

1	(EMERGENCY)
2 3	SECOND REGULAR SESSION
4 5	ONE HUNDRED AND ELEVENTH LEGISLATURE
6 7	Legislative Document No. 2190
. 8 9	H.P. 1660 House of Representatives, March 6, 1984 Reference to the Committee on Labor is suggested and ordered printed.
10	EDWIN H. PERT, Clerk
11	Presented by Speaker Martin of Eagle Lake. Cosponsors: Representative Beaulieu of Portland, Representative Joseph of Waterville and Senator Dutremble of York.
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13	STATE OF MAINE
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15 16 17	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-FOUR
18 19 20 21 22	AN ACT to Amend the Early Payment Provision of the Workers' Compensation Act with Respect to Payments for Impairment and Medicals-only Claims.
23 24 25	Emergency preamble. Whereas, Acts of the Legis- lature do not become effective until 90 days after adjournment unless enacted as emergencies; and
26 27 28 29 30	Whereas, the early payment provisions of "An Act to Reform the Workers' Compensation System," which became effective on January 1, 1984, was made appli- cable to payment for impairment and medical-only claims; and
31 32 33 34	Whereas, the application of the early pay system to payment of impairment and medical-only claims is unnecessary and highly impracticable within a 14-day period; and

1 Whereas, the application of the early payment 2 provisions to payment of impairment and medical only 3 'claims will cause an undue burden on the administra-4 tion of the Workers' Compensation Act; and

5 Whereas, in the judgment of the Legislature, 6 these facts create an emergency within the meaning of 7 the Constitution of Maine and require the following 8 legislation as immediately necessary for the preser-9 vation of the public peace, health and safety; now, 10 therefore,

- Be it enacted by the People of the State of Maine as follows:
- 13 Sec. 1. 39 MRSA §51-B, sub-§3, as enacted by PL 14 1983, c. 479, §7, is amended to read:

15 Compensation for incapacity. The first pay-3. 16 ment of compensation, other than compensation for im-17 pairment under section 56 or 56-A7 for incapacity un-18 der section 54 or 55 is due and payable within 14 19 days after the employer has notice or knowledge of 20 the injury or death. In cases where the employee did 21 not lose time from work within 5 scheduled work days 22 following the injury, compensation for incapacity un-23 der section 54 or 55 is due and payable within 14 days of the date the employee asserts to the employer 24 25 that that lost time is related to the injury or from 26 the date a request is made for medical expenses or other benefits payable under the Act, whichever ec-27 28 eurs first. On or before the 14th day, all compensa-29 tion then due shall be paid. Subsequent incapacity 30 compensation benefit payments shall be made weekly 31 and in a timely fashion.

32 Sec. 2. 39 MRSA §51-B, sub-§4, as enacted by PL 33 1983, c. 479, §7, is amended to read:

34 Compensation for impairment; compensation for 4. 35 medical expenses. Compensation for impairment under 36 sections 56 and 56-A shall not be payable prior to 37 the date on which the injured employee reaches the 38 stage of maximum medical improvement. It beshall 39 come due and payable within 14 180 days after the em-40 ployer has notice that maximum medical improvement 41 has been attained. For the purpose of this subsec-

"maximum medical improvement" means the date 1 tion, after which further recovery and further restoration 2 3 of function can no longer be reasonably anticipated, 4 based upon reasonable medical probability. Compensa-5 tion for medical expenses and other services under section 52 is due and payable within 180 days from 6 7 the date a request is made for payment of these ex-8 penses.

9 Sec. 3. 39 MRSA §51-B, sub-§5, as enacted by PL 10 1983, c. 479, §7, is amended to read:

11 5. <u>Memorandum of payment</u>. Upon making the first 12 payment of compensation <u>for incapacity or for medical</u> 13 <u>expenses</u> or upon making a payment of compensation for 14 impairment, the employer shall immediately forward to 15 the commission a memorandum of payment on forms pre-16 scribed by the commission. This information shall 17 include, at a minimum, the following:

- 18 A. The names of the employee, employer and insurance carrier;
- 20 B. The date of the injury;
- C. The names of the employee's other employers,
 if any, or a statement that there is no multiple
 employment, if that is the case; and
- 24 D. The initial weekly compensation rate.

25 When the compensation sought does not include pay-26 ments for incapacity or impairment, the information 27 described in paragraphs C and D need not be provided.

28 When payment is solely one for medical expenses and 29 the employer has previously filed any memorandum of 30 payment with respect to the claim, no subsequent mem-31 orandum of payment for medical expenses need be 32 filed. Reporting of subsequent medical expenses paid 33 shall be made to the commission in accordance with 34 its rules.

35 Sec. 4. 39 MRSA §51-B, sub-§6, as enacted by PL 36 1983, c. 479, §7, is amended to read:

6. <u>Information</u>. If the employer is making com-pensation payments under this section, the employer 1 2 3 shall file with the commission a statement of the 4 employee's average weekly wage, as defined in section 5 2, within 30 days after the initial payment, together 6 a wage statement or wage statements in the case with 7 of multiple employment. A copy of this information 8 shall be mailed to the person receiving payments. 9 When the only compensation claimed or payable is for 10 medical services, wage statements need not be 11 submitted

12 Sec. 5. 39 MRSA §51-B, sub-§7, as enacted by PL 13 1983, c. 479, §7, is amended to read:

14 Notice of controversy. If the employer, pri-7. 15 or to making payments under subsection 3, controverts 16 the claim to compensation, he shall file with the 17 commission, within 14 days after an event which gives 18 rise to an obligation to make payments under subsec-19 3, a notice of controversy in a form prescribed tion by the commission. If the employer, prior to making 20 21 payments under subsection 4, controverts the claim to 22 compensation, he shall file with the commission, 23 within 180 days after an event which gives rise to an obligation to make payments under subsection 4, a no-24 25 tice of controversy in a form prescribed by the com-26 mission. The notice shall indicate the name of the 27 claimant, name of the employer, date of the alleged 28 injury or death and the grounds upon which the claim 29 to compensation is controverted. The employer shall 30 promptly furnish the employee with a copy of the no-31 tice.

If, at the end of the 14-day period in subsection 3 or the 180-day period in subsection 4, the employer 32 33 34 has not filed the notice required by this subsection, 35 he shall begin payments as required under subsection 36 those subsections. He In the case of compensation 3 37 for incapacity under subsection 3, he may cease pay-38 ments and file with the commission a notice of con-39 troversy, only as provided in this subsection, no la-40 ter than 44 days after an event which gives rise to 41 obligation to make payments under subsection 3. an 42 Failure to file the required notice of controversy 43 prior to the expiration of the 44-day period, in the 44 case of compensation under subsection 3, constitutes 1 acceptance by the employer of the compensability of 2 the injury or death. Failure to file the required no-3 tice of controversy prior to the expiration of the 4 180-day period under subsection 4 constitutes accept-5 ance by the employer of the extent of impairment 6 claimed or the reasonableness of the medical services 7 claimed.

8 If, at the end of the 44-day period, the employer has 9 not filed a notice of controversy, or if, pursuant to 10 a proceeding before the commission, the employer is 11 required to make payments, the payments may not be 12 decreased or suspended, except as provided in section 13 100.

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 Sec. 6.
 39 MRSA §51-B, sub-§8, as enacted by PL

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 1983, c.
 479, §7, is amended to read:

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16 Effect of payment. If, within the 44-day pe-8. 17 riod established in subsection 7 and after the payment of compensation for incapacity without an award, 18 19 the employer elects to controvert the claim to com-20 pensation for incapacity, the payment of compensation 21 shall not be considered to be an acceptance of the 22 claim or an admission of liability. Notwithstanding 23 the provisions of section 99-C, the acceptance of compensation in any case, except by decision 24 or 25 agreement, by the injured employee or his dependents 26 shall not be considered an admission by the employee 27 or his dependents as to the nature and scope of the 28 employer's liability or a waiver of the right to 29 question the amount of compensation or the duration 30 of the same or the nature of the injury and its con-31 sequences.

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 Sec. 7.
 39 MRSA §94-A, sub-§2, ¶A, as enacted by

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 PL 1983, c.
 479, §19, is amended to read:

34 Α. Either payments are initiated or notice of 35 controversy is filed by the end of 14 days after 36 event which gives rise to an obligation to an 37 make payments under section 51-Bsubsection 3 38 within the time limits established in section 39 51-B, subsections 3 and 4; and

40 Sec. 8. 39 MRSA §106-A, as amended by PL 1983, 41 c. 479, §29, is further amended to read:

1 §106-A. Notice by the commission

2 Within 15 days of receipt of an employer's notice 3 injury, as required by section 106, unless it has of received a petition for award of compensation relat-4 5 ing to the injured employee, the commission shall 6 take reasonable steps to notify the employee that, 7 unless the employer disputes the claim, the employer 8 is required to pay compensation within 14 days after, 9 an event which gives rise to an obligation to make 10 payments under section 51-B, subsection 3 the time 11 limits established in section 51-B, subsections 3 and 12 a petition for award may be filed; section that 13 110 of the Act provides for the payment of attorney's 14 fees under certain circumstances; and rights under 15 the Act may not be protected unless a petition of award or memorandum of payment is on file with the 16 17 commission within 2 years of the injury.

18 Emergency clause. In view of the emergency cited 19 in the preamble, this Act shall take effect when ap-20 proved.

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STATEMENT OF FACT

22 Section 1 removes compensation for impairment and 23 medical expenses and other services from the 14-day 24 time constraints of the early pay provisions. The 25 early pay provision of the Revised Statutes, Title 26 39, section 51-B, subsection 3 now relates only to 27 weekly compensation for incapacity under sections 54 28 and 55.

29 Section 2, in the case of impairment, extends the 30 initial decision-making period within which the in-31 surer must decide to pay or controvert from 14 days to 180 days from the date of "maximum medical im-provement." Section 2 adds a provision to cover pay-32 33 34 ment of medical expenses and other services and extends the period for payment of these expenses from 35 36 14 to 180 days from the date a request is made for 37 payment of such medical expenses.

38 Section 3 provides that a memorandum of payment 39 need only be filed upon the payment of the first med-40 ical bill and only when the medical bill is the first 41 or only payment of compensation made. Section 4 provides that no wage statement need be
 filed when the only compensation being paid is for
 medical bills.

4 Section 5 provides that an employer-insurer can 5 controvert impairment compensation claims and claims 6 for medical expenses and other services. It also pro-7 vides that when there are payments for impairment or medical expenses the employer does not gain an addi-8 9 tional 30 days during which it can stop payments and 10 file a notice of controversy. The final decision to or before 11 pay or controvert must be made at the 12 180-day point. By lengthening the period for payment of impairment compensation or compensation for medi-13 14 cal expenses to 180 days, there no longer exists any 15 reason for extending the period upon payment.

Section 6 amends the Revised Statutes, Title 39,
section 51-B, subsection 8, to make it consistent
with changes made to the Revised Statutes, Title 39,
section 51-B, subsection 7.

20 Section 7 amends the Revised Statutes, Title 39, 21 section 94-A, subsection 2, paragraph A, to make it 22 consistent with changes made to the Revised Statutes, 23 Title 39, section 51-B.

Section 8 amends the Revised Statutes, Title 39,
section 106-A to make it consistent with changes made
to the Revised Statutes, Title 39, section 51-B.

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