

# MAINE STATE LEGISLATURE

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**LABOR**

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**STATE OF MAINE  
SENATE  
120TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "*A*" to S.P. 198, L.D. 670, Bill, "An Act to Strengthen Maine's Worker Advocate Program"

Amend the bill by striking out the title and substituting the following:

**'Resolve, to Reduce Unnecessary Controversy in the Workers' Compensation System'**

Further amend the bill by striking out everything after the title and before the summary and inserting in its place the following:

**'Sec. 1. Authorization to use reserve funds. Resolved:** That the Workers' Compensation Board is authorized to spend up to \$40,000 from the reserve account created pursuant to the Maine Revised Statutes, Title 39-A, section 154, subsection 6. The funds must be used to improve technology used in the audit, enforcement and monitoring program created pursuant to Title 39-A, section 153, subsection 9 and section 359. This is a one-time authorization and does not apply to any ongoing use of the reserve account for technology; and be it further

**Sec. 2. Board to submit plan. Resolved:** That the Workers' Compensation Board shall submit to the Joint Standing Committee on Labor by January 1, 2002 a written plan to improve implementation of the Maine Revised Statutes, Title 39-A, section 359, including the auditing of claims to identify and penalize questionable claims-handling practices and repeated unreasonable contesting of claims by insurers, self-insurers and 3rd-party administrators; and be it further

**Sec. 3. Allocation. Resolved:** That the following funds are allocated from Other Special Revenue funds to carry out the purposes of this resolve.

2001-02

**WORKERS' COMPENSATION BOARD**

**Administration - Workers'  
Compensation Board**

All Other \$40,000

Allocates funds from the board's reserve account to fund improvements in technology for the audit, enforcement and monitoring program.'

Further amend the bill by inserting at the end before the summary the following:

**FISCAL NOTE**

2001-02

**APPROPRIATIONS/ALLOCATIONS**

Other Funds \$40,000

The Administration - Workers' Compensation Board program will require an Other Special Revenue allocation of \$40,000 in fiscal year 2001-02 for improving technology in certain program areas.'

**SUMMARY**

This amendment replaces the bill with a resolve. Instead of increasing the number of worker advocates and staff at the Workers' Compensation Board, the amendment proposes to reduce the workload of existing advocates by improving board efforts to identify and penalize companies that are misusing and overloading the system by unreasonably contesting claims. It authorizes the board to use up to \$40,000 of its reserve account to improve technology for the audit, enforcement and monitoring program. It also requires the board to report to the Joint Standing Committee on Labor its plan for improving implementation of the law that

COMMITTEE AMENDMENT "A" to S.P. 198, L.D. 670

2 imposes penalties on insurers, self-insurers and 3rd-party  
administrators who engage in questionable claims-handling  
4 practices and in repeated, unreasonable contesting of claims. It  
also adds an allocation and a fiscal note to the bill.

**COMMITTEE AMENDMENT**