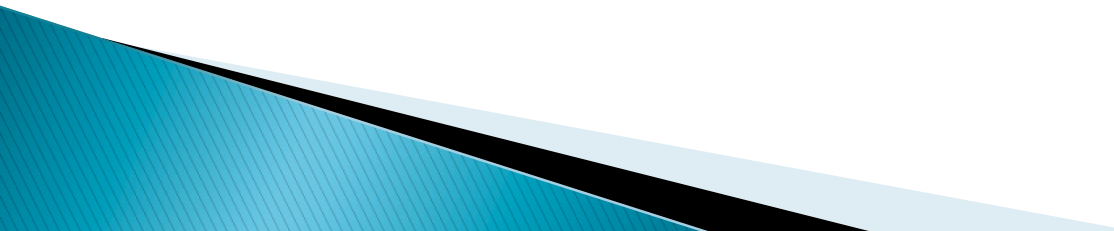


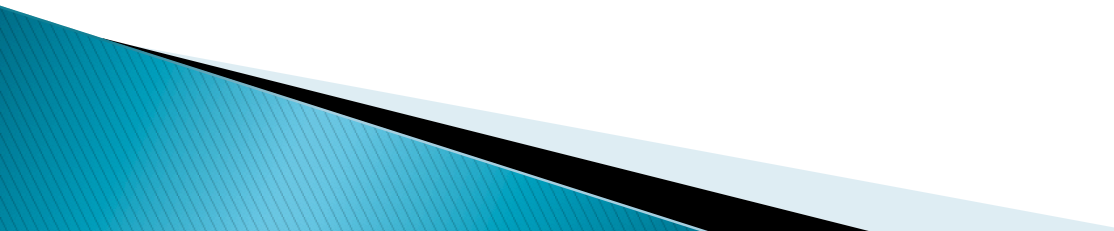
Workers' Compensation Reform 2019 Legislative Fly-In Briefing



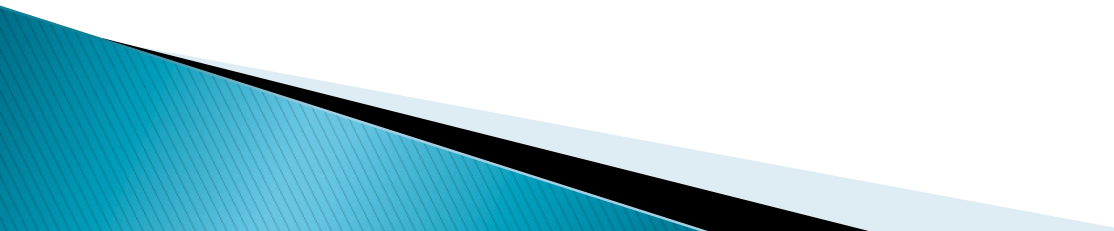
Where We've Been

- Fee Schedule (HB 316)
 - Out-of-State Medical (HB 141)
 - The Governor's Bill (HB 79)
 - Comprehensive Reform (SB 112)
- 

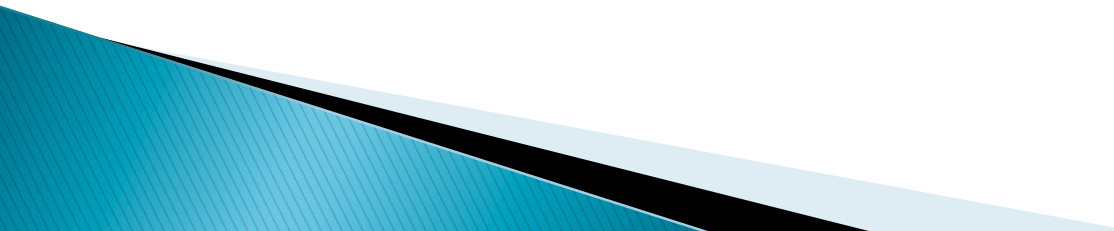
2019 Workers' Compensation Reform Priorities

- ▶ Medical Treatment
 - ▶ Litigation
 - ▶ Claimant Attorney Fees
 - ▶ Reemployment Benefits (Voc Rehab)
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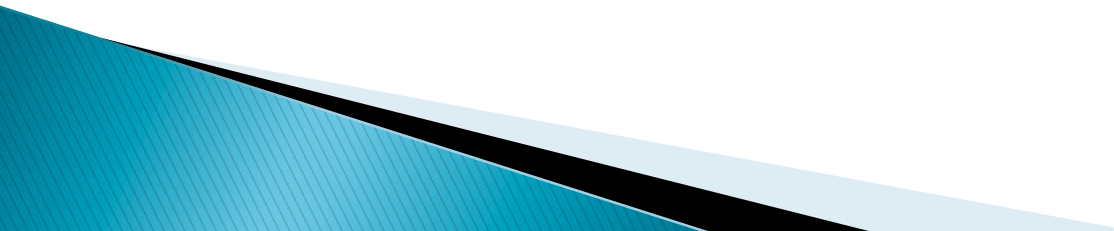
Medical Treatment: The Problem

- ▶ No market influences on pricing
 - ▶ No employer control or input regarding treatment
 - ▶ No objective treatment guidelines
 - ▶ No limits on treating physicians
 - ▶ No employer recourse for challenging unreasonable treatment
- 

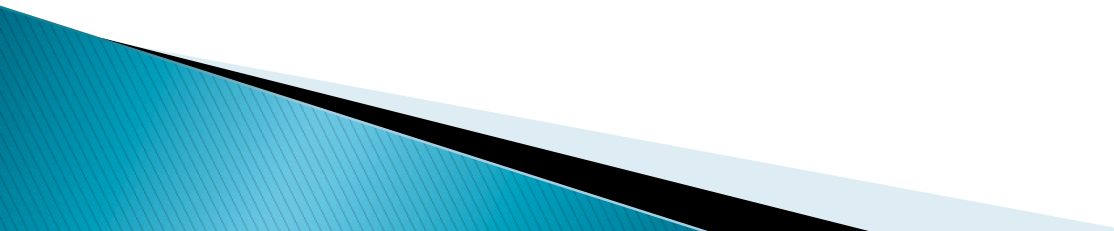
Medical Treatment: The Solution

- ▶ Introduce market forces by allowing medical tourism
- ▶ Evidence-based medicine
 - ACOEM
 - ODG
 - Utilization review
- ▶ Can guidelines be adopted without legislative action?...Maybe

2019 Workers' Compensation Reform Priorities

- ▶ Medical Treatment
 - ▶ **Litigation**
 - ▶ Claimant Attorney Fees
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- 

Litigation: The Problem

- ▶ Extreme bias and lack of objectivity
 - ▶ Due process...what's that?
 - ▶ No consistency between boards
 - ▶ Protracted litigation
 - ▶ No effective means of resolving medical disputes
- 

Litigation: The Solution

- ▶ Transfer hearings to OAH and administrative law judges
 - More objective and equitable adjudication
 - May be done administratively as a cost-saving move
- ▶ Eliminate Second Independent Medical Evaluation
 - Expensive for employers
 - SIME opinions often discarded
 - Objective treatment guidelines will eliminate most medical disputes

2019 Workers' Compensation Reform Priorities

- ▶ Medical Treatment
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- ▶ **Claimant Attorney Fees**
- ▶ Reemployment Benefits (Voc Rehab)

Claimant Attorney Fees: The Problem

- ▶ Claimant attorney fees drive litigation
- ▶ Awarded Time and Expense
 - Up to \$450/hour
 - Statutory fees when case settled...NOT!
- ▶ Paid by employer

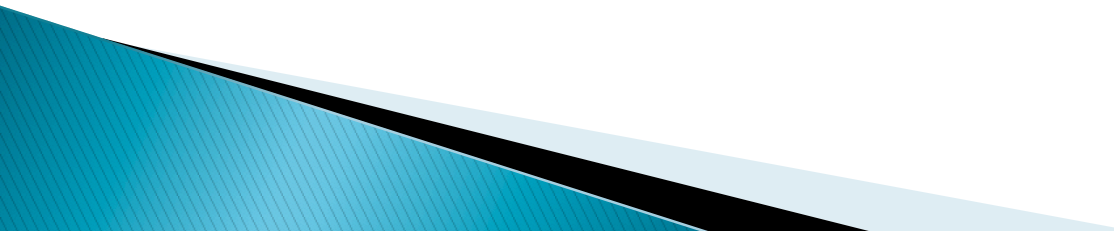
Claimant Attorney Fees: The Solution

- ▶ Limit attorney fees to a percentage of benefits awarded
- ▶ Pay fees out of benefits awarded

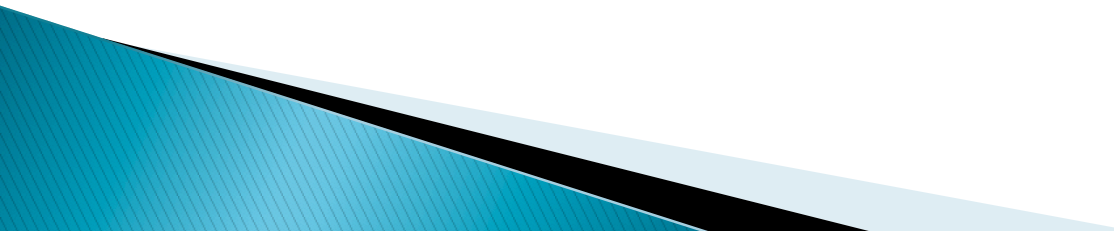
2019 Workers' Compensation Reform Priorities

- ▶ Medical Treatment
- ▶ Litigation
- ▶ Claimant Attorney Fees
- ▶ Reemployment Benefits (Voc Rehab)

Reemployment Benefits: The Problem

- ▶ No RBA accountability
 - ▶ No injured worker accountability
 - ▶ No specific deadlines
 - ▶ Unrealistic remunerative wage expectations
 - ▶ Very few actually complete a plan
 - ▶ No one goes to work in the field for which they were retrained
 - ▶ The vast majority of cases settle
- 

Reemployment Benefits: The Solution

- ▶ Mandate RBA accountability
 - ▶ Mandate injured worker participation by establishing specific timelines and deadlines to continue drawing benefits
 - ▶ Eliminate the remunerative wage requirement
 - ▶ Prohibit settling the benefit
 - ▶ Repeal the benefit in its entirety
- 

Questions?

