

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	SB 701
Version:	ENGR
Request Number:	
Author:	Rep. Kannady
Date:	3/26/2019
Impact:	Sets statutory appropriations for the Workers' Compensation Commission and the Court of Existing Claims

Research Analysis

SB701 makes many changes to the Administrative Workers' Compensation Act.

SECTION 1: The measure clarifies alcohol and drug testing procedures for compensable injuries and adds that biological specimen can be collected after an injury results in death.

Modifies the definition of "employee". Clarifies employees related to employers not considered employees for the purposes of workers compensation. Adds that dependents of employers are not considered employees for the purposes of workers' compensation.

SECTION 2: Specifies that every employer subject to this act shall provide benefits for employment-related injury or death without regard to fault. Clarifies guidelines for cases occurring in other jurisdictions, and specifying that claimant with cases in multiple jurisdictions shall not receive duplicate benefits. States that this act shall apply to federally-owned lands beyond state territory.

SECTION 3: Exempts forms submitted through the Electronic Data Interchange system from having to be copied or to include a statement about fraud penalty.

SECTION 4: Allows the employee to send claims notices to health care providers by other means beyond certified mail.

SECTION 5: States that communication between the Commission and Commission staff regarding judgments shall be confidential and not subject to the Open Records Act.

SECTION 6: Requires the Commission to comply with Administrative Procedures Act and allows the Commission to vote on substantive changes to forms. Allows the Commission to establish a petty cash fund not to exceed \$500 for the purpose of providing change for persons purchasing materials, paying fines and fees, and transacting other business with the Commission.

SECTION 7: Removes the Commission's administrative duties over the Multiple Injury Trust Fund and the Self-insurance Guaranty Fund and removes language stating that these funds must be solely for the use and benefit Oklahoma Workers' Compensation Commission.

SECTION 8: Requires each carrier, self-insurer, and third party administrator and marketing firm to pay a \$1,000 annual application fee.

SECTION 9: Removes the requirement for the State Treasurer to transfer sufficient funding to administrate the Multiple Injury Trust Fund.

SECTION 11: Caps the fine the commission can assess against an insurer for their first violation at \$50,000. Authorizes the Commission to conduct collection proceedings independently or in district court upon any penalty becoming final. Allows information to be disclosed to Commission employees for the purposes of investigation and enforcement of workers' compensation coverage, and allows such information to be admissible in any hearing before an administrative law judge of the Commission.

SECTION 12: Caps compensation of employees receiving temporary total disability compensation, in conjunction with earnings, to not exceed temporary total disability rate.

SECTION 14: States that the employer's report about the injury or death to the Commission shall be kept confidential with the exception of the injured employee.

SECTION 15: Strikes language allowing awards or denial of awards regarding cumulative trauma to be reviewed.

SECTION 17: Allows notice of hearing and judgment to be delivered by other means beyond certified mail and allows hearing to take place in any county beyond Tulsa County or Oklahoma County.

SECTION 19: Allows for the review of cases to happen within 6 months of receiving final benefit or receiving last medical treatment. Bars permanently the reopening of cases that are not filed within time period or in instances the employee does not comply with the medical treatment plan.

SECTION 21: Bars the Oklahoma Supreme Court from reversing or vacating a decision or award made by the Commission unless certain conditions are met as outlined by the measure.

SECTION 27: Removes duty of Oklahoma Advisory Council to review Oklahoma Treatment Guidelines and report findings to Commission.

SECTION 28: Creates priorities for the Tax Commission. The Tax Commission must allocate \$5 million to the Workers' Compensation Revolving Fund in monthly installments before crediting the Administrative Fund. Extends this financial obligation until 2020.

SECTION 30: Strikes language related to the transfer of workers compensation claims from the district courts to the Workers' Compensation Commission. Establishes when the transfer will be considered complete.

SECTION 44: Removes appealing authority of the Commission of judgements made by the Court of Existing Claims.

SECTION 45 and SECTION 46: The measure repeals sections related to the Workers' Compensation Fraud Investigation Unit Funding Report, Workers' Compensation Commission Annual Published Report, and exceptions to the limit on benefits for employees' absence from scheduled treatment appointment, and repeals the Oklahoma Employee Injury Benefit Act.

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Fiscal Analysis

SB 701 sets the statutory appropriations for the Workers' Compensation Commission (WCC) and the Court of Existing Claims (CEC) which is funded off the top from the insurance premium tax.

Entity	FY-19 Appropriation	Proposed FY-20
WCC	\$3 million	\$5 million
CEC	\$3 million	\$2.5 million

Other Considerations

None.