

#### FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

### Legislative Document

NO. 805

H.P. 594 House of Representatives, March 17, 1987 Reference to the Committee on Labor suggested and ordered printed.

EDWIN H. PERT, Clerk Presented by Representative RACINE of Biddeford. Cosponsored by Representative GREENLAW of Standish and President PRAY of Penobscot.

#### STATE OF MAINE

# IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-SEVEN

AN ACT to Provide Payment of Workers' Compensation Benefits in Cases when a Decision has not been Reached within 6 Months.

6 Be it enacted by the People of the State of Maine as follows:

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39 MRSA §104-A, sub-§1-A is enacted to read:

9 1-A. Provisional payment after 6 months. If no 10 decision has been rendered upon any claim for bene-11 fits under this Act within 6 months of the filing of a petition for award under section 94, the employer against whom the claim is filed is immediately liable 14 to the employee for compensation, pending a final decision on the petition.

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1 2 3 4 5 6 7 8 9 10 11	<ul> <li>A. Compensation payable under this subsection shall be at a level equal to that contained in the commissioner's advisory opinion at the previ- ous informal conference held under section 94-B.</li> <li>Payment of compensation under this subsection shall be made as if a commissioner's order for payment had been issued 6 months after the peti- tion for award was filed.</li> <li>B. The following provisions govern adjustments in compensation after a decision is ultimately rendered on the employee's petition for award.</li> </ul>
12	(1) If the commissioner's decision ulti-
13	mately awards the employee compensation un-
14	der this Act at the same level provided in
15	the previous advisory opinion or at a higher
16	level, the employer shall receive credit un-
17	der section 62 for compensation paid under
18	this subsection in that award, notwithstand-
19	ing any appeal from that decision.
20	(2) If the commissioner's decision ulti-
21	mately denies compensation to the employee,
22	or awards compensation in an amount less
23	than the compensation suggested in the pre-
24	vious advisory opinion, the employer may re-
25	cover any overpayments made under this sub-
26	section from the employee or may reduce fu-
27	ture compensation in an amount equal to any
28	overpayment, notwithstanding any appeal from
29	that decision. The commission has jurisdic-
30	tion to determine the amount of overpayment,
31	if any, and the amount and schedule of re-
32	payment or reduction in future compensation,
33	if any. In determining whether or not re-
34	payment or reduction in future compensation
35	should be made and the extent or schedule of
36	repayment or reduction in future compensa-
37	tion, the commission shall consider the fi-
38	nancial situation of the employee and his
39	family and shall not order repayment or re-
40	duction which would work hardship or injus-
41	tice.

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## STATEMENT OF FACT

2 Many workers are being unjustly denied workers' 3 compensation benefits for long periods of time due to 4 delays in adjudicating their claims. These delays may lead to several serious problems, including the 5 6 loss of homes and personal possessions, impaired 7 credit ratings, other financial problems and emotion-8 al distress. According to a recent study by the 9 Workers' Compensation Commission, this situation is 10 occurring despite the fact that 70% of these cases 11 are eventually won by the injured worker. This bill attempts to alleviate this problem by requiring 12 em-13 ployers or their insurance company to pay compensa-14 tion to any employee whose claim is not resolved 15 within 6 months. This compensation is based on the compensation level suggested in the advisory opinion 16 17 of a workers' compensation commissioner issued at the 18 earlier informal conference and includes all amounts 19 which become due after the injury occurs. If the claim is later denied or a lesser award is granted, 20 21 the employer is authorized to recover any overpay-22 ments, except in cases when recovery would work hard-23 ship or injustice.

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