

# ***What It All Means - Summary of S.F. 1234 Bill***

On May 16, 2013 Governor Mark Dayton signed into law a new workers' compensation bill. These new provisions will take effect for injuries occurring after October 1, 2013.

## ***Pro Employer/Insurer Changes***

### **Minnesota Workers' Compensation Statute**

#### **Repeal Spaeth Decision.**

Removed in committee. Providers can still make *Spaeth* claims.

#### **Implementation of pain contracts.**

Employees who use opioids long-term will need to have a written contract with the prescribing provider.

#### **Change the data collected on the prevailing charge from the current one year to two years.**

This affects fee schedule charges for medical fees not otherwise designated under the fee schedule which the employer and insurer are required to pay at 85% of the prevailing charges for similar treatment.

#### **Patient advocate two year pilot program for back fusions.**

Ensures employees understand their options and receive appropriate treatment. Paid for by Special Compensation Fund.

#### **Rehabilitation changes.**

Job development services

- Would be limited to 20 hours per month and no more than 26 weeks;
- After 13 weeks of job search/placement there is a mandatory review. Job placement services would end unless parties agree to an additional 13 weeks of job placement services or it is ordered by DLI or other options are chosen such as jobs skills enhancement, retraining, etc; and
- After 26 weeks job search/placement services would end. An injured worker would have to do further job search on his/her own.

#### **Injured workers waive subdivision 7 fees on *Roraff/Heaton*.**

Subdivision 7 attorney fee reimbursement to the employee is currently owed on *Roraff* and *Heaton* fees which are hourly fees paid for the recovery of medical and rehabilitation benefits.

## ***Pro Employee Changes***

### **Minnesota Workers' Compensation Statute**

#### **Increase maximum weekly benefit to 102% of the Statewide Average Weekly Wage (SAWW) for all wage loss benefits.**

Current maximum weekly benefit is \$850.00. New maximum weekly benefit would be \$963.90. This amount will need to be recalculated on October 1<sup>st</sup> of every year.

#### **COLA delay reduced to 3 years and COLA cap increased to 3% for all wage loss benefits.**

Currently COLA is delayed for 4 years and capped at 2% for injuries after 10/1/95. No adjustment can be less than 0%.

#### **Cover mental-mental cases for traumatic events.**

Mental impairment will be defined as post-traumatic stress disorder diagnosed by a licensed physician or psychologist. It will not be associated with good faith actions of employers such as disciplinary actions or termination. Currently no mental-mental cases are compensable.

#### **DLI will hold any rehabilitation conference within 21 days of receipt of any Rehabilitation Request.**

Services to the injured worker would continue during the time the conference would be scheduled or heard.

#### **QRC not allowed to operate in the capacity of disability case manager in the same case.**

#### **Increase injured worker attorney fee cap to \$26,000 - make it a straight cap of 20%.**

Currently attorney fees are capped at \$13,000. Attorney fees are 25% of the first \$4,000 and 20% thereafter.

## **AAFEDT, FORDE, GRAY, MONSON & HAGER, P.A.**

150 SOUTH FIFTH STREET ■ SUITE 2600 ■ MINNEAPOLIS, MN 55402

PHONE (612) 339-8965 ■ FAX (612) 349-6839

WWW.AAFEDT.COM