional compensation shall be allowed for the preexisting disability or impairment. Any such reduction shall not apply to temporary total disability, nor shall it apply to compensation for medical treatment.

- 7 If workers' compensation benefits have previously been a. awarded through settlement or judicial or 8 9 administrative determination in Oklahoma, the 10 percentage basis of the prior settlement or award 11 shall conclusively establish the amount of permanent 12 partial disability determined to be preexisting. Ιf 13 workers' compensation benefits have not previously 14 been awarded through settlement or judicial or 15 administrative determination in Oklahoma, the amount 16 of preexisting permanent partial disability shall be 17 established by competent evidence. 18 b. In all cases, the applicable reduction shall be 19 calculated as follows: 20 if the preexisting impairment is the result of (1)
- 21
 21
 22
 23
 24
 24
 25
 26
 27
 28
 29
 29
 29
 20
 20
 21
 21
 22
 23
 24
 25
 25
 26
 27
 28
 29
 29
 20
 21
 21
 21
 22
 23
 24
 25
 25
 26
 27
 28
 29
 29
 20
 21
 21
 21
 22
 23
 24
 24
 25
 25
 26
 27
 28
 29
 29
 20
 21
 21
 21
 21
 22
 23
 24
 25
 26
 27
 28
 29
 29
 20
 21
 21
 21
 21
 21
 21
 22
 23
 24
 25
 26
 27
 28
 29
 29
 29
 29
 20
 21
 21
 21
 21
 21
 21
 21
 22
 23
 24
 27
 28
 29
 29
 29
 20
 21
 21
 21
 21
 21
 21
 21
 21
 21
 21
 22
 22
 23
 24
 24
 21
 21
 21
 21
 21
 21
 21
 2

1 attributable under the Administrative Workers' 2 Compensation Act to the percentage of permanent 3 partial disability determined to be preexisting. The current dollar value shall be calculated by 4 5 multiplying the percentage of preexisting 6 permanent partial disability by the compensation 7 rate in effect on the date of the accident or injury against which the reduction will be 8 9 applied, and

in all other cases, the employer against whom
 benefits are currently being sought shall be
 entitled to a credit for the percentage of
 preexisting permanent partial disability.

14 7. No payments on any permanent partial disability order shall 15 begin until payments on any preexisting permanent partial disability 16 orders have been completed.

17 8. The whole body shall represent a maximum of three hundred18 fifty (350) weeks.

9. The permanent partial disability rate of compensation for amputation or permanent total loss of use of a scheduled member specified in Section 46 of this act title shall be seventy percent (70%) of the employee's average weekly wage, not to exceed Three Hundred Twenty-three Dollars (\$323.00), multiplied by the number of weeks set forth for the member in Section 46 of this act title,

ENGR. H. A. to ENGR. S. B. NO. 701

regardless of whether the injured employee is able to return to his
 or her pre-injury or equivalent job.

3 10. An injured employee who is eligible for permanent partial 4 disability under this subsection shall be entitled to receive 5 vocational rehabilitation services provided by a technology center or public secondary school offering vocational-technical education 6 7 courses, or a member institution of The Oklahoma State System of Higher Education, which shall include retraining and job placement 8 9 to restore the employee to gainful employment. Vocational 10 rehabilitation services or training shall not extend for a period of 11 more than fifty-two (52) weeks.

12

D. Permanent Total Disability.

13 1. In case of total disability adjudged to be permanent, 14 seventy percent (70%) of the employee's average weekly wages, but 15 not in excess of the state's average weekly wage, shall be paid to 16 the employee during the continuance of the disability until such 17 time as the employee reaches the age of maximum Social Security 18 retirement benefits or for a period of fifteen (15) years, whichever 19 is longer. In the event the claimant dies of causes unrelated to 20 the injury or illness, benefits shall cease on the date of death. 21 Provided, however, any person entitled to revive the action shall 22 receive a one-time lump-sum payment equal to twenty-six (26) weeks 23 of weekly benefits for permanent total disability awarded the 24 claimant. If more than one person is entitled to revive the claim,

ENGR. H. A. to ENGR. S. B. NO. 701

1 the lump-sum payment shall be evenly divided between or among such In the event the Commission awards both permanent partial 2 persons. 3 disability and permanent total disability benefits, the permanent 4 total disability award shall not be due until the permanent partial 5 disability award is paid in full. If otherwise qualified according to the provisions of this act, permanent total disability benefits 6 7 may be awarded to an employee who has exhausted the maximum period of temporary total disability even though the employee has not 8 9 reached maximum medical improvement.

10 2. The Workers' Compensation Commission shall annually review the status of any employee receiving benefits for permanent total 11 12 disability against the last employer. The Commission shall require 13 the employee to annually file an affidavit under penalty of perjury 14 stating that he or she is not and has not been gainfully employed 15 and is not capable of gainful employment. Failure to file such 16 affidavit shall result in suspension of benefits; provided, however, 17 reinstatement of benefits may occur after proper hearing before the 18 Commission.

E. 1. The Workers' Compensation Commission shall hire or
 contract for a Vocational Rehabilitation Director to oversee the
 vocational rehabilitation program of the Commission.

22 2. The Vocational Rehabilitation Director shall help injured
23 workers return to the work force. If the injured employee is unable
24 to return to his or her pre-injury or equivalent position due to

ENGR. H. A. to ENGR. S. B. NO. 701

1 permanent restrictions as determined by the treating physician, upon 2 the request of either party, the Vocational Rehabilitation Director 3 shall determine if it is appropriate for a claimant to receive 4 vocational rehabilitation training or services, and will oversee 5 such training. If appropriate, the Vocational Rehabilitation 6 Director shall issue administrative orders, including, but not 7 limited to, an order for a vocational rehabilitation evaluation for any injured employee unable to work for at least ninety (90) days. 8 9 In addition, the Vocational Rehabilitation Director may assign 10 injured workers to vocational rehabilitation counselors for 11 coordination of recommended services. The cost of the services 12 shall be paid by the employer. All administrative orders are 13 subject to appeal to the full Commission.

14 3. There shall be a presumption in favor of ordering vocational 15 rehabilitation services or training for an eligible injured employee 16 under the following circumstances:

17 if the employee's occupation is truck driver or a. 18 laborer and the medical condition is traumatic brain 19 injury, stroke or uncontrolled vertigo, 20 b. if the employee's occupation is truck driver or 21 laborer performing high-risk tasks and the medical 22 condition is seizures, 23 if the employee's occupation is manual laborer and the с.

medical condition is bilateral wrist fusions,

ENGR. H. A. to ENGR. S. B. NO. 701

24

- d. if the employee's occupation is assembly-line worker
 and the medical condition is radial head fracture with
 surgical excision,
- e. if the employee's occupation is heavy laborer and the
 medical condition is myocardial infarction with
 congestive heart failure,
- f. if the employee's occupation is heavy manual laborer and the medical condition is multilevel neck or back fusions greater than two levels,
- 10g. if the employee's occupation is laborer performing11overhead work and the medical condition is massive12rotator cuff tears, with or without surgery,
- h. if the employee's occupation is heavy laborer and the
 medical condition is recurrent inguinal hernia
 following unsuccessful surgical repair,
- i. if the employee's occupation is heavy manual laborer
 and the medical condition is total knee replacement or
 total hip replacement,
- 19 j. if the employee's occupation is roofer and the medical 20 condition is calcaneal fracture, medically or 21 surgically treated,
- k. if the employee's occupation is laborer of any kind
 and the medical condition is total shoulder
 replacement,

ENGR. H. A. to ENGR. S. B. NO. 701

- l. if the employee's occupation is laborer and the
 medical condition is amputation of a hand, arm, leg,
 or foot,
- m. if the employee's occupation is laborer and the
 medical condition is tibial plateau fracture, pilon
 fracture,
- n. if the employee's occupation is laborer and the
 medical condition is ankle fusion or knee fusion,
- 9 o. if the employee's occupation is driver or heavy
 10 equipment operator and the medical condition is
 11 unilateral industrial blindness, or
- 12 p. if the employee's occupation is laborer and the 13 medical condition is 3-, 4-, or 5-level positive 14 discogram of the cervical spine or lumbar spine, 15 medically treated.

16 Upon the request of either party, or by order of an 4. 17 administrative law judge, the Vocational Rehabilitation Director 18 shall assist the Workers' Compensation Commission in determining if 19 it is appropriate for a claimant to receive vocational 20 rehabilitation training or services. If appropriate, the 21 administrative law judge shall refer the employee to a qualified 22 expert for evaluation of the practicability of, need for and kind of 23 rehabilitation services or training necessary and appropriate in 24 order to restore the employee to gainful employment. The cost of

ENGR. H. A. to ENGR. S. B. NO. 701

1 the evaluation shall be paid by the employer. Following the evaluation, if the employee refuses the services or training ordered 2 by the administrative law judge, or fails to complete in good faith 3 4 the vocational rehabilitation training ordered by the administrative 5 law judge, then the cost of the evaluation and services or training rendered may, in the discretion of the administrative law judge, be 6 7 deducted from any award of benefits to the employee which remains unpaid by the employer. Upon receipt of such report, and after 8 9 affording all parties an opportunity to be heard, the administrative 10 law judge shall order that any rehabilitation services or training, 11 recommended in the report, or such other rehabilitation services or 12 training as the administrative law judge may deem necessary, 13 provided the employee elects to receive such services, shall be 14 provided at the expense of the employer. Except as otherwise 15 provided in this subsection, refusal to accept rehabilitation 16 services by the employee shall in no way diminish any benefits 17 allowable to an employee.

18 5. The administrative law judge may order vocational 19 rehabilitation before the injured employee reaches maximum medical 20 improvement, if the treating physician believes that it is likely 21 that the employee's injury will prevent the employee from returning 22 to his or her former employment. In granting early benefits for 23 vocational rehabilitation, the Commission shall consider temporary 24 restrictions and the likelihood that such rehabilitation will return

the employee to gainful employment earlier than if such benefits are
 granted after the permanent partial disability hearing in the claim.

6. Vocational rehabilitation services or training shall not
extend for a period of more than fifty-two (52) weeks. A request
for vocational rehabilitation services or training shall be filed
with the Commission by an interested party not later than sixty (60)
days from the date of receiving permanent restrictions that prevent
the injured employee from returning to his or her pre-injury or
equivalent position.

10 7. If rehabilitation requires residence at or near the facility 11 or institution which is away from the employee's customary 12 residence, reasonable cost of the employee's board, lodging, travel, 13 tuition, books and necessary equipment in training shall be paid for 14 by the insurer in addition to weekly compensation benefits to which 15 the employee is otherwise entitled under the Administrative Workers' 16 Compensation Act.

17 8. During the period when an employee is actively and in good 18 faith being evaluated or participating in a retraining or job 19 placement program for purposes of evaluating permanent total 20 disability status, the employee shall be entitled to receive 21 benefits at the same rate as the employee's temporary total 22 disability benefits for an additional fifty-two (52) weeks. All 23 tuition related to vocational rehabilitation services shall be paid 24 by the employer or the employer's insurer on a periodic basis

ENGR. H. A. to ENGR. S. B. NO. 701

directly to the facility providing the vocational rehabilitation services or training to the employee. The employer or employer's insurer may deduct the amount paid for tuition from compensation awarded to the employee.

F. Disfigurement.

5

If an injured employee incurs serious and permanent
disfigurement to any part of the body, the Commission may award
compensation to the injured employee in an amount not to exceed
Fifty Thousand Dollars (\$50,000.00).

No award for disfigurement shall be entered until twelve
 (12) months after the injury.

12 3. An injured employee shall not be entitled to compensation 13 under this subsection if he or she receives an award for permanent 14 partial disability to the same part of the body.

G. Benefits for a single-event injury shall be determined by the law in effect at the time of injury. Benefits for a cumulative trauma injury or occupational disease or illness shall be determined by the law in effect at the time the employee knew or reasonably should have known that the injury, occupational disease or illness was related to work activity. Benefits for death shall be determined by the law in effect at the time of death.

SECTION 13. AMENDATORY Section 50, Chapter 208, O.S.L. 23 2013 (85A O.S. Supp. 2018, Section 50), is amended to read as 24 follows:

ENGR. H. A. to ENGR. S. B. NO. 701

Section 50. A. The employer shall promptly provide an injured
 employee with medical, surgical, hospital, optometric, podiatric,
 and nursing services, along any with medicine, crutches, ambulatory
 devices, artificial limbs, eyeglasses, contact lenses, hearing aids,
 and other apparatus as may be reasonably necessary in connection
 with the injury received by the employee. The employer shall have
 the right to choose the treating physician.

8 B. If the employer fails or neglects to provide medical 9 treatment within five (5) days after actual knowledge is received of 10 an injury, the injured employee may select a physician to provide 11 medical treatment at the expense of the employer; provided, however, 12 that the injured employee, or another in the employee's behalf, may 13 obtain emergency treatment at the expense of the employer where such 14 emergency treatment is not provided by the employer.

15 C. Diagnostic tests shall not be repeated sooner than six (6) 16 months from the date of the test unless agreed to by the parties or 17 ordered by the Commission for good cause shown.

D. Unless recommended by the treating doctor at the time claimant reaches maximum medical improvement or by an independent medical examiner, continuing medical maintenance shall not be awarded by the Commission. The employer or insurance carrier shall not be responsible for continuing medical maintenance or pain management treatment that is outside the parameters established by the Physician Advisory Committee or ODG. The employer or insurance

carrier shall not be responsible for continuing medical maintenance
 or pain management treatment not previously ordered by the
 Commission or approved in advance by the employer or insurance
 carrier.

5 E. An employee claiming or entitled to benefits under this act, 6 shall, if ordered by the Commission or requested by the employer or 7 insurance carrier, submit himself or herself for medical 8 examination. If an employee refuses to submit himself or herself to 9 examination, his or her right to prosecute any proceeding under this 10 act shall be suspended, and no compensation shall be payable for the 11 period of such refusal.

F. For compensable injuries resulting in the use of a medical device, ongoing service for the medical device shall be provided in situations including, but not limited to, medical device battery replacement, ongoing medication refills related to the medical device, medical device repair, or medical device replacement.

17 G. The employer shall reimburse the employee for the actual 18 mileage in excess of twenty (20) miles round-trip to and from the 19 employee's home to the location of a medical service provider for 20 all reasonable and necessary treatment, for an evaluation of an 21 independent medical examiner and for any evaluation made at the 22 request of the employer or insurance carrier. The rate of 23 reimbursement for such travel expense shall be the official 24 reimbursement rate as established by the State Travel Reimbursement

ENGR. H. A. to ENGR. S. B. NO. 701

Act. In no event shall the reimbursement of travel for medical
 treatment or evaluation exceed six hundred (600) miles round trip.
 H. Fee Schedule.

The Commission shall conduct a review of the Fee Schedule 4 1. 5 every two (2) years; provided, the Fee Schedule shall be revised in 2019 to provide a two-percent increase in maximum rate of 6 7 reimbursement to physicians and hospitals in 2019, an additional increase of two percent (2%) in 2020, and an additional increase of 8 9 two percent (2%) in 2021. The Fee Schedule shall establish the 10 maximum rates that medical providers shall be reimbursed for medical 11 care provided to injured employees, including, but not limited to, 12 charges by physicians, dentists, counselors, hospitals, ambulatory 13 and outpatient facilities, clinical laboratory services, diagnostic 14 testing services, and ambulance services, and charges for durable 15 medical equipment, prosthetics, orthotics, and supplies. The most 16 current Fee Schedule established by the Administrator of the 17 Workers' Compensation Court prior to the effective date of this 18 section shall remain in effect, unless or until the Legislature 19 approves the Commission's proposed Fee Schedule.

2. Reimbursement for medical care shall be prescribed and
 21 limited by the Fee Schedule as adopted by the Commission, after
 22 notice and public hearing, and after approval by the Legislature by
 23 joint resolution. The director of the Employees Group Insurance
 24 Division of the Office of Management and Enterprise Services shall

ENGR. H. A. to ENGR. S. B. NO. 701

1 provide the Commission such information as may be relevant for the development of the Fee Schedule. The Commission shall develop the 2 3 Fee Schedule in a manner in which quality of medical care is assured 4 and maintained for injured employees. The Commission shall give due 5 consideration to additional requirements for physicians treating an injured worker under this act, including, but not limited to, 6 7 communication with claims representatives, case managers, attorneys, and representatives of employers, and the additional time required 8 9 to complete forms for the Commission, insurance carriers, and 10 employers.

11 In making adjustments to the Fee Schedule, the Commission 3. 12 shall use, as a benchmark, the reimbursement rate for each Current 13 Procedural Terminology (CPT) code provided for in the fee schedule 14 published by the Centers for Medicare and Medicaid Services of the 15 U.S. Department of Health and Human Services for use in Oklahoma 16 (Medicare Fee Schedule) on the effective date of this section, 17 workers' compensation fee schedules employed by neighboring states, 18 the latest edition of "Relative Values for Physicians" (RVP), usual, 19 customary and reasonable medical payments to workers' compensation 20 health care providers in the same trade area for comparable 21 treatment of a person with similar injuries, and all other data the 22 Commission deems relevant. For services not valued by CMS, the 23 Commission shall establish values based on the usual, customary and 24 reasonable medical payments to health care providers in the same

ENGR. H. A. to ENGR. S. B. NO. 701

1 trade area for comparable treatment of a person with similar 2 injuries.

3	a.	No reimbursement shall be allowed for any magnetic
4		resonance imaging (MRI) unless the MRI is provided by
5		an entity that meets Medicare requirements for the
6		payment of MRI services or is accredited by the
7		American College of Radiology, the Intersocietal
8		Accreditation Commission or the Joint Commission on
9		Accreditation of Healthcare Organizations. For all
10		other radiology procedures, the reimbursement rate
11		shall be the lesser of the reimbursement rate allowed
12		by the 2010 Oklahoma Fee Schedule and two hundred
13		seven percent (207%) of the Medicare Fee Schedule.
14	b.	For reimbursement of medical services for Evaluation
15		and Management of injured employees as defined in the
16		Fee Schedule adopted by the Commission, the
17		reimbursement rate shall not be less than one hundred
18		fifty percent (150%) of the Medicare Fee Schedule.
19	с.	Any entity providing durable medical equipment,
20		prosthetics, orthotics or supplies shall be accredited
21		by a CMS-approved accreditation organization. If a
22		physician provides durable medical equipment,
23		prosthetics, orthotics, prescription drugs, or
24		supplies to a patient ancillary to the patient's

ENGR. H. A. to ENGR. S. B. NO. 701

visit, reimbursement shall be no more than ten percent (10%) above cost.

d. The Commission shall develop a reasonable stop-loss
provision of the Fee Schedule to provide for adequate
reimbursement for treatment for major burns, severe
head and neurological injuries, multiple system
injuries, and other catastrophic injuries requiring
extended periods of intensive care.

9 4. The right to recover charges for every type of medical care 10 for injuries arising out of and in the course of covered employment 11 as defined in this act shall lie solely with the Commission. When a 12 medical care provider has brought a claim to the Commission to 13 obtain payment for services, a party who prevails in full on the 14 claim shall be entitled to reasonable attorney fees.

15 5. Nothing in this section shall prevent an employer, insurance 16 carrier, group self-insurance association, or certified workplace 17 medical plan from contracting with a provider of medical care for a 18 reimbursement rate that is greater than or less than limits 19 established by the Fee Schedule.

6. A treating physician may not charge more than Four Hundred
Dollars (\$400.00) per hour for preparation for or testimony at a
deposition or appearance before the Commission in connection with a
claim covered by the Administrative Workers' Compensation Act.

24

1

2

ENGR. H. A. to ENGR. S. B. NO. 701

7. The Commission's review of medical and treatment charges
 pursuant to this section shall be conducted pursuant to the Fee
 Schedule in existence at the time the medical care or treatment was
 provided. The judgment approving the medical and treatment charges
 pursuant to this section shall be enforceable by the Commission in
 the same manner as provided in this act for the enforcement of other
 compensation payments.

8. Charges for prescription drugs dispensed by a pharmacy shall 8 9 be limited to ninety percent (90%) of the average wholesale price of 10 the prescription, plus a dispensing fee of Five Dollars (\$5.00) per 11 prescription. "Average wholesale price" means the amount determined 12 from the latest publication designated by the Commission. 13 Physicians shall prescribe and pharmacies shall dispense generic 14 equivalent drugs when available. If the National Drug Code, or 15 "NDC", for the drug product dispensed is for a repackaged drug, then 16 the maximum reimbursement shall be the lesser of the original 17 labeler's NDC and the lowest-cost therapeutic equivalent drug 18 product. Compounded medications shall be billed by the compounding 19 pharmacy at the ingredient level, with each ingredient identified 20 using the applicable NDC of the drug product, and the corresponding 21 quantity. Ingredients with no NDC area are not separately 22 reimbursable. Payment shall be based on a sum of the allowable fee 23 for each ingredient plus a dispensing fee of Five Dollars (\$5.00) 24 per prescription.

ENGR. H. A. to ENGR. S. B. NO. 701

1 9. When medical care includes prescription drugs dispensed by a 2 physician or other medical care provider and the NDC for the drug product dispensed is for a repackaged drug, then the maximum 3 reimbursement shall be the lesser of the original labeler's NDC and 4 5 the lowest-cost therapeutic equivalent drug product. Payment shall be based upon a sum of the allowable fee for each ingredient plus a 6 7 dispensing fee of Five Dollars (\$5.00) per prescription. Compounded 8 medications shall be billed by the compounding pharmacy.

9 10. Implantables are paid in addition to procedural 10 reimbursement paid for medical or surgical services. A 11 manufacturer's invoice for the actual cost to a physician, hospital 12 or other entity of an implantable device shall be adjusted by the 13 physician, hospital or other entity to reflect, at the time 14 implanted, all applicable discounts, rebates, considerations and 15 product replacement programs and shall be provided to the payer by 16 the physician or hospital as a condition of payment for the 17 implantable device. If the physician, or an entity in which the 18 physician has a financial interest other than an ownership interest 19 of less than five percent (5%) in a publically traded company, 20 provides implantable devices, this relationship shall be disclosed 21 to patient, employer, insurance company, third-party commission, 22 certified workplace medical plan, case managers, and attorneys 23 representing claimant and defendant. If the physician, or an entity 24 in which the physician has a financial interest other than an

ENGR. H. A. to ENGR. S. B. NO. 701

ownership interest of less than five percent (5%) in a publically traded company, buys and resells implantable devices to a hospital or another physician, the markup shall be limited to ten percent (10%) above cost.

5 11. Payment for medical care as required by this act shall be due within forty-five (45) days of the receipt by the employer or 6 7 insurance carrier of a complete and accurate invoice, unless the employer or insurance carrier has a good-faith reason to request 8 9 additional information about such invoice. Thereafter, the 10 Commission may assess a penalty up to twenty-five percent (25%) for 11 any amount due under the Fee Schedule that remains unpaid on the 12 finding by the Commission that no good-faith reason existed for the 13 delay in payment. If the Commission finds a pattern of an employer 14 or insurance carrier willfully and knowingly delaying payments for 15 medical care, the Commission may assess a civil penalty of not more 16 than Five Thousand Dollars (\$5,000.00) per occurrence.

17 12. If an employee fails to appear for a scheduled appointment 18 with a physician, the employer or insurance company shall pay to the 19 physician a reasonable charge, to be determined by the Commission, 20 for the missed appointment. In the absence of a good-faith reason 21 for missing the appointment, the Commission shall order the employee 22 to reimburse the employer or insurance company for the charge.

23 13. Physicians providing treatment under this act shall
24 disclose under penalty of perjury to the Commission, on a form

ENGR. H. A. to ENGR. S. B. NO. 701

1 prescribed by the Commission, any ownership or interest in any health care facility, business, or diagnostic center that is not the 2 3 physician's primary place of business. The disclosure shall include 4 any employee leasing arrangement between the physician and any 5 health care facility that is not the physician's primary place of business. A physician's failure to disclose as required by this 6 7 section shall be grounds for the Commission to disgualify the physician from providing treatment under this act. 8

9 I. Formulary. The Commission by rule shall adopt a closed 10 formulary. Rules adopted by the Commission shall allow an appeals process for claims in which a treating doctor determines and 11 12 documents that a drug not included in the formulary is necessary to 13 treat an injured employee's compensable injury. The Commission by 14 rule shall require the use of generic pharmaceutical medications and 15 clinically appropriate over-the-counter alternatives to prescription 16 medications unless otherwise specified by the prescribing doctor, in 17 accordance with applicable state law.

18 SECTION 14. AMENDATORY Section 60, Chapter 208, O.S.L. 19 2013 (85A O.S. Supp. 2018, Section 60), is amended to read as 20 follows:

Section 60. The Physician Advisory Committee may recommend the adoption of a method or system to evaluate permanent disability that shall deviate from, or be used in place of or in combination with the Guides. Such recommendation shall be made to the <u>Workers'</u>

ENGR. H. A. to ENGR. S. B. NO. 701

1 Compensation Commission which may adopt the recommendation in part 2 or in whole. The adopted method or system shall be submitted by the Executive Director of the Commission to the Governor, the Speaker of 3 4 the House of Representatives and the President Pro Tempore of the 5 Senate within the first ten (10) legislative days of a regular session of the Legislature. Such method or system so submitted 6 7 shall be subject to disapproval by joint or concurrent resolution of the Legislature during the legislative session in which submitted. 8 9 If disapproved, the existing method of determining permanent partial 10 disability shall continue in effect. If the Legislature takes no 11 action on the method or system submitted by the Executive Director, 12 the method or system shall become operative thirty (30) days 13 following the adjournment of the Legislature.

SECTION 15. AMENDATORY Section 63, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 63), is amended to read as follows:

17 Section 63. A. Within ten (10) days after the date of receipt 18 of notice or of knowledge of injury or death, the employer shall 19 send to the Workers' Compensation Commission a report setting forth: 20 1. The name, address, and business of the employer; 21 2. The name, address, and occupation of the employee; 22 The cause and nature of the injury or death; 3. 23 4. The year, month, day, approximately when, and the particular 24 locality where, the injury or death occurred; and

5. Such other information as the Commission may require.

B. Additional reports with respect to the injury and of the
condition of the employee shall be sent by the employer to the
Commission at such time and in such manner as the Commission may
prescribe. However, an employer may refuse to provide any
information that it deems privileged or confidential.

C. Any report provided for in subsection A or B of this section 7 shall not be evidence of any fact stated in the report in any 8 9 proceeding with respect to the injury or death on account of which 10 the report is made. Any such report shall be kept confidential and 11 shall not be open to public inspection; provided, however, such 12 report shall be made available immediately upon request of the 13 injured employee named in the report, the injured employee's legal 14 representative or any prosecutorial authority, at such time as an 15 employee's first notice of claim for compensation shall be filed.

D. The mailing of any report in a stamped envelope, properly addressed, within the time prescribed in subsection A or B of this section, shall be in compliance with this section. In addition, the Commission shall establish a means of electronic delivery of any report or other information required by this section.

E. 1. Any employer who after notice refuses to send any report required by this section shall be subject to a civil penalty in an amount of Five Hundred Dollars (\$500.00) for each refusal.

24

1

2. Whenever the employer has failed or refused to comply as provided in this section, the Commission may serve on the employer a proposed judgment declaring the employer to be in violation of this act and containing the amount, if any, of the civil penalty to be seesed against the employer under this section.

6 F. An employer may contest a proposed judgment of the 7 Commission issued under subsection E of this section by filing with the Commission, within twenty (20) days of receipt of the proposed 8 9 judgment, a written request for a hearing. If a written request for 10 hearing is not filed with the Commission within this time, the 11 proposed judgment, proposed penalty, or both, shall be a final judgment of the Commission. The request for a hearing does not need 12 13 to be in any particular form but shall specify the grounds on which 14 the person contests the proposed judgment, the proposed assessment, 15 or both. A proposed judgment by the Commission under this section 16 shall be prima facie correct, and the burden is on the employer to 17 prove that the proposed judgment is incorrect.

18 G. Hearings conducted under this section shall proceed as
19 provided in Sections 69 through 78 of this act title.

H. If an employer fails to pay any civil penalty assessed against the employer after a judgment issued under this section has become final by operation of law, the Commission may petition the district court of the county where the employer's principal place of business is located for an order enjoining the employer from

ENGR. H. A. to ENGR. S. B. NO. 701

1 engaging in further employment or conduct of business until such 2 time as the employer makes all required reports and pays all civil 3 penalties.

SECTION 16. AMENDATORY Section 67, Chapter 208, O.S.L.
2013 (85A O.S. Supp. 2018, Section 67), is amended to read as
follows:

7 Section 67. A. 1. Except as otherwise provided in this 8 section, notice of disability resulting from an occupational disease 9 or cumulative trauma shall be the same as in cases of accidental 10 injury.

11 2. Written notice shall be given to the employer of an
12 occupational disease or cumulative trauma by the employee, or a
13 representative of the employee in the case of incapacity or death,
14 within six (6) months after the first distinct manifestation of the
15 disease or cumulative trauma or within six (6) months after death.

16 An award or denial of award of compensation for an Β. 17 occupational disease or cumulative trauma may be reviewed and 18 compensation increased, reduced, or terminated where previously 19 awarded, or awarded where previously denied, only on proof of fraud 20 or undue influence or of change of condition, and then only on 21 application by a party in interest made not later than one (1) year 22 after the denial of award or, where compensation has been awarded, 23 after the award or the date when the last payment was made under the 24

ENGR. H. A. to ENGR. S. B. NO. 701

1 award, except in cases of silicosis or asbestosis, where the statute
2 of limitations shall be two (2) years.

3 SECTION 17. AMENDATORY Section 69, Chapter 208, O.S.L.
4 2013 (85A O.S. Supp. 2018, Section 69), is amended to read as
5 follows:

6 Section 69. A. Time for Filing.

7 1. A claim for benefits under this act, other than an occupational disease, shall be barred unless it is filed with the 8 9 Commission within one (1) year from the date of the injury. If 10 during the one-year period following the filing of the claim the 11 employee receives no weekly benefit compensation and receives no 12 medical treatment resulting from the alleged injury, the claim shall 13 be barred thereafter. For purposes of this section, the date of the 14 injury shall be defined as the date an injury is caused by an 15 accident as set forth in paragraph 9 of Section 2 of this act title. 16 2. A claim for compensation for disability on account of a. 17 injury which is either an occupational disease or 18 occupational infection shall be barred unless filed 19 with the Workers' Compensation Commission within two 20 (2) years from the date of the last injurious exposure 21 to the hazards of the disease or infection. 22 A claim for compensation for disability on account of b. 23 silicosis or asbestosis shall be filed with the

Commission within one (1) year after the time of

ENGR. H. A. to ENGR. S. B. NO. 701

24

1 disablement, and the disablement shall occur within 2 three (3) years from the date of the last injurious exposure to the hazard of silicosis or asbestosis. 3 4 A claim for compensation for disability on account of с. 5 a disease condition caused by exposure to X-rays, radioactive substances, or ionizing radiation only 6 7 shall be filed with the Commission within two (2) years from the date the condition is made known to an 8 9 employee following examination and diagnosis by a 10 medical doctor.

3. A claim for compensation on account of death shall be barred unless filed with the Commission within two (2) years of the date of such a death.

14 4. If within six (6) months after the filing of a claim for
15 compensation no bona fide request for a hearing has been made with
16 respect to the claim, the claim may, on motion and after hearing, be
17 dismissed with prejudice.

18 B. Time for Filing Additional Compensation.

19 1. In cases in which any compensation, including disability or 20 medical, has been paid on account of injury, a claim for additional 21 compensation shall be barred unless filed with the Commission within 22 one (1) year from the date of the last payment of disability 23 compensation or two (2) years from the date of the injury, whichever 24 is greater later.

ENGR. H. A. to ENGR. S. B. NO. 701

1 2. The statute of limitations provided in this subsection shall 2 not apply to claims for the replacement of medicine, crutches, ambulatory devices, artificial limbs, eyeqlasses, contact lenses, 3 4 hearing aids, and other apparatus permanently or indefinitely 5 required as the result of a compensable injury, when the employer or carrier previously furnished such medical supplies, but replacement 6 7 of such items shall not constitute payment of compensation so as to toll the statute of limitations. 8

9 C. A claim for additional compensation shall specifically state 10 that it is a claim for additional compensation. Documents which do 11 not specifically request additional benefits shall not be considered 12 a claim for additional compensation.

D. If within six (6) months after the filing of a claim for additional compensation no bona fide request for a hearing has been made with respect to the claim, the claim shall be dismissed without prejudice to the refiling of the claim within the limitation period specified in subsection B of this section.

E. Failure to File. Failure to file a claim within the period prescribed in subsection A or B of this section shall not be a bar to the right to benefits hereunder unless objection to the failure is made at the first hearing on the claim in which all parties in interest have been given a reasonable notice and opportunity to be heard by the Commission.

24 F. Persons under Disability.

Notwithstanding any statute of limitation provided for in
 this act, when it is established that failure to file a claim by an
 injured employee or his or her dependents was induced by fraud, the
 claim may be filed within one (1) year from the time of the
 discovery of the fraud.

6 2. Subsections A and B of this section shall not apply to a 7 mental incompetent or minor so long as the person has no guardian or similar legal representative. The limitations prescribed in 8 9 subsections A and B of this section shall apply to the mental 10 incompetent or minor from the date of the appointment of a guardian 11 or similar legal representative for that person, and when no 12 guardian or similar representative has been appointed, to a minor on 13 reaching the age of majority.

14 G. A latent injury or condition shall not delay or toll the 15 limitation periods specified in this section. This subsection shall 16 not apply to the limitation period for occupational diseases 17 specified in paragraph 2 of subsection A of this section.

18 SECTION 18. AMENDATORY Section 71, Chapter 208, O.S.L. 19 2013 (85A O.S. Supp. 2018, Section 71), is amended to read as 20 follows:

Section 71. A. Notice. Within ten (10) days after a claim for compensation has been filed, the <u>Workers' Compensation</u> Commission shall notify the employer and any other interested person of the filing of the claim.

ENGR. H. A. to ENGR. S. B. NO. 701

1

22

B. Investigation - Hearing.

The Commission shall assign the claim to an administrative
 law judge who shall hold a hearing on application of any interested
 party, or on its own motion.

2. An application for a hearing shall clearly set forth the
specific issues of fact or law in controversy and the contentions of
the party applying for the hearing.

8 3. If any party is not represented by a lawyer, the
9 administrative law judge shall define the issues to be heard.

10 4. If a hearing on the claim is ordered, the administrative law 11 judge shall give the claimant and other interested parties ten (10) 12 days' notice of the hearing served personally on the claimant and 13 other parties, or by registered mail, facsimile, electronic mail or 14 by other electronic means with receipt of confirmation. The hearing 15 shall may be held in Tulsa or Oklahoma County any county of this 16 state, as determined by the Commission.

17 5. The award, together with the statement of the findings of 18 fact and other matters pertinent to the issues, shall be filed with 19 the record of the proceedings, and a copy of the award shall 20 immediately be sent to the parties in or to counsels of record, if 21 any.

C. Evidence and Construction.

23
 1. a. At the hearing the claimant and the employer may each
 24
 present evidence relating to the claim. Evidence may

be presented by any person authorized in writing for such purpose. The evidence may include verified medical reports which shall be accorded such weight as may be warranted when considering all evidence in the case.

b. Any determination of the existence or extent of physical impairment shall be supported by objective and measurable physical or mental findings.

9 2. When deciding any issue, administrative law judges and the 10 Commission shall determine, on the basis of the record as a whole, 11 whether the party having the burden of proof on the issue has 12 established it by a preponderance of the evidence.

Administrative law judges, the Commission, and any reviewing
 courts shall strictly construe the provisions of this act.

15 4. In determining whether a party has met the burden of proof 16 on an issue, administrative law judges and the Commission shall 17 weigh the evidence impartially and without giving the benefit of the 18 doubt to any party.

D. Judgment. The judgment denying the claim or making the award shall be filed in the office of the Commission, and a copy shall be sent by registered mail, facsimile, electronic mail or by other electronic means with receipt of confirmation to the claimant and to the employer or to their attorneys.

24

6

7

8

ENGR. H. A. to ENGR. S. B. NO. 701

E. No compensation for disability of an injured employee shall be payable for any period beyond his or her death; provided, however, an award of compensation for disability may be made after the death of the injured employee for the period of disability preceding death.

SECTION 19. AMENDATORY Section 78, Chapter 208, O.S.L.
2013 (85A O.S. Supp. 2018, Section 78), is amended to read as
follows:

9 Section 78. A. Any party feeling aggrieved by the judgment, 10 decision, or award made by the administrative law judge may, within ten (10) days of issuance, appeal to the Workers' Compensation 11 12 Commission. After hearing arguments, the Commission may reverse or 13 modify the decision only if it determines that the decision was 14 against the clear weight of the evidence or contrary to law. All 15 such proceedings of the Commission shall be recorded by a court 16 reporter, if requested by any party. Any judgment of the Commission 17 which reverses a decision of the administrative law judge shall 18 contain specific findings relating to the reversal.

B. The appellant shall pay a filing fee of One Hundred Seventyfive Dollars (\$175.00) to the Commission at the time of filing his or her appeal. The fee shall be deposited in the Workers'

22 Compensation <u>Commission Revolving</u> Fund.

C. The judgment, decision or award of the Commission shall be
 final and conclusive on all questions within its jurisdiction

ENGR. H. A. to ENGR. S. B. NO. 701

1 between the parties unless an action is commenced in the Supreme Court of this state to review the judgment, decision or award within 2 twenty (20) days of being sent to the parties. Any judgment, 3 4 decision or award made by an administrative law judge shall be 5 stayed until all appeal rights have been waived or exhausted. The Supreme Court may modify, reverse, remand for rehearing, or set 6 7 aside the judgment or award only if it was: 1. In violation of constitutional provisions; 8 9 2. In excess of the statutory authority or jurisdiction of the 10 Commission; 11 3. Made on unlawful procedure; 12 4. Affected by other error of law; 13 5. Clearly erroneous in view of the reliable, material, 14 probative and substantial competent evidence; 15 6. Arbitrary or capricious; 16 Procured by fraud; or 7. 17 8. Missing findings of fact on issues essential to the 18 decision. 19 This action shall be commenced by filing with the Clerk of the 20 Supreme Court a certified copy of the judgment, decision or award of 21 the Commission attached to the petition by the complaint which shall 22 specify why the judgment, decision or award is erroneous or illegal. 23 The proceedings shall be heard in a summary manner and shall have 24 precedence over all other civil cases in the Supreme Court, except

ENGR. H. A. to ENGR. S. B. NO. 701

1 preferred Corporation Commission appeals. The Supreme Court shall require the appealing party to file within forty-five (45) days from 2 the date of the filing of an appeal or a judgment appealed from, a 3 4 transcript of the record of the proceedings before the Commission, 5 or such later time as may be granted by the Supreme Court on application and for good cause shown. The action shall be subject 6 7 to the law and practice applicable to other civil actions cognizable in the Supreme Court. 8

9 D. A fee of One Hundred Dollars (\$100.00) per appeal to the 10 Supreme Court shall be paid to the Commission and deposited in the 11 Workers' Compensation Fund as costs for preparing, assembling, 12 indexing and transmitting the record for appellate review. This fee 13 shall be paid by the party taking the appeal. If more than one 14 party to the action files an appeal from the same judgment, decision 15 or award, the fee shall be paid by the party whose petition in error 16 commences the principal appeal.

SECTION 20. AMENDATORY Section 80, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 80), is amended to read as follows:

20 Section 80. A. Except where a joint petition settlement has 21 been approved, the <u>Workers' Compensation</u> Commission may <u>reopen for</u> 22 review any compensation judgment, award, or decision. Such review 23 <u>based on a change of physical condition</u> may be done at any time 24 within six (6) months of termination of the compensation period

1 fixed in the original compensation judgment or award from the date 2 of the last order in which monetary benefits or active medical 3 treatment was provided, on the Commission's own motion or on the 4 application of any party in interest, on the ground of a change in 5 physical condition or on proof of erroneous wage rate and unless filed within such period of time shall be forever barred. 6 On 7 review, the Commission may make a judgment or award terminating, continuing, decreasing, or increasing for the future the 8 9 compensation previously awarded, subject to the maximum limits 10 provided for in this act title. An order denying an application to 11 reopen a claim shall not extend the period of time set out in this 12 section for reopening the case. A failure to comply with a medical 13 treatment plan ordered by the Commission shall bar the reopening of 14 a claim.

B. The review and subsequent judgment or award shall be made in accordance with the procedure prescribed in Sections 69 through 78 of this act <u>title</u>. No review shall affect any compensation paid under a prior order, judgment or award.

19 C. The Commission may correct any clerical error in any 20 compensation judgment or award within one (1) year from the date of 21 its issuance.

D. Aging and the effects of aging on a compensable injury are not to be considered in determining whether there has been a change in physical condition. Aging or the effect of aging on a

1 compensable injury shall not be considered in determining permanent 2 disability under this section or any other section in this act. SECTION 21. 3 AMENDATORY Section 82, Chapter 208, O.S.L. 4 2013 (85A O.S. Supp. 2018, Section 82), is amended to read as 5 follows: 6 Section 82. 7 Fees for legal services rendered in a claim shall not A. 1. a. be valid unless approved by the Workers' Compensation 8 9 Commission. 10 b. An attorney representing an injured employee may only 11 recover attorney fees up to ten percent (10%) of any 12 temporary total disability or temporary partial 13 disability compensation and twenty percent (20%) of 14 any permanent partial disability, permanent total 15 disability, or death compensation awarded to an 16 injured employee by the Commission from a controverted 17 claim. If the employer makes a written offer to 18 settle permanent partial disability, permanent total 19 disability, or death compensation and that offer is 20 rejected, the employee's attorney may not recover 21 attorney fees in excess of thirty percent (30%) of the 22 difference between the amount of any award and the 23 settlement offer.

24

(1) Attorney fees may not be collected for recovery on noncontroverted claims.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

- (2) Attorney fees shall not be awarded on medical benefits or services.
- (3) The fee for legal services rendered by an attorney representing an employee in connection with a change of physician requested by the injured employee, controverted by the employer, and awarded by the Commission, shall be Two Hundred Dollars (\$200.00).
- (4) Attorney fees may include not more than ten percent (10%) of the value, or reasonable estimate thereof, of vocational rehabilitation services.
- 15 с. A "controverted claim" means that there has been a 16 contested hearing before the Commission over whether 17 there has been a compensable injury or whether the 18 employee is entitled to temporary total disability, 19 temporary partial disability, permanent partial 20 disability, permanent total disability, or death 21 compensation. A request for a change in physician 22 shall not trigger a controverted claim for purposes of 23 recovering any attorney fees except the fees under 24 division 3 of subparagraph b of this paragraph. A

controverted claim shall not exist if the employee or his or her representative has withheld pertinent information in his or her possession related to the claim from the employer or has violated the provisions of Section 6 of this act <u>title</u>.

Any person who or entity that brings a controverted claim
against the State Treasurer, as a custodian of the Multiple Injury
Trust Fund, shall provide notice of the claim to the Commission.
Thereafter, the Commission shall direct fees for legal services be
paid from the Fund, in addition to any compensation award. The fees
shall be authorized only on the difference between the amount of
compensation controverted and the amount awarded from the Fund.

3. In any case where attorney fees are allowed by the
Commission, the limitations expressed in subparagraph b of paragraph
1 of this subsection shall apply.

16 4. Medical providers may voluntarily contract with the attorney 17 for the employee to recover disputed charges, and the provider may 18 charge a reasonable fee for the cost of collection.

B. An attorney representing an employee under this act may not
recover fees for services except as expressly provided in this
section.

SECTION 22. AMENDATORY Section 90, Chapter 208, O.S.L. 23 (85A O.S. Supp. 2018, Section 90), is amended to read as 24 follows:

ENGR. H. A. to ENGR. S. B. NO. 701

1

2

3

4

5

1	Section 90. A. The Workers' Compensation Commission may		
2	require any employer to make a deposit or bond with the Commission		
3	to secure the prompt and convenient payment of compensation, and		
4	payments shall be made on judgment of the Commission.		
5	B. No proceeding to reverse, vacate or modify any order,		
6	decision or award of the Commission en banc or administrative law		
7	judge of the Commission wherein compensation has been awarded to an		
8	injured employee shall be entertained by the Supreme Court unless		
9	the Executive Director of the Commission shall take a written		
10	undertaking to the claimant executed on the part of the respondent		
11	or insurance carrier, or both the respondent and insurance carrier,		
12	with one or more sureties to be approved by the Executive Director,		
13	to the effect that the appellant shall pay the amount of the award		
14	rendered therein, together with interest thereon from the date of		
15	the award by the administrative law judge of the Commission and all		
16	costs of the proceeding, or on the further order of the Commission		
17	en banc or administrative law judge of the Commission after the		
18	appeal has been decided by the Supreme Court, except that		
19	municipalities and other political subdivisions of this state are		
20	exempt from making such written undertakings.		
21	SECTION 23. AMENDATORY Section 101, Chapter 208, O.S.L.		
22	2013 (85A O.S. Supp. 2018, Section 101), is amended to read as		
23	follows:		
24			

24

1 Section 101. A. On or before the first day of July each year, 2 the Workers' Compensation Commission shall prepare, make public and submit a report for the prior calendar year to the Governor, the 3 4 President Pro Tempore of the Senate, the Speaker of the House of 5 Representatives, and each member of the Legislature, containing a statement of the number of awards made and the causes of the 6 7 accidents leading to the injuries for which the awards were made, total work load data of the administrative law judges, including a 8 9 detailed report of the work load and judgments written by each 10 judge, a detailed statement of the expenses of the Commission, 11 together with any other matter which the Commission deems proper to 12 report.

B. After public hearing and consultation with representatives of employers, insurance carriers, and employees, the Commission shall implement, with the assistance of the Insurance Commissioner, by July 1, 2014, an electronic data interchange (EDI) system that provides relevant data concerning the Oklahoma workers' compensation system and the delivery of benefits to injured workers <u>on a time</u> frame to be reasonably determined by the Commission.

C. To assist the Commission in developing and implementing the EDI system, there is hereby created the Oklahoma Workers' Compensation Electronic Data Interchange Advisory Committee. Within thirty (30) days of the effective date of this act, the <u>The</u> Governor shall appoint five persons to serve as members of the advisory

committee, one of whom shall be selected by the Governor as chair.
 The chair shall provide adequate notice of meetings of the advisory
 committee and public hearings as required by law.

SECTION 24. AMENDATORY Section 152, Chapter 208, O.S.L.
2013 (85A O.S. Supp. 2018, Section 109), is amended to read as
follows:

Section 109. A. The Workers' Compensation Commission shall establish a workers' compensation counselor or ombudsman program to assist injured workers, employers and persons claiming death benefits in obtaining benefits under this act. A special effort shall be made to equip counselors or ombudsmen with sufficient resources to assist injured workers through the system without the necessity of retaining legal representation.

B. Workers' compensation counselors or ombudsmen shall provide information to injured workers; investigate complaints; communicate with employers, insurance carriers, self-insurers, and health care providers; provide informational seminars and workshops on workers' compensation for medical providers, insurance adjustors, and employee and employer groups; and develop informational materials for employees, employers and medical providers.

C. The Commission shall mail a notice to the injured worker within ten (10) days of the filing of an Employer's First Notice of Injury. The notice shall advise the injured worker of the availability of the services of the Commission's counselor or

ENGR. H. A. to ENGR. S. B. NO. 701

ombudsman program and of the availability of mediation and other
 forms of alternative dispute resolution to assist the injured
 worker. The Commission shall provide additional information as the
 Commission may determine necessary.

5 D. The Commission shall develop a program that provides for 6 annual training for own-risk employers and claims representatives 7 handling workers' compensation claims in Oklahoma. The training 8 shall include information about the alternative dispute resolution 9 program, including counselor and ombudsman programs, mediation, and 10 other services provided by the Commission.

SECTION 25. AMENDATORY Section 158, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 115), is amended to read as follows:

14 Section 115. A. If the employee and employer shall reach an 15 agreement for the full, final and complete settlement of any issue 16 of a claim pursuant to this act, a form designated as "Joint 17 Petition" shall be signed by both the employer and employee, or 18 representatives thereof, and shall be approved by the Workers' 19 Compensation Commission or an administrative law judge, and filed 20 with the Workers' Compensation Commission. In cases in which the 21 employee is not represented by legal counsel, the Commission or an 22 administrative law judge shall have jurisdiction to approve a full, 23 final and complete settlement of any issue upon the filing of an 24 Employer's First Notice of Injury. There shall be no requirement

ENGR. H. A. to ENGR. S. B. NO. 701

1 for the filing of an Employee's First Notice of Claim for 2 Compensation to effect such settlement in cases in which the 3 employee is not represented by legal counsel.

B. In the event all issues of a claim are not fully, finally
and completely settled by a Joint Petition, the issues not settled
by the parties and subject to the Commission's continuing
jurisdiction must be noted by appendix to the Joint Petition or on a
form created for such purpose by the Commission. The appendix must
be signed by the parties and approved by the Commission as set forth
herein.

11 C. In the absence of fraud, a Joint Petition shall be deemed 12 binding upon the parties thereto and a final adjudication of all 13 rights pursuant to this act or the workers' compensation law in 14 effect at the time of the injury or final order of the Workers' 15 Compensation Court <u>Commission</u>. An official record shall be made by 16 an official Commission reporter of the testimony taken to effect the 17 Joint Petition.

D. A good-faith effort shall be made on the part of any insurance carrier, CompSource Oklahoma, or group self-insured plan to notify an insured employer of the possibility of and terms of any settlement of a workers' compensation case pursuant to this section. Written comments or objections to settlements shall be filed with the Commission and periodically shared with the management of the applicable insurer. A written notice shall be made to all

ENGR. H. A. to ENGR. S. B. NO. 701

policyholders of their right to a good-faith effort by their insurer to notify them of any proposed settlement, if the policyholder so chooses.

SECTION 26. AMENDATORY Section 161, Chapter 208, O.S.L.
2013 (85A O.S. Supp. 2018, Section 118), is amended to read as
follows:

7 Section 118. A. A At the time of commencement of a claim, a fee of One Hundred Forty Dollars (\$140.00) per case, including any 8 9 Joint Petition, medical fee dispute, claim for discrimination or 10 retaliation, or claim for benefits under the Multiple Injury Trust 11 Fund authorized by this act title, shall be collected from the party 12 filing the claim by the Workers' Compensation Commission and. In 13 the event any award becomes final against an employer, such amount 14 shall be assessed as costs to be paid by the party against whom any 15 award becomes final, to and paid to the injured employee. The 16 filing fee shall be deposited as follows:

One Hundred Five Dollars (\$105.00) to the credit of the
 Workers' Compensation <u>Commission Revolving</u> Fund created by this act;

Ten Dollars (\$10.00) to the credit of the Attorney General's
 Workers' Compensation Fraud Unit Revolving Fund created by Section
 19.2 of Title 74 of the Oklahoma Statutes; and

3. Twenty-five Dollars (\$25.00) to the credit of the Workers'
Compensation <u>Commission Revolving</u> Fund for purposes of implementing
the provisions of this act, including strengthening and providing

additional funding for the Attorney General's Workers' Compensation Fraud Unit, providing counseling services pursuant to the workers' compensation counselor or ombudsman program and safety in the workplace.

5 B. A fee of One Hundred Thirty Dollars (\$130.00) per action to reopen any case pursuant to Section 32 of this act title shall be 6 7 collected by the Commission and assessed as costs to be paid by the party that reopens the case. The fee collected pursuant to this 8 9 subsection shall be deposited to the credit of the Workers' 10 Compensation Commission Revolving Fund for purposes of implementing the provisions of this act, including strengthening and providing 11 12 additional funding for the Attorney General's Workers' Compensation 13 Fraud Unit, providing counseling services pursuant to the workers' 14 compensation counselor or ombudsman program and safety in the 15 workplace.

SECTION 27. AMENDATORY Section 163, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 120), is amended to read as follows:

Section 120. A. Except as otherwise provided by state or federal law and subject to the provisions of this section, an employer may inquire about previous workers' compensation claims paid to an employee while the employee was employed by a previous employer. If the employee fails to answer truthfully about any previous permanent partial disability awards made pursuant to

ENGR. H. A. to ENGR. S. B. NO. 701

1 workers' compensation claims, the employee shall be subject to
2 discharge by the employer.

3 Β. 1. All requests made to the Workers' Compensation 4 Commission for information on prior workers' compensation claims 5 involving a worker, including written inquiries about prior claims and requests to access a worker's compensation claim file, must be 6 7 in writing, on a form prescribed by the Commission, and accompanied by a fee of One Dollar (\$1.00) per search request, not to exceed One 8 9 Dollar (\$1.00) per claims record of a particular worker. The fee 10 shall be deposited to the credit of the Workers' Compensation 11 Commission Revolving Fund. The form shall require identification of 12 the person requesting the information, and the person for whom a 13 search is being made if different from the requester. The form must 14 contain an affidavit signed by the requester under penalty of 15 perjury that the information sought is not requested for a purpose 16 in violation of state or federal law. The form must be used by all 17 repositories of archived Court claim files. All request forms shall 18 be maintained by the Commission as a public record, together with a 19 record of a worker's written authorization permitting a search 20 indexed by the worker's social security number as required by 21 Section 3113 of Title 74 of the Oklahoma Statutes. The request 22 forms and authorizations shall be indexed alphabetically by the last 23 name of the worker.

24 2. This subsection shall not apply:

- a. to requests for claims information made by a public
 officer or by a public employee in the performance of
 his or her duties on behalf of a governmental entity
 or as may be allowed by law,
- b. to requests for claims information made by an insurer,
 self-insured employer, third-party claims
 administrator, or a legal representative thereof, when
 necessary to process or defend a workers' compensation
 claim,
- c. when a worker or the worker's representative requests
 review of the worker's claims information,
- d. when the disclosure is made for educational or
 research purposes and in such a manner that the
 disclosed information cannot be used to identify any
 worker who is the subject of a claim,
- e. to requests for claims information made by a health
 care or rehabilitation provider or the provider's
 legal representative when necessary to process payment
 of health care or rehabilitation services rendered to
 a worker, and
- f. to requests for claims information made by an employer or personnel service company, including but not limited to an individual or entity, where the worker executes a written authorization permitting the search

ENGR. H. A. to ENGR. S. B. NO. 701

1 and designating the employer or personnel service 2 company as the worker's representative for that 3 purpose; however, nothing in this subparagraph shall 4 relieve the employer or personnel service company from 5 complying with the requirements of utilizing the form 6 set forth in paragraph 1 of this subsection. 7 SECTION 28. Section 164, Chapter 208, O.S.L. AMENDATORY

8 2013 (85A O.S. Supp. 2018, Section 121), is amended to read as 9 follows:

Section 121. A. There is hereby created an Advisory Council on Workers' Compensation.

B. The voting membership of the Advisory Council shall consist of nine (9) members. Any member serving on the effective date of this section shall serve the remainder of his or her term. The chair of the Workers' Compensation Commission shall be an ex officio nonvoting member.

The Governor shall appoint three members representing
 employers in this state, one of whom shall be from a list of
 nominees provided by the predominant statewide broad-based business
 organization.

21 2. The Speaker of the House of Representatives shall appoint
22 three members representing employees in this state, one of whom
23 shall be from a list of nominees provided by the most representative
24 labor organization in the state.

ENGR. H. A. to ENGR. S. B. NO. 701

3. The President Pro Tempore of the Senate shall appoint three members, two who are attorneys representing the legal profession in this state, one of whom shall be an attorney who practices primarily in the area of defense of workers' compensation claims, and one of whom shall be an attorney who primarily represents claimants, and a medical doctor or doctor of osteopathy actively engaged in the treatment of injured workers.

8 C. The term of office for appointees shall be as follows: 9 1. The term of office for three positions, one each appointed 10 by the Governor, the President Pro Tempore of the Senate and the 11 Speaker of the House of Representatives shall expire on January 1, 12 2015;

The term of office for three positions, one each appointed
 by the Governor, the President Pro Tempore of the Senate and the
 Speaker of the House of Representatives shall expire on January 1,
 2016; and

3. The term of office for three positions, one each appointed
by the Governor, the President Pro Tempore of the Senate and the
Speaker of the House of Representatives shall expire on January 1,
20 2017.

D. Thereafter, successors in office shall be appointed for a three-year term. Members shall be eligible to succeed themselves in office.

24

ENGR. H. A. to ENGR. S. B. NO. 701

E. Any person appointed to fill a vacancy shall be appointed
 for the unexpired portion of the term.

3 F. The chair and the vice-chair of the Advisory Council shall4 be appointed by the Governor.

G. Members shall receive their traveling and other necessary
expenses incurred in the performance of their duties as provided in
the State Travel Reimbursement Act.

H. Meetings of the Advisory Council shall be quarterly or as
called by the chair or upon petition by a majority of the voting
members. The presence of five voting members constitutes a quorum.
No action shall be taken by the Advisory Council without the
affirmative vote of at least five members.

I. The Commission shall provide office supplies and personnel of the Commission to carry out any of the duties that have been entrusted to the Advisory Council.

16 The Advisory Council shall analyze and review the workers' J. 17 compensation system, the reports of the Commission, and trends in 18 the field of workers' compensation. The Advisory Council may 19 recommend improvements and proper responses to developing trends. 20 The Advisory Council shall report its findings annually to the 21 Governor, the Chief Justice of the Supreme Court, the President Pro 22 Tempore of the Senate, and the Speaker of the House of 23 Representatives.

24

K. In addition to other duties required by this section, the
 Advisory Council shall consult with the <u>Court Commission</u> regarding
 oversight of independent medical examiners as provided in Section 45
 of this act title.

5 L. The Advisory Council shall review the Oklahoma Treatment 6 Guidelines as provided in the Workers' Compensation Code, and report 7 the findings of such review to the Commission as provided in this 8 act.

9 SECTION 29. AMENDATORY Section 165, Chapter 208, O.S.L.
10 2013, as amended by Section 4, Chapter 344, O.S.L. 2015 (85A O.S.
11 Supp. 2018, Section 122), is amended to read as follows:

Section 122. A. The Workers' Compensation Commission Revolving Fund established by Section 2 <u>28.1</u> of this act <u>title</u> shall be used for the costs of administering this act and for other purposes as authorized by law.

B. For the purpose of providing funds for the Workers'
Compensation Commission Revolving Fund, for the Workers'
Compensation Administrative Fund created in Section 5 401.1 of this
act title, for the Multiple Injury Trust Fund created in Section 28
of this title, and to fund other provisions within this title, the
following tax rates shall apply:

Each mutual or interinsurance association, stock company,
 CompSource Oklahoma or other insurance carrier writing workers'
 compensation insurance in this state shall pay to the Oklahoma Tax

ENGR. H. A. to ENGR. S. B. NO. 701

1 Commission an assessment at a rate of one percent (1%) of all gross 2 direct premiums written during each quarter of the calendar year for workers' compensation insurance on risks located in this state after 3 4 deducting from such gross direct premiums, return premiums, 5 unabsorbed portions of any deposit premiums, policy dividends, safety refunds, savings and other similar returns paid or credited 6 7 to policyholders. Such payments to the Tax Commission shall be made not later than the fifteenth day of the month following the close of 8 9 each quarter of the calendar year in which such gross direct premium 10 is collected or collectible. Contributions made by insurance 11 carriers and CompSource Oklahoma, under the provisions of this 12 section, shall be considered for the purpose of computing workers' 13 compensation rates; and

14 When an employer is authorized to become a self-insurer, the 2. 15 Commission shall so notify the Tax Commission, giving the effective 16 date of such authorization. The Tax Commission shall then assess 17 and collect from the employers carrying their own risk an assessment 18 at the rate of two percent (2%) of the total compensation for 19 permanent total disability awards, permanent partial disability 20 awards and death benefits paid out during each quarter of the 21 calendar year by the employers. Such assessment shall be payable by 22 the employers and collected by the Tax Commission according to the 23 provisions of this section regarding payment and collection of the 24 assessment created in paragraph 1 of this subsection.

C. It shall be the duty of the Tax Commission to collect the payments provided for in this title. The Tax Commission is hereby authorized to bring an action for the recovery of any delinquent or unpaid payments required in this section. The Tax Commission may also enforce payments by proceeding in accordance with the provisions of Section 98 of this title.

D. The Tax Commission shall pay monthly to the State Treasurer
to the credit of the Multiple Injury Trust Fund all monies collected
under the provisions of this section less the annual amounts which
shall be apportioned by the Oklahoma Tax Commission as follows:

11 1. <u>To be fulfilled first</u>, Five Million Dollars (\$5,000,000.00) 12 shall be payable in equal monthly installments to the credit of the 13 Workers' Compensation Commission Revolving Fund established in 14 Section 2 28.1 of this act <u>title</u> for the fiscal year ending June 30, 15 2016 2020, and Three Million Dollars (\$3,000,000.00) for the fiscal 16 year ending June 30, 2017, and for all subsequent years to be used 17 to implement the provisions of this title; and

2. Four Million Dollars (\$4,000,000.00) shall be payable in
equal monthly installments to the credit of the Workers'
Compensation Administrative Fund established in Section 5 401.1 of
this act title for the fiscal year ending June 30, 2016, Three
Million Five Hundred Thousand Dollars (\$3,500,000.00) for the fiscal
year ending June 30, 2017, Three Million Five Hundred Thousand
Dollars (\$3,500,000.00) for the fiscal year ending June 30, 2018,

Three Million Dollars (\$3,000,000.00) for the fiscal year ending June 30, 2019, and Two Million Five Hundred Thousand Dollars (\$2,500,000.00) for the fiscal year ending June 30, 2020. Monies deposited in the Workers' Compensation Administrative Fund shall be used by the Workers' Compensation Court of Existing Claims to implement provisions provided for in this title.

7 E. The refund provisions of Sections 227 through 229 of Title
8 68 of the Oklahoma Statutes shall be applicable to any payments made
9 pursuant to this section.

10 SECTION 30. AMENDATORY Section 166, Chapter 208, O.S.L. 11 2013 (85A O.S. Supp. 2018, Section 123), is amended to read as 12 follows:

13 Section 123. A. Any form, claim, answer or report to be filed 14 by any person with the Workers' Compensation Commission pursuant to 15 this act shall contain or be verified by a written declaration that, 16 to the best of the knowledge of the filing party, such form, claim, 17 answer or report is true and made under the penalty of perjury. 18 B. Notwithstanding subsection A of this section, submission of 19 any report by electronic data interchange pursuant to the 20 requirements of Section 101 of this title is sufficient ipso facto 21 to establish that the trading partner making the filing declares to 22 the best of his or her knowledge that any information contained in 23 the report is true and made under the penalty of perjury.

24

1 SECTION 31. AMENDATORY Section 167, Chapter 208, O.S.L. 2 2013, as amended by Section 7, Chapter 169, O.S.L. 2014 (85A O.S. Supp. 2018, Section 124), is amended to read as follows: 3 4 Section 124. A. 1. All unexpended funds, assets, property, 5 and records, personnel and any outstanding financial obligations and encumbrances of the Workers' Compensation Court before February 1, 6 7 2014, are hereby shall be deemed transferred to the Workers' Compensation Commission at such time as the Legislature no longer 8 9 appropriates funding to the Court independent of funding for the 10 Commission for the purpose of maintaining such assets or records. 11 The personnel transferred shall retain leave, sick and annual time 12 earned and any retirement and longevity benefits which have accrued 13 during their employment with the state. The salaries of employees 14 who are transferred shall not be reduced as a direct and immediate 15 result of the transfer. There shall be no reduction-in-force as a 16 result of the transfer.

17 2. Any unexpended funds, including interest thereon, held by 18 the State Treasurer in an interest-bearing division special account 19 maintained by the Workers' Compensation Court before February 1, 20 2014, from which a self-insured employer's workers' compensation 21 obligations are paid following nonpayment by the self-insured 22 employer for any reason, including insolvency, shall be transferred 23 to the Workers' Compensation Commission. Such funds shall be 24 expended by the Commission only for the purpose of paying workers'

1 compensation obligations of the self-insured employer, and costs
2 related to the administration of such obligations, to the extent of
3 the availability of such funds.

B. 1. All unexpended funds, assets, property, and records and
any outstanding financial obligations and encumbrances of the
Workers' Compensation Self-insurance Guaranty Fund Board before
February 1, 2014, are hereby transferred to the Self-insurance
Guaranty Fund Board created in the Administrative Workers'
Compensation Act.

10 2. Any unexpended funds, including interest thereon, held by 11 the State Treasurer in the Workers' Compensation Self-insurance 12 Guaranty Fund before February 1, 2014, shall be transferred to the 13 Self-insurance Guaranty Fund Board created by the Administrative 14 Workers' Compensation Act. Such funds shall be expended by the 15 Board only as authorized in the Administrative Workers' Compensation 16 Act.

17 3. Any claim existing or action or proceeding pending by, 18 against or before the Workers' Compensation Self-insurance Guaranty 19 Fund Board when the Board ceased existence may be continued as if 20 the Self-insurance Guaranty Fund Board was not created, or the Self-21 insurance Guaranty Fund Board may be substituted in the matter. The 22 Self-insurance Guaranty Fund Board shall be responsible and liable 23 for all liabilities and obligations of the Workers' Compensation 24 Self-insurance Guaranty Fund Board.

ENGR. H. A. to ENGR. S. B. NO. 701

C. All property and records of the Physician Advisory Committee
 before February 1, 2014, are hereby transferred to the Physician
 Advisory Committee created in the Administrative Workers'
 Compensation Act.

D. All property and records of the Advisory Council on Workers'
Compensation before February 1, 2014, are hereby transferred to the
Advisory Council on Workers' Compensation created in the
Administrative Workers' Compensation Act.

9 E. All unexpended funds, assets, property, records, personnel 10 and any outstanding financial obligations and encumbrances of the 11 Multiple Injury Trust Fund before February 1, 2014, are hereby 12 transferred to the Multiple Injury Trust Fund created in the 13 Administrative Workers' Compensation Act. The personnel transferred 14 shall retain leave, sick and annual time earned and any retirement 15 and longevity benefits which have accrued during their employment 16 with the state. The salaries of employees who are transferred shall 17 not be reduced as a direct and immediate result of the transfer. 18 There shall be no reduction-in-force as a result of the transfer.

F. The Director of the Office of Management and Enterprise Services is hereby directed to coordinate the transfer of funds, allotments, purchase orders, outstanding financial obligations or encumbrances provided for in subsections A and E of this section, and the transfer of funds, outstanding financial obligations or encumbrances provided for in subsection B of this section.

ENGR. H. A. to ENGR. S. B. NO. 701

SECTION 32. AMENDATORY Section 121, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2018, Section 300), is amended to read as
 follows:

Section 300. Sections 121 300 through 149 328 of this act title
shall be known and may be cited as the "Workers' Compensation
Arbitration Act".

7 SECTION 33. AMENDATORY Section 125, Chapter 208, O.S.L.
8 2013 (85A O.S. Supp. 2018, Section 304), is amended to read as
9 follows:

Section 304. A. Except as otherwise provided in subsections B and C of this section and in the laws of this state outside of this act, a party to an agreement to arbitrate or to an arbitration proceeding may waive, or the parties may vary the effect of, the requirements of this act to the extent permitted by law.

B. Before a controversy arises that is subject to an agreement
to arbitrate, a party to the agreement may not:

17 1. Waive or agree to vary the effect of the requirements of 18 subsection A of Section $\frac{126}{305}$, subsection A of Section $\frac{127}{306}$, 19 Section $\frac{128}{307}$, subsection A or B of Section $\frac{138}{317}$, Section $\frac{147}{147}$ 20 326 or Section $\frac{149}{328}$ of this act title;

21 2. Agree to unreasonably restrict the right to notice of the 22 initiation of an arbitration proceeding under Section 130 309 of 23 this act <u>title</u>;

24

ENGR. H. A. to ENGR. S. B. NO. 701

Agree to unreasonably restrict the right to disclosure of
 any facts by an arbitrator under Section 133 312 of this act title;
 4. Waive the right of a party to an agreement to arbitrate to
 be represented by a lawyer at any proceeding or hearing under
 Section 137 316 of this act title; or

6 5. Agree to conduct arbitration proceedings outside of this7 state.

C. A party to an agreement to arbitrate or to an arbitration proceeding may not waive, or the parties may not vary the effect of, the requirements of this section or subsection A or C of Section 124 <u>304</u>, Sections 128, 135 and 139 <u>307, 314 and 318</u>, subsection D or E of Section 141 <u>320</u>, Sections 143, 144 and 145 <u>322, 323 and 324</u>, or subsection A or B of Section 146 325 of this act title.

14 SECTION 34. AMENDATORY Section 126, Chapter 208, O.S.L. 15 2013 (85A O.S. Supp. 2018, Section 305), is amended to read as 16 follows:

Section 305. A. Except as otherwise provided in Section 150
18 <u>107</u> of this act title, an application for judicial relief under this
act shall be made by application and motion to the <u>Workers'</u>
<u>Compensation</u> Commission and heard in the manner provided by law or
rule of the Commission for making and hearing motions.

B. Unless a civil action involving the agreement to arbitrate is pending, notice of an initial application and motion to the Commission under this act shall be served in the manner provided by

ENGR. H. A. to ENGR. S. B. NO. 701

law for the service of a summons in the filing of a civil action.
 Otherwise, notice of the motion shall be given in the manner
 provided by law or rule of court for serving motions in pending
 cases.

5 SECTION 35. AMENDATORY Section 133, Chapter 208, O.S.L.
6 2013 (85A O.S. Supp. 2018, Section 312), is amended to read as
7 follows:

8 Section 312. A. Before accepting appointment, an individual 9 who is requested to serve as an arbitrator, after making a 10 reasonable inquiry, shall disclose to the parties to the arbitration 11 agreement, the parties to the arbitration proceeding, and any other 12 arbitrators any known facts that a reasonable person would consider 13 likely to affect the impartiality of the arbitrator in the 14 arbitration proceeding, including but not limited to:

A financial or personal interest in the outcome of the
 arbitration proceeding; and

17 2. An existing or past relationship with any of the parties to
18 the agreement to arbitrate or the arbitration proceeding, their
19 counsel or representatives, a witness, or another arbitrator.

B. An arbitrator has a continuing obligation to disclose to the parties to the arbitration agreement, the arbitration proceeding, and to any other arbitrators any facts that the arbitrator learns after accepting appointment which a reasonable person would consider likely to affect the impartiality of the arbitrator.

ENGR. H. A. to ENGR. S. B. NO. 701

C. If an arbitrator discloses a conflict under subsection A or B of this section, any party to the arbitration agreement or the arbitration proceeding may have the arbitrator removed by filing a notice of conflict with the <u>Workers' Compensation</u> Commission. If a notice of conflict is not filed within ten (10) days of disclosure of the conflict, the parties waive their rights to have any order or award entered vacated under Section <u>144</u> <u>323</u> of this <u>act title</u>.

8 SECTION 36. AMENDATORY Section 134, Chapter 208, O.S.L. 9 2013 (85A O.S. Supp. 2018, Section 313), is amended to read as 10 follows:

Section 313. If there is more than one arbitrator, the powers of an arbitrator shall be exercised by a majority of the arbitrators, but all of them shall conduct the hearing under Section 136 <u>315</u> of this act <u>title</u>.

SECTION 37. AMENDATORY Section 135, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 314), is amended to read as follows:

Section 314. A. Arbitrators and arbitration organizations providing services under this act are immune from civil liability to the same extent as a judge of a court of this state acting in a judicial capacity.

B. The immunity afforded by this section supplements anyimmunity under other law.

24

C. The failure of an arbitrator to make a disclosure required
 by Section 133 312 of this act title shall not cause any loss of
 immunity under this section.

D. An arbitrator or representative of an arbitration
organization is not competent to testify in a judicial,
administrative, or similar proceeding and may not be required to
produce records as to any statement, conduct, decision, or ruling
occurring during the arbitration proceeding, to the same extent as a
judge of a court of this state acting in a judicial capacity. This
subsection shall not apply to:

The extent necessary to determine the claim of an
 arbitrator, arbitration organization, or representative of the
 arbitration organization against a party to the arbitration
 proceeding; or

15 2. A hearing on an application and motion to vacate an award 16 under paragraphs 1 or 2 of subsection A of Section 144 323 of this 17 act title if the movant establishes prima facie that a ground for 18 vacating the award exists.

E. If a person commences a civil action against an arbitrator, arbitration organization, or representative of an arbitration organization arising from the services of the arbitrator, organization, or representative or if a person seeks to compel an arbitrator or a representative of an arbitration organization to testify or produce records in violation of subsection D of this

ENGR. H. A. to ENGR. S. B. NO. 701

section, and the court decides that the arbitrator, arbitration organization, or representative of an arbitration organization is immune from civil liability or that the arbitrator or representative of the organization is not competent to testify, the court shall award to the arbitrator, organization, or representative reasonable attorney fees and other reasonable expenses of litigation.

7 SECTION 38. AMENDATORY Section 137, Chapter 208, O.S.L. 8 2013 (85A O.S. Supp. 2018, Section 316), is amended to read as 9 follows:

Section 316. A. A party to an arbitration proceeding may be represented by a lawyer.

B. Each party shall be responsible for payment of his or her
legal fees incurred during arbitration, except as provided for in
Section <u>142</u> <u>321</u> of this act <u>title</u>.

C. The employee's attorney may not recover legal fees in excess
of the limits described in Section 82 of this act title.

SECTION 39. AMENDATORY Section 139, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 318), is amended to read as follows:

Section 318. If an arbitrator makes a pre-award ruling in favor of a party, the party may request the arbitrator to incorporate the ruling into an award under Section 140 319 of this act title. A prevailing party may make an application and motion to the Commission for an expedited judgment to confirm the award under

ENGR. H. A. to ENGR. S. B. NO. 701

Section $\frac{143}{322}$ of this act title, in which case the Workers' 1 Compensation Commission shall summarily decide the motion. 2 The Commission shall issue a judgment to confirm the award unless the 3 court Commission vacates, modifies, or corrects the award under 4 5 Section 144 or 145 323 or 324 of this act title. 6 SECTION 40. AMENDATORY Section 141, Chapter 208, O.S.L. 7 2013 (85A O.S. Supp. 2018, Section 320), is amended to read as follows: 8 9 Section 320. A. On motion by a party to an arbitration 10 proceeding, the arbitrator may modify or correct an award: 11 1. On a ground stated in paragraph 1 or 3 of subsection A of Section 145 324 of this act title; 12 2. Because the arbitrator has not made a final and definite 13 14 award upon a claim submitted by the parties to the arbitration 15 proceeding; or 16 3. To clarify the award. 17 A motion under subsection A of this section shall be made Β. 18 and notice given to all parties within twenty (20) days after the 19 award is issued to the parties. 20 C. A party to the arbitration proceeding shall give notice of 21 any objection to the motion within ten (10) days after receipt of 22 the motion. 23 If a motion to the Workers' Compensation Commission is D. 24 pending under Section 144 or 145 323 or 324 of this act title, the

Commission may submit the claim to the arbitrator to consider
 whether to modify or correct the award:

3 1. On a ground stated in paragraph 1 or 3 of subsection A of
4 Section 145 324 of this act title;

5 2. Because the arbitrator has not made a final and definite
6 award upon a claim submitted by the parties to the arbitration
7 proceeding; or

8 3. To clarify the award.

9 E. An award modified or corrected under this section is subject
10 to Sections 143, 144 and 145 <u>322, 323 and 324</u> of this act <u>title</u>.
11 SECTION 41. AMENDATORY Section 142, Chapter 208, O.S.L.
12 2013 (85A O.S. Supp. 2018, Section 321), is amended to read as
13 follows:

Section 321. A. An arbitrator may award benefits set forth in Sections 45, 46, 47 and 51 of this act title.

B. An arbitrator may award reasonable attorney fees and other reasonable expenses of arbitration if the arbitrator finds that a party was not acting in good faith throughout the arbitration.

C. As to all remedies other than those authorized by subsections A and B of this section, an arbitrator may order such remedies as the arbitrator considers just and appropriate under the circumstances of the arbitration proceeding. The fact that such a remedy could not or would not be granted by the <u>Workers'</u>

24 <u>Compensation</u> Commission is not a ground for refusing to confirm an

ENGR. H. A. to ENGR. S. B. NO. 701

award under Section 143 322 of this act title or for vacating an
 award under Section 144 323 of this act title.

3 D. An arbitrator's expenses and fees, together with other4 expenses, shall be paid by the employer.

E. If an arbitrator awards relief under subsection A of this
section, the arbitrator shall specify in the award the basis in fact
justifying and the basis in law authorizing the award.

8 SECTION 42. AMENDATORY Section 143, Chapter 208, O.S.L. 9 2013 (85A O.S. Supp. 2018, Section 322), is amended to read as 10 follows:

Section 322. After a party to an arbitration proceeding receives notice of an award, the party may make an application and motion to the <u>Workers' Compensation</u> Commission for a judgment confirming the award at which time the Commission shall issue a confirming judgment unless the award is modified or corrected under Section <u>141 or 145</u> <u>320 or 324</u> of this <u>act title</u> or is vacated under Section <u>144</u> <u>323</u> of this <u>act title</u>.

18 SECTION 43. AMENDATORY Section 144, Chapter 208, O.S.L. 19 2013 (85A O.S. Supp. 2018, Section 323), is amended to read as 20 follows:

Section 323. A. On an application and motion to the court by a party to an arbitration proceeding, the <u>Workers' Compensation</u> Commission shall vacate an award made in the arbitration proceeding if:

ENGR. H. A. to ENGR. S. B. NO. 701

The award was procured by corruption, fraud, or other undue
 means;

3 2. There was:

4 a. evident partiality by an arbitrator appointed as a
5 neutral arbitrator,

6 b. corruption by an arbitrator, or

7 c. misconduct by an arbitrator prejudicing the rights of
8 a party to the arbitration proceeding;

9 3. An arbitrator refused to postpone the hearing upon showing 10 of sufficient cause for postponement, refused to consider evidence 11 material to the controversy, or otherwise conducted the hearing 12 contrary to Section 136 <u>315</u> of this act <u>title</u>, so as to prejudice 13 substantially the rights of a party to the arbitration proceeding;

4. An arbitrator exceeded his or her powers under this act;
5. The arbitration was conducted without proper notice of the
initiation of an arbitration as required in Section 130 309 of this
act title so as to prejudice substantially the rights of a party to
the arbitration proceeding; or

It is determined that an arbitrator did not disclose a
 conflict under Section 133 312 of this act title.

B. An application and motion under this section shall be filed within thirty (30) days after the movant receives notice of the award or within thirty (30) days after the movant receives notice of a modified or corrected award, unless the movant alleges that the

1 award was procured by corruption, fraud, or other undue means, in 2 which case the motion shall be made within ninety (90) days after 3 the ground is known or by the exercise of reasonable care would have 4 been known by the movant.

5 C. If the Commission vacates an award it may order a rehearing. If the award is vacated on a ground stated in paragraph 1, 2 or 6 of 6 7 subsection A of this section, the rehearing shall be before a new arbitrator. If the award is vacated on a ground stated in paragraph 8 9 3, 4 or 5 of subsection A of this section, the rehearing may be before the arbitrator who made the award or the arbitrator's 10 The arbitrator shall render the decision in the 11 successor. 12 rehearing within the same time as that provided in subsection B of 13 Section 140 319 of this act title for an award.

D. If the Commission denies a motion to vacate an award, it shall confirm the award unless a motion to modify or correct the award is pending.

SECTION 44. AMENDATORY Section 148, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 327), is amended to read as follows:

Section 327. A. A party may appeal the following actions to
the district court as provided in Section 149 328 of this act title:
An order denying a motion to compel arbitration;
An order granting a motion to stay arbitration;
An order confirming or denying confirmation of an award;

ENGR. H. A. to ENGR. S. B. NO. 701

1

4. An order modifying or correcting an award;

2 5. An order vacating an award without directing a rehearing; or
3 6. A final judgment entered under the Workers' Compensation
4 Arbitration Act.

5 SECTION 45. AMENDATORY Section 169, Chapter 208, O.S.L. 6 2013 (85A O.S. Supp. 2018, Section 400), is amended to read as 7 follows:

8 Section 400. A. The Workers' Compensation Court shall be 9 renamed the Workers' Compensation Court of Existing Claims for the 10 purpose of hearing disputes relating to claims that arise before 11 February 1, 2014. The Court shall consist of the existing judges 12 for the remainder of his or her term. Each judge of the Court shall 13 continue to serve as the appointment to a designated numbered 14 position on the Court. The positions shall be numbered one through 15 ten. The terms of the judges by position number shall expire on the 16 following dates:

17 Position 1 shall expire 7-1-14. 18 Position 2 shall expire 7-1-14. 19 Position 3 shall expire 7-1-14. 20 Position 4 shall expire 7-1-20. 21 Position 5 shall expire 7-1-20. 22 Position 6 shall expire 7-1-16. 23 Position 7 shall expire 7-1-16. 24 Position 8 shall expire 7-1-20.

1

Position 9 shall expire 7-1-20.

2 Position 10 shall expire 7-1-14.

Provided, judges who are serving unexpired terms on the Workers' Compensation Court on the effective date of this section shall serve on the Court created by this section until their respective terms expire as provided in this act. Thereafter, each position shall be dissolved. After a judge serves this term, such judge shall be eligible to reapply for an administrative law judge with the Workers' Compensation Commission.

When a vacancy on the Court occurs or is certain to occur, the Workers' Compensation Commission shall assign administrative law judges from the Commission to assist in the duties of the Workers' Compensation Court of Existing Claims.

B. A judge may be removed for cause by the Court on theJudiciary prior to the expiration of his or her term.

16 C. Each judge shall receive a salary equal to that paid to a 17 district judge of this state, and shall devote full time to his or 18 her duties and shall not engage in the private practice of law 19 during the term in office.

D. The Court shall operate by the rules adopted by the Workers'
Compensation Court prior to the effective date of this act.

E. The Court is hereby designated and confirmed as a court of record, with respect to any matter within the limits of its jurisdiction, and within such limits the judges thereof shall

possess the powers and prerogatives of the judges of the other courts of record of this state, including the power to punish for contempt those persons who disobey a subpoena, or refuse to be sworn or to answer as a witness, when lawfully ordered to do so.

F. The principal office of the Court shall be situated in the
City of Oklahoma City in quarters assigned by the Office of
Management and Enterprise Services. The Court may hold hearings in
any city of this state.

9 G. All county commissioners and presiding district judges of
10 this state shall make quarters available for the conducting of
11 hearings by a judge of the Court upon request by the Court.

H. Judges of the Workers' Compensation Court of Existing Claims
may punish for direct contempt pursuant to Sections 565, 565.1 and
566 of Title 21 of the Oklahoma Statutes.

15 The Court shall be vested with jurisdiction over all claims Ι. 16 filed pursuant to the Workers' Compensation Code. All claims so 17 filed shall be heard by the judge sitting without a jury. The Court 18 shall have full power and authority to determine all questions in 19 relation to payment of claims for compensation under the provisions 20 of the Workers' Compensation Code. The Court, upon application of 21 either party, shall order a hearing. Upon a hearing, either party 22 may present evidence and be represented by counsel. The decision of 23 the Court shall be final as to all questions of fact and law; 24 provided, the decision of the Court may be appealed to the

1 Commission. The decision of the Court shall be issued within sixty 2 (60) days following the submission of the case by the parties. The 3 power and jurisdiction of the Court over each case shall be 4 continuing and it may, from time to time, make such modifications or 5 changes with respect to former findings or orders relating thereto 6 if, in its opinion, it may be justified.

J. Any appeal of an order by the Workers' Compensation Court of
Existing Claims shall be heard by the Commission en banc. The
Commission shall review the decision using an abuse of discretion
standard of review. Orders by the Commission may be appealed in
accordance with Section 78 of this act.

12 K. To protect the integrity of the transition from the Workers' 13 Compensation Court to the administrative system created by this act, 14 and to protect all rights and privileges of parties to claims 15 adjudicated by the Workers' Compensation Court, the Commission shall 16 retain all remedies and responsibilities of the Workers' 17 Compensation Court for as long as cases involving claims for 18 compensation accruing before the effective date of this act but 19 filed thereafter or which were pending before or adjudicated by the 20 Workers' Compensation Court shall remain open.

L. <u>K.</u> For an injury occurring before the effective date of this act <u>February 1, 2014</u>, all benefits and procedures to obtain benefits shall be determined by the workers' compensation law of this state in effect on the date of the injury. Administrative law judges of

1 the Commission shall enforce all final orders of the Workers' 2 Compensation Court in a manner to secure for all parties the due 3 process and equal protection guarantees of the Constitution of the 4 State of Oklahoma.

5 M. L. All accrued rights and penalties incurred pursuant to a 6 final order of the Workers' Compensation Court shall be preserved. 7 Administrative law judges of the Commission shall be authorized to 8 issue orders and conduct legal proceedings to enforce all such 9 accrued rights and penalties incurred. No accrued right, penalty 10 incurred, or proceeding begun by virtue of a statute repealed by 11 this act shall be abrogated by the terms of this act.

 12
 SECTION 46.
 REPEALER
 Sections 15, 25 and 57, Chapter

 13
 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 15, 25 and 57), are

 14
 hereby repealed.

15 Sections 107, 108, 109, 110, as SECTION 47. REPEALER 16 amended by Section 4, Chapter 390, O.S.L. 2015, 111, 112, as amended 17 by Section 5, Chapter 390, O.S.L. 2015, 113, 114, 115, 116, 117, 18 118, as amended by Section 6, Chapter 390, O.S.L. 2015, 119 and 120, 19 Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 200, 201, 20 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212 and 213), are 21 hereby repealed.

SECTION 48. This act shall become effective July 1, 2019.
 SECTION 49. It being immediately necessary for the preservation
 of the public peace, health or safety, an emergency is hereby

ENGR. H. A. to ENGR. S. B. NO. 701

1	declared to exist, by reason whereof this act shall take effect and
2	be in full force from and after its passage and approval."
3	Passed the House of Representatives the 25th day of April, 2019.
4	
5	
6	Presiding Officer of the House of Representatives
7	
8	Passed the Senate the day of, 2019.
9	
10	
11	Presiding Officer of the Senate
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	