

September 22, 2017

Weekly Legislative Wrap-Up

State of the States



A <u>new report</u> by the California Workers' Compensation Institute (CWCI) found that Independent Medical Reviews (IMR) have

decreased by 2.2% in 2017. The decline is the result of efforts by the legislature to reduce medical disputes in the state's workers' comp system but there are still 50,000 more IMR decisions being issued than predicted by the reforms. The report also

found no other changes in the IMR system: nine out of ten decisions still uphold underlying medical determinations and prescription disputes still account for almost 50% of IMR decisions.



Reports of employee misclassification in North Carolina increased by 644% in the first two quarters of 2017. Employee

misclassification is where an employer illegally classifies employees as independent contractors to avoid legal requirements, such as providing workers' comp coverage. The increased reporting comes just a month after the Governor signed a new bill into law that strengthens the Industrial Commissions' ability to identify and combat misclassifications.





A <u>new federal regulation</u>

that goes into effect January 1, 2018 would provide additional protections for employees whose employer has opted-out of workers' comp. The regulations require those making decisions regarding approval or denial of benefits be free of conflicts of interest. This means the adjusters cannot be hired or compensated based on the number of denials they issue or their willingness to issue denials. Currently, Texas is the only state with an opt-out system impacted by the regulations.



State of the States

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A fight is <u>brewing</u> in Iowa between lawmakers and the Governor over what led to the states 8.7%

workers' comp rate decrease. The Governor cited employer-friendly legislation passed this year for the reduction but lawmakers argue it's too early to measure the effects of those reforms and the decrease is the result of lower claim filings in prior years. Lawmakers and Labor who opposed the reforms over concerns they took too much away from workers, argue the Governor is trying to justify the "bad" legislation.



Last Saturday, the California legislature concluded their 2017 legislative session.

Lawmakers sent several bills to the Governor including a <u>bill</u> that would grant treating physicians and pharmacists broader access to the state's Prescription Drug Monitoring Program and a <u>bill</u> prohibiting apportioning permanent disability to pregnancy and childbirth.

Where in the U.S.A. are Jayne & Danielle?

Jayne will be in the home office and Danielle will be in Sacramento, CA for legislative meetings.



States in Session



Questions, Concerns, Suggestions? Let Us Know.

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