1	HOUSE OF REPRESENTATIVES - FLOOR VERSION
2	STATE OF OKLAHOMA
3	1st Session of the 56th Legislature (2017)
4	ENGROSSED SENATE BILL NO. 737 By: Sykes of the Senate
5	
6	and
7	Echols of the House
8	
9	[ Administrative Workers' Compensation Act -
10	eligibility for benefits - Self-insurance Guaranty Fund - certain appeals - repealer - codification - effective date ]
11	
12	
13	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
14	SECTION 1. AMENDATORY Section 2, Chapter 208, O.S.L.
15	2013 (85A O.S. Supp. 2016, Section 2), is amended to read as
16	follows:
17	Section 2. As used in the Administrative Workers' Compensation
18	Act:
19	1. "Actually dependent" means a surviving spouse, a child or
20	any other person who receives one-half (1/2) or more of his or her
21	support from the employee;
21 22	support from the employee; 2. "Carrier" means any stock company, mutual company, or

Whenever required by the context, the term "carrier" shall be deemed
 to include duly qualified self-insureds or self-insured groups;

3 3. "Case management" means the ongoing coordination, by a case manager, of health care services provided to an injured or disabled 4 5 worker, including but not limited to systematically monitoring the treatment rendered and the medical progress of the injured or 6 7 disabled worker; ensuring that any treatment plan follows all appropriate treatment protocols, utilization controls and practice 8 9 parameters; assessing whether alternative health care services are 10 appropriate and delivered in a cost-effective manner based upon acceptable medical standards; and ensuring that the injured or 11 12 disabled worker is following the prescribed health care plan;

4. "Case manager" means a person who is a registered nurse with a current, active unencumbered license from the Oklahoma Board of Nursing, or possesses one or more of the following certifications which indicate the individual has a minimum number of years of case management experience, has passed a national competency test and regularly obtains continuing education hours to maintain certification:

20	a.	Certified Disability Management Specialist (CDMS),
21	b.	Certified Case Manager (CCM),
22	с.	Certified Rehabilitation Registered Nurse (CRRN),
23	d.	Case Manager - Certified (CMC),
24	e.	Certified Occupational Health Nurse (COHN), or

1

f. Certified Occupational Health Nurse Specialist (COHN-S);

2

3 5. "Certified workplace medical plan" means an organization of health care providers or any other entity, certified by the State 4 5 Commissioner of Health, that is authorized to enter into a contractual agreement with an employer, group self-insurance 6 7 association plan, an employer's workers' compensation insurance carrier, third-party administrator or an insured to provide medical 8 9 care under the Administrative Workers' Compensation Act. Certified 10 plans shall only include plans which provide medical services and 11 payment for services on a fee-for-service basis to medical 12 providers;

6. "Child" means a natural or adopted son or daughter of the 13 employee under eighteen (18) years of age; or a natural or adopted 14 15 son or daughter of an employee eighteen (18) years of age or over 16 who is physically or mentally incapable of self-support; or any natural or adopted son or daughter of an employee eighteen (18) 17 years of age or over who is actually dependent; or any natural or 18 adopted son or daughter of an employee between eighteen (18) and 19 twenty-three (23) years of age who is enrolled as a full-time 20 student in any accredited educational institution. The term "child" 21 includes a posthumous child, a child legally adopted or one for whom 22 adoption proceedings are pending at the time of death, an actually 23

1 dependent stepchild or an actually dependent acknowledged child born
2 out of wedlock;

## 3 7. "Claimant" means a person who claims benefits for an injury 4 or occupational disease pursuant to the provisions of the 5 Administrative Workers' Compensation Act;

8. "Commission" means the Workers' Compensation Commission; 6 9. 8. a. "Compensable injury" means damage or harm to the 7 physical structure of the body, or prosthetic 8 9 appliances, including eyeglasses, contact lenses, or 10 hearing aids, caused solely as the result of either an accident, cumulative trauma or occupational disease 11 arising out of the course and scope of employment. An 12 "accident" means an event involving factors external 13 to the employee that: 14

- (1) was unintended, unanticipated, unforeseen, unplanned and unexpected,
- 17 (2) occurred at a specifically identifiable time and 18 place,
- 19 (3) occurred by chance or from unknown causes, and
  20 (4) was independent of sickness, mental incapacity,

## bodily infirmity or any other cause.

b. "Compensable injury" does not include:
(1) injury to any active participant in assaults or
combats which, although they may occur in the

15

16

1 workplace, are the result of non-employment-2 related hostility or animus of one, both, or all 3 of the combatants and which assault or combat amounts to a deviation from customary duties; 4 5 provided, however, injuries caused by horseplay shall not be considered to be compensable 6 7 injuries, except for innocent victims, (2) injury incurred while engaging in or performing 8 9 or as the result of engaging in or performing any recreational or social activities for the 10 11 employee's personal pleasure, 12 (3) injury which was inflicted on the employee at a 13 time when employment services were not being 14 performed or before the employee was hired or after the employment relationship was terminated, 15 injury where the accident was caused by the use 16 (4) 17 of alcohol, illegal drugs, or prescription drugs used in contravention of physician's orders. 18 If, within twenty-four (24) hours of being injured or 19

reporting an injury, an employee tests positive

substance, or a legal controlled substance used

for intoxication, an illegal controlled

in contravention to a treating physician's

orders, or refuses to undergo the drug and

SB737 HFLR BOLD FACE denotes Committee Amendments.

20

21

22

23

24

Page 5

1 alcohol testing, there shall be a rebuttable 2 presumption that the injury was caused by the use 3 of alcohol, illegal drugs, or prescription drugs used in contravention of physician's orders. 4 5 This presumption may only be overcome if the employee proves by objective, clear and 6 convincing evidence that his or her state of 7 intoxication had no causal relationship to the 8 9 injury, 10 (5) any strain, degeneration, damage or harm to, or 11 disease or condition of, the eye or 12 musculoskeletal structure or other body part 13 resulting from the natural results of aging, osteoarthritis, arthritis, or degenerative 14 process including, but not limited to, 15 degenerative joint disease, degenerative disc 16 17 disease, degenerative spondylosis/spondylolisthesis and spinal 18 stenosis, or 19 20 any injury that is related to a preexisting (6) condition except when if the treating physician 21

that the injury is an identifiable and

clearly confirms determines by objective findings

## 24

22

1		significant aggravation <del>incurred</del> of the pre-
2		existing condition that:
3		(a) occurred in the course and scope of
4		employment,
5		(b) is not only a recurrence of symptoms
6		inherent in the etiology of the pre-existing
7		condition, and
8		(c) is substantially caused by the work-related
9		accident.
10	с.	The definition of "compensable injury" shall not be
11		construed to limit or abrogate the right to recover
12		for mental injuries as described in Section 13 of this
13		act <u>title</u> , heart or lung injury or illness as
14		described in Section 14 of this <del>act</del> <u>title</u> , or
15		occupational diseases as described in Section 65 of
16		this <del>act</del> <u>title</u> .
17	d.	A compensable injury shall be established by medical
18		evidence supported by objective findings as defined in
19		paragraph 30 of this section.
20	е.	The injured employee shall prove by a preponderance of
21		the evidence that he or she has suffered a compensable
22		injury.
23	f.	Benefits shall not be payable for a condition which
24		results from a non-work-related independent

1 intervening cause following a compensable injury which causes or prolongs disability, aggravation, or 2 3 requires treatment. A non-work-related independent intervening cause does not require negligence or 4 5 recklessness on the part of a claimant an employee. An employee who suffers a compensable injury shall be 6 g. 7 entitled to receive compensation as prescribed in this act the Administrative Workers' Compensation Act. 8 9 Notwithstanding other provisions of law, if it is 10 determined that a compensable injury did not occur, the employee shall not be entitled to compensation 11 12 under this act the Administrative Workers' 13 Compensation Act; "Compensation" means the money allowance payable to the 14 <del>10.</del> 9.

15 employee or to his or her dependents and includes the medical 16 services and supplies provided for in Section 50 of this act <u>title</u> 17 and funeral expenses;

18 11. "Consequential injury" means injury or harm to a part of the body that is a direct result of the injury or medical treatment to the part of the body originally injured in the claim. The Commission shall not make a finding of a consequential injury unless it is established by objective medical evidence that medical treatment for such part of the body is required;

1 <u>12. 10.</u> "Continuing medical maintenance" means medical 2 treatment that is reasonable and necessary to maintain claimant's 3 <u>the employee's</u> condition resulting from the compensable injury or 4 illness after reaching maximum medical improvement. Continuing 5 medical maintenance shall not include diagnostic tests, surgery, 6 injections, counseling, physical therapy, or pain management devices 7 or equipment;

13. 11. "Course and scope of employment" means an activity of 8 9 any kind or character for which the employee was hired and that 10 relates to and derives from the work, business, trade or profession of an employer, and is performed by an employee in the furtherance 11 12 of the affairs or business of an employer. The term includes activities conducted on the premises of an employer or at other 13 locations designated by an employer and travel by an employee in 14 furtherance of the affairs of an employer that is specifically 15 directed by the employer. This term does not include: 16

- 17
- 18

place of employment,

b. travel by an employee in furtherance of the affairs of
an employer if the travel is also in furtherance of
personal or private affairs of the employee,

an employee's transportation to and from his or her

c. any injury occurring in a parking lot or other common
 area adjacent to an employer's place of business
 within or outside the premises or place of business of

SB737 HFLR BOLD FACE denotes Committee Amendments.

a.

1the employer, regardless of whether maintained or2owned by the employer, before the employee clocks in3or otherwise begins work for the employer or after the4employee clocks out or otherwise stops work for the5employer, or

any injury occurring while an employee is on a work 6 d. break, unless the injury occurs while the employee is 7 on a work break inside the employer's facility and the 8 9 work break is authorized by the employee's supervisor; 10 <del>14.</del> 12. "Cumulative trauma" means an injury to an employee that 11 is caused by the combined effect of repetitive physical activities 12 extending over a period of time in the course and scope of employment. Cumulative trauma shall not mean fatigue, soreness or 13 general aches and pain that may have been caused, aggravated, 14 exacerbated or accelerated by the employee's course and scope of 15 employment. Cumulative trauma shall have resulted directly and 16 17 independently of all other causes and the employee shall have completed at least one hundred eighty (180) days of continuous 18 19 active employment with the employer; 15. 13. "Death" means only death resulting from compensable 20

21 injury as defined in paragraph 9 of this section; 22 16. 14. "Disability" means incapacity because of compensable

23 injury to earn, in the same or any other employment, substantially

24 the same amount of wages the employee was receiving at the time of

1 the, based on objective findings, impairment of a portion of the 2 total physiological capabilities of the human body caused by <u>a</u> 3 compensable injury;

4 17. 15. "Drive-away operations owner-operator" includes every 5 person engaged in the business of transporting and delivering new or 6 used vehicles by driving, either singly or by towbar, saddle-mount 7 or full-mount method, or any combination thereof, with or without 8 towing a privately owned vehicle;

9 <del>18.</del>

10 16. "Employee" means any person, including a minor, in the a. 11 service of an employer under any contract of hire or 12 apprenticeship, written or oral, expressed or implied, 13 but excluding one whose employment is casual and not in the course of the trade, business, profession, or 14 15 occupation of his or her employer and excluding one who is required to perform work for a municipality or 16 county or the state or federal government on having 17 been convicted of a criminal offense or while 18 incarcerated. "Employee" shall also include a member 19 of the Oklahoma National Guard while in the 20 performance of duties only while in response to state 21 orders and any authorized voluntary or uncompensated 22 worker, rendering services as a firefighter, peace 23 officer or emergency management worker. Travel by a 24

Page 11

1policeman, fireman, or a member of a first aid or2rescue squad, in responding to and returning from an3emergency, shall be deemed to be in the course of4employment.

b. The term "employee" shall not include:

- any person for whom an employer is liable under (1) any Act of Congress for providing compensation to employees for injuries, disease or death arising out of and in the course of employment including, but not limited to, the Federal Employees' Compensation Act, the Federal Employers' Liability Act, the Longshore and Harbor Workers' Compensation Act and the Jones Act, to the extent his or her employees are subject to such acts, (2) any person who is employed in agriculture or horticulture by an employer who had a gross annual payroll in the preceding calendar year of less than One Hundred Thousand Dollars (\$100,000.00) wages for agricultural or horticultural workers, or any person who is employed in agriculture or horticulture who is
  - (3) any person who is a licensed real estate sales associate or broker, paid on a commission basis,

not engaged in operation of motorized machines,

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

1	(4)	any person who is providing services in a medical
2		care or social services program, or who is a
3		participant in a work or training program,
4		administered by the Department of Human Services,
5		unless the Department is required by federal law
6		or regulations to provide workers' compensation
7		for such person. This division shall not be
8		construed to include nursing homes,
9	(5)	any person employed by an employer with five or
10		fewer total employees, all of whom are related
11		within the second degree by blood or marriage to
12		the employer, or a dependent living in the
13		household of the employer, if the employer is a
14		natural person or a general or limited
15		partnership, or an incorporator of a corporation
16		or limited liability company if the corporation
17		or limited liability company is the employer,
18	(6)	any person employed by an employer which is a
19		youth sports league which qualifies for exemption
20		from federal income taxation pursuant to federal
21		law,
22	(7)	sole proprietors, members of a partnership,
23		individuals who are party to a franchise
24		agreement as set out by the Federal Trade

Commission franchise disclosure rule, 16 CFR 436.1 through 436.11, members of a limited liability company who own at least ten percent (10%) of the capital of the limited liability company or any stockholder-employees of a corporation who own ten percent (10%) or more stock in the corporation, unless they elect to be covered by a policy of insurance covering benefits under the Administrative Workers' Compensation Act,

- (8) any person providing or performing voluntary service who receives no wages for the services other than meals, drug or alcohol rehabilitative therapy, transportation, lodging or reimbursement for incidental expenses except for volunteers specifically provided for in subparagraph a of this paragraph,
- (9) a person, commonly referred to as an owneroperator, who owns or leases a truck-tractor or
  truck for hire, if the owner-operator actually
  operates the truck-tractor or truck and if the
  person contracting with the owner-operator is not
  the lessor of the truck-tractor or truck.
  Provided, however, an owner-operator shall not be

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

precluded from workers' compensation coverage under the Administrative Workers' Compensation Act if the owner-operator elects to participate as a sole proprietor,

5 (10)a person referred to as a drive-away owneroperator who privately owns and utilizes a tow 6 7 vehicle in drive-away operations and operates independently for hire, if the drive-away owner-8 9 operator actually utilizes the tow vehicle and if 10 the person contracting with the drive-away owner-11 operator is not the lessor of the tow vehicle. 12 Provided, however, a drive-away owner-operator 13 shall not be precluded from workers' compensation coverage under the Administrative Workers' 14 15 Compensation Act if the drive-away owner-operator 16 elects to participate as a sole proprietor, and 17 (11)any person who is employed as a domestic servant or as a casual worker in and about a private home 18 or household, which private home or household had 19 a gross annual payroll in the preceding calendar 20 year of less than Fifty Thousand Dollars 21 (\$50,000.00) for such workers; 22 23 19. 17. "Employer" means a person, partnership, association, limited liability company, corporation, and the legal 24

1

2

3

1 representatives of a deceased employer, or the receiver or trustee 2 of a person, partnership, association, corporation, or limited 3 liability company, departments, instrumentalities and institutions of this state and divisions thereof, counties and divisions thereof, 4 5 public trusts, boards of education and incorporated cities or towns and divisions thereof, employing a person included within the term 6 7 "employee" as defined in this section. Employer may also mean the employer's workers' compensation insurance carrier, if applicable. 8 9 Except as provided otherwise, this act the Administrative Workers' 10 Compensation Act applies to all public and private entities and 11 institutions. Employer shall not include a qualified employer with 12 an employee benefit plan as provided under the Oklahoma Employee Injury Benefit Act in Sections 107 through 120 of this act; 13

14 20. <u>18.</u> "Employment" includes work or labor in a trade, 15 business, occupation or activity carried on by an employer or any 16 authorized voluntary or uncompensated worker rendering services as a 17 firefighter, peace officer or emergency management worker;

18 21. "Evidence-based" means expert-based, literature-supported 19 and outcomes validated by well-designed randomized trials when such 20 information is available and which uses the best available evidence 21 to support medical decision making;

22 22. "Gainful employment" means the capacity to perform
23 employment for wages for a period of time that is not part-time,
24 occasional or sporadic;

23. 19. "Impaired self-insurer" means a private self-insurer or 1 group self-insurance association that fails to pay its workers' 2 3 compensation obligations, or is financially unable to do so and is the subject of any proceeding under the Federal Bankruptcy Reform 4 5 Act of 1978, and any subsequent amendments or is the subject of any proceeding in which a receiver, custodian, liquidator, 6 7 rehabilitator, trustee or similar officer has been appointed by a court of competent jurisdiction to act in lieu of or on behalf of 8 9 the self-insurer; 10 20. "Impairment" means a loss of, or loss of the function of, a 11 body part, organ or system; 12 24. "Incapacity" means inadequate strength or ability to perform a work-related task; 13 25. 21. "Insurance Commissioner" means the Insurance 14 15 Commissioner of the State of Oklahoma Insurance Department; 26. 22. "Insurance Department" means the Insurance Department 16 of the State of Oklahoma; 17 27. "Major cause" means more than fifty percent (50%) of the 18 resulting injury, disease or illness. A finding of major cause 19 20 shall be established by a preponderance of the evidence. A finding that the workplace was not a major cause of the injury, disease or 21 illness shall not adversely affect the exclusive remedy provisions 22 23 of this act and shall not create a separate cause of action outside 24 this act;

1	<del>28.</del> <u>23.</u>	"Maximum medical improvement" means that no further
2	material impr	ovement would reasonably be expected from medical
3	treatment or	the passage of time;
4	<del>29.</del> <u>24.</u>	"Medical services" means those services specified in
5	Section 50 of	this <del>act</del> <u>title</u> ;
6	<del>30.</del> <u>25.</u>	"Misconduct" shall include the following:
7	a.	unexplained absenteeism or tardiness,
8	b.	willful or wanton indifference to or neglect of the
9		duties required,
10	с.	willful or wanton breach of any duty required by the
11		employer,
12	d.	the mismanagement of a position of employment by
13		action or inaction,
14	e.	actions or omissions that place in jeopardy the
15		health, life, or property of self or others,
16	f.	dishonesty,
17	g.	wrongdoing,
18	h.	violation of a law, or
19	i.	a violation of a policy or rule adopted to ensure
20		orderly work or the safety of self or others;
21	<del>31.</del>	
22	<u>26.</u> a.	(1) "Objective findings" are those means findings
23		based on objective medical evidence which cannot
24		come under the voluntary control of the patient.

1		(2)	(a)	When determining permanent disability, a
2				physician, any other medical provider, an
3				administrative law judge, the Commission or
4				the courts shall not consider complaints of
5				pain.
6			(b)	For the purpose of making permanent
7				disability ratings <del>to the spine</del> , physicians
8				shall use criteria established by the <del>most</del>
9				current edition Sixth Edition of the
10				American Medical Association "Guides to the
11				Evaluation of Permanent Impairment".
12		(3)	(a)	Objective evidence necessary to prove
13				permanent disability in occupational hearing
14				loss cases may be established by medically
15				recognized and accepted clinical diagnostic
16				methodologies, including, but not limited
17				to, audiological tests that measure air and
18				bone conduction thresholds and speech
19				discrimination ability.
20			(b)	Any difference in the baseline hearing
21				levels shall be confirmed by subsequent
22				testing; provided, however, such test shall
23				be given within four (4) weeks of the
24				initial baseline hearing level test but not
	l			

1	before five (5) days after being adjusted
2	for presbycusis.
3	b. Medical opinions addressing compensability and
4	permanent disability shall be stated within a
5	reasonable degree of medical certainty;
6	<del>32.</del> 27. "Occupational disease" means a disease arising out of
7	and in the course and scope of employment that causes damage or harm
8	to the physical structure of the body. The term includes a disease
9	or infection that naturally results from the work-related disease.
10	The term does not include an ordinary disease of life to which the
11	general public is exposed outside of employment, unless that disease
12	is an incident to a compensable injury or occupational disease;
13	28. "Official Disability Guidelines" <del>or "ODG"</del> means the current
14	edition of the Official Disability Guidelines and the ODG Treatment
15	in Workers' <del>Comp</del> <u>Compensation</u> as published by the Work Loss Data
16	Institute;
17	<del>33.</del> <u>29.</u> "Permanent disability" means the <del>extent, expressed as a</del>
18	percentage, of the permanent loss of a portion of the total
19	physiological capabilities of the human body as established by
20	competent medical evidence and caused by a compensable injury based
21	on the <del>current edition</del> <u>Sixth Edition</u> of the American Medical
22	Association guides to the evaluation of impairment, if the
23	impairment is contained therein;
24	

1 34. "Permanent partial disability" means a permanent disability
2 or loss of use after maximum medical improvement has been reached
3 which prevents the injured employee, who has been released to return
4 to work by the treating physician, from returning to his or her pre5 injury or equivalent job. All evaluations of permanent partial
6 disability must be supported by objective findings;

7 35. "Permanent total disability" means, based on objective 8 findings, incapacity, based upon accidental injury or occupational 9 disease, to earn wages in any employment for which the employee may 10 become physically suited and reasonably fitted by education, 11 training, experience or vocational rehabilitation provided under 12 this act. Loss of both hands, both feet, both legs, or both eyes, 13 or any two thereof, shall constitute permanent total disability;

14 <u>36.</u> <u>30.</u> "Preexisting condition" means any illness, injury, 15 disease, or other physical or mental condition, whether or not work-16 related, for which medical advice, diagnosis, care or treatment was 17 recommended or received preceding the date of injury, or is

## 18 determined by objective findings to have existed before the date of 19 injury;

20 37. "Pre-injury or equivalent job" means the job that the 21 claimant was working for the employer at the time the injury 22 occurred or any other employment offered by the claimant's employer 23 that pays at least one hundred percent (100%) of the employee's 24 average weekly wage;

1 38. 31. "Private self-insurer" means a private employer that has been authorized to self-insure its workers' compensation 2 3 obligations pursuant to this act the Administrative Workers' Compensation Act, but does not include group self-insurance 4 5 associations authorized by this act the Administrative Workers' Compensation Act, or any public employer that self-insures pursuant 6 to this act the Administrative Workers' Compensation Act; 7 39. 32. "Prosthetic" means an artificial device used to replace 8 9 a part or joint of the body that is lost or injured in an accident 10 or illness covered by this act the Administrative Workers' 11 Compensation Act; 40. "Scheduled member" or "member" means hands, fingers, arms, 12 legs, feet, toes, and eyes. In addition, for purposes of the 13 Multiple Injury Trust Fund only, "scheduled member" means hearing 14 15 impairment; 41. "Scientifically based" involves the application of 16 rigorous, systematic, and objective procedures to obtain reliable 17 and valid knowledge relevant to medical testing, diagnoses and 18 19 treatment; is adequate to justify the general conclusions drawn; and 20 has been accepted by a peer-review journal or approved by a panel of independent experts through a comparably rigorous, objective, and 21 scientific review; 22 42. 33. "State average weekly wage" means the state average 23

24 weekly wage determined by the Oklahoma Employment Security

Commission in the preceding calendar year. If such determination is not available, the Commission shall determine the wage annually after reasonable investigation;

4 <u>43. 34.</u> "Subcontractor" means a person, firm, corporation or
5 other legal entity hired by the general or prime contractor to
6 perform a specific task for the completion of a work-related
7 activity;

8 44. "Surgery" does not include an injection, or the forcing of
9 fluids beneath the skin, for treatment or diagnosis;

10 45. 35. "Surviving spouse" means the employee's spouse by 11 reason of a legal marriage recognized by the State of Oklahoma or 12 under the requirements of a common law marriage in this state, as 13 determined by the Workers' Compensation Commission;

14 46. "Temporary partial disability" means an injured employee
15 who is temporarily unable to perform his or her job, but may perform
16 alternative work offered by the employer;

17 47. "Time of accident" or "date of accident" means the time or
18 date of the occurrence of the accidental incident from which
19 compensable injury, disability, or death results; and

20 48. <u>36. "Total loss of use" means a one-hundred-percent</u>
21 <u>permanent partial disability rating to the specific body part; and</u>
22 <u>37.</u> "Wages" means money compensation received for employment at
23 the time of the accident, including the reasonable value of board,

24 rent, housing, lodging, or similar advantage received from the

1 employer and includes the amount of tips required to be reported by 2 the employer under Section 6053 of the Internal Revenue Code and the 3 regulations promulgated pursuant thereto or the amount of actual 4 tips reported, whichever amount is greater.

5 SECTION 2. AMENDATORY Section 3, Chapter 208, O.S.L. 6 2013 (85A O.S. Supp. 2016, Section 3), is amended to read as 7 follows:

Section 3. A. Every employer and every employee, unless 8 9 otherwise specifically provided in this act the Administrative 10 Workers' Compensation Act, shall be subject and bound to the 11 provisions of the Administrative Workers' Compensation Act. 12 However, nothing in this act the Administrative Workers' 13 Compensation Act shall be construed to conflict with any valid Act of Congress governing the liability of employers for injuries 14 15 received by their employees.

B. This act The Administrative Workers' Compensation Act shall apply only to claims for injuries and death based on accidents which occur on or after the effective date of this act February 1, 2014.

C. The Workers' Compensation Code in effect before the
 effective date of this act <u>February 1, 2014</u>, shall govern all rights
 in respect to claims for injuries and death based on accidents
 occurring before the effective date of this act <u>February 1, 2014</u>.

- 23
- 24

1	D. If an employee files a workers' compensation claim or
2	receives benefits in another jurisdiction, the employee shall not be
3	eligible to receive benefits under this act for the same injury.
4	SECTION 3. AMENDATORY Section 7, Chapter 208, O.S.L.
5	2013 (85A O.S. Supp. 2016, Section 7), is amended to read as
6	follows:
7	Section 7. A. An employer may not discriminate or retaliate
8	against an employee when the employee has in good faith:
9	1. Filed a claim under <del>this act</del> the Administrative Workers'
10	Compensation Act;
11	2. Retained a lawyer for representation regarding a claim under
12	this act the Administrative Workers' Compensation Act;
13	3. Instituted or caused to be instituted any proceeding under
14	the provisions of <del>this act</del> the Administrative Workers' Compensation
15	<u>Act</u> ; or
16	4. Testified or is about to testify in any proceeding under the
17	provisions of this act the Administrative Workers' Compensation Act.
18	B. The Commission shall have exclusive jurisdiction to hear and
19	decide claims based on subsection A of this section.
20	C. If the Commission determines that the defendant violated
21	subsection A of this section, the Commission may award the employee
22	back pay up to a maximum of One Hundred Thousand Dollars
23	(\$100,000.00) If a district court of this state determines that an
24	employer violated a provision of this section, such employer shall

1 be liable for reasonable compensatory damages suffered by an 2 employee as a result of the violation. The employee shall have the 3 burden of proof to show such violation by a preponderance of the Interim earnings or amounts earnable with reasonable 4 evidence. 5 diligence by the person discriminated against shall reduce the back pay compensatory damages otherwise allowable. Exemplary or punitive 6 damage awards made pursuant to this section shall not exceed One 7 Hundred Thousand Dollars (\$100,000.00). 8

9 D. C. The prevailing party shall be entitled to recover costs
10 and a reasonable attorney fee.

11 E. D. No employer may discharge an employee during a period of 12 temporary total disability for the sole reason of being absent from 13 work or for the purpose of avoiding payment of temporary total 14 disability benefits to the injured employee.

15 F. E. Notwithstanding any other provision of this section, an 16 employer shall not be required to rehire or retain an employee who, 17 after temporary total disability has been exhausted, is determined 18 by a physician to be physically unable to perform his or her 19 assigned duties, or whose position is no longer available.

20 G. F. This section shall not be construed as establishing an 21 exception to the employment at will doctrine.

H. G. The remedies provided for in this section shall be exclusive with respect to any claim arising out of the conduct described in subsection A of this section. SECTION 4. AMENDATORY Section 14, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2016, Section 14), is amended to read as
 follows:

Section 14. A. A cardiovascular, coronary, pulmonary,
respiratory, or cerebrovascular accident or myocardial infarction
causing injury, illness, or death is a compensable injury only if,
in relation to other factors contributing to the physical harm, the
course and scope of employment was the major cause.

9 B. 1. An injury or disease included in subsection A of this 10 section shall not be deemed to be a compensable injury unless it is 11 shown that the exertion of the work necessary to precipitate the 12 disability or death was extraordinary and unusual in comparison to 13 the employee's usual work in the course of the employee's regular employment, or that some unusual and unpredicted incident occurred 14 15 which is found to have been the major cause of the physical harm. 16 2. Physical or mental stress shall not be considered in determining whether the employee or claimant has met his or her 17 burden of proof: 18 1. It occurred at a definite time and place; 19

20 <u>2. It was caused by a specific event occurring in the course</u> 21 <u>and scope of employment;</u>

22 <u>3. The preponderance of the evidence indicates that the</u> 23 <u>employee's work was the main contributing factor, rather than the</u> 24 natural progression of a preexisting condition; and <u>4. It was not triggered by physical or mental stress</u>.
 SECTION 5. AMENDATORY Section 16, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2016, Section 16), is amended to read as
 follows:

5 Section 16. A. The Official Disability Guidelines - Treatment in Workers Compensation (ODC), published by the Work Loss Data 6 7 Institute, is to shall be recognized as the primary standard of reference, at the time of treatment, in determining the frequency 8 9 and extent of services presumed to be medically necessary and 10 appropriate for compensable injuries under this act the 11 Administrative Workers' Compensation Act, or in resolving such matters in the event a dispute arises. The medical treatment 12 quidelines are not requirements, nor are they mandates or standards; 13 they provide advice by identifying the care most likely to benefit 14 15 injured workers. The guidelines shall be evidence-based, 16 scientifically valid, outcome-focused, and designed to reduce excessive or inappropriate medical care while safequarding necessary 17 medical care. 18

B. Physicians providing care to an employee shall prescribe for
the employee any necessary prescription drugs and over-the-counter
alternatives to prescription medicine as clinically appropriate and
as recommended under the Official Disability Guidelines.
Prescriptions and nonprescription drugs that are not preferred,
exceed or are not addressed by ODG the Official Disability

<u>Guidelines</u> require preauthorization and the preauthorization request shall include the prescribing doctor's drug regimen plan of care and the anticipated dosage or range of dosages.

SECTION 6. AMENDATORY Section 17, Chapter 208, O.S.L.
2013 (85A O.S. Supp. 2016, Section 17), is amended to read as
follows:

7 Section 17. A. There is hereby created a Physician Advisory
8 Committee comprised of nine (9) members to be appointed as follows:

9 1. The Governor shall appoint three members, one of whom shall 10 be licensed in this state as a doctor of medicine and surgery, one 11 of whom shall be engaged in the practice of family medicine in a 12 rural community of the state, and one of whom shall be an 13 osteopathic physician;

2. The President Pro Tempore of the Senate shall appoint three members, one of whom shall be licensed in this state as a doctor of medicine and orthopedic surgery, one of whom shall be licensed in this state either as a doctor of medicine or a doctor of osteopathy and a neurosurgeon, and one of whom shall be licensed in this state as a podiatric physician; and

3. The Speaker of the House of Representatives shall appoint three members, one of whom shall be licensed in this state as an osteopathic physician, one of whom shall be licensed in this state either as a doctor of medicine or a doctor of osteopathy and shall

be engaged in the practice of occupational medicine, and one of whom
 shall be licensed in this state as a chiropractic physician.

Any member serving on the effective date of this section <u>February 1, 2014,</u> shall serve the remainder of his or her term. Thereafter, each position will be filled by the appointing official for a term of three (3) years. Members shall be subject to reappointment, with any new appointee to serve out the remainder of the unexpired term of the Committee member so replaced.

9 B. The

B. The Committee shall:

10 1. Assist and advise the Workers' Compensation Commission 11 regarding utilization review as it relates to the medical practice 12 and treatment of work-related injuries. Such utilization review shall include a review of reasonable and necessary medical 13 treatment; abusive practices; needless treatments, testing, or 14 15 procedures; or a pattern of billing in excess of or in violation of the Schedule of Medical Fees. The Physician Advisory Committee 16 shall review and make findings and recommendations to the Commission 17 with respect to charges of inappropriate or unnecessary treatment or 18 procedures, abusive practices, or excessive billing disclosed 19 through utilization review; 20

Assist the Commission in reviewing medical practices of
 health care providers, including evaluations of permanent disability
 provided by health care providers. The Committee shall review and
 make findings and recommendations to the Commission with respect to

1 charges of abusive practices by health care providers providing 2 medical services or evaluations of permanent partial disability 3 through the workers' compensation system;

3. After public hearing, review and make recommendations for
acceptable deviations from the <u>Sixth Edition of the</u> American Medical
Association's "Guides to the Evaluation of Permanent Impairment";

After public hearing, adopt Physician Advisory Committee
Guidelines (PACG) and protocols for only medical treatment not
addressed by the latest edition of the Official Disability
Guidelines;

5. After public hearing, adopt Physician Advisory Committee
 Guidelines for the prescription and dispensing of any controlled
 substance included in Schedule II of the Uniform Controlled
 Dangerous Substances Act if not addressed by the current edition of
 the Official Disability Guidelines;

16 6. Review utilization on cases or of providers when requested
17 by any employer, injured employee or insurer. The Committee may
18 issue a public or private censure to any provider for utilization
19 which is excessive or inadequate, or recommend the Commission order
20 treatment within the treatment guidelines;

21 7. Provide general recommendations to the Commission on the22 issues of injury causation and apportionment;

23 8. Conduct educational seminars for the Commission, employers,
24 employees, and other interested parties;

9. Assist the Commission in accessing medical information from
 2 scientific literature; and

3 10. Report its progress annually to the Governor, the President
4 Pro Tempore of the Senate, and the Speaker of the House of
5 Representatives; and

6 <u>11. Provide an annual report, available to the public,</u>
7 <u>summarizing its activities and recommendations to the Commission for</u>
8 the preceding year.

9 C. The Commission shall recognize the latest edition of the 10 Official Disability Guidelines as the primary standard of reference, 11 at the time of treatment, in determining the frequency and extent of 12 services presumed to be medically necessary and appropriate for 13 compensable injuries under this act the Administrative Workers' 14 <u>Compensation Act</u>, or in resolving such matters in the event a 15 dispute arises.

D. Members of the Physician Advisory Committee shall receive no compensation for serving on the Committee but shall be reimbursed by the Commission for their necessary travel expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.

E. Meetings of the Physician Advisory Committee shall be called by the Commission but held at least quarterly. The presence of a majority of the members shall constitute a quorum. No action shall

be taken by the Physician Advisory Committee without the affirmative
 vote of at least a majority of the members.

F. The Commission shall provide office supplies and personnel of the Commission to assist the Committee in the performance of its duties.

G. Upon written request, the Insurance Commissioner, CompSource
Oklahoma, and every approved self-insured employer in Oklahoma shall
provide the Committee with data necessary to the performance of its
duties.

10 Any health care provider acting in good faith and within the Η. scope of the provider's duties as a member of the Physician Advisory 11 12 Committee shall be immune from civil liability for making any report or other information available to the judges of the Commission or to 13 the Commission or for assisting in the origination, investigation, 14 15 or preparation of the report or other information so provided. SECTION 7. Section 18, Chapter 208, O.S.L. 16 AMENDATORY 2013 (85A O.S. Supp. 2016, Section 18), is amended to read as 17 follows: 18

19 Section 18. A. No hospital, physician, or other health care 20 provider shall bill or attempt to collect any fee or any portion of 21 a fee for services rendered to an employee due to a work-related 22 injury or report to any credit-reporting agency any failure of the 23 employee to make the payment, when a claim for compensation has been 24 filed under this act the Administrative Workers' Compensation Act

1	and the hospital, physician, or health care provider has received
2	actual notice given in writing by the employee or the employee's
3	representative. Actual notice shall be deemed received by the
4	hospital, physician, or health care provider five (5) days after
5	mailing by certified mail or sending by facsimile, electronic mail
6	or other electronic means with confirmation of receipt by the
7	employee or his or her representative to the hospital, physician, or
8	health care provider.
9	B. The notice shall include:
10	1. The name of the employer;
11	2. The name of the insurer, if known;
12	3. The name of the employee receiving the services;
13	4. The general nature of the injury, if known; and
14	5. Where a claim has been filed, the claim number, if known.
15	C. When an injury or bill is found to be noncompensable under
16	this act the Administrative Workers' Compensation Act, the hospital,
17	physician, or other health care provider shall be entitled to pursue
18	the employee for any unpaid portion of the fee or other charges for
19	authorized services provided to the employee. Any applicable
20	statute of limitations for an action for the fees or other charges
21	shall be tolled from the time notice is given to the hospital,
22	physician, or other health care provider until a determination of
23	noncompensability in regard to the injury which is the basis of the

determination of noncompensability is rendered and all appeal
 deadlines have passed.

D. This section shall not avoid void, modify, or amend any other section or subsection of this act the Administrative Workers' Compensation Act.

E. An order by the Commission under this section shall stay allproceedings for collection.

8 SECTION 8. AMENDATORY Section 19, Chapter 208, O.S.L. 9 2013, as amended by Section 4, House Joint Resolution No. 1096, 10 O.S.L. 2014 (85A O.S. Supp. 2016, Section 19), is amended to read as 11 follows:

Section 19. A. There is hereby created the Oklahoma Workers' Compensation Commission, an executive agency of the State of Oklahoma, which shall have the exclusive responsibility and duty to carry out the provisions of this act the Administrative Workers' Compensation Act, except as otherwise provided.

Β. The Commission shall consist of three (3) full-time 17 commissioners, each two of whom must shall have been involved in the 18 workers' compensation field for at least three (3) years, appointed 19 by the Governor: one of whom is chosen from a slate of three 20 selected by the Speaker of the House of Representatives, with all 21 three confirmed by the Senate. The term of each appointee shall be 22 six (6) years to administer the provisions of this act the 23 Administrative Workers' Compensation Act. The Governor may request 24

1 a subsequent slate of nominees from the Speaker of the House of 2 Representatives if a suitable nominee is not found. Any or all of 3 the commissioners may be reappointed for additional six-year terms upon reconfirmation by the Senate. However, the initial 4 5 commissioners shall serve staggered terms of two (2), four (4), and 6 six (6) years, respectively, as determined by the Governor. If the 7 Legislature is not in session at the time of appointment, the appointment shall be subject to confirmation by the Senate upon 8 9 convening of the next regular session of the Legislature. 10 Membership on the Commission shall be a full-time position and no 11 commissioner shall have any other employment, unless authorized or 12 excused by law. Each commissioner shall receive a salary equal to that paid to a district judge of this state; provided however, the 13 commissioners shall not receive any increase in salary as a result 14 15 of the provisions of Section 1 of this resolution House Joint Resolution No. 1096 of the 2nd Session of the 54th Oklahoma 16 Legislature. 17

C. The Commission shall have the authority to adopt reasonable rules within its respective areas of responsibility including the rules of procedure for administrative hearings, after notice and public hearing, for effecting the purposes of this act the <u>Administrative Workers' Compensation Act</u>, in accordance with the Oklahoma Administrative Procedures Act. All rules, upon adoption, shall be published and be made available to the public and, if not inconsistent with the law, shall be binding in the administration of
 this act the Administrative Workers' Compensation Act.

D. The principal office of the Commission shall be situated in the City of Oklahoma City in quarters assigned by the Office of Management and Enterprise Services. The Commission shall maintain and keep open, during reasonable business hours, the office in Oklahoma City, for the transaction of business, at which office its official records and papers shall be kept. The Commission or any commissioner may hold hearings in any city of this state.

E. The Governor shall appoint one of the commissioners to be chair of the Commission. In addition to other duties, the chair of the Commission shall have the following powers and duties:

To organize, direct and develop the administrative work of
 the administrative law judges, including but not limited to
 docketing, clerical, technical and financial work and establishment
 of hours of operation;

To employ administrative staff for the Commission, within
 budgetary limitation; and

Such other duties and responsibilities authorized by law or
 as the Commission may prescribe.

F. All appeals or disputes arising from actions of the Commission shall be governed by provisions of this act the Administrative Workers' Compensation Act and the Commission shall not be subject to the provisions of the Oklahoma Administrative Procedures Act, except as provided in this act the Administrative
 Workers' Compensation Act.

3	G. When any commissioner of the Commission is disqualified for
4	any reason to hear and participate in the determination of any
5	matter pending before the Commission, the Governor shall appoint a
6	qualified person to hear and participate in the decision on the
7	particular matter. The special commissioner so appointed shall have
8	all authority and responsibility with respect to the particular
9	matter before the Commission as if the person were a regular
10	commissioner of the Commission but shall have no authority or
11	responsibility with respect to any other matter before the
12	Commission. A person appointed as a special commissioner of the
13	Commission under the provisions of this subsection shall be entitled
14	to receive a per diem equal to the annual salary of the
15	commissioners prorated for the number of days he or she serves in
16	the capacity of a special commissioner of the Commission.
17	Furthermore, when a vacancy on the Commission occurs or is certain
18	to occur, the position shall be filled pursuant to the provisions of
19	this section The power of the Commission to decide issues of fact
20	does not include the power to determine the constitutionality of the
21	provisions of this act or the constitutionality of application of
22	the provisions of this act.
23	

1 SECTION 9. AMENDATORY Section 20, Chapter 208, O.S.L. 2 2013 (85A O.S. Supp. 2016, Section 20), is amended to read as 3 follows:

4 Section 20. A. In addition to its other duties and powers, the5 Commission is given and granted full power and authority:

1. To appoint administrative law judges to hear all claims for 6 compensation, including claims based on injuries which occurred 7 outside this state for which compensation is payable under this act 8 9 the Administrative Workers' Compensation Act. An administrative law 10 judge shall have been licensed to practice law in this state for a 11 period of not less than three (3) years and shall have not less than 12 three (3) years of workers' compensation experience prior to 13 appointment;

14 2. <u>To review the performance of an administrative law judge;</u> 15 <u>provided, however, the Commissioners shall not discuss any case with</u> 16 <u>an administrative law judge until all remedies have been exhausted</u> 17 with the Commission;

18 <u>3.</u> To remand any case to an administrative law judge for the 19 purpose of taking additional evidence;

20 3. 4. To assess penalties;

21 4. <u>5.</u> To prescribe rules governing the representation of 22 employees, employers, and carriers in respect to claims before the 23 Commission;

5. <u>6.</u> To make available all records in connection with all
cases of personal injury to the Oklahoma Department of Labor. The
Commissioner of Labor may propose rules for the prevention of
injuries and transmit the rules to the Commission. The Commission
may recommend proposed rules for prevention of injuries to the
Commissioner of Labor; and

7 6. 7. To have and exercise all other powers and duties
8 conferred or imposed by this act the Administrative Workers'
9 Compensation Act.

B. 1. In addition to the other powers and duties granted to the Commission in this section and otherwise provided by law, the Commission is authorized to establish and impose reasonable administrative fees to recover the cost of preparation of various informative materials distributed by the Commission.

The administrative fees shall be established by regulation
 of the Commission.

3. Funds derived from administrative fees shall be deposited
into the Workers' Compensation Fund to be used to defray expenses
incurred in preparation and distribution of materials.

20 SECTION 10. AMENDATORY Section 21, Chapter 208, O.S.L. 21 2013 (85A O.S. Supp. 2016, Section 21), is amended to read as 22 follows:

- 23
- 24

Section 21. A. Commissioners shall be considered officers and
 shall take the oath prescribed by the Oklahoma Constitution and the
 laws of this state.

B. 1. A majority of the Workers' Compensation Commission shall
constitute a quorum for the transaction of business, and vacancies
shall not impair the right of the remaining commissioners to
exercise all the powers of the full Commission, so long as a
majority remains.

9 2. Any investigation, inquiry, or hearing which the Commission 10 is authorized to hold or undertake may be held or undertaken by or 11 before any one commissioner of the Commission, or appointee acting 12 for him or her, under authorization of the Commission.

C. The Commission shall have a seal for authentication of its judgments, awards, and proceedings, on which shall be inscribed the words: "Workers' Compensation Commission, State of Oklahoma".

D. Except with respect to the Commission's authority to hear 16 appeals of decisions from administrative law judges other than as 17 provided pursuant to subsection B of Section 78 of this title, any 18 reference in this act the Administrative Workers' Compensation Act 19 to the Commission's ability to hear and decide the rights of 20 interested parties under this act the Administrative Workers' 21 Compensation Act shall not prevent it from delegating that 22 responsibility to an administrative law judge. 23

1 SECTION 11. AMENDATORY Section 22, Chapter 208, O.S.L. 2 2013 (85A O.S. Supp. 2016, Section 22), is amended to read as 3 follows: Section 22. A. 1. For the purpose of administering the 4 5 provisions of this act the Administrative Workers' Compensation Act, the Workers' Compensation Commission is authorized: 6 7 to make rules necessary for the administration and a. operation of the Commission, 8 9 b. to appoint and fix the compensation of temporary technical assistants, medical and legal advisers, 10 11 clerical assistants and other officers and employees, 12 and to make such expenditures, including those for 13 с. personal service, rent, books, periodicals, office 14 equipment, and supplies, and for printing and binding 15 16 as may be necessary. 2. Before the adoption, prescription, amendment, 17 <del>a.</del> modification, or repeal of any rule, regulation, 18 or 19 form, the Commission shall give at least thirty (30) days' notice of its intended action. 20 The notice shall include a statement of the terms or 21 b. substance of the intended action or description of the 22 23 subjects and issues involved, and the time, place, and 24

1	manner in which interested persons may present their
2	<del>views thereon.</del>
3	c. The notice shall be mailed to any person specified by
4	law or who shall have requested advance notice of
5	rule-making proceedings.
6	3. The Commission shall afford all interested persons a
7	reasonable opportunity to submit written data, views, or arguments,
8	and, if the Commission in its discretion shall so direct, oral
9	testimony or argument.
10	4. Each rule, regulation, or form adopted by the Commission
11	shall be effective twenty (20) days after adoption unless a later
12	date is specified by law or in the rule itself.
13	5. All expenditures of the Commission in the administration of
14	this act shall be allowed and paid from the Workers' Compensation
15	Fund on the presentation of itemized vouchers approved by the
16	Commission The Commission shall comply with the provisions of the
17	Administrative Procedures Act applicable to the filing and
18	publication requirements for rules.
19	B. 1. The Commission may appoint as many persons as may be
20	necessary to be administrative law judges and in addition may
21	appoint such examiners, investigators, medical examiners, clerks,
22	and other employees as it deems necessary to effectuate the
23	provisions of this act the Administrative Workers' Compensation Act.
~ .	

2. Employees appointed under this subsection shall receive an
 annual salary to be fixed by the Commission.

3 C. Additionally, the Commission shall have the following powers 4 and duties:

5 1. To hear and approve compromise settlements;

6 2. To review and approve own-risk applications and group self7 insurance association applications;

8 3. To monitor own-risk, self-insurer and group self-insurance
9 programs, in accordance with the rules of the Commission;

10 4. To contract with an appropriate state governmental entity, 11 insurance carrier or approved service organization to process, 12 investigate and pay valid claims against an impaired self-insurer 13 which fails, due to insolvency or otherwise, to pay its workers' 14 compensation obligations, charges for which shall be paid from the 15 proceeds of security posted with the Commission as provided in

16 Section 38 of this act;

17 5. To establish a toll-free telephone number in order to
18 provide information and answer questions about the Commission;
19 6. 5. To hear and determine claims concerning disputed medical

20 bills;

21 7. 6. To promulgate necessary rules for administering this act 22 the Administrative Workers' Compensation Act and develop uniform 23 forms and procedures for use by administrative law judges. Such 24 rules shall be reviewable by the Legislature; 8. 7. To invest funds on behalf of the Multiple Injury Trust
 Fund;

3 9. 8. To appoint a Commission Mediator to conduct informal
4 sessions to attempt to resolve assigned disputes; and
5 10. 9. Such other duties and responsibilities authorized by

6 law.

D. It shall be the duty of an administrative law judge, under the rules adopted by the Commission, to hear and determine claims for compensation and to conduct hearings and investigations and to make such judgments, decisions, and determinations as may be required by any rule or judgment of the Commission.

SECTION 12. AMENDATORY Section 31, Chapter 208, O.S.L. 2013, as amended by Section 3, Chapter 344, O.S.L. 2015 (85A O.S. Supp. 2016, Section 31), is amended to read as follows:

Section 31. A. The Multiple Injury Trust Fund shall be derived from the following additional sources:

As soon as practicable after January 1 of each year, the 17 1. commissioners of the Workers' Compensation Commission shall 18 establish an assessment rate applicable to each mutual or 19 interinsurance association, stock company, CompSource Oklahoma, or 20 other insurance carrier writing workers' compensation insurance in 21 this state, each employer carrying its own risk, and each group 22 self-insurance association, for amounts for purposes of computing 23 the assessment authorized by this section necessary to pay the 24

1 annual obligations of the Multiple Injury Trust Fund determined on 2 or before December 31 of each year by the MITF Director, provided 3 for in subsection P of this section, to be outstanding for the next calendar year, and to pay the allocations provided for in subsection 4 5 I of this section. The rate shall be equal for all parties required 6 to pay the assessment. If CompSource begins operating as a mutual 7 insurance company, the Board of Directors for CompSource Mutual Insurance Company shall have the power to disapprove the rate 8 9 established by the MITF Director until the Multiple Injury Trust 10 Fund repays in full the amount due on any loan from CompSource 11 Mutual Insurance Company or its predecessor CompSource Oklahoma. Ιf 12 the MITF Director and CompSource have not agreed on the assessment rate within thirty (30) days, the Commission shall set an assessment 13 rate sufficient to cover all foreseeable obligations of the Multiple 14 15 Injury Trust Fund, including interest and principal owed by the Fund on any loan. The rate in effect on the effective date of this act 16 February 1, 2014, shall remain effective through June 30, 2014; 17 2. The Oklahoma Tax Commission shall assess and collect from 18 any uninsured employer a temporary assessment at the rate of five 19 percent (5%) of the total compensation for permanent total 20 disability awards, permanent partial disability awards, and death 21 benefits paid out during each quarter of the calendar year by the 22 23 employers;

1 3. The assessments shall be paid to the Tax Commission. 2 Insurance carriers, self-insurers, group self-insurance associations 3 and CompSource Oklahoma shall pay the assessment in four equal installments not later than the fifteenth day of the month following 4 5 the close of each quarter of the calendar year of the assessment. Assessments shall be determined based upon gross direct written 6 7 premiums, normal premiums or actual paid losses of the paying party, as applicable, during the calendar quarter for which the assessment 8 9 is due. Uninsured employers shall pay the assessment not later than 10 the fifteenth day of the month following the close of each quarter 11 of the calendar year of the assessment. For purposes of this 12 section, "uninsured employer" means an employer required by law to carry workers' compensation insurance but who has failed or 13 neglected to do so. 14

The assessment authorized in this section shall be 15 a. 16 determined using a rate equal to the proportion that the sum of the outstanding obligations of the Multiple 17 Injury Trust Fund as determined pursuant to paragraph 18 1 of this subsection and the allocations provided for 19 in subsection I of this section bear to the combined 20 gross direct written premiums of all such insurers; 21 all actual paid losses of all individual self-22 insureds; and the normal premium of all group self-23

insurance associations, for the year period from
 January 1 to December 31 preceding the assessment.
 b. For purposes of this subsection:

 (1) "actual paid losses" means all medical and

- indemnity para rooses means all means
- 9 (2) "normal premium" means a standard premium less
   10 any discounts;

4. By April 15 of each year, the Insurance Commissioner, the
 MITF Director and each individual and group self-insured shall
 provide the Commission with such information as the Commission may
 determine is necessary to effectuate the purposes of this section;

15 5. Each mutual or interinsurance association, stock company, CompSource Oklahoma, or other insurance carrier writing workers' 16 17 compensation insurance in this state, and each employer carrying its own risk, including each group self-insurance association, shall be 18 notified by the Commission in writing of the rate for the assessment 19 on or before May 1 of each year in which a rate is determined. 20 The rate determined by the Commission shall be in effect for four 21 calendar quarters beginning July 1 following determination by the 22 Commission; and 23

- 6. a. No mutual or interinsurance association, stock
   company, CompSource Oklahoma, or other insurance
   carrier writing workers' compensation insurance in
   this state may be assessed in any year an amount
   greater than six percent (6%) of the gross direct
   written premiums of that insurer.
- b. No employer carrying its own risk may be assessed in
  any year an amount greater than six percent (6%) of
  the total actual paid losses of that individual selfinsured.
- 11 c. No group self-insurance association may be assessed in 12 any year an amount greater than six percent (6%) of 13 the normal premium of that group self-insurance 14 association.
- 15 d. If the maximum assessment does not provide in any one 16 year an amount sufficient to make all necessary payments for obligations of the Multiple Injury Trust 17 Fund and for the allocations provided for in 18 subsection I of this section, the unpaid portion shall 19 be paid as soon thereafter as funds become available. 20 The Multiple Injury Trust Fund is hereby authorized to 21 Β. receive and expend monies appropriated by the Legislature. 22 C. It shall be the duty of the Tax Commission to collect the 23
- 24 payments provided for in this act the Administrative Workers'

1 <u>Compensation Act</u>. The Tax Commission is hereby authorized to bring 2 an action for the recovery of any delinquent or unpaid payments 3 required in this section.

D. Any mutual or interinsurance association, stock company, or 4 5 other insurance company, which is subject to regulation by the Insurance Commissioner, or CompSource Oklahoma, failing to make 6 7 payments required in this act the Administrative Workers' Compensation Act promptly and correctly, and failing to report 8 9 payment of the same to the Insurance Commission within ten (10) days 10 of payment shall be subject to administrative penalties as allowed 11 by law, including but not limited to a fine in the amount of Five 12 Hundred Dollars (\$500.00) or an amount equal to one percent (1%) of 13 the unpaid amount, whichever is greater, to be paid to the Insurance Commissioner. 14

15 E. Any employer carrying its own risk, or group self-insurance 16 association failing to make payments required in this act the 17 Administrative Workers' Compensation Act promptly and correctly, and failing to report payment of the same to the Commission within ten 18 (10) days of payment shall be subject to administrative penalties as 19 allowed by law, including but not limited to a fine in the amount of 20 Five Hundred Dollars (\$500.00) or an amount equal to one percent 21 (1%) of the unpaid amount, whichever is greater, to be paid to the 22 Commission. 23

1 F. 1. On or before the first day of April of each year, the State Treasurer shall advise the Commission, the MITF Director and 2 3 the Tax Commission of the amount of money held as of March 1 of that year by the State Treasurer to the credit of the Multiple Injury 4 5 Trust Fund. On or before the first day of November of each year, the State Treasurer shall advise the Commission, the MITF Director 6 and the Tax Commission of the amount of money held as of October 1 7 of that year by the State Treasurer to the credit of the Multiple 8 9 Injury Trust Fund.

10 2. Until such time as the Multiple Injury Trust Fund fully 11 satisfies any loan obligation payable to CompSource Mutual Insurance 12 Company or its predecessor CompSource Oklahoma, the State Treasurer 13 shall:

14	a. advise the Chief Executive Officer of CompSource on or
15	before the first day of April of the money held as of
16	March 1 of that year by the State Treasurer to the
17	credit of the Multiple Injury Trust Fund, and
18	b. advise the Chief Executive Officer of CompSource on or
19	before the first day of November of the money held as
20	of October 1 of that year by the State Treasurer to
21	the credit of the Multiple Injury Trust Fund.
22	G. Eighty percent (80%) of all sums held by the State Treasurer

23 to the credit of the Multiple Injury Trust Fund may by order of the 24 MITF Director be invested in or loaned on the pledge of any of the

1 securities in which a state bank may invest the monies deposited 2 therein by the State Treasurer; or may be deposited in state or 3 national banks or trust companies upon insured time deposit bearing interest at a rate no less than currently being paid upon insured 4 5 savings accounts in the institutions. As used in this section, "insured" means insurance as provided by an agency of the federal 6 government. All such securities or evidence of indebtedness shall 7 be placed in the hands of the State Treasurer, who shall be the 8 9 custodian thereof, who shall collect the principal and interest when 10 due, and pay the same into the Multiple Injury Trust Fund. The 11 State Treasurer shall pay by vouchers drawn on the Multiple Injury 12 Trust Fund for the making of such investments, when signed by the MITF Director, upon delivery of such securities or evidence of 13 indebtedness to the State Treasurer. The MITF Director may sell any 14 15 of such securities, the proceeds thereof to be paid over to the State Treasurer for the Multiple Injury Trust Fund. 16

H. The refund provisions of Sections 227 through 229 of Title
68 of the Oklahoma Statutes shall be applicable to any payments made
to the Multiple Injury Trust Fund. Refunds shall be paid from and
out of the Multiple Injury Trust Fund.

I. The Tax Commission shall pay, monthly, to the State
Treasurer to the credit of the Multiple Injury Trust Fund all monies
collected pursuant to the provisions of this section. The State
Treasurer shall pay out of the Multiple Injury Trust Fund only upon

1 the order and direction of the Workers' Compensation Commission 2 acting under the provisions hereof.

J. The Commission shall promulgate rules as the Commissiondeems necessary to effectuate the provisions of this section.

5 K. The Insurance Commissioner shall promulgate rules relating 6 to insurers as defined in Title 36 of the Oklahoma Statutes, as the 7 Insurance Commissioner deems necessary to effectuate the provisions 8 of this section.

9 L. The MITF Director shall have authority to fulfill all10 payment obligations of the Multiple Injury Trust Fund.

M. The Multiple Injury Trust Fund may enter into an agreement with any reinsurer licensed to sell reinsurance by the Insurance Commissioner pursuant to a competitive process administered by the Director of Central Purchasing in the Office of Management and Enterprise Services.

N. Any dividend, rebate, or other distribution, payable by CompSource Oklahoma or any other workers' compensation insurance carrier, to a state agency policyholder shall be paid to the State Treasurer, and shall be credited as follows:

In the event of failure of the Multiple Injury Trust Fund to
 meet all lawful obligations, the monies shall be credited to the
 Multiple Injury Trust Fund and shall be used by the Multiple Injury
 Trust Fund to meet all lawful obligations of the Multiple Injury
 Trust Fund; and

Otherwise, all future dividends made by CompSource Oklahoma
 or any workers' compensation insurance carrier, on behalf of state
 agencies, shall be deposited to the credit of the General Revenue
 Fund of the State Treasury.

5 O. The Workers' Compensation Commission shall be charged with 6 the administration and protection of the Multiple Injury Trust Fund.

P. The person serving as the Administrator of the Multiple
Injury Trust Fund on the date of passage and approval of this act
<u>the Administrative Workers' Compensation Act</u> shall serve as the
initial MITF Director, provided such person is serving as the
Administrator of the Multiple Injury Trust Fund on the effective
date of this act February 1, 2014. The MITF Director shall be
appointed by and serve at the pleasure of the Governor.

Q. Any party interested shall have a right to bring a proceeding in the Supreme Court to review an award of the Commission affecting such Multiple Injury Trust Fund, in the same manner as is provided by law with reference to other awards by the Commission.

18 R. The State Treasurer shall allocate to the Commission out of 19 the Multiple Injury Trust Fund sufficient funds for administration 20 expenses thereof in amounts to be fixed and approved by the 21 Administrator for the Multiple Injury Trust Fund, unless rejected by 22 the Commission.

- 23
- 24

SECTION 13. NEW LAW A new section of law to be codified
 in the Oklahoma Statutes as Section 36.1 of Title 85A, unless there
 is created a duplication in numbering, reads as follows:

A. Any person who is not required to be covered under a
workers' compensation insurance policy or other plan for the payment
of workers' compensation may execute an Affidavit of Exempt Status
under the Administrative Workers' Compensation Act. The affidavit
shall be a form prescribed by the Workers' Compensation Commission
and will be available on the Commission's website.

B. Execution of the affidavit shall establish a rebuttable presumption that the executor is not an employee for purposes of the Administrative Workers' Compensation Act and therefore shall not be eligible to seek workers' compensation benefits against any contractor.

C. The execution of an affidavit shall not affect the rights orcoverage of any employee of the individual executing the affidavit.

D. The lack of an executed affidavit under this section shall not prejudice any defense by an employer to a claim for workers' compensation benefits.

E. 1. Knowingly providing false information on a notarized
Affidavit of Exempt Status under the Administrative Workers'
Compensation Act shall constitute a misdemeanor punishable by a fine
not to exceed One Thousand Dollars (\$1,000.00).

2. Affidavits shall conspicuously state on the front thereof in
 at least ten-point, bold-faced print that it is a crime to falsify
 information on the form.

The Commission shall immediately notify the Workers'
 Compensation Fraud Unit in the Office of the Attorney General of any
 violations or suspected violations of this section. The Commission
 shall cooperate with the Fraud Unit in any investigation involving
 affidavits executed pursuant to this section.

9 F. The Commission may assess a fee not to exceed Fifty Dollars
10 (\$50.00) for an Affidavit of Exempt Status Application. Fees
11 collected pursuant to this section shall be deposited in the State
12 Treasury to the credit of the Workers' Compensation Commission
13 Revolving Fund.

14 G. If an employer relies in good faith on proof of a valid 15 workers' compensation insurance policy issued to a contractor of any 16 tier or on proof of an Affidavit of Exempt Status under this 17 section, the employer shall not be liable for injuries of any 18 employees of the contractor.

19 SECTION 14. AMENDATORY Section 43, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2016, Section 43), is amended to read as 21 follows:

22 Section 43. A. Liability Unaffected. 1. a. The making of 23 a claim for compensation against any employer or carrier for the 24 injury or death of an employee shall not affect the right of the

1	employee, or his or her dependents, to make a claim or maintain an
2	action in court against any third party for the injury.
3	b. The employer or the employer's carrier shall be
4	entitled to reasonable notice and opportunity to join
5	in the action.
6	c. If the employer or employer's carrier join in the
7	action against a third party for injury or death, they
8	shall be entitled to a first lien on two-thirds (2/3)
9	of the net proceeds recovered in the action that
10	remain after the payment of the reasonable costs of
11	collection, for the payment to them of the amount paid
12	and to be paid by them as compensation to the injured
13	employee or his or her dependents.
14	2. The commencement of an action by an employee or his or her
15	dependents against a third party for damages by reason of an injury
16	to which this act is applicable, or the adjustment of any claim,
17	shall not affect the rights of the injured employee or his or her
18	dependents to recover compensation, but any amount recovered by the
19	injured employee or his or her dependents from a third party shall
20	be applied as follows:
21	a. reasonable fees and costs of collection shall be
22	deducted,
23	b. the employer or carrier, as applicable, shall receive
24	two-thirds (2/3) of the remainder of the recovery or

1	the amount of the workers' compensation lien,
2	whichever is less, and
3	c. the remainder of the recovery shall go to the injured
4	employee or his or her dependents
5	The acceptance of compensation benefits from or the making of a
6	claim for compensation against an employer or insurer for the
7	injury, illness or death of an employee shall not affect the right
8	of the employee or his or her dependents to sue any other party at
9	law for such injury, illness or death. The employer and the carrier
10	shall have an automatic first lien on the amount recovered by the
11	injured employee or his or her dependents or legal representative
12	from a third party, which shall be applied as follows:
13	1. Reasonable costs of collection as approved and allowed by
1 /	the court in which such action is pending on by the Werkers!
14	the court in which such action is pending, or by the Workers'
14 15	<u>Compensation Commission in case of settlement without suit, shall be</u>
15	Compensation Commission in case of settlement without suit, shall be
15 16	Compensation Commission in case of settlement without suit, shall be deducted;
15 16 17	<u>Compensation Commission in case of settlement without suit, shall be</u> <u>deducted;</u> <u>2. The employer and carrier shall receive the remainder of the</u>
15 16 17 18	<u>Compensation Commission in case of settlement without suit, shall be</u> <u>deducted;</u> <u>2. The employer and carrier shall receive the remainder of the</u> <u>recovery or the amount of the workers' compensation lien, whichever</u>
15 16 17 18 19	<u>Compensation Commission in case of settlement without suit, shall be</u> <u>deducted;</u> <u>2. The employer and carrier shall receive the remainder of the</u> <u>recovery or the amount of the workers' compensation lien, whichever</u> <u>is less; and</u>
15 16 17 18 19 20	<u>Compensation Commission in case of settlement without suit, shall be</u> <u>deducted;</u> <u>2. The employer and carrier shall receive the remainder of the</u> <u>recovery or the amount of the workers' compensation lien, whichever</u> <u>is less; and</u> <u>3. Any excess shall belong to the injured employee or his or</u>
15 16 17 18 19 20 21	<u>Compensation Commission in case of settlement without suit, shall be</u> <u>deducted;</u> <u>2. The employer and carrier shall receive the remainder of the</u> <u>recovery or the amount of the workers' compensation lien, whichever</u> <u>is less; and</u> <u>3. Any excess shall belong to the injured employee or his or</u> <u>her dependents</u> .

death of an employee shall have the right to maintain an action in tort against any third party responsible for the injury or death. However, the employer or the carrier shall notify the claimant in writing that the claimant has the right to hire a private attorney to pursue any benefits to which the claimant is entitled in addition to the subrogation interest against any third party responsible for the injury or death.

8 2. After reasonable notice and opportunity to be represented in 9 the action has been given to the injured employee, the liability of 10 the third party to the compensation beneficiary shall be determined 11 in the action, as well as the third party's liability to the 12 employer and carrier.

3. If the employer recovers against the third party, by suit or otherwise, the injured employee shall be entitled to any amount recovered in excess of the amount that the employer and carrier have paid or are liable for in compensation, after deducting reasonable costs of collection.

4. An employer or carrier who is liable for compensation under
this act the Administrative Workers' Compensation Act on account of
injury or death of an employee shall be entitled to maintain a
third-party action against the employer's uninsured motorist
coverage or underinsured motorist coverage.

- 23
- 24

1 SECTION 15. AMENDATORY Section 45, Chapter 208, O.S.L. 2013, as amended by Section 2, Chapter 390, O.S.L. 2015 (85A O.S. 2 3 Supp. 2016, Section 45), is amended to read as follows: Section 45. A. Temporary Total Disability. 1. If the injured 4 5 employee is temporarily unable to perform his or her job or any alternative work offered by the employer because of a disability, he 6 or she shall be entitled to receive compensation equal to seventy 7 percent (70%) of the injured employee's average weekly wage per 8 9 week, but not to exceed seventy percent (70%) of the state average 10 weekly wage, for up to one hundred four (104) weeks. Provided, 11 there shall be no payment for the first three (3) days of the 12 initial period of temporary total disability. If an administrative 13 law judge finds that a consequential subsequent injury has occurred as a direct result of the injury or medical treatment to the part of 14 the body originally injured and that additional time is needed to 15 reach maximum medical improvement, temporary total disability may 16 17 continue for a period of not more than an additional fifty-two (52) Such finding shall be based upon a showing of medical 18 weeks.

19 necessity by clear and convincing evidence.

When the injured employee is released from active medical
 treatment by the treating physician for all body parts found by the
 Commission to be injured, or in the event that the employee, without
 a valid excuse, misses three consecutive medical treatment
 appointments, fails to comply with medical orders of the treating

1 physician, or otherwise abandons medical care, the employer shall be 2 entitled to terminate temporary total disability by notifying the 3 employee, or if represented, his or her counsel. If, however, an objection to the termination of temporary total disability is filed 4 5 by the employee within ten (10) days of termination, the Commission shall set the matter within twenty (20) days for a determination if 6 temporary total disability compensation shall be reinstated. 7 The temporary total disability shall remain terminated unless the 8 9 employee proves the existence of a valid excuse for his or her 10 failure to comply with medical orders of the treating physician or 11 his or her abandonment of medical care. The administrative law 12 judge may appoint an independent medical examiner to determine if 13 further medical treatment is reasonable and necessary. The independent medical examiner shall not provide treatment to the 14 15 injured worker employee, unless agreed upon by the parties.

16 B. Temporary Partial Disability.

If the injured employee is temporarily unable to perform his 1. 17 or her job because of a disability, but may perform alternative work 18 offered by the employer, he or she shall be entitled to receive 19 compensation equal to the greater of seventy percent (70%) of the 20 difference between the injured employee's average weekly wage before 21 the injury and his or her weekly wage for performing alternative 22 work after the injury, but only if his or her weekly wage for 23 performing the alternative work is less than the temporary total 24

1 disability rate. <u>However, the injured employee's actual earnings</u> 2 <u>plus temporary partial disability shall not exceed the temporary</u> 3 total disability rate.

4 2. Compensation under this subsection may not exceed fifty-two5 (52) weeks.

If the employee refuses to perform the alternative work 6 3. 7 offered by the employee employer, he or she shall not be entitled to benefits under subsection A of this section or under this section. 8 9 C. Permanent Partial Disability. 10 1. If the injured employee has a permanent disability after 11 reaching maximum medical improvement, he or she shall be entitled to 12 receive compensation equal to seventy percent (70%) of the

14 Fifty Dollars (\$350.00) per week, for three and a half weeks for 15 each percentage point of impairment, but not to exceed the earlier 16 of three hundred fifty (350) weeks or the date of the injured

employee's average weekly wage per week, not to exceed Three Hundred

17 <u>employee's death.</u>

13

18 <u>2.</u> A permanent partial disability award or combination of 19 awards granted an injured worker <u>employee</u> may not exceed a permanent 20 partial disability rating of one hundred percent (100%) to any body 21 part or to the body as a whole. The determination of permanent 22 partial disability shall be the responsibility of the Commission 23 through its administrative law judges. Any claim by an employee for 24 compensation for permanent partial disability must be supported by

1 competent medical testimony of a medical doctor, osteopathic 2 physician, or chiropractor, and shall be supported by objective 3 medical findings, as defined in this act Section 2 of this title. The opinion of the physician shall include employee's percentage of 4 5 permanent partial disability and whether or not the disability is 6 job-related and caused by the accidental injury or occupational 7 disease. A physician's opinion of the nature and extent of permanent partial disability to parts of the body other than 8 9 scheduled members must those listed in Section 46 of this title 10 shall be based solely on criteria established by the current edition 11 Sixth Edition of the American Medical Association's "Guides to the 12 Evaluation of Permanent Impairment". A copy of any written evaluation shall be sent to both parties within seven (7) days of 13 Medical opinions addressing compensability and permanent 14 issuance. 15 disability must be stated within a reasonable degree of medical 16 certainty. Any party may submit the report of an evaluating physician. 17

18 2. 3. Permanent partial disability shall not be allowed to a 19 part of the body for which no medical treatment has been received. 20 A determination of permanent partial disability made by the 21 Commission or administrative law judge which is not supported by 22 objective medical findings provided by a treating physician who is a 23 medical doctor, doctor of osteopathy, chiropractor or a qualified

independent medical examiner shall be considered an abuse of
 discretion.

3	3. The examining physician shall not deviate from the Guides
4	except as may be specifically provided for in the Guides.
5	4. In cases of permanent partial disability, the compensation
6	shall be seventy percent (70%) of the employee's average weekly
7	wage, not to exceed Three Hundred Twenty-three Dollars (\$323.00) per
8	week, for a term not to exceed a total of three hundred fifty (350)
9	weeks for the body as a whole.
10	5. Except pursuant to settlement agreements entered into by the
11	employer and employee, payment of a permanent partial disability
12	award shall be deferred and held in reserve by the employer or
13	insurance company if the employee has reached maximum medical
14	improvement and has been released to return to work by his or her
15	treating physician, and then returns to his pre-injury or equivalent
16	job for a term of weeks determined by dividing the total dollar
17	value of the award by seventy percent (70%) of the employee's
18	average weekly wage.
19	a. The amount of the permanent partial disability award
20	shall be reduced by seventy percent (70%) of the
21	employee's average weekly wage for each week he works
22	in his pre-injury or equivalent job.
23	b. If, for any reason other than misconduct as defined in
24	Section 2 of this act, the employer terminates the

1	1 employee or the position offered is not t	ne pre-injury
2	2 or equivalent job, the remaining permanen	<del>t partial</del>
3	3 disability award shall be paid in a lump	sum. If the
4	4 employee is discharged for misconduct, the	e employer
5	5 shall have the burden to prove that the end	m <del>ployee</del>
6	6 engaged in misconduct.	
7	7 <del>c.</del> If the employee refuses an offer to return	<del>n to his pre-</del>
8	8 injury or equivalent job, the permanent p	artial
9	9 disability award shall continue to be defe	erred and
10	0 shall be reduced by seventy percent (70%)	<del>of the</del>
11	1 employee's average weekly wage for each w	eek he
12	2 refuses to return to his pre-injury or eq	uivalent job.
13	3 d. Attorney fees for permanent partial disab	ility awards,
14	4 as approved by the Commission, shall be c	alculated
15	5 based upon the total permanent partial di	<del>sability</del>
16	6 award and paid in full at the time of the	-deferral.
17	7 e. Assessments pursuant to Sections 31, 98,	112 and 165
18	8 of this act shall be calculated based upor	<del>n the amount</del>
19	9 of the permanent partial disability award	and shall be
20	0 paid at the time of the deferral.	
21	1 6. If an employee is eligible to receive permanent	total
22	2 disability benefits, he or she may not also receive per	manent
23	3 partial disability benefits.	
24	4	

1 5. An employee may elect to commute the remainder of the 2 permanent partial disability award to which the employee is 3 entitled, including under Section 46 of this title, if the employee 4 has returned to work for at least six months and is earning at least 5 seventy percent (70%) of the employee's average weekly wage at the 6 time of the injury. An employee who elects to commute the permanent 7 partial disability award is not entitled to additional benefits for 8 the injury.

9 6. Previous Disability: The fact that an employee has suffered 10 previous disability or received compensation therefor shall not 11 preclude the employee from compensation for a later accidental 12 personal injury or occupational disease. In the event there exists 13 a previous permanent partial disability, including a previous nonwork-related injury or condition which produced permanent partial 14 15 disability and the same is appravated or accelerated by an accidental personal injury or occupational disease, compensation for 16 permanent partial disability shall be only for such amount as was 17 caused by such accidental personal injury or occupational disease 18 and no additional compensation shall be allowed for the preexisting 19 disability or impairment. Any such reduction shall not apply to 20 temporary total disability, nor shall it apply to compensation for 21 medical treatment. 22

a. If workers' compensation benefits have previously been
 awarded through settlement or judicial or

administrative determination in Oklahoma, the percentage basis of the prior settlement or award shall conclusively establish the amount of permanent partial disability determined to be preexisting. If workers' compensation benefits have not previously been awarded through settlement or judicial or administrative determination in Oklahoma, the amount of preexisting permanent partial disability shall be established by competent evidence.

- 10 b. In all cases, the applicable reduction shall be11 calculated as follows:
- if the preexisting impairment disability is the 12 (1)13 result of injury sustained while working for the employer against whom workers' compensation 14 15 benefits are currently being sought, any award of compensation shall be reduced by the current 16 dollar value attributable under the 17 Administrative Workers' Compensation Act to the 18 percentage of permanent partial disability 19 20 determined to be preexisting. The current dollar value shall be calculated by multiplying the 21 percentage of preexisting permanent partial 22 disability by the compensation rate in effect on 23
- 24

1

2

3

4

5

6

7

8

1	the date of the accident or injury against which
2	the reduction will be applied, and
3	(2) in all other cases, the employer against whom
4	benefits are currently being sought shall be
5	entitled to a credit for the percentage of
6	preexisting permanent partial disability.
7	7. No payments on any permanent partial disability order shall
8	begin until payments on any preexisting permanent partial disability
9	orders have been completed.
10	8. The whole body shall represent a maximum of three hundred
11	fifty (350) weeks.
12	9. The permanent partial disability rate of compensation for
13	amputation or permanent total loss of use of a scheduled member
14	specified in Section 46 of this act shall be seventy percent (70%)
15	of the employee's average weekly wage, not to exceed Three Hundred
16	Twenty-three Dollars (\$323.00), multiplied by the number of weeks
17	set forth for the member in Section 46 of this act, regardless of
18	whether the injured employee is able to return to his or her pre-
19	injury or equivalent job.
20	10. An injured employee who is eligible for permanent partial
21	disability under this subsection shall be entitled to receive

22 vocational rehabilitation services provided by a technology center

23 or public secondary school offering vocational-technical education

24 courses, or a member institution of The Oklahoma State System of

1	Higher Education, which shall include retraining and job placement
2	to restore the employee to gainful employment. Vocational
3	rehabilitation services or training shall not extend for a period of
4	more than fifty-two (52) weeks.
5	D. Permanent Total Disability.
6	1. In case of total disability adjudged to be permanent, If the
7	injured employee is incapable of earning wages in any employment for
8	which the employee may become physically suited and reasonably
9	fitted by education, training, experience or vocational
10	rehabilitation provided under this act because of a disability, he
11	or she shall be entitled to receive compensation equal to seventy
12	percent (70%) of the employee's average weekly wages per week, but
13	not in excess of the state's average weekly wage, shall be paid to
14	the employee during for the continuance duration of the disability
15	until such time as the employee reaches the age of maximum Social
16	Security retirement benefits or for a period of fifteen (15) years,
17	whichever is longer. In the event the <del>claimant</del> <u>employee</u> dies of
18	causes unrelated to the injury or illness, benefits shall cease on
19	the date of death. Provided, however, any person entitled to revive
20	the action shall receive a one-time lump-sum payment equal to
21	twenty-six (26) weeks of weekly benefits for permanent total
22	disability awarded the claimant. If more than one person is
23	entitled to revive the claim, the lump-sum payment shall be evenly
24	divided between or among such persons. In the event the Commission

1 awards both permanent partial disability and permanent total 2 disability benefits, the permanent total disability award shall not 3 be due until the permanent partial disability award is paid in full. If otherwise qualified according to the provisions of this act the 4 5 Administrative Workers' Compensation Act, permanent total disability benefits may be awarded to an employee who has exhausted the maximum 6 7 period of temporary total disability even though the employee has not reached maximum medical improvement. 8

9 2. The Commission shall annually review the status of any 10 employee receiving benefits for permanent total disability against 11 the last employer. The Commission shall require the employee to 12 annually file an affidavit under penalty of perjury stating that he 13 or she is not and has not been gainfully employed and is not capable of gainful employment. Failure to file such affidavit shall result 14 15 in suspension of benefits; provided, however, reinstatement of 16 benefits may occur after proper hearing before the Commission. E. 1. The Workers' Compensation Commission shall hire or 17 contract for a Vocational Rehabilitation Director to oversee the 18 19 vocational rehabilitation program of the Commission. 2. The Vocational Rehabilitation Director shall help injured 20 workers return to the work force. If the injured employee is unable 21 to return to his or her pre-injury or equivalent position due to 22 permanent restrictions as determined by the treating physician, upon 23 24 the request of either party, the Vocational Rehabilitation Director

1	shall determine if it is appropriate for a claimant to receive
2	vocational rehabilitation training or services, and will oversee
3	such training. If appropriate, the Vocational Rehabilitation
4	Director shall issue administrative orders, including, but not
5	limited to, an order for a vocational rehabilitation evaluation for
6	any injured employee unable to work for at least ninety (90) days.
7	In addition, the Vocational Rehabilitation Director may assign
8	injured workers to vocational rehabilitation counselors for
9	coordination of recommended services. The cost of the services
10	shall be paid by the employer. All administrative orders are
11	subject to appeal to the full Commission.
12	3. There shall be a presumption in favor of ordering vocational
13	rehabilitation services or training for an eligible injured employee
14	under the following circumstances:
15	a. if the employee's occupation is truck driver or
16	laborer and the medical condition is traumatic brain
17	injury, stroke or uncontrolled vertigo,
18	b. if the employee's occupation is truck driver or
19	laborer performing high-risk tasks and the medical
20	condition is seizures,
21	c. if the employee's occupation is manual laborer and the
22	medical condition is bilateral wrist fusions,
23	
24	

1	d.	if the employee's occupation is assembly-line worker
2		and the medical condition is radial head fracture with
3		surgical excision,
4	e.	if the employee's occupation is heavy laborer and the
5		medical condition is myocardial infarction with
6		congestive heart failure,
7	<del>f.</del>	if the employee's occupation is heavy manual laborer
8		and the medical condition is multilevel neck or back
9		fusions greater than two levels,
10	<del>g.</del>	if the employee's occupation is laborer performing
11		overhead work and the medical condition is massive
12		rotator cuff tears, with or without surgery,
13	h.	if the employee's occupation is heavy laborer and the
14		medical condition is recurrent inguinal hernia
15		following unsuccessful surgical repair,
16	±.	if the employee's occupation is heavy manual laborer
17		and the medical condition is total knee replacement or
18		total hip replacement,
19	j.	if the employee's occupation is roofer and the medical
20		condition is calcaneal fracture, medically or
21		surgically treated,
22	<del>k.</del>	if the employee's occupation is laborer of any kind
23		and the medical condition is total shoulder
24		replacement,

1	1. if the employee's occupation is laborer and the
2	medical condition is amputation of a hand, arm, leg,
3	<del>or foot,</del>
4	m. if the employee's occupation is laborer and the
5	medical condition is tibial plateau fracture, pilon
6	fracture,
7	n. if the employee's occupation is laborer and the
8	medical condition is ankle fusion or knee fusion,
9	o. if the employee's occupation is driver or heavy
10	equipment operator and the medical condition is
11	unilateral industrial blindness, or
12	p. if the employee's occupation is laborer and the
13	medical condition is 3-, 4-, or 5-level positive
14	discogram of the cervical spine or lumbar spine,
15	medically treated.
16	4. Upon the request of either party, or by order of an
17	administrative law judge, the Vocational Rehabilitation Director
18	shall assist the Workers' Compensation Commission in determining if
19	it is appropriate for a claimant to receive vocational
20	rehabilitation training or services. If appropriate, the
21	administrative law judge shall refer the employee to a qualified
22	expert for evaluation of the practicability of, need for and kind of
23	rehabilitation services or training necessary and appropriate in
24	order to restore the employee to gainful employment. The cost of

1	the evaluation shall be paid by the employer. Following the
2	evaluation, if the employee refuses the services or training ordered
3	by the administrative law judge, or fails to complete in good faith
4	the vocational rehabilitation training ordered by the administrative
5	law judge, then the cost of the evaluation and services or training
6	rendered may, in the discretion of the administrative law judge, be
7	deducted from any award of benefits to the employee which remains
8	unpaid by the employer. Upon receipt of such report, and after
9	affording all parties an opportunity to be heard, the administrative
10	law judge shall order that any rehabilitation services or training,
11	recommended in the report, or such other rehabilitation services or
12	training as the administrative law judge may deem necessary,
13	provided the employee elects to receive such services, shall be
14	provided at the expense of the employer. Except as otherwise
15	provided in this subsection, refusal to accept rehabilitation
16	services by the employee shall in no way diminish any benefits
17	allowable to an employee.
18	5. The administrative law judge may order vocational
19	rehabilitation before the injured employee reaches maximum medical
20	improvement, if the treating physician believes that it is likely
21	that the employee's injury will prevent the employee from returning
22	to his or her former employment. In granting early benefits for
23	vocational rehabilitation, the Commission shall consider temporary
24	restrictions and the likelihood that such rehabilitation will return

1	the employee to gainful employment earlier than if such benefits are
2	granted after the permanent partial disability hearing in the claim.
3	6. Vocational rehabilitation services or training shall not
4	extend for a period of more than fifty-two (52) weeks. A request
5	for vocational rehabilitation services or training shall be filed
6	with the Commission by an interested party not later than sixty (60)
7	days from the date of receiving permanent restrictions that prevent
8	the injured employee from returning to his or her pre-injury or
9	equivalent position.
10	7. If rehabilitation requires residence at or near the facility
11	or institution which is away from the employee's customary
12	residence, reasonable cost of the employee's board, lodging, travel,
13	tuition, books and necessary equipment in training shall be paid for
14	by the insurer in addition to weekly compensation benefits to which
15	the employee is otherwise entitled under the Administrative Workers'
16	Compensation Act.
17	8. During the period when an employee is actively and in good
18	faith being evaluated or participating in a retraining or job
19	placement program for purposes of evaluating permanent total
20	disability status, the employee shall be entitled to receive
21	benefits at the same rate as the employee's temporary total
22	disability benefits for an additional fifty-two (52) weeks. All
23	tuition related to vocational rehabilitation services shall be paid
24	by the employer or the employer's insurer on a periodic basis

directly to the facility providing the vocational rehabilitation services or training to the employee. The employer or employer's insurer may deduct the amount paid for tuition from compensation awarded to the employee Vocational Rehabilitation.

5 1. If the injured employee has a permanent disability after reaching maximum medical improvement and, as a result, is unable to 6 7 return to his or her pre-injury job or another job that pays at least eighty percent (80%) of the injured employee's pre-injury 8 9 wages, the injured employee may receive, upon written request no 10 later than thirty (30) days following maximum medical improvement, 11 vocational rehabilitation services provided by a technology center 12 or public secondary school offering vocational-technical education 13 courses, or a member institution of The Oklahoma State System of Higher Education, which shall include retraining and job placement 14 to restore the employee to full-time employment. Vocational 15 rehabilitation services or training shall not extend for a period of 16 17 more than fifty-two (52) weeks. 2. An administrative law judge may order vocational 18 rehabilitation before the injured employee reaches maximum medical 19 20 improvement if the treating physician believes that it is likely that the employee will ultimately be eligible. 21 3. If vocational rehabilitation requires residence at or near 22 the facility or institution which is away from the employee's 23 customary residence, reasonable cost of the employee's board, 24

1 lodging, travel, tuition, books and necessary equipment in training
2 shall be paid by the employer in addition to weekly compensation
3 benefits to which the employee is otherwise entitled.

F. Disfigurement.

4

I. If an injured employee incurs serious and permanent
disfigurement to any part of the body, the Commission may award
compensation to the injured employee in an amount not to exceed
Fifty Thousand Dollars (\$50,000.00).

9 2. No award for disfigurement shall be entered until twelve10 (12) months after the injury.

An injured employee shall not be entitled to compensation
 under this subsection if he or she receives an award for permanent
 partial disability to the same part of the body.

G. Benefits for a single-event injury shall be determined by 14 15 the law in effect at the time of injury. Benefits for a cumulative 16 trauma injury or occupational disease or illness shall be determined by the law in effect at the time the employee knew or reasonably 17 should have known that the injury, occupational disease or illness 18 was related to work activity. Benefits for death shall be 19 determined by the law in effect at the time of death. 20 SECTION 16. AMENDATORY Section 46, Chapter 208, O.S.L. 21 2013 (85A O.S. Supp. 2016, Section 46), is amended to read as 22

23 follows:

1	Section 46. A. An In lieu of compensation provided pursuant to
2	paragraph 1 of subsection C of Section 45 of this title, an injured
3	employee who is entitled to receive permanent partial disability
4	compensation under Section 45 of this act suffers amputation or
5	permanent total loss of use as described in this subsection shall
6	receive compensation for each part of the body in accordance with
7	equal to seventy percent (70%) of the employee's average weekly wage
8	per week, not to exceed Three Hundred Fifty Dollars (\$350.00) per
9	week, for the number of weeks for the scheduled loss set forth
10	below. as follows:
11	1. Arm amputated at the elbow, or between the elbow and
12	shoulder, two hundred seventy-five (275) weeks;
13	2. Arm amputated between the elbow and wrist, two hundred
14	twenty (220) weeks;
15	3. Leg amputated at the knee, or between the knee and the hip,
16	two hundred seventy-five (275) weeks;
17	4. Leg amputated between the knee and the ankle, two hundred
18	twenty (220) weeks;
19	5. Hand amputated, two hundred twenty (220) weeks;
20	6. Thumb amputated, sixty-six (66) weeks;
21	7. First finger amputated, thirty-nine (39) weeks;
22	8. Second finger amputated, thirty-three (33) weeks;
23	9. Third finger amputated, twenty-two (22) weeks;
24	10. Fourth finger amputated, seventeen (17) weeks;

1 11. Foot amputated, two hundred twenty (220) weeks; Great toe amputated, thirty-three (33) weeks; 2 12. 3 13. Toe other than great toe amputated, eleven (11) weeks; 4 14. Eye enucleated, in which there was useful vision, two 5 hundred seventy-five (275) weeks; Loss of hearing of one ear, one hundred ten (110) weeks; 6 15. 7 Loss of hearing of both ears, three hundred thirty (330) 16. weeks; and 8 9 17. Loss of one testicle, fifty-three (53) weeks; loss of both 10 testicles, one hundred fifty-eight (158) weeks. The permanent partial disability rate of compensation for 11 Β. 12 amputation or permanent total loss of use of a scheduled member 13 specified in this section shall be seventy percent (70%) of the employee's average weekly wage, not to exceed Three Hundred Twenty-14 three Dollars (\$323.00), multiplied by the number of weeks as set 15 forth in this section, regardless of whether or not the injured 16 17 employee is able to return to his or her pre-injury job. C. Other cases: In cases in which the Commission finds an 18 injury to a part of the body not specifically covered by the 19 foregoing provisions of this section, the employee may be entitled 20 to compensation for permanent partial disability. The compensation 21 ordered paid shall be seventy percent (70%) of the employee's 22 average weekly wage, not to exceed Three Hundred Twenty-three 23

1 | Dollars (\$323.00) for the number of weeks which the partial

2 disability of the employee bears to three hundred fifty (350) weeks.

3 D. 1. Compensation for amputation of the first phalange of a
4 digit shall be one-half (1/2) of the compensation for the amputation
5 of the entire digit.

6 2. Compensation for amputation of more than one phalange of a7 digit shall be the same as for amputation of the entire digit.

8 E. C. 1. Compensation for the permanent loss of eighty percent 9 (80%) or more of the vision of an eye shall be the same as for the 10 loss of an eye.

11 2. In all cases of permanent loss of vision, the use of 12 corrective lenses may be taken into consideration in evaluating the 13 extent of loss of vision.

14 F. D. Compensation for amputation or loss of use of two or more 15 digits or one or more phalanges of two or more digits of a hand or a 16 foot may be proportioned to the total loss of use of the hand or the 17 foot occasioned thereby but shall not exceed the compensation for 18 total loss of a hand or a foot.

19 G. Compensation for permanent total loss of use of a member 20 shall be the same as for amputation of the member.

21 H. The sum of all permanent partial disability awards, 22 excluding awards against the Multiple Injury Trust Fund, shall not 23 exceed three hundred fifty (350) weeks.

SECTION 17. AMENDATORY Section 56, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2016, Section 56), is amended to read as
 follows:

Section 56. A. If the employer has previously contracted with 4 5 a certified workplace medical plan, the employer shall select for the injured employee a treating physician from the physicians listed 6 7 within the network of the certified workplace medical plan. The employee may apply for a change of physician by utilizing the 8 9 dispute resolution process set out in the certified workplace 10 medical plan on file with the State Department of Health.

11 Β. If the employer is not covered by a certified workplace 12 medical plan, the employer shall select the treating physician. The 13 Commission, on application of the employee shall and finding of good cause, may order one change of treating physician, regardless of the 14 15 number of body parts being treated. An application for change of 16 physician shall not be considered after maximum medical improvement 17 has been reached, or if the employee has not received authorized medical treatment within one hundred and eighty (180) days of the 18 date of the application. Upon the Commission's granting of the 19 application, the employer shall provide a list of three physicians 20 from whom the employee may select the replacement. The employer may 21 identify physicians within the same practice, facility or hospital 22 23 as the treating physician. The only requirement for the three

1 physicians on the list is that they be licensed and accredited to 2 perform the necessary treatment.

3 SECTION 18. AMENDATORY Section 57, Chapter 208, O.S.L.
4 2013 (85A O.S. Supp. 2016, Section 57), is amended to read as
5 follows:

Section 57. A. If an injured employee misses two three or more
scheduled appointments for treatment, he or she shall no longer be
eligible to receive benefits under this act the Administrative
Workers' Compensation Act, unless his or her absence was:

Caused by extraordinary circumstances beyond the employee's
 control as determined by the Commission; or

The employee gave the employer at least two (2) hours prior
 notice of the absence and had a valid excuse.

B. Inability to get transportation to or from the appointment shall not be considered extraordinary circumstances nor a valid excuse for the absence.

SECTION 19. AMENDATORY Section 62, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2016, Section 62), is amended to read as follows:

20 Section 62. A. Notwithstanding the provisions of Section 45 of 21 this act <u>title</u>, if an employee suffers a nonsurgical soft tissue 22 injury, temporary total disability compensation shall not exceed 23 eight (8) <u>twelve (12)</u> weeks, regardless of the number of parts of 24 the body to which there is a nonsurgical soft tissue injury. An

1 employee who is treated with an epidural steroid injection or injections shall be entitled to an extension of an additional eight 2 3 (8) weeks, regardless of the number of injections received. An employee who has been recommended by a treating physician for 4 5 surgery for a soft tissue injury may petition the Workers' Compensation Commission for one extension of temporary total 6 7 disability compensation and the Commission may order an extension, not to exceed sixteen (16) additional weeks. If the surgery is not 8 9 performed within thirty (30) days of the approval of the surgery by 10 the employer, its insurance carrier, or an order of the Commission 11 authorizing the surgery, and the delay is caused by the employee 12 acting in bad faith, the benefits for the extension period shall be terminated and the employee shall reimburse the employer any 13 temporary total disability compensation he or she received beyond 14 15 eight (8) weeks. An epidural steroid injection, or any procedure of the same or similar physical invasiveness, shall not be considered 16 17 surgery.

18 B. For purposes of this section  $\tau$ :

19 <u>1.</u> "soft Soft tissue injury" means damage to one or more of the 20 tissues that surround bones and joints. Soft tissue injury 21 includes, but is not limited to, sprains, strains, contusions, 22 tendonitis and muscle tears. Cumulative trauma is to be considered 23 a soft tissue injury. Soft tissue injury does not include any of 24 the following:

1	1. <u>a.</u> <del>Injury</del> injury to or disease of the spine, spinal
2	discs, spinal nerves or spinal cord, where corrective
3	surgery is performed <del>;</del>
4	<del>2.</del> <u>b.</u> <del>Brain</del> <u>brain</u> or closed-head injury as evidenced by:
5	a.(1) sensory or motor disturbances,
6	b.(2) communication disturbances,
7	$\frac{c.(3)}{c.(3)}$ complex integrated disturbances of cerebral
8	function,
9	d.(4) episodic neurological disorders, or
10	$e_{\cdot}(5)$ other brain and closed-head injury conditions at
11	least as severe in nature as any condition
12	provided in subparagraphs a through d of this
13	paragraph <del>;</del> or
14	<del>3.</del> <u>c.</u> Any any joint replacement; and
15	2. "Surgery" does not include an injection, or the forcing of
16	fluids beneath the skin, for treatment or diagnosis.
17	SECTION 20. AMENDATORY Section 65, Chapter 208, O.S.L.
18	2013, as amended by Section 3, Chapter 390, O.S.L. 2015 (85A O.S.
19	Supp. 2016, Section 65), is amended to read as follows:
20	Section 65. A. If an employee suffers from an occupational
21	disease as defined in this section and is disabled or dies as a
22	result of the disease, the employee, or, in case of death, his or
23	her dependents, shall be entitled to compensation as if the
24	disability or death were caused by injury arising out of work

1 activities within the scope of employment, except as otherwise
2 provided in this section.

B. No compensation shall be payable for an occupational disease
if the employee, at the time of entering into the employment of the
employer by whom the compensation would otherwise be payable,
falsely represented himself or herself in writing as not having
previously been disabled, laid off, or compensated in damages or
otherwise, because of the disease.

9 C. 1. If an occupational disease is aggravated by any other 10 disease or infirmity, not itself compensable, or if disability or 11 death from any other cause, not itself compensable, is aggravated, 12 prolonged, accelerated, or in any way contributed to by an 13 occupational disease, the compensation payable shall be reduced and limited to the proportion only of the compensation that would be 14 15 payable if the occupational disease were the major cause of the 16 disability or death as the occupational disease, as a causative factor, bears to all the causes of the disability or death that is a 17 18 compensable injury.

The reduction in compensation is to be effected by reducing
 the number of weekly or monthly payments or the amounts of the
 payments, as under the circumstances of the particular case may be
 for the best interest of the claimant.

D. 1. "Occupational disease", as used in this act, unless the context otherwise requires, means any disease that results in disability or death and arises out of and in the course of the occupation or employment of the employee or naturally follows or unavoidably results from an injury as that term is defined in this act. A causal connection between the occupation or employment and the occupational disease shall be established by a preponderance of the evidence.

7 2. No compensation shall be payable for any contagious or
8 infectious disease unless contracted in the course and scope of
9 employment.

No compensation shall be payable for any ordinary disease of
 life to which the general public is exposed.

E. 1. When compensation is payable for an occupational disease, the employer in whose employment the employee was last injuriously exposed to the hazards of the disease and the carrier, if any, on the risk when the employee was last injuriously exposed under the employer shall be liable.

17 2. The amount of the compensation shall be based on the average 18 weekly wage of the employee when last injuriously exposed under the 19 employer, and the notice of injury and claim for compensation shall 20 be given and made to that employer.

F. 1. An employer shall not be liable for any compensation for an occupational disease unless:

a. the disease is due to the nature of an employment in
which the hazards of the disease actually exist and is

actually incurred in the course and scope of his or her employment. This includes any disease due to or attributable to exposure to or contact with any radioactive material by an employee in the course and scope of his or her employment,

- b. disablement or death results within three (3) years in
  case of silicosis or asbestosis, or one (1) year in
  case of any other occupational disease, except a
  diseased condition caused by exposure to X-rays,
  radioactive substances, or ionizing radiation, after
  the last injurious exposure to the disease in the
  employment, or
- c. in case of death, death follows continuous disability
  from the disease, commencing within the period, for
  which compensation has been paid or awarded or timely
  claim made as provided in subparagraph b of this
  paragraph and results within seven (7) years after the
  last exposure.

However, in case of a diseased condition caused by exposure
 to X-rays, radioactive substances, or ionizing radiation only, the
 limitations expressed do not apply.

22 SECTION 21. AMENDATORY Section 68, Chapter 208, O.S.L. 23 2013 (85A O.S. Supp. 2016, Section 68), is amended to read as 24 follows:

1

2

3

4

5

Page 87

1 Section 68. A. Unless an An employee gives oral or written 2 shall give notice of an injury to the employer within thirty (30) 3 fifteen (15) days of the date an on which the injury occurs or, if the rebuttable presumption shall be that the injury was not work-4 5 related. Such presumption must be overcome by a preponderance of the evidence is an occupational disease or cumulative trauma, the 6 date on which the employee knew or should have known that the injury 7 may be related to the employment. 8

9 B. Unless an If the employee gives oral or written does not 10 give timely notice of an injury to the employer within thirty (30) 11 days of the employee's separation from employment, there shall be a 12 rebuttable presumption that an occupational disease or cumulative trauma the injury did not arise out of and in the course of 13 employment is not a compensable injury. Such presumption must may 14 15 be overcome by a preponderance of the evidence. If notice is not 16 timely given but the employee overcomes the presumption that the injury is not compensable, the employee shall not be entitled to 17 receive benefits for the time period before the date on which the 18 employee reported the injury. 19 20 C. For purposes of this section, if the injury is an occupational disease or cumulative trauma, the employer is the 21 person who employed the employee on the date of the last injurious 22 23 exposure to the hazards of the disease.

1 SECTION 22. AMENDATORY Section 69, Chapter 208, O.S.L.
2 2013 (85A O.S. Supp. 2016, Section 69), is amended to read as
3 follows:

Section 69. A. Time for Filing. 1. A claim for benefits
under this act the Administrative Workers' Compensation Act, other
than an occupational disease, shall be barred unless it is filed
with the Commission within:

8		<u>a.</u>	one (1) year from the date of the injury <del>. If during</del>
9			the one-year period following the filing of the claim
10			the employee receives no weekly benefit compensation
11			and receives no medical treatment resulting from the
12			alleged injury, the claim shall be barred thereafter.
13			For purposes of this section, the date of the injury
14			shall be defined as the date an injury is caused by an
15			accident as set forth in paragraph 9 of Section 2 of
16			this act.,
17		b.	two (2) years from the date of injury for an
⊥ /		<u></u>	
18		<u></u>	occupational disease or cumulative trauma, or
		<u>c.</u>	
18	2.	_	occupational disease or cumulative trauma, or
18 19	2.	<u>c.</u>	occupational disease or cumulative trauma, or two (2) years from the date of death;
18 19 20	2.	<u>c.</u>	occupational disease or cumulative trauma, or two (2) years from the date of death; A claim for compensation for disability on account of
18 19 20 21	2.	<u>c.</u>	occupational disease or cumulative trauma, or two (2) years from the date of death; A claim for compensation for disability on account of injury which is either an occupational disease or

1	of the last injurious exposure to the hazards of the
2	disease or infection.
3	b. A claim for compensation for disability on account of
4	silicosis or asbestosis shall be filed with the
5	Commission within one (1) year after the time of
6	disablement, and the disablement shall occur within
7	three (3) years from the date of the last injurious
8	exposure to the hazard of silicosis or asbestosis.
9	c. A claim for compensation for disability on account of
10	a disease condition caused by exposure to X-rays,
11	radioactive substances, or ionizing radiation only
12	shall be filed with the Commission within two (2)
13	years from the date the condition is made known to an
14	employee following examination and diagnosis by a
15	medical doctor.
16	3. A claim for compensation on account of death shall be barred
17	unless filed with the Commission within two (2) years of the date of
18	such a death.
19	4. If within six (6) months after the filing of a claim for
20	compensation no bona fide request for a hearing has been made with
21	respect to the claim, the claim may, on motion and after hearing, be
22	dismissed with prejudice For purposes of this section, the date of
23	injury for an occupational disease or cumulative trauma shall be the
24	

1 date the employee knew or should have known that the injury may be 2 related to the employment. 3 Β. Time for Filing Additional Compensation. In cases in which any compensation, including disability or 4 1. 5 medical, has been paid on account of injury, a claim for additional compensation shall be barred unless filed with the Commission within 6 7 one (1) year from the date of the last payment of disability compensation or two (2) years from the date of the injury, whichever 8 9 is greater If a claim for benefits under this act has been timely 10 filed with the Commission, any claim for additional compensation 11 shall be filed within ninety (90) days of the date that the last 12 benefit was received, except as otherwise prescribed by the treating 13 physician at the time of the last appointment. 2. The statute of limitations provided in paragraph 1 of this 14 subsection shall not apply to claims for the replacement of 15

16 medicine, crutches, ambulatory devices, artificial limbs, 17 eyeglasses, contact lenses, hearing aids, and other apparatus 18 permanently or indefinitely required as the result of a compensable 19 injury, when the employer or carrier previously furnished such 20 medical supplies, but replacement of such items shall not constitute 21 payment of compensation so as to toll the statute of limitations.

- C. A claim for additional compensation shall specifically state
  that it is a claim for additional compensation. Documents which do
- 24

1 not specifically request additional benefits shall not be considered
2 a claim for additional compensation.

D. If within six (6) months after the filing of a claim for additional compensation no bona fide request for a hearing has been made with respect to the claim, the claim shall be dismissed without prejudice to the refiling of the claim within the limitation period specified in subsection B of this section.

8 E. Failure to File. Failure to file a claim within the period 9 prescribed in subsection A or B of this section shall not be a bar 10 to the right to benefits hereunder unless objection to the failure 11 is made at the first hearing on the claim in which all parties in 12 interest have been given a reasonable notice and opportunity to be 13 heard by the Commission.

## 14 F. Persons under Disability.

15 1. Notwithstanding any statute of limitation provided for in 16 this act, when it is established that failure to file a claim by an 17 injured employee or his or her dependents was induced by fraud, the 18 claim may be filed within one (1) year from the time of the

19 discovery of the fraud.

20 2. Subsections A and B of this section shall not apply to a 21 mental incompetent or minor so long as the person has no guardian or 22 similar legal representative. The limitations prescribed in 23 subsections A and B of this section shall apply to the mental 24 incompetent or minor from the date of the appointment of a guardian or similar legal representative for that person, and when no
 guardian or similar representative has been appointed, to a minor on
 reaching the age of majority.

G. A latent injury or condition shall not delay or toll the
limitation periods specified in this section. This subsection shall
not apply to the limitation period for occupational diseases
specified in paragraph 2 of subsection A of this section.

8 SECTION 23. AMENDATORY Section 71, Chapter 208, O.S.L. 9 2013 (85A O.S. Supp. 2016, Section 71), is amended to read as 10 follows:

Section 71. A. Notice. Within ten (10) days after a <u>an</u> <u>Employee's Notice of Claim for Compensation or other</u> claim for <del>compensation</del> <u>benefits</u> has been filed, the Commission shall notify the employer and any other interested person of the filing of the claim.

16

Β.

## Investigation - Hearing.

17 1. The Commission shall assign the claim to an administrative 18 law judge who shall hold a hearing on application of any interested 19 party, or on its own motion.

- 20 2. An application for a hearing shall clearly set forth the
  21 specific issues of fact or law in controversy and the contentions of
  22 the party applying for the hearing.
- 23 3. If any party is not represented by a lawyer, the
- 24 administrative law judge shall define the issues to be heard.

1judge shall give the claimant and other interested parties ten (10)3days' notice of the hearing served personally on the claimant and4other parties, or by registered mail. The hearing shall be held in5Tulsa or Oklahoma County, as determined by the Commission.65. The award, together with the statement of the findings of7fact and other matters pertinent to the issues, shall be filed with8the record of the proceedings, and a copy of the award shall9immediately be sent to the parties in or to counsels of record, if10any pre-hearing conference within seven (7) days of filing of the11Employee's Notice of Claim for Compensation or other claim for12benefits. At the pre-hearing conference, the claim shall be set for13trial at a date no later than sixty (60) days from the date of the14pre-hearing conference.15C. Hearings and trials shall not be continued absent16extraordinary circumstances as determined by the Commission.17D. Evidence and Construction.181. a. At the hearing the claimant and the employer may each19present evidence relating to the claim. Evidence may20be presented by any person authorized in writing for21such purpose. The evidence may include verified22medical reports which shall be accorded such weight as23may be warranted when considering all evidence in the	1	4. If a hearing on the claim is ordered, the administrative law
4       ether parties, or by registered mail. The hearing shall be held in         5       Tulsa or Oklahoma County, as determined by the Commission.         6       5. The award, together with the statement of the findings of         7       fact and other matters pertinent to the issues, shall be filed with         8       the record of the proceedings, and a copy of the award shall         9       immediately be sent to the parties in or to counsels of record, if         10       any pre-hearing conference within seven (7) days of filing of the         11       Employee's Notice of Claim for Compensation or other claim for         12       benefits. At the pre-hearing conference, the claim shall be set for         13       trial at a date no later than sixty (60) days from the date of the         14       pre-hearing conference.         15       C. Hearings and trials shall not be continued absent         16       extraordinary circumstances as determined by the Commission.         17       D. Evidence and Construction.         18       1. a. At the hearing the claimant and the employer may each         19       present evidence relating to the claim. Evidence may         20       be presented by any person authorized in writing for         21       such purpose. The evidence may include verified         22       medical reports which shall be accorde	2	judge shall give the claimant and other interested parties ten (10)
5       Tulsa or Oklahoma County, as determined by the Commission.         6       5. The award, tegether with the statement of the findings of         7       fact and other matters pertinent to the issues, shall be filed with         8       the record of the proceedings, and a copy of the award shall         9       immediately be sent to the parties in or to counsels of record, if         10       any pre-hearing conference within seven (7) days of filing of the         11       Employee's Notice of Claim for Compensation or other claim for         12       benefits. At the pre-hearing conference, the claim shall be set for         13       trial at a date no later than sixty (60) days from the date of the         14       pre-hearing conference.         15       C. Hearings and trials shall not be continued absent         16       extraordinary circumstances as determined by the Commission.         17       D. Evidence and Construction.         18       1. a. At the hearing the claimant and the employer may each         19       present evidence relating to the claim. Evidence may         10       such purpose. The evidence may include verified         12       medical reports which shall be accorded such weight as         13       may be warranted when considering all evidence in the	3	days' notice of the hearing served personally on the claimant and
<ul> <li>5. The award, together with the statement of the findings of</li> <li>fact and other matters pertinent to the issues, shall be filed with</li> <li>the record of the proceedings, and a copy of the award shall</li> <li>immediately be sent to the parties in or to counsels of record, if</li> <li>any pre-hearing conference within seven (7) days of filing of the</li> <li>Employee's Notice of Claim for Compensation or other claim for</li> <li>benefits. At the pre-hearing conference, the claim shall be set for</li> <li>trial at a date no later than sixty (60) days from the date of the</li> <li>pre-hearing conference.</li> <li>C. Hearings and trials shall not be continued absent</li> <li>extraordinary circumstances as determined by the Commission.</li> <li>D. Evidence and Construction.</li> <li>a. At the hearing the claimant and the employer may each</li> <li>present evidence relating to the claim. Evidence may</li> <li>be presented by any person authorized in writing for</li> <li>such purpose. The evidence may include verified</li> <li>medical reports which shall be accorded such weight as</li> <li>may be warranted when considering all evidence in the</li> </ul>	4	other parties, or by registered mail. The hearing shall be held in
7fact and other matters pertinent to the issues, shall be filed with the record of the proceedings, and a copy of the award shall9immediately be sent to the parties in or to counsels of record, if any pre-hearing conference within seven (7) days of filing of the Employee's Notice of Claim for Compensation or other claim for benefits. At the pre-hearing conference, the claim shall be set for trial at a date no later than sixty (60) days from the date of the pre-hearing conference.13C. Hearings and trials shall not be continued absent extraordinary circumstances as determined by the Commission.16D. Evidence and Construction.17D. Evidence and Construction.181.a. At the hearing the claimant and the employer may each present evidence relating to the claim. Evidence may be presented by any person authorized in writing for such purpose. The evidence may include verified medical reports which shall be accorded such weight as may be warranted when considering all evidence in the	5	Tulsa or Oklahoma County, as determined by the Commission.
<ul> <li>the record of the proceedings, and a copy of the award shall</li> <li>immediately be sent to the parties in or to counsels of record, if</li> <li>any pre-hearing conference within seven (7) days of filing of the</li> <li>Employee's Notice of Claim for Compensation or other claim for</li> <li>benefits. At the pre-hearing conference, the claim shall be set for</li> <li>trial at a date no later than sixty (60) days from the date of the</li> <li>pre-hearing conference.</li> <li>C. Hearings and trials shall not be continued absent</li> <li>extraordinary circumstances as determined by the Commission.</li> <li>D. Evidence and Construction.</li> <li>1. a. At the hearing the claimant and the employer may each</li> <li>present evidence relating to the claim. Evidence may</li> <li>be presented by any person authorized in writing for</li> <li>such purpose. The evidence may include verified</li> <li>medical reports which shall be accorded such weight as</li> <li>may be warranted when considering all evidence in the</li> </ul>	6	5. The award, together with the statement of the findings of
<ul> <li>immediately be sent to the parties in or to counsels of record, if</li> <li>any pre-hearing conference within seven (7) days of filing of the</li> <li>Employee's Notice of Claim for Compensation or other claim for</li> <li>benefits. At the pre-hearing conference, the claim shall be set for</li> <li>trial at a date no later than sixty (60) days from the date of the</li> <li>pre-hearing conference.</li> <li>C. Hearings and trials shall not be continued absent</li> <li>extraordinary circumstances as determined by the Commission.</li> <li>D. Evidence and Construction.</li> <li>1. a. At the hearing the claimant and the employer may each</li> <li>present evidence relating to the claim. Evidence may</li> <li>be presented by any person authorized in writing for</li> <li>such purpose. The evidence may include verified</li> <li>medical reports which shall be accorded such weight as</li> <li>may be warranted when considering all evidence in the</li> </ul>	7	fact and other matters pertinent to the issues, shall be filed with
10any pre-hearing conference within seven (7) days of filing of the11Employee's Notice of Claim for Compensation or other claim for12benefits. At the pre-hearing conference, the claim shall be set for13trial at a date no later than sixty (60) days from the date of the14pre-hearing conference.15C. Hearings and trials shall not be continued absent16extraordinary circumstances as determined by the Commission.17D. Evidence and Construction.181.19present evidence relating to the claim. Evidence may20be presented by any person authorized in writing for21such purpose. The evidence may include verified22medical reports which shall be accorded such weight as23may be warranted when considering all evidence in the	8	the record of the proceedings, and a copy of the award shall
11       Employee's Notice of Claim for Compensation or other claim for         12       benefits. At the pre-hearing conference, the claim shall be set for         13       trial at a date no later than sixty (60) days from the date of the         14       pre-hearing conference.         15       C. Hearings and trials shall not be continued absent         16       extraordinary circumstances as determined by the Commission.         17       D. Evidence and Construction.         18       1. a. At the hearing the claimant and the employer may each         19       present evidence relating to the claim. Evidence may         20       be presented by any person authorized in writing for         21       such purpose. The evidence may include verified         22       medical reports which shall be accorded such weight as         23       may be warranted when considering all evidence in the	9	immediately be sent to the parties in or to counsels of record, if
12       benefits. At the pre-hearing conference, the claim shall be set for         13       trial at a date no later than sixty (60) days from the date of the         14       pre-hearing conference.         15       C. Hearings and trials shall not be continued absent         16       extraordinary circumstances as determined by the Commission.         17       D. Evidence and Construction.         18       1. a. At the hearing the claimant and the employer may each         19       present evidence relating to the claim. Evidence may         20       be presented by any person authorized in writing for         21       such purpose. The evidence may include verified         22       medical reports which shall be accorded such weight as         23       may be warranted when considering all evidence in the	10	any pre-hearing conference within seven (7) days of filing of the
13       trial at a date no later than sixty (60) days from the date of the         14       pre-hearing conference.         15       C. Hearings and trials shall not be continued absent         16       extraordinary circumstances as determined by the Commission.         17       D. Evidence and Construction.         18       1. a. At the hearing the claimant and the employer may each         19       present evidence relating to the claim. Evidence may         20       be presented by any person authorized in writing for         21       such purpose. The evidence may include verified         22       medical reports which shall be accorded such weight as         23       may be warranted when considering all evidence in the	11	Employee's Notice of Claim for Compensation or other claim for
14pre-hearing conference.15C. Hearings and trials shall not be continued absent16extraordinary circumstances as determined by the Commission.17D. Evidence and Construction.181. a. At the hearing the claimant and the employer may each19present evidence relating to the claim. Evidence may20be presented by any person authorized in writing for21such purpose. The evidence may include verified22medical reports which shall be accorded such weight as23may be warranted when considering all evidence in the	12	benefits. At the pre-hearing conference, the claim shall be set for
15C. Hearings and trials shall not be continued absent16extraordinary circumstances as determined by the Commission.17D. Evidence and Construction.181.181.19present evidence relating to the claim. Evidence may20be presented by any person authorized in writing for21such purpose. The evidence may include verified22medical reports which shall be accorded such weight as23may be warranted when considering all evidence in the	13	trial at a date no later than sixty (60) days from the date of the
16       extraordinary circumstances as determined by the Commission.         17       D. Evidence and Construction.         18       1. a. At the hearing the claimant and the employer may each         19       present evidence relating to the claim. Evidence may         20       be presented by any person authorized in writing for         21       such purpose. The evidence may include verified         22       medical reports which shall be accorded such weight as         23       may be warranted when considering all evidence in the	14	pre-hearing conference.
17D.Evidence and Construction.181.a. At the hearing the claimant and the employer may each19present evidence relating to the claim. Evidence may20be presented by any person authorized in writing for21such purpose. The evidence may include verified22medical reports which shall be accorded such weight as23may be warranted when considering all evidence in the	15	C. <u>Hearings and trials shall not be continued absent</u>
181.a.At the hearing the claimant and the employer may each19present evidence relating to the claim. Evidence may20be presented by any person authorized in writing for21such purpose. The evidence may include verified22medical reports which shall be accorded such weight as23may be warranted when considering all evidence in the	16	extraordinary circumstances as determined by the Commission.
19present evidence relating to the claim. Evidence may20be presented by any person authorized in writing for21such purpose. The evidence may include verified22medical reports which shall be accorded such weight as23may be warranted when considering all evidence in the	17	D. Evidence and Construction.
20 be presented by any person authorized in writing for 21 such purpose. The evidence may include verified 22 medical reports which shall be accorded such weight as 23 may be warranted when considering all evidence in the	18	1. a. At the hearing the claimant and the employer may each
<ul> <li>such purpose. The evidence may include verified</li> <li>medical reports which shall be accorded such weight as</li> <li>may be warranted when considering all evidence in the</li> </ul>	19	present evidence relating to the claim. Evidence may
22 medical reports which shall be accorded such weight as 23 may be warranted when considering all evidence in the	20	be presented by any person authorized in writing for
23 may be warranted when considering all evidence in the	21	such purpose. The evidence may include verified
	22	medical reports which shall be accorded such weight as
24 case.	23	may be warranted when considering all evidence in the
	24	case.

b. Any determination of the existence or extent of
 physical impairment shall be supported by objective
 and measurable physical or mental findings.

When deciding any issue, administrative law judges and the
Commission shall determine, on the basis of the record as a whole,
whether the party having the burden of proof on the issue has
established it by a preponderance of the evidence.

3. Administrative law judges, the Commission, and any reviewing
9 courts shall strictly construe the provisions of this act the
10 Administrative Workers' Compensation Act.

11 4. In determining whether a party has met the burden of proof 12 on an issue, administrative law judges and the Commission shall 13 weigh the evidence impartially and without giving the benefit of the 14 doubt to any party.

15 D. E. Judgment. The judgment denying the claim or making the
16 award shall be filed in the office of the Commission, and a copy
17 shall be sent by registered mail, facsimile, electronic mail or by
18 other electronic means with confirmation of receipt to the claimant
19 and to the employer or to their attorneys.

20 E. F. No compensation for disability of an injured employee 21 shall be payable for any period beyond his or her death; provided, 22 however, an award of compensation for disability may be made after 23 the death of the injured employee for the period of disability 24 preceding death.

Page 95

SECTION 24. AMENDATORY Section 78, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2016, Section 78), is amended to read as
 follows:

Any party feeling aggrieved by the judgment, 4 Section 78. A. 5 decision, or award made by the administrative law judge may, within ten (10) days of issuance, appeal to the Workers' Compensation 6 Commission. After hearing arguments, the Commission may reverse or 7 modify the decision only if it determines that the decision was 8 9 against the clear weight of the evidence or contrary to law. All 10 such proceedings of the Commission shall be recorded by a court 11 reporter, if requested by any party. Any judgment of the Commission 12 which reverses a decision of the administrative law judge shall 13 contain specific findings relating to the reversal.

The chair of the Commission shall have the authority to 14 Β. 15 appoint an administrative law judge to the en banc panel when any 16 Commissioner of the Commission is disqualified for any reason, to fill a vacancy, or in the absence of a Commissioner. 17 The appointment of an administrative law judge shall be made based on a 18 rotation of administrative law judges, excluding any judge who 19 presided over any of the previous hearings on the claim. 20

21 <u>C.</u> The appellant shall pay a filing fee of One Hundred Seventy-22 five Dollars (\$175.00) to the Commission at the time of filing his 23 or her appeal. The fee shall be deposited in the Workers' 24 Compensation Fund.

1	$\overline{C}$ . D. The judgment, decision or award of the Commission shall
2	be final and conclusive on all questions within its jurisdiction
З	between the parties unless an action is commenced in the Supreme
4	Court of this state to review the judgment, decision or award within
5	twenty (20) days of being sent to the parties. Any judgment,
6	decision or award made by an administrative law judge shall be
7	stayed until all appeal rights have been waived or exhausted. The
8	Supreme Court may modify, reverse, remand for rehearing, or set
9	aside the judgment or award only if it was:
10	1. In violation of constitutional provisions;
11	2. In excess of the statutory authority or jurisdiction of the
12	Commission;
13	3. Made on unlawful procedure;
14	4. Affected by other error of law;
15	5. Clearly erroneous in view of the reliable, material,
16	probative and substantial competent evidence;
17	6. Arbitrary or capricious;
18	7. Procured by fraud; or
19	8. Missing findings of fact on issues essential to the
20	decision.
21	This action shall be commenced by filing with the Clerk of the
22	Supreme Court a certified copy of the judgment, decision or award of
23	the Commission attached to the petition by the complaint which shall
24	specify why the judgment, decision or award is erroneous or illegal.

1 The proceedings shall be heard in a summary manner and shall have 2 precedence over all other civil cases in the Supreme Court, except 3 preferred Corporation Commission appeals. The Supreme Court shall require the appealing party to file within forty-five (45) days from 4 5 the date of the filing of an appeal or a judgment appealed from, a transcript of the record of the proceedings before the Commission, 6 7 or such later time as may be granted by the Supreme Court on application and for good cause shown. The action shall be subject 8 9 to the law and practice applicable to other civil actions cognizable 10 in the Supreme Court.

11 D. E. A fee of One Hundred Dollars (\$100.00) per appeal to the 12 Supreme Court shall be paid to the Commission and deposited in the Workers' Compensation Fund as costs for preparing, assembling, 13 indexing and transmitting the record for appellate review. 14 This fee 15 shall be paid by the party taking the appeal. If more than one party to the action files an appeal from the same judgment, decision 16 or award, the fee shall be paid by the party whose petition in error 17 commences the principal appeal. 18

19 SECTION 25. AMENDATORY Section 82, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2016, Section 82), is amended to read as 21 follows:

22 Section 82. A. 1. a. Fees for legal services rendered in a 23 claim shall not be valid unless approved by the Commission.

1 An attorney representing an injured employee may only b. 2 recover attorney fees up to ten percent (10%) of any 3 temporary total disability or temporary partial disability compensation and twenty percent (20%) 4 5 fifteen percent (15%) of any permanent partial disability, permanent total disability, or death 6 compensation awarded to an injured employee by the 7 Commission from a controverted claim. If the employer 8 9 makes a written offer to settle permanent partial 10 disability, permanent total disability, or death compensation and that offer is rejected, the 11 12 employee's attorney may not recover attorney fees in 13 excess of thirty percent (30%) of the difference between the amount of any award and the settlement 14 offer. 15

- Attorney fees may not be collected for recovery on noncontroverted claims.
  - (2) Attorney fees shall not be awarded on medical benefits or services.
- (3) The fee for legal services rendered by an
  attorney representing an employee in connection
  with a change of physician requested by the
  injured employee, controverted by the employer,
- 24

16

17

18

1		and awarded by the Commission, shall be Two
2		Hundred Dollars (\$200.00).
3		(4) Attorney fees may include not more than ten
4		percent (10%) of the value, or reasonable
5		estimate thereof, of vocational rehabilitation
6		services.
7	c.	A "controverted claim" means <del>that there has been a</del>
8		contested hearing before the Commission over whether
9		there has been a compensable injury or whether the
10		employee is entitled to a claim where the employer has
11		denied compensability or denied the payment of
12		temporary total disability, temporary partial
13		disability, permanent partial disability, permanent
14		total disability, or death compensation. A request
15		for a change in physician shall not trigger a
16		controverted claim for purposes of recovering any
17		attorney fees except the fees under division 3 of
18		subparagraph b of this paragraph. A controverted
19		claim shall not exist if the employee or his or her
20		representative has withheld pertinent information in
21		his or her possession related to the claim from the
22		employer or has violated the provisions of Section 6
23		of this <del>act</del> <u>title</u> .

Any person who or entity that brings a controverted claim
 against the State Treasurer, as a custodian of the Multiple Injury
 Trust Fund, shall provide notice of the claim to the Commission.
 Thereafter, the Commission shall direct fees for legal services be
 paid from the Fund, in addition to any compensation award. The fees
 shall be authorized only on the difference between the amount of
 compensation controverted and the amount awarded from the Fund.

8 3. In any case where attorney fees are allowed by the
9 Commission, the limitations expressed in subparagraph b of paragraph
10 1 of this subsection shall apply.

4. Medical providers may voluntarily contract with the attorney
 for the employee to recover disputed charges, and the provider may
 charge a reasonable fee for the cost of collection.

B. An attorney representing an employee under this act the
 Administrative Workers' Compensation Act may not recover fees for
 services except as expressly provided in this section.

17 SECTION 26. AMENDATORY Section 87, Chapter 208, O.S.L.
18 2013 (85A O.S. Supp. 2016, Section 87), is amended to read as
19 follows:

20 Section 87. <u>A.</u> If the employer or carrier and the injured 21 employee desire to settle the claim, they shall file a joint 22 petition for settlement with the Commission. After the joint 23 petition has been filed, the Commission shall order that all claims

between the parties have been settled. No appeal shall lie from a
 judgment or award denying a joint petition.

B. The Commission shall not approve a joint petition or other
settlement that provides for the payment of benefits in a lump sum
except as provided in paragraph 5 of subsection C of Section 45 of
this title.

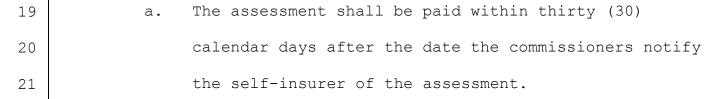
SECTION 27. AMENDATORY Section 98, Chapter 208, O.S.L.
2013, as amended by Section 4, Chapter 169, O.S.L. 2014 (85A O.S.
Supp. 2016, Section 98), is amended to read as follows:

Section 98. The Self-insurance Guaranty Fund shall be derived from the following sources:

Any unexpended funds, including interest thereon, held by
 the State Treasurer in the Workers' Compensation Self-insurance
 Guaranty Fund transferred to the Self-insurance Guaranty Fund as
 provided in Section 124 of this title;

16 2. Until In the event the Self-insurance Guaranty Fund contains Two Million Dollars (\$2,000,000.00) or in the event the amount in 17 the fund falls below One Million Dollars (\$1,000,000.00) Eight 18 Hundred Thousand Dollars (\$800,000.00), an assessment levied by the 19 20 Commission against each private self-insurer and group selfinsurance association based on an assessment rate to be determined 21 by the commissioners, not exceeding one percent (1%) two percent 22 (2%) per annum of actual paid losses of the self-insurer during the 23 24 preceding calendar year, payable to the Tax Commission for deposit

1 to the fund. The assessment against private self-insurers shall be 2 determined using a rate equal to the proportion that the deficiency 3 in the fund attributable to private self-insurers bears to the actual paid losses of all private self-insurers for the year period 4 5 of January 1 through December 31 preceding the assessment. The 6 assessment against group self-insurance associations shall be 7 determined using a rate equal to the proportion that the deficiency in excess of the surplus of the Group Self-Insurance Association 8 9 Guaranty Fund at the date of the transfer attributable to group 10 self-insurance associations bears to the actual paid losses of all 11 group self-insurance associations cumulatively for any calendar year 12 preceding the assessment. Each self-insurer shall provide the 13 Workers' Compensation Commission with such information as the Commission may determine is necessary to effectuate the purposes of 14 15 this paragraph. For purposes of this paragraph, "actual paid losses" means all medical and indemnity payments, including 16 temporary disability, permanent disability, and death benefits, and 17 excluding loss adjustment expenses and reserves. 18



b. A private employer or group self-insurance association
which ceases to be a self-insurer shall remain liable
for any and all assessments of the self-insurer as

1 provided in this paragraph based on actual paid losses 2 for the calendar year period preceding the assessment. 3 Failure of a self-insurer to pay, or timely pay, an с. assessment required by this paragraph, or to report 4 5 payment of the same to the Commission within ten (10) days of payment, shall be grounds for revocation by 6 the Commission of the self-insurer's permit to self-7 insure in this state, after notice and hearing. 8 Α 9 former self-insurer failing to make payments required 10 by this paragraph promptly and correctly, or failing 11 to report payment of the same to the Commission within 12 ten (10) days of payment, shall be subject to administrative penalties as allowed by law, including 13 but not limited to, a fine in the amount of Five 14 Hundred Dollars (\$500.00) or an amount equal to one 15 percent (1%) of the unpaid amount, whichever is 16 greater, to be paid and deposited to the credit of the 17 Workers' Compensation Fund created in Section 28 of 18 this title. It shall be the duty of the Tax 19 Commission to collect the assessment provided for in 20 this paragraph. The Tax Commission is authorized to 21 bring an action for recovery of any delinquent or 22 unpaid assessments, and may enforce payment of the 23

- 1 assessment by proceeding in accordance with Section 79 2 of this title.
- d. An impaired self-insurer shall be exempt from
  assessments beginning on the date of the Commission's
  designation until the Commission determines the selfinsurer is no longer impaired.
- e. The Tax Commission shall determine the fund balance as
  of March 1 and September 1 of each year, and when
  otherwise requested by the Workers' Compensation
  Commission, and shall advise the Workers' Compensation
  Commission in writing within thirty (30) days of each
  such determination; and

## 13 3. Any excess funds, including interest thereon, transferred to 14 the Self-insurance Guaranty Fund as provided in subsection D of

## 15 Section 99 of this title; and

16 <u>4.</u> Any interest accruing on monies paid into the fund.

SECTION 28. AMENDATORY Section 99, Chapter 208, O.S.L.
2013, as amended by Section 5, Chapter 169, O.S.L. 2014 (85A O.S.
Supp. 2016, Section 99), is amended to read as follows:

20 Section 99. <u>A.</u> On determination by the <u>Workers' Compensation</u> 21 Commission that a self-insurer has become an impaired self-insurer, 22 the Commission shall <u>promptly</u> secure release of the security 23 required by Section 38 of this title <u>and</u>, advise the Self-insurance 24 Guaranty Fund Board of the impairment. <u>Claims administration</u>,

1	including processing, investigating and paying valid claims against
2	an impaired self-insurer under the Administrative Workers'
3	Compensation Act, may include payment by the surety that issued the
4	surety bond or be under a contract between the Commission and an
5	insurance carrier, appropriate state governmental entity or an
6	approved service organization, as approved by the Commission and
7	transfer the proceeds of the security to the Self-insurance Guaranty
8	Fund Board to be maintained in a segregated interest-bearing
9	division special agency account for administering workers'
10	compensation obligations of the impaired self-insurer. The Self-
11	insurance Guaranty Fund Board shall be the fiduciary of the account.
12	B. Proceeds from the released security, including interest
13	thereon, shall be used by the Board to administer the workers'
14	compensation obligations of the impaired self-insurer. Claims
15	administration includes, but is not limited to, processing,
16	investigating and paying claims, actuarial studies, attorney fees
17	incurred for filing a proof of claim in the bankruptcy of the
18	impaired self-insurer and a pro rata portion of the staff expenses
19	of the Self-insurance Guaranty Fund Board.
20	C. Any unexpended funds, including interest thereon, held by
21	the State Treasurer in an interest-bearing account maintained by the
22	Commission before the effective date of this act from which an
23	impaired self-insurer's workers' compensation obligations are paid,
24	shall be transferred to the Board. Such funds shall be expended by

1	the Board only for the purpose of administering the workers'
2	compensation obligations of the impaired self-insurer and as
3	otherwise authorized in subsection D of this section.
4	D. Except as otherwise provided by law or by agreement of the
5	parties, excess proceeds from the security remaining after each
6	claim for benefits of an impaired self-insurer has been paid,
7	settled or lapsed under the Administrative Workers' Compensation
8	Act, and costs of administration of such claims have been paid, as
9	determined by the Self-insurance Guaranty Fund Board, shall be
10	transferred to the Self-insurance Guaranty Fund by the Board.
11	SECTION 29. AMENDATORY Section 152, Chapter 208, O.S.L.
12	2013 (85A O.S. Supp. 2016, Section 109), is amended to read as
13	follows:
1 /	Section 100 A The Workers' Componentian Commission shall

14 Section 109. A. The Workers' Compensation Commission shall 15 establish a workers' compensation counselor or ombudsman program to 16 assist injured workers, employers and persons claiming death 17 benefits in obtaining benefits under this act. A special effort 18 shall be made to equip counselors or ombudsmen with sufficient 19 resources to assist injured workers through the system without the 20 necessity of retaining legal representation.

B. Workers' compensation counselors or ombudsmen shall provide information to injured workers; investigate complaints; communicate with employers, insurance carriers, self-insurers, and health care providers; provide informational seminars and workshops on workers' compensation for medical providers, insurance adjustors, and
 employee and employer groups; and develop informational materials
 for employees, employers and medical providers.

С. The Commission shall mail a notice to the injured worker 4 5 within ten (10) days of the filing of an Employer's First Notice of Injury. The notice shall advise the injured worker of publish on 6 7 its website information on the availability of the services of the Commission's counselor or ombudsman program and of the availability 8 9 of mediation and other forms of alternative dispute resolution to 10 assist the injured worker. The Commission shall provide additional 11 information as the Commission may determine necessary.

D. The Commission shall develop a program that provides for annual training for own-risk employers and claims representatives handling workers' compensation claims in Oklahoma. The training shall include information about the alternative dispute resolution program, including counselor and ombudsman programs, mediation, and other services provided by the Commission.

18 SECTION 30. AMENDATORY Section 154, Chapter 208, O.S.L. 19 2013 (85A O.S. Supp. 2016, Section 111), is amended to read as 20 follows:

Section 111. A. Any claim for any benefit under this act shall
be commenced with the <u>If any claimant is denied any rights under</u>
this act, the claimant may challenge the denial by filing <del>of</del> an
Employee's First Notice of Claim for Compensation <del>by the employee</del>

1 with the Workers' Compensation Commission. The <del>claim</del> Notice of 2 Claim for Compensation shall <del>contain</del> a be on a form prescribed by 3 the Commission and shall require: 4 1. A description of the alleged injury, including the affected 5 body parts; 2. A description of the claim for benefits, including the 6 7 rights denied by the employer; 3. The section of this act which is the basis for the claim; 8 9 and 10 4. A statement that all matters stated therein are true and accurate and shall be signed by the claimant and the claimant's 11 12 agent, if any. Any person who signs this statement or causes another to sign 13 this statement knowing the statement to be false shall be quilty of 14 15 perjury. An individual who signs on behalf of a claimant may be presumed to have the authorization of the claimant and to be acting 16 at the claimant's direction. If the Notice of Claim for 17 Compensation does not contain the information required by this 18 subsection, it shall be rejected by the Commission. 19 20 Β. If an employer controverts any issue related to the Employee's First Notice of Claim for Compensation, the employer 21 shall file a Notice of Contested Issues on a form prescribed by the 22 Commission. All answers and defenses to claims or other documents 23 filed on behalf of a respondent or the respondent's insurer in a 24

1 workers' compensation case shall contain a statement that all 2 matters stated therein are true and accurate and shall be signed by 3 the respondent, the insurer, or their respective agents, if any. Any person who signs such a statement or causes another to sign such 4 5 a statement, knowing the statement to be false, shall be quilty of perjury. An individual who signs on behalf of a respondent, its 6 insurer, or its agent may be presumed to have the authorization of 7 the respondent, its insurer or agent and to be acting at their 8 9 direction.

10 C. Any party shall have the right to request a prehearing 11 conference or administrative hearing before the Commission on any issue. The Commission shall, within seven (7) days of the receipt 12 of such notification, set the matter for prehearing conference or 13 administrative hearing at the earliest available time. In the event 14 15 the compensability of a claim is contested, the respondent shall 16 complete discovery and secure a medical evaluation of the claimant within sixty (60) days of the filing of a request for benefits. 17 SECTION 31. AMENDATORY Section 155, Chapter 208, O.S.L. 18 2013 (85A O.S. Supp. 2016, Section 112), is amended to read as 19 20 follows:

21 Section 112. A. The Workers' Compensation Commission shall 22 create, maintain and review a list of licensed physicians who shall 23 serve as independent medical examiners from a list of licensed 24 physicians who have completed such course study as the Commission

1 may require. An independent medical examiner must agree to examine an employee within forty-five (45) days of appointment. 2 The 3 Commission shall, to the best of its ability, include the most experienced and competent physicians in the specific fields of 4 5 expertise utilized most often in the treatment of injured employees. The period of qualification shall be two (2) years. Physicians may 6 7 be qualified for successive two-year periods. Physicians serving as independent medical examiners on the effective date of this act 8 9 shall serve the remainder of their respective two-year qualification 10 periods and may reapply for successive qualification periods. The Commission may remove an independent medical examiner from the list 11 12 for cause.

An administrative law judge may appoint an independent 13 в. medical examiner to assist in determining any issue before the 14 15 Commission. In the event surgery is recommended by a treating 16 physician, upon request of the employer, an independent medical examiner shall be appointed to determine the reasonableness and 17 necessity of the recommended surgery. Such independent medical 18 examiner shall be qualified to perform the type of surgery 19 recommended. 20

C. An independent medical examiner shall be selected from the <u>a</u>
list of independent medical examiners within ten (10) days when the
employer or the employee petitions the Commission for the selection
of an independent medical examiner. The independent medical

1	examiner shall be certified by a recognized specialty board in the
2	area or areas appropriate to the condition under review. Each
3	independent medical examiner shall be added to a list from which
4	assignments for independent reviews are made in order of the date of
5	registration of the physician with the Commission as an independent
6	medical examiner. Upon order from the administrative law judge, the
7	Commission shall assign independent medical examiners
8	chronologically from the list of independent medical examiners, with
9	assignment to the first physician on the list who is certified by a
10	recognized specialty board in the area or areas appropriate to the
11	condition under review and who has no apparent conflicts of
12	interest. Upon assignment, the independent medical examiner's name
13	shall move to the end of the list. If an independent medical
14	examiner is not selected for a specific case because of lack of
15	proper certification or existence of a conflict of interest, the
16	independent medical examiner's name shall not move to the end of the
17	<u>list.</u>
18	D. The Commission shall, to the best of its ability, maintain a
19	geographic balance of independent medical examiners.
20	E. Counsel for the employee and employer are responsible for
21	transmittal of the employee's medical records to the independent
22	medical examiner within ten (10) days of appointment.
23	F. After a physical examination and review of medical records
24	and other appropriate information, including depositions and

1 surveillance video, the independent medical examiner shall submit a
2 verified written report to the Commission and to the parties. In
3 the event the independent medical examiner determines that more
4 medical treatment is necessary, the employer shall designate a
5 treating physician to provide the indicated treatment.

G. Any independent medical examiner selected pursuant to the
provisions of this section shall be reimbursed for the medical
examination, reports and fees in a reasonable and customary amount
set by the Commission, and these costs shall be borne by the
employer.

H. The Commission shall create a review process to oversee on a
continuing basis the quality of performance and the timeliness of
the submission of medical findings by independent medical examiners.

I. If the Commission does not follow the opinion of the independent medical examiner on any issue, the administrative law judge or member of the Board of Review shall set out its reasons for deviating from the opinion of the independent medical examiner. The opinion of the independent medical examiner shall be followed unless there is clear and convincing evidence to the contrary.

J. Upon receipt of an independent medical examiner's report, any party shall have the right to object to the introduction of the report into evidence. The objection must be made by giving written notification to all parties and to the Commission within ten (10) days after receipt of the report. The employer shall be responsible for the reasonable charges of the physician for such testimony,
 preparation time, and the expense of the deposition.

3 SECTION 32. AMENDATORY Section 158, Chapter 208, O.S.L.
4 2013 (85A O.S. Supp. 2016, Section 115), is amended to read as
5 follows:

Section 115. A. If the employee and employer shall reach an 6 agreement for the full, final and complete settlement of any issue 7 of a claim pursuant to this act the Administrative Workers' 8 9 Compensation Act, a form designated as "Joint Petition" shall be 10 signed by both the employer and employee, or representatives 11 thereof, and shall be approved by the Workers' Compensation Commission or an administrative law judge, and filed with the 12 13 Commission. In cases in which the employee is not represented by legal counsel, the Commission or an administrative law judge shall 14 have jurisdiction to approve a full, final and complete settlement 15 of any issue upon the filing of an Employer's First Notice of Injury 16 Employee's Notice of Claim for Compensation. There shall be no 17 requirement for the filing of an Employee's First Notice of Claim 18 for Compensation to effect such settlement in cases in which the 19 20 employee is not represented by legal counsel.

B. In the event all issues of a claim are not fully, finally
and completely settled by a Joint Petition, the issues not settled
by the parties and subject to the Commission's continuing
jurisdiction must be noted by appendix to the Joint Petition or on a

1 form created for such purpose by the Commission. The appendix must 2 be signed by the parties and approved by the Commission as set forth 3 herein.

In the absence of fraud, a Joint Petition shall be deemed С. 4 5 binding upon the parties thereto and a final adjudication of all rights pursuant to this act the Administrative Workers' Compensation 6 7 Act or the workers' compensation law in effect at the time of the injury or final order of the Workers' Compensation Court. 8 An 9 official record shall be made by an official Commission reporter of 10 the testimony taken to effect the Joint Petition.

A good-faith effort shall be made on the part of any 11 D. 12 insurance carrier, CompSource Oklahoma, or group self-insured plan to notify an insured employer of the possibility of and terms of any 13 settlement of a workers' compensation case pursuant to this section. 14 15 Written comments or objections to settlements shall be filed with 16 the Commission and periodically shared with the management of the applicable insurer. A written notice shall be made to all 17 policyholders of their right to a good-faith effort by their insurer 18 to notify them of any proposed settlement, if the policyholder so 19 20 chooses.

21 SECTION 33. AMENDATORY Section 163, Chapter 208, O.S.L. 22 2013 (85A O.S. Supp. 2016, Section 120), is amended to read as 23 follows:

1 Section 120. A. Except as otherwise provided by state or 2 federal law and subject to the provisions of this section, an 3 employer may inquire about previous workers' compensation claims paid to an employee while the employee was employed by a previous 4 5 employer. If the employee fails to answer truthfully about any previous permanent partial disability awards made pursuant to 6 workers' compensation claims, the employee shall be subject to 7 discharge by the employer. 8

9 в. 1. All requests made to the Workers' Compensation 10 Commission for information on prior workers' compensation claims 11 involving a worker, including written inquiries about prior claims 12 and requests to access a worker's compensation claim file, must be in writing, on a form prescribed by the Commission, and accompanied 13 by a fee of One Dollar (\$1.00) per search request, not to exceed One 14 Dollar (\$1.00) per claims record of a particular worker. 15 The fee shall be deposited to the credit of the Workers' Compensation 16 17 Commission Revolving Fund. The form shall require identification of the person requesting the information, and the person for whom a 18 search is being made if different from the requester. The form must 19 contain an affidavit signed by the requester under penalty of 20 perjury that the information sought is not requested for a purpose 21 in violation of state or federal law. The form must be used by all 22 repositories of archived Court claim files. All request forms shall 23 be maintained by the Commission as a public record, together with a 24

1 record of a worker's written authorization permitting a search 2 indexed by the worker's social security number as required by 3 Section 3113 of Title 74 of the Oklahoma Statutes. The request 4 forms and authorizations shall be indexed alphabetically by the last 5 name of the worker.

6

2. This subsection shall not apply:

- a. to requests for claims information made by a public
  officer or by a public employee in the performance of
  his or her duties on behalf of a governmental entity
  or as may be allowed by law,
- b. to requests for claims information made by an insurer,
  self-insured employer, third-party claims
  administrator, or a legal representative thereof, when
  necessary to process or defend a workers' compensation
  claim,
- 16 c. when a worker or the worker's representative requests 17 review of the worker's claims information,
- d. when the disclosure is made for educational or
  research purposes and in such a manner that the
  disclosed information cannot be used to identify any
  worker who is the subject of a claim,
- e. to requests for claims information made by a health
   care or rehabilitation provider or the provider's
   legal representative when necessary to process payment

1	of health care or rehabilitation services rendered to
2	a worker, and
3	f. to requests for claims information made by an employer
4	or personnel service company, including but not
5	limited to an individual or entity, where the worker
6	executes a written authorization permitting the search
7	and designating the employer or personnel service
8	company as the worker's representative for that
9	purpose; however, nothing in this subparagraph shall
10	relieve the employer or personnel service company from
11	complying with the requirements of utilizing the form
12	set forth in paragraph 1 of this subsection.
13	SECTION 34. REPEALER Sections 36, 60, 61, 63, 67, 80,
14	159 and 160, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2016, Sections
15	36, 60, 61, 63, 67, 80, 116 and 117), are hereby repealed.
16	SECTION 35. This act shall become effective November 1, 2017.
17	
18	COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY - CIVIL AND
19	ENVIRONMENTAL, dated 04/04/2017 - DO PASS, As Amended.
20	
21	
22	
23	
24	