

## (Emergency) SECOND SPECIAL SESSION

# ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1932

S.P. 710

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In Senate, November 20, 1987

Reference to the Committee on Labor suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate Presented by Senator DUTREMBLE of York.

#### STATE OF MAINE

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

AN ACT to Make Technical Corrections in the Workers' Compensation Act.

4 **Emergency preamble.** Whereas, Acts of the Legis-5 lature do no become effective until 90 days after ad-6 journment unless enacted as emergencies; and

7 Whereas, technical changes are necessary to Pub-8 lic Law 1987, chapter 559 which need to be enacted as 9 emergencies to accomplish the intent of the Legisla-10 ture; and

11 Whereas, in the judgment of the Legislature, 12 these facts create an emergency within the meaning of 13 the Constitution of Maine and require the following 14 legislation as immediately necessary for the preser-

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1 vation of the public peace, health and safety; now, 2 therefore, 3 it enacted by the People of the State of Maine as Be 4 follows: 5 Sec. 1. 5 MRSA §17906, sub-§2, ¶¶A and D, as en-6 acted by PL 1985, c. 801, §§5 and 7, are amended to 7 read: 8 The amount of any disability retirement bene-Α. fit payable under this article shall be reduced 9 by any amount received by the beneficiary for the 10 same disability under either or both of the fol-11 12 lowing: 13 (1)The worker's compensation or similar 14 law, except amounts which may be paid or 15 payable under Title 39, sections-56-or-56-A section 56-B; or 16 17 The United States Social Security (2) Act, the employment for which creditable ser-18 if vice with the employer is allowed was also 19 20 that act at the date of discovered under 21 ability retirement. 22 Lump-sum settlements of benefits D. that would 23 reduce the disability retirement benefit under 24 this subsection shall be prorated on a monthly in an equitable manner prescribed by the 25 basis 26 board. These prorated lump-sum settlements may 27 (1)not include any part of the lump-sum settle-28 29 ment attributable to vocational rehabilitation, attorneys' fees, physicians, nurses, 30 hospital, medical, surgical or related fees 31 32 or charges or any amount paid or payable un-33 der Title 39, section 56-or-56-A 56-B. 34 These prorated lump-sum settlements (2) 35 shall reduce the disability retirement bene-36 fit in the same manner and amount as monthly 37 benefits under this subsection.

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Sec. 2. 39 MRSA §51-B, sub-§3 as amended by PL 1985, c. 372, Pt. A, §9, is further amended to read:

3. <u>Compensation for incapacity</u>. The first payment of <u>compensation</u> for incapacity under section 54-A-or-55-A 54-B or 55-B is due and payable within 14 days after the employer has notice or knowledge of the injury or death. In cases where the employee did not lose time from work within 5 scheduled work days following the injury, compensation for incapacity under section 54-A-or-55-A 54-B or 55-B is due and payable within 14 days of the date the employee asserts to the employer that that lost time is related to the injury. Subsequent incapacity compensation benefit payments shall be made weekly and in a timely fashion.

16 Sec. 3. 39 MRSA §51-B, sub-§4, as amended by PL 17 1985, c. 729, §1, is further amended to read:

Compensation for impairment; compensation for 4. medical expenses. Compensation for impairment under sections-56-and-56-A section 56-B shall not be payable prior to the date on which the injured employee reaches the stage of maximum medical improvement. It shall become due and payable within 90 days after the employer has notice that maximum medical improvement has been attained. For the purpose of this subsection, "maximum medical improvement" means the date after which further recovery and further restoration of function can no longer be reasonably anticipated, based upon reasonable medical probability. Compensation for medical expenses, aids and other services section 52 is due and payable within 90 days under from the date a request is made for payment of these expenses.

34 Sec. 4. 39 MRSA §57-B, sub-§3, as enacted by PL 35 1985, c. 372, Pt. A, §23, is amended to read:

36 Reimbursement. The employer shall be reim-3. 37 at least quarterly from the Employment Rehabursed 38 bilitation Fund for any weekly wage replacement bene-39 fits for which he is liable under section 54-A7--55-A 40 54-B, 55-B or 58-A, and which are paid by that em-41 ployer.

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A. An employer entitled to reimbursement under this section remains liable to the employee for all payments otherwise required from him by this Act and remains responsible for carrying out the rehabilitation efforts required by subchapter III-A as a result of the subsequent injury.

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11 12 B. A commissioner shall order a reduction, suspension or termination of reimbursement of an employer under this section if the commissioner finds that the employer has not made a bona fide effort to return the employee to continuing gainful employment.

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 Sec. 5.
 39 MRSA §58-A, first ¶, as enacted by PL

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 1985, c.
 372, Pt. A, §25, is amended to read:

15 If death results from the injury, the employer 16 shall pay the dependents of the employee, dependent 17 upon his earnings for support at the time of his in-18 jury, a weekly payment equal to 2/3 his average gross 19 weekly wages, earnings or salary, but not more than the maximum benefit under section 53-A 53-B, nor less 20 21 than \$25 weekly from the date of death until the time 22 provided for in subsection 2. This weekly compensa-23 tion shall be adjusted annually so that it continues 24 to bear the same percentage relationship to the state 25 average weekly wage, as computed by the Maine Unem-26 Insurance Commission, as it did at the time ployment 27 of the injury, but in no case may the annual adjust-28 ment exceed the lesser of 5% or the actual percentage the state average weekly wage for the 29 increase in 30 previous year. The annual adjustment required by 31 this section shall be made on the anniversary date of 32 the injury, except that where the effect of the maxi-33 mum under section 53-A 53-B is to reduce the amount 34 of compensation to which the claimant would otherwise 35 be entitled, the adjustment shall be made annually on 36 July 1st.

37 Sec. 6. 39 MRSA §62-A, sub-\$1, as enacted by PL 38 1979, c. 496, \$2, is amended to read:

39 1. <u>Reduction for unemployment benefits</u>. Compen-40 sation paid under this Act, except for-lump-sum-pay-41 ments--under--sections-56-and-56-A compensation under 42 section 56-B and lump sum settlements, to any employ-

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ee for any period with respect to which he is receiving or has received benefits under the employment security law, shall be reduced by the amount of the unemployment benefits.

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38 39 40 Sec. 7. 39 MRSA §62-B, sub-§§1, 3 and 4, as enacted by PL 1985, c. 372, Pt. A, §26, is amended to read:

1. Application. This section applies when weekly compensation is payable to an employee under section 54-A--or--55-A 54-B or 55-B for any period for which he is receiving or has received old age insurance benefit payments under the United States Social Security Act, United States Code, Title 42, Sections 301 to 1397f, or payments under an employee benefit plan.

16 3. <u>Coordination of benefits</u>. Benefit payments 17 subject to this section shall be reduced in accord-18 ance with the following provisions.

A. The employer's obligation to pay weekly compensation under section 54-A-or-55-A <u>54-B or 55-B</u> shall be reduced by:

> (1) Fifty percent of the amount of old age insurance benefits received or being received under the United States Social Security Act;

> (2) The after tax amount of the payments received or being received under an employee benefit plan provided by the same employer by whom benefits under section 54-A-or-55-A54-B or 55-B are payable if the employee did not contribute directly to the plan; and

(3) The proportional amount, based upon the ratio of the employer's contributions to the total contributions, of the after tax amount of the payments received or being received by the employee under an employee benefit plan provided by the same employer by whom benefits under section 54-A-or-55-A 54-B or 55-B are payable if the employee did contribute directly to the plan.

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B. No reduction in weekly compensation may be made if benefits received under an employee benefit plan are required to be reduced to reflect the receipt of benefits under this Act.

C. No reduction in weekly compensation may be made as a result of any increase granted by the United States Social Security Administration as a cost-of-living adjustment.

D. Weekly compensation may be reduced to no less than 10% of the amount due to the employee under section 54-A-or-55-A 54-B or 55-B or to a minimum weekly payment of \$7 after reduction under this section, whichever is greater.

14 Release of information. Within 14 days after 4. the date of the first payment of compensation under 15 16 section 54-A--or--55-A 54-B or 55-B or 14 days after 17 the date of application for any benefits subject to 18 coordination under this section, whichever is later, 19 the employee shall, upon request, provide the employ-20 er with a certificate authorizing the employer to ob-21 tain any benefit information necessary to comply with 22 this section. If, at any subsequent time, the em-23 ployer is required to submit a new certificate in or-24 to receive that information, a new certificate der 25 shall be provided upon request within 14 days. A11 26 certificates for the release of information shall be 27 in a form prescribed by the commission. Ϊ£ the em-28 ployee fails to provide a properly executed certifi-29 cate, the employer may, with the approval of the com-30 mission, suspend all benefit payments until the cer-31 tificate is provided. Any benefits so withheld shall 32 be paid to the employee once the required certificate 33 provided, subject to any reductions authorized by is 34 this section.

35 Sec. 8. 39 MRSA §188, as amended by PL 1985, c.
 36 372, Pt. A, §46, is further amended to read:

37 §188. Partial incapacity

38 Compensation shall be payable for partial inca-39 pacity due to occupational diseases as provided in 40 section 55-A 55-B of the Workers' Compensation Act.

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11 12 13 Sec. 9. 39 MRSA §189, first ¶, as amended by PL 1985, c. 372, Pt. A, §47, is further amended to read:

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Compensation for partial or total incapacity or death from occupational disease shall be payable in the same manner and amounts as provided in sections 54-A7--55-A 54-B, 55-B and 58-A. Compensation shall not be payable for incapacity by reason of occupational diseases unless such incapacity results within 3 years after the last injurious exposure to such disease in the employment.

12 Sec. 10. 39 MRSA §194-B, sub-§8, ¶C, as amended 13 by PL 1985, c. 372, Pt. A, §48, is repealed and the 14 following enacted in its place:

> If an employee becomes incapacitated or dies С. or after October 1, 1983, but before June 30, on 1985, then compensation shall be payable in the same manner and amounts as provided in former sections 54, 55 and 58. If an employee becomes incapacitated or dies on or after June 30, 1985, but before the effective date of this paragraph, then compensation shall be payable in the same manner and amount as provided in former sections 54-A, 55-A and 58-A. If an employee becomes incapacitated or dies on or after the effective date of this paragraph, compensation shall be payable in the same manner and amount as provided in sections 54-B, 55-B and 58-A.

29 Sec. 11. PE<sup>7</sup> 1987, c. 559 is amended by adding at 30 the end the following:

31 Emergency clause. In view of the emergency cleed 32 in the preamble, this Act shall take effect when ap-33 proved.

34 Sec. 12. Applicability. This Act applies only to
 35 injuries occurring on or after the effective date of
 36 this Act.

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved.

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## STATEMENT OF FACT

This bill corrects cross references in the Workers' Compensation Act and the occupational disease law created by the repeal of Title 39, sections 53-A, 54-A, 55-A, 56 and 56-A and adds an emergency clause to Public Law 1987, chapter 559.

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