

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
THIRD SPECIAL SESSION

HOUSE AMENDMENT 'C' to H.P. 1783, L.D. 2464, Bill, "An Act to Reform the Workers' Compensation Act and Workers' Compensation Insurance Laws"

Amend the bill in Part A in section 8 in that part designated "~~§106.~~" in the first paragraph in the last line (page 15, line 46 in L.D.) by inserting after the following: "14-A" the following: ', or for reimbursement of general assistance pursuant to Title 22, section 4318'

Further amend the bill in Part A in section 8 in that part designated "~~§151.~~" in subsection 1 by striking out all of the first paragraph (page 18, lines 4 to 12 in L.D.) and inserting in its place the following:

'1. Board established. Pursuant to Title 5, section 12004-G, subsection 35, the Workers' Compensation Board is established as an independent board composed of 8 members. The members of the board must be appointed by the Governor within 30 days after a new board member is authorized or a vacancy occurs, subject to review by the joint standing committee of the Legislature having jurisdiction over state and local government matters and confirmation by the Legislature. Notwithstanding the provisions of Title 3, section 151, the designated committee shall complete its review of the appointments of the Governor within 15 days of the Governor's written notice of appointment and the vote of the Legislature must be taken no later than 7 days after the vote of the designated committee.'

Further amend the bill in Part A in section 8 in that part designated "~~§151.~~" in subsection 1 by striking out all of the 4th paragraph (page 18, lines 30 to 33 in L.D.) and inserting in its place the following:

'A member of the board may not be a lobbyist required to be registered with the Secretary of State.'

HOUSE AMENDMENT "C" to H.P. 1783, L.D. 2464

2 Further amend the bill in Part A in section 8 in that part
designated "~~§151.~~" in subsection 2 in the 7th line (page 19, line
4 in L.D.) by striking out the following: "judiciary" and
4 inserting in its place the following: 'state and local government'

6 Further amend the bill in Part A in section 8 in that part
designated "~~§152.~~" by striking out all of subsection 2 and
8 inserting in its place the following:

10 '2. Rules. Subject to any applicable requirements of the
12 Maine Administrative Procedure Act, the board shall adopt rules
14 to accomplish the purposes of this Act. Those rules may define
16 terms, prescribe forms and make suitable orders of procedure to
18 ensure the speedy, efficient, just and inexpensive disposition of
20 all proceedings under this Act.

22 The board shall adopt rules establishing a policy and procedures
24 to safeguard the confidentiality of the records of the former
26 Workers' Compensation Commission and the Workers' Compensation
28 Board pertaining to individual injured employees. The policy
30 must make records available on a need-to-know basis.'

32 Further amend the bill in Part A in section 8 in that part
designated "~~§152.~~" in subsection 4 by striking out all of the
last sentence (page 20, lines 27 and 28 in L.D.) and inserting in
its place the following: 'The general counsel and assistants to
the general counsel are unclassified employees, serve at the
pleasure of the board and are not subject to the Civil Service
Law.'

34 Further amend the bill in Part A in section 8 in that part
designated "~~§152.~~" by striking out all of subsection 6 and
inserting in its place the following:

36 '6. Hiring of personnel. The board shall appoint the
38 directors of the bureaus and divisions of the board and their
40 deputies and assistants, who are unclassified employees, serve at
42 the pleasure of the board and are not subject to the Civil
44 Service Law.'

46 Further amend the bill in Part A in section 8 in that part
designated "~~§153.~~" in subsection 8 in the 3rd line from the end
(page 23, line 32 in L.D.) by striking out the following: "2nd
edition, copyright 1984," and inserting in its place the
following: '3rd edition, copyright 1990,'

48 Further amend the bill in Part A in section 8 in that part
designated "~~§205.~~" in subsection 9 by striking out all of
paragraphs A to C and inserting in their place the following:

50

2 'A. If the employee has returned to work with or has
4 received an increase in pay from an employer that is paying
6 compensation under this Act, that employer or that
8 employer's insurer or group self-insurer may discontinue or
10 reduce payments to the employee.

12 B. In all circumstances other than the return to work or
14 increase in pay of the employee under paragraph A, if the
16 employer, insurer or group self-insurer determines that the
18 employee is not eligible for compensation under this Act,
20 the employer, insurer or group self-insurer may discontinue
22 or reduce benefits only in accordance with this paragraph.

24 (1) If no order or award of compensation or
26 compensation scheme has been entered, the employer,
28 insurer or group self-insurer may discontinue or reduce
30 benefits by sending a certificate by certified mail to
32 the employee and to the board, together with any
34 information on which the employer, insurer or group
36 self-insurer relied to support the discontinuance or
38 reduction. The employer may discontinue or reduce
40 benefits no earlier than 21 days from the date the
42 certificate was mailed to the employee. The
44 certificate must advise the employee of the date when
46 the employee's benefits will be discontinued or
48 reduced, as well as other information as prescribed by
the board, including the employee's appeal rights.

(2) If an order or award of compensation or
compensation scheme has been entered, the employer,
insurer or group self-insurer shall petition the board
for an order to reduce or discontinue benefits and may
not reduce or discontinue benefits until the matter has
been finally resolved through the dispute resolution
procedures of this Act, any appeal proceedings have
been completed and an order of reduction or
discontinuance has been entered by the board.

C. The employee may file a petition for review, contesting
the employer's discontinuance or reduction of compensation
under this subsection. Regardless of whether the employee
files a petition prior to the date of the discontinuance or
reduction, benefits may be discontinued or reduced as
described in paragraph A or B.

D. The board, within 21 days after the employee filed a
petition for review, may enter an order providing for the
continuation or reinstatement of benefits pending a hearing
on the petition. The order must be based upon the

2 information submitted by both the employer, insurer or group
3 self-insurer and the employee under this subsection.

4 E. In all cases under this subsection, the board shall
5 provide for an expedited procedure that must be available
6 upon request of any party.

8
9
10 F. If benefits have been discontinued or reduced pursuant
11 to paragraph A or B and the board, after hearing, determines
12 that benefits have been wrongfully withheld, the board shall
13 order payment of all benefits withheld together with
14 interest at the rate of 6% a year. The employer shall pay
15 this amount within 10 days of the order.'

16 Further amend the bill in Part A in section 8 in that part
17 designated "§211." in the first paragraph in the 4th line (page
18 37, line 11 in L.D.) by striking out the following: "must be
19 adjusted annually" and inserting in its place the following: 'is
20 the higher of \$441 or 90% of the state average weekly wage as
21 adjusted annually'

22
23 Further amend the bill in Part A in section 8 by striking
24 out all of that part designated "§213." and inserting in its
25 place the following:

26 '§213. Compensation for partial incapacity

28
29 1. Benefit and duration. While the incapacity for work is
30 partial, the employer shall pay the injured employee a weekly
31 compensation equal to 80% of the difference between the injured
32 employee's after-tax average weekly wage before the personal
33 injury and the after-tax average weekly wage that the injured
34 employee is able to earn after the injury, but not more than the
35 maximum benefit under section 211. Compensation must be paid for
36 the duration of the disability if the employee's permanent
37 impairment, determined according to the impairment guidelines
38 adopted by the board pursuant to section 153, subsection 8
39 resulting from the personal injury is in excess of 15% to the
40 body. In all other cases an employee is not eligible to receive
41 compensation under this section after the employee has received
42 260 weeks of compensation under section 212, subsection 1, this
43 section or both. The board may in the exercise of its discretion
44 extend the duration of benefit entitlement beyond 260 weeks in
45 cases involving extreme financial hardship due to inability to
46 return to gainful employment. This authority may not be
47 delegated to a hearing officer and such decisions must be made
48 expeditiously.

2 2. Threshold adjustment. Effective January 1, 1998 and
3 every other January 1st thereafter, the board, using an
4 independent actuarial review based upon actuarially sound data
5 and methodology, must adjust the 15% impairment threshold
6 established in subsection 1 so that 25% of all cases with
7 permanent impairment will be expected to exceed the threshold and
8 75% of all cases with permanent impairment will be expected to be
9 less than the threshold. The actuarial review must include all
10 cases receiving permanent impairment ratings on or after January
11 1, 1993, irrespective of date of injury, but may utilize a cutoff
12 date of 90 days prior to each adjustment date to permit the
13 collection and analysis of data. The data must be adjusted to
14 reflect ultimate loss development. In order to ensure the
15 accuracy of the data, the board shall require that all cases
16 involving permanent injury, including those settled pursuant to
17 section 352, include an impairment rating performed in accordance
18 with the guidelines adopted by the board and either agreed to by
19 the parties or determined by the board. Each adjusted threshold
20 is applicable to all cases with dates of injury on or after the
21 date of adjustment and prior to the date of the next adjustment.

22 3. Dates of injury between January 1, 1993 and January 1,
23 1998. An employee whose date of injury is between January 1,
24 1993 and January 1, 1998, who has not settled the claim pursuant
25 to section 352 and whose impairment rating is 15% or less to the
26 body but exceeds the adjusted threshold established pursuant to
27 subsection 2 on January 1, 1998 is entitled to compensation for
28 the duration of the disability. Reimbursement to the employer,
29 insurer or group self-insurer for the payment of all benefits
30 payable in excess of 260 weeks of compensation under this
31 subsection must be made from the Employment Rehabilitation Fund.

32 4. Extension of 260-week limitation. Effective January 1,
33 1998 and every January 1st thereafter, the 260-week limitation
34 contained in subsection 1 must be extended 52 weeks for every
35 year the board finds that the frequency of such cases involving
36 the payment of benefits under section 212 or 213 is no greater
37 than the national average based on frequency from the latest unit
38 statistical plan aggregate data for Maine and on a countrywide
39 basis, adjusted to a unified industry mix. The 260-week
40 limitation contained in subsection 1 may not be extended under
41 this subsection to more than 520 weeks. Reimbursement to the
42 employer, insurer or group self-insurer for the payment of all
43 benefits for additional weeks payable pursuant to this subsection
44 must be made from the Employment Rehabilitation Fund.'

45 Further amend the bill in Part A in section 8 in that part
46 designated "~~§215.~~" in subsection 1 in the first paragraph in the
47 2nd and 3rd lines from the end (page 42, lines 2 and 3 in L.D.)
48 by striking out the following: "the board may order the employer
49 to pay the benefits payable under this section for the period of
50 the disability."

2 to continue to pay the weekly compensation or some portion of"
and inserting in its place the following: 'the employer shall
4 continue to pay or cause to be paid'

6 Further amend the bill in Part A in section 8 in that part
designated "§215." in subsection 1 in the 2nd paragraph in the
11th to 13th lines (page 42, lines 16 to 18 in L.D.) by striking
8 out the following: "the board may order the employer to continue
to pay the weekly compensation, or some portion of" and inserting
10 in its place the following: 'the employer shall continue to pay
or cause to be paid'

12 Further amend the bill in Part A in section 8 in that part
14 designated "§325." by striking out all of subsection 1 and
inserting in its place the following:

16 '1. Costs and attorney's fees. Except as otherwise provided
18 by law, by the Maine Rules of Civil Procedure or by rule of
court, each party is responsible for the payment of the party's
20 own costs and attorney's fees. In the event of a disagreement as
to those costs or fees, an interested party may apply to the
22 board for a hearing.'

24 Further amend the bill in Part A in section 8 in that part
designated "§325." in subsection 2 in the 6th line (page 69, line
25 in L.D.) by inserting after the following: "board." the
following: 'The board may approve the payment of attorney's fees
28 by the employee for services provided to the employee pursuant to
this Act.'

30 Further amend the bill in Part A in section 8 in that part
32 designated "§355." in subsection 1 in the first paragraph in the
4th line (page 75, line 7 in L.D.) by striking out the following:
34 "chapter" and inserting in its place the following: 'Act' and in
the 8th line (page 75, line 11 in L.D.) by striking out the
36 following: "chapter" and inserting in its place the following:
'Act'

38 Further amend the bill in Part A in section 8 in that part
40 designated "§355." by inserting at the end the following:

42 '13. Reimbursement. The fund must be used to reimburse
employers, insurers and group self-insurers for their payments of
44 compensation to employees under section 213, subsections 3 and 4.'

46 Further amend the bill in Part A in section 8 in that part
designated "§359." in subsection 3 in the last line (page 81,
48 line 45 in L.D.) by inserting after the following: "workers" the
following: ', as well as any other data that is actuarially valid

2 and can be utilized to accomplish the purposes of this Act,
including rulemaking and recommending legislation'

4 Further amend the bill in Part A in section 9 in subsection
5 in the first paragraph by striking out all of the first
6 sentence (page 132, lines 30 to 32 in L.D.) and inserting in its
place the following:

8
10 'Except as provided in this section, all positions
12 authorized or allocated to the former Workers' Compensation
14 Commission are authorized or allocated to the Workers'
16 Compensation Board. Employees in classified positions on the
effective date of this Act shall continue in those positions
under the Workers' Compensation Board on the same terms and
conditions of employment subject to the Civil Service Law and
collective bargaining law.'

18 Further amend the bill in Part A in section 10 by striking
out all of subsection 1 and inserting in its place the following:

20
22 '1. This Part applies to all matters in which an injury
24 occurs on or after January 1, 1993. So as not to alter benefits
for injuries incurred before January 1, 1993, for matters in
26 which the injury occurred prior to that date, all the provisions
of this Act apply, except that the Maine Revised Statutes, Title
28 39-A, sections 211, 212, 213, 214, 215, 221, 306 and 325 do not
apply. With regard to matters in which the injury occurred prior
30 to January 1, 1993, the applicable provisions of former Title 39
apply in place of Title 39-A, sections 211, 212, 213, 214, 215,
32 221, 306 and 325. The Workers' Compensation Board is authorized
to and shall adopt rules governing the disposition of claims
34 pending on January 1, 1993, in a manner that applies the
applicable provisions of this Act to those claims to the maximum
extent feasible.'

36 Further amend the bill in Part B in section 12 in that part
designated "~~§2384-A.~~" in subsection 1 in the 4th line (page 146,
38 line 23 in L.D.) by striking out the following: "lease" and
inserting in its place the following: 'least'

40
42 Further amend the bill in Part B in section 12 in that part
designated "~~§2386.~~" in subsection 10 in the last line (page 159,
44 line 24 in L.D.) by inserting after the following: "duties." the
following: 'Qualification to serve as a contractor for servicing
46 carrier purposes is not limited to licensed insurance carriers.'

48 Further amend the bill in Part B in section 12 in that part
designated "~~§2386.~~" in subsection 14 in the last line (page 160,
50 line 11 in L.D.) by striking out the following: "1993." and
inserting in its place the following: '1993, unless the

2 superintendent has determined that an extension of the residual
3 market is needed until March 1, 1993, and has approved an
4 extension until March 1, 1993, and the superintendent has also
5 secured a means to ensure coverage to employers insured through
6 the residual market during this period by negotiating,
7 contracting or other good faith means of obtaining temporary
8 insurance coverage. Notwithstanding the provisions of section
9 2386-A, subsection 8, any surplus or deficit occurring during the
10 extension period must be credited to or the responsibility of
11 employers issued insurance under the extension mechanism.'

12 Further amend the bill in Part B in section 12 in that part
13 designated "§2386." in subsection 15 in the last line (page 160,
14 line 16 in L.D.) by striking out the following: "\$1 million" and
15 inserting in its place the following: '\$5,000,000'

16 Further amend the bill in Part B in section 12 in that part
17 designated "§2386-A." by inserting at the end the following:

18 '10. Insurer responsibility. Insurers authorized in 1993
19 or becoming authorized in 1993 or in subsequent years are not
20 liable for deficits for any prior years except for any liability
21 resulting from prior authorization to write workers' compensation
22 insurance in this State.'

23 Further amend the bill in Part C in section 3 in that part
24 designated "§3703." by striking out all of subsections 4 to 6 and
25 inserting in their place the following:

26 '4. Incorporation. The company must be incorporated
27 pursuant to provisions of sections 3306 to 3309. Nine
28 incorporators representing the 8 industry divisions established
29 pursuant to section 3712, subsection 1, paragraphs A to H, plus
30 one at-large member must be appointed by the Governor subject to
31 review and approval by the joint standing committee of the
32 Legislature having jurisdiction over banking and insurance
33 matters. The Governor shall make the appointments within 10 days
34 after the effective date of this subsection. The joint standing
35 committee shall complete its review and vote on the approval of
36 the appointments of the Governor within 10 days of the Governor's
37 written notice of the appointments. If the designated committee
38 fails to act within the required 10 days, then the appointees put
39 forward by the Governor become the required incorporators.

40 An incorporator may not be a lobbyist required to be registered
41 with the Secretary of State.

42 Upon appointment, the incorporators shall execute a certificate
43 of organization as required by this Title and immediately pursue

2 a certificate of authority for a mutual assessment casualty
insurance company.

4 The incorporators shall appoint the initial 9 policyholder
members of the board of directors. One member of the board of
6 directors shall serve at large. Eight members of the board of
directors shall represent the 8 industry or geographic divisions.

8
10 5. Composition of the board. The board consists of up to
13 members. Nine members must be policyholders who purchase
workers' compensation coverage from the Maine Employers' Mutual
12 Insurance Company, except that the initial appointment may
include employers who have purchased coverage through the
14 workers' compensation residual market mechanism. Three members
must be persons who represent the public interest of the company
16 and must be appointed by the Governor within 30 days after a new
board member is authorized or a vacancy occurs, subject to review
18 and approval by the joint standing committee of the Legislature
having jurisdiction over banking and insurance matters. The
20 designated committee shall complete its review and vote on
approval of the appointments of the Governor within 15 days of
22 the Governor's written notice of appointment. If the designated
committee fails to act within the required 15 days, then the
24 appointees put forward by the Governor become the required board
members. Except for the initial selection of board members under
26 subsection 4, each division as established pursuant to section
3712 must have one member on the board. One member must be an
28 at-large policyholder member elected by the board. The remaining
board member is the president and chief executive officer who
30 shall serve on the board of directors while employed as president
and chief executive officer.

32
34 6. Terms. The initial terms of the board of directors are
staggered at 3 years, 2 years and one year. Of the initial
36 division policyholders, 3 serve 3-year terms, 3 serve 2-year
terms and 3 serve one-year terms. The initial public interest
38 members serve one 3-year term, one 2-year term and one one-year
term. A full term is 3 years. An individual may not serve more
40 than 2 full terms as a director. All members shall serve for the
terms provided and until their successors are appointed or
42 elected and qualified.'

44 Further amend the bill in Part C in section 3 in that part
46 designated "~~§3703.~~" by striking out all of subsection 9 (page
168, lines 43 to 50 in L.D.) and inserting in its place the
48 following:

50 '9. Nominating committee. The board shall create a
nominating committee. The nominating committee shall present to

2 the board nominees for the at-large policyholder board member
position.'

4 Further amend the bill in Part C in section 5 in that part
6 designated "~~§3704-A.~~" in the first paragraph in the 5th line
(page 169, line 12 in L.D.) by striking out the following:
8 "~~\$1,000,000~~" and inserting in its place the following:
'~~\$5,000,000~~'

10 Further amend the bill in Part C in section 8 in that part
12 designated "~~§3710.~~" in subsection 1 in the last line (page 172,
line 8 in L.D.) by inserting after the following: "~~expenses.~~"
14 the following: 'After consultation with the president and board,
the superintendent shall set the rates for the divisions for the
first year of operation of the company.'

16 Further amend the bill in Part C in section 8 in that part
18 designated "~~§3710.~~" in subsection 3 by striking out all of
paragraph A (page 172, lines 29 to 36 in L.D.) and inserting in
20 its place the following:

22 'A. The superintendent shall set the confidence level,
which is the probability that the provision of actual costs
24 will be less than the actual costs by a certain percentage,
for the company. The company shall establish its rates at a
26 level to cover its anticipated overhead expenses and to
cover, on a discounted basis, the actuarially determined
28 incurred claims and claim-settlement costs at not less than
the confidence level set by the superintendent.'

30 Further amend the bill in Part C in section 8 in that part
32 designated "~~§3710.~~" in subsection 3 in paragraph B in the last
line (page 172, line 42 in L.D.) by striking out the following:
34 "~~90% confidence level~~" and inserting in its place the following:
'confidence level set by the superintendent'

36 Further amend the bill in Part C in section 8 in that part
38 designated "~~§3712.~~" in subsection 4 by striking out all of
paragraph C (page 178, lines 6 to 8 in L.D.) and inserting in its
40 place the following:

42 'C. Each division governing board shall elect a chair, who
shall serve as the representative of the division on the
44 board of the company in accordance with the provisions of
section 3703. If the chair is unwilling or unable to serve
46 as the representative of the division on the board of the
company, the division governing board shall elect a member
48 to represent the division on the board of the company.'

Further amend the bill in Part C in section 8 in that part designated "§3713." in the first paragraph in the 9th line (page 179, line 17 in L.D.) by inserting after the following: "provided" the following: 'and is not limited to licensed insurance carriers'

Further amend the bill by striking out all of the fiscal note and inserting in its place the following:

FISCAL NOTE

1992-93

APPROPRIATIONS/ALLOCATIONS

Other Funds \$181,699

REVENUES

Other Funds \$181,699

This bill states that the balance of all funding appropriated for the Workers' Compensation Commission for fiscal year 1992-93 will be transferred to the newly established Workers' Compensation Board, after all financial obligations of the commission have been met. The new board will have approximately \$2.1 million in Personal Services funding to cover the last 6 months (January 1 to June 30) of fiscal year 1992-93 and will require no additional General Fund appropriation. Beginning in fiscal year 1993-94, the board is authorized to raise up to \$6 million annually of dedicated revenues through the assessment process. Whether this annual limit provides sufficient future funding will depend on decisions made by the board.

The board is authorized to employ temporary staff during this time period, after which the board will receive legislative authorizations for position counts and funding levels.

For future bienniums, the full funding of the board by the assessment will result in net savings to the General Fund. Currently, the Workers' Compensation Commission is entirely funded by General Fund appropriation.

General Fund costs of the commission are partially offset by an assessment made to workers' compensation insurers and self-insured employers. In fiscal year 1992-93, the commission had total General Fund appropriations of \$5,602,877 with the

2 assessment budgeted to generate \$2,362,632 of General Fund
revenue. Based on these figures, the net General Fund savings
will be approximately \$3.2 million per fiscal year.

4
6 As a further consequence of this bill, the Judicial
Department will have the discretionary authority to serve as a
final appeals step in disputed workers' compensation cases.
8 Given the relatively short time that will be left in fiscal year
1992-93, there will be no fiscal impact to the Judiciary in
10 fiscal year 1992-93. Beginning in fiscal year 1993-94, the
Judiciary may need an additional staff attorney position at a
12 total General Fund annual cost of \$35,100, if the total number of
appeals made to the Law Court increases.

14
16 The bill also affects the activities of the Public
Advocate. Section 2386-A, subsection 6 states that insurance
carriers involved in a residual market deficit proceeding shall
18 pay a fee of \$20,000 to cover the expenses incurred by the Public
Advocate. The Office of the Public Advocate does not feel that
20 this \$20,000 fee will be adequate to cover the typical expenses
in such proceedings; the actual costs are estimated to be about
22 \$50,000. As of January 1, 1993, the Public Advocate would no
longer be involved in any proceedings other than those concerning
24 the residual market deficit.

26 The new rating law and the expected increase in the number
of employers who choose to file as self-insurers will result in
28 additional expenses and staffing needs for the Bureau of
Insurance. The bureau will require an allocation of \$181,699 in
30 fiscal year 1992-93 for 5 additional positions, additional
actuarial contracting, the purchase of necessary computer
32 equipment and other operating expenses. Funding for these
expenses will require an increase in the statutory assessment cap
34 for the revenues collected by the Bureau of Insurance. For the
upcoming biennium, the bureau's needs will be approximately
36 \$305,000 in fiscal year 1993-94 and \$307,000 in fiscal year
1994-95.

38
40 The expedited review and confirmation by the Legislature of
appointments to the Workers' Compensation Board will increase
42 costs to the Legislature. These costs can be absorbed within
existing budgeted resources.

44 Finally, as reflected in the most recent actuarial estimate
contained in the August 31, 1992 report from the Blue Ribbon
46 Commission, this bill may result in a 12% savings in workers'
compensation costs to employers. Any projected savings will be
48 experienced by Maine State Government and municipalities across
the State. Based on recent worker compensation costs experienced
50 by agencies within Maine State Government, this 12% figure could

2 translate into General Fund savings for workers' compensation
3 costs of approximately \$600,000 annually.'

4
5 **STATEMENT OF FACT**

6 This amendment makes the following changes to the bill
7 agreed to by the Blue Ribbon Commission subsequent to the
8 issuance of their initial report.

10 1. It allows a lien on workers' compensation benefits for
12 general assistance payments by municipalities.

14 2. It provides an expedited process for review and
15 confirmation of Workers' Compensation Board members and revises
16 the language of the lobbyist exclusion. It changes the
17 legislative committee involved from the Joint Standing Committee
18 on Judiciary to the Joint Standing Committee on State and Local
19 Government.

20 3. It clarifies the rulemaking powers of the Workers'
22 Compensation Board and requires the adoption of rules on
23 confidentiality.

24 4. It provides that assistants to the general counsel serve
26 at the pleasure of the board and that general counsel and
27 assistants are not subject to the Civil Service Law.

28 5. It provides that bureau directors serve at the pleasure
30 of the board and that bureau directors and division directors and
31 their deputies and assistants are unclassified employees.

32 6. It updates the reference to the American Medical
34 Association impairment guidelines.

36 7. It specifies that, if an employee has received an
37 increase in pay from an employer that is paying compensation
38 under this Act, that employer or employer's insurer may
39 discontinue or reduce payments to the employee.

40 8. It distinguishes the procedures for discontinuing or
42 reducing benefits for employees when an order or award of
43 compensation or compensation scheme has been entered and when an
44 order or award of compensation has not been entered. It provides
45 an expedited procedure for all cases.

46 9. It clarifies that beginning July 1, 1994, the maximum
48 benefit level is the higher of \$441 or 90% of the state average
49 weekly wage as adjusted annually utilizing the state average
50 weekly wage as determined by the Bureau of Employment Security.

2 10. It provides an adjustment of the threshold for
4 determining the duration of partial incapacity benefits and the
application to employees injured between January 1, 1993 and
January 1, 1998.

6 11. It extends death benefits to dependents up to 18 years
8 of age.

10 12. It provides an exception to the rule that each party
12 pays the party's own attorney's fees if otherwise provided by
law, Rule of Civil Procedure or rule of court.

14 13. It allows for the payment of attorney's fees by the
16 employee in other proceedings under the Maine Revised Statutes,
Title 39-A.

18 14. It amends the Employment Rehabilitation Fund provision
20 to make payments in accordance with this Act.

22 15. It amends the Employment Rehabilitation Fund to
24 authorize reimbursement for payments under Title 39-A, section
213.

26 16. It provides for additional monitoring of the costs,
utilization and performance of the workers' compensation system
28 by the Workers' Compensation Board.

30 17. It provides for the continued employment of current
employees of the Workers' Compensation Commission.

32 18. It specifies that the provision for the time for filing
34 petitions applies to injuries on or after January 1, 1993.

36 19. It corrects certain typographical errors in the bill.

38 20. It provides that servicing carriers in the residual
market need not be licensed insurance carries.

40 21. It allows workers' compensation coverage to be written
42 by the residual market between January 1, 1993 and March 1 1993,
if necessary.

44 22. It increases the amount the residual market mechanism
46 must make available as a loan to the Maine Employers' Mutual
Insurance Company as start-up money.

48 23. It exempts from liability for deficit under Fresh Start
50 insurers who come into the market in 1993 and after, unless they
have liability because of prior authorization in the market.

