

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass
Vote: 7 - 0 - 0
Yeas: Berger, Edwards C., Esquivel, Holvey, Rosenbaum, Smith P., Schaufler
Nays: 0
Exc.: 0
Prepared By: Theresa Van Winkle, Administrator
Meeting Dates: 5/14

WHAT THE MEASURE DOES: Removes the current statutory cap of \$1500 for medical-only temporary disability compensation for workers' compensation claims. Requires the Director of the Department of Consumer and Business Services to annually adjust the maximum amount of compensation to reflect changes in inflation.

ISSUES DISCUSSED:

- Support of the Workers' Compensation Management-Labor Advisory Committee (MLAC)
- Background on statutory caps for non-disabling workers' compensation claims
- Specific economic statistic used for the adjustment

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Since 1987, employers have been allowed to pay a portion of medical costs on their non-disabling workers' compensation claims so that minor injuries would not adversely affect an employer's experience rating. The limit was originally set at \$500. The 2005 Legislature increased the threshold to \$1500.

SB 762 A allows the amount to be tied to the medical services consumer price index instead of having to be adjusted periodically by the legislature to keep pace with inflation.