

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

R.O.S.

L.D. 1597

DATE: 3/23/94

(Filing No. S-503)

BANKING & INSURANCE

Reported by: Senator McCormick of Kennebec

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
116TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 562, L.D. 1597, Bill, "An Act to Provide for Consistent Data Collection"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 24-A MRSA §2384-B, sub-§10, as enacted by PL 1991, c. 885, Pt. B, §12 and affected by §13, is amended to read:

10. Claims covered. This section applies to all claims occurring on or after January 1, 1989, and prior to January 1, 1993 and to all death, permanent total and major permanent partial claims occurring between January 1, 1987 and December 31, 1988; and to a reasonable sample, as approved by the superintendent, of all other indemnity claims occurring between January 1, 1987 and December 31, 1988. The superintendent may suspend the reporting requirements of specific items for periods when information that is to be obtained from the Workers' Compensation Commission or Workers' Compensation Board is temporarily unavailable from those entities.

Sec. 2. 24-A MRSA §2384-C is enacted to read:

§2384-C. Data collection

1. Collection and reporting system. The superintendent shall adopt rules implementing a data collection system for the purpose of evaluating the costs and operation of the workers' compensation benefit delivery process. The rules must establish

COMMITTEE AMENDMENT

2 reasonable sampling procedures to identify and track a sufficient
4 number of claims to provide reliable information in a
6 cost-effective manner. The superintendent shall, by rule,
8 establish a cost-effective procedure to designate organizations
10 to collect and compile data for insurers and self-insurers,
12 except that an insurer able to demonstrate its ability to
14 collect, compile and report data on its own claims is permitted
16 to act as its own statistical organization for the purposes of
18 this section. In this section, "statistical organization"
20 includes an insurer acting as its own statistical organization.

22 2. Data collected. The data collection and reporting
24 system must contain, at a minimum, the following:

26 A. Basic information on each surveyed claim, including:

28 (1) The name and identification information of the
30 employee, employer and insurer or self-insurer; and

32 (2) The file identification number or numbers,
34 insurance policy number and classification claim
36 history;

38 B. Claim history information on each claim surveyed,
40 including:

42 (1) The date of injury or exposures to disease, type
44 of injury or exposure disclosure and affected body part;

46 (2) The preinjury wage history, date of initial
48 payment and whether claim is controverted; and

50 (3) Identification of claim status, whether open,
closed or reopened;

C. Information concerning Workers' Compensation Board
proceedings, including:

(1) For each mediation and arbitration, the date,
hearing officer, mediator or arbitrator for the
proceeding and the resolution; and

(2) For each hearing, the date, hearing officer and
the decision of the hearing officer. If a disputed
claim results in multiple hearing dates, the decision
must be reported for the last hearing date; and

D. Payment information on each claim, identified as open or
closed, including:

2 (1) Aggregate payments to date to physicians,
hospitals or other medical providers;

4 (2) Payments made to date for weekly compensation,
impairment benefits, death benefits and funeral
6 expenses, employee legal expenses, employer legal
8 expenses, lump sums and vocational rehabilitation
services;

10 (3) With respect to all claims, separately stated
incurred liability for medical care, indemnity and
12 vocational rehabilitation; and

14 (4) Identification as to whether there are benefit
offsets for social security, unemployment insurance,
16 employer-provided pensions or any other sources.

18 3. Special data calls. The superintendent may, with prior
notice, require the insurer and self-insurer statistical
20 organizations to conduct special data calls or studies to collect
information to evaluate the costs or operations of the workers'
22 compensation system and to evaluate medical injury or disease
outcomes of compensable claims. In any special data call imposed
24 by the superintendent under this subsection, consideration must
be given to the information collected and maintained by insurers
26 and self-insurers. Requests for information not being collected
on the effective date of this subsection must be prospective.

28 4. Other data collection systems. The statistical
organizations may rely on data collected and reported by other
30 data-gathering organizations or agencies, such as the Workers'
Compensation Board or the Department of Labor, and shall
32 coordinate with any other statutorily created medical data
collection systems. If a statistical organization is to
34 incorporate data from other sources, it must satisfy itself that
the data is sufficiently complete and accurate for the purpose
36 for which it is to be used. The Workers' Compensation Board and
the Department of Labor shall assist the statistical
38 organizations in the development and maintenance of a
comprehensive data base by recording and making available
40 information within the custody and control of each, respectively,
pursuant to the request of the statistical organization. The
42 superintendent may suspend the reporting requirements of specific
items for periods when information that is to be obtained from
44 the Workers' Compensation Board is temporarily unavailable or
information is found to be unreliable and the unreliability is
46 not a result of the reporting practices of the carriers or
self-insurers. The superintendent may accept an established data
48 collection mechanism that is substantially in compliance with the

2 data elements specified in this section and otherwise meets the
3 requirements of this section.

4 5. Noncompliance penalties. A statistical organization
5 must include as part of its plan a means of monitoring member or
6 subscriber compliance with the reporting requirements and must
7 include a schedule of monetary penalties for failure to comply
8 with reporting requirements. The statistical agent and companies
9 are responsible for the accuracy of the data maintained and
10 reported to the superintendent in the data base.

12 6. Reports. The superintendent shall prescribe the
13 frequency of and schedule for reports by the statistical
14 organization. Reports must be required on at least an annual
15 basis.

16 7. Confidentiality. Any report of information relating to
17 a particular claim is confidential and may not be revealed by the
18 superintendent, except that the superintendent may make
19 compilations including this information. Any information
20 provided to the superintendent regarding self-insurance is
21 confidential to the extent protected by Title 39-A, section 403.

24 8. Accuracy. The statistical organization shall take all
25 reasonable steps to ensure the accuracy of the information
26 provided to it and reported by it.

28 9. Retention of records. Each insurer or self-insurer
29 shall retain its workers' compensation medical claim records for
30 a period not less than 3 years from the date of injury or
31 reported illness. Records may be retained through original
32 source documents or electronic file storage.

34 10. Application. This section applies to all claims
35 occurring on or after January 1, 1993.

36 Sec. 3. 39-A MRSA §404, sub-§14, as enacted by PL 1991, c.
37 885, Pt. A, §8 and affected by §§9 to 11, is amended to read:

40 14. Statistical advisory organization. The association is
41 authorized to act as the statistical advisory organization
42 designated by the Superintendent of Insurance to collect and
43 report data for self-insurers in accordance with Title 24-A,
44 sections 2384-B and 2384-C. All individual and group
45 self-insurers are subject to this subsection as a condition of
46 authority to self-insure in this State. The association is
47 authorized to amend its plan of operation adopted pursuant to
48 subsection 5 or to adopt a separate plan of operation to further
49 the purposes of this subsection. The amendment or plan must
50 provide for an equitable method of distributing the reasonable

COMMITTEE AMENDMENT "A" to S.P. 562, L.D. 1597

2 and necessary costs of performing the data collection and
reporting functions required by law and rules adopted by the
4 superintendent and that method may include one or a combination
of the following: the assessment of all individual and group
6 self-insurers, the assessment of nonmember self-insurers or the
use of other funds available to the association. Any assessment
8 must be made equitably and may be computed on the basis of claims
paid, the annual standard premium as set forth in subsection 4 or
10 any other basis approved by the association. For purposes of
this subsection, nonmember self-insurers must comply with the
association's plan of operation.'

12
14 Further amend the bill by inserting at the end before the
statement of fact the following:

16 **FISCAL NOTE**

18

20 The Bureau of Insurance may incur some minor additional
costs to adopt rules pertaining to data collection procedures.
22 These costs can be absorbed within the bureau's existing budgeted
resources.

24

26 The additional costs to implement new data collection
methods related to workers' compensation information can be
28 absorbed by the various state departments and agencies utilizing
existing budgeted resources.'

30

32 **STATEMENT OF FACT**

34 This amendment specifies the data elements to be contained
in the workers' compensation data base. The amendment permits
36 statistical organizations to collect and maintain data for
insurers or self-insured employers, but would permit an insurer
38 to act as its own statistical organization for this purpose if it
could demonstrate its ability to collect, compile and report
40 data. Insurers and self-insurers are required to maintain
medical records for 3 years to allow medical outcome studies and
42 permit analysis and comparison with other medical data systems
that may subsequently be required by law. The amendment also
44 adds a fiscal note to the bill.