

Summary of 2011 California Workers' Compensation Bills

ASSEMBLY BILLS:

AB 228 (Fuentes) – 02-02-11, 06-02-20-11, 06-16-11, 06-27-11, 07-12-011, 08-17-2011
State Compensation Insurance Fund: Out-Of-State Risks

Status: Chaptered 10/09/11. Effective: 01/01/2012.

- Allows State Fund to provide coverage to California based employers with some operations outside the state of California.

AB 315 (Solorio) - 02-09-11, 04-07-11, 05-05-11, 07-06-11, 07-16-11 - *Surplus Lines Brokers & Nonadmitted Insurer Code Changes To Conform With the Nonadmitted and Reinsurance Reform Act of 2010*

Status: Chaptered 07/15/11. Effective: 07/21/2011.

- Makes numerous changes in California surplus insurance lines laws to conform them to the Nonadmitted and Reinsurance Reform Act of 2010 ("NRRRA").

AB 335 (Solorio) - 02/10/11, 05/27/11, 08/31/11 – *Workers' Compensation: Notices.*

Status: Chaptered 10/07/11. Effective 01/01/2012.

- Requires the workers' compensation administrative director (AD) to work with the Commission on Health and Safety and Workers' Compensation (CHSWC) to develop regulations regarding notices to injured workers.

AB 378 (Solorio) – 02/14/11, 04/04/11, 05/09/11, 08/15/11, 09/01/11, 09/08/11 – *Workers' Compensation: Pharmacy Products.*

Status: Chaptered 10/07/11. Effective 01/01/2012.

- Requires the AD to establish guidelines for dispensing compound drugs, and the reimbursement amount. Remove incentive for physicians to refer patients to pharmacies in which the physician has a financial interest.

AB 507 (Hayashi) – 02/15/11, 03/21/11, 04/13/11, 4/27/11, 06/20/11, 07/01/11, 08/16/11 - *Controlled Substances: Pain Management.*

Status: Chaptered 10/02/11. Effective 01/01/2012.

- Amends the California Intractable Pain Treatment Act expanding the scope to include "pain or a condition causing pain, including, but not limited to intractable pain".

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AB 585 (Fong) – 02/16/11, 03/31/11, 04/25/11, 06/21/11, 07/12/11, 08/24/11 – Workers' Compensation: Cancer Presumption

Status: Chaptered 10/07/11. Effective 01/01/2012.

- Extends a disputable presumption of cancer to active firefighting members of a fire department serving a NASA (National Aeronautics and Space Administration) installation who adhere to specified training standards.

AB 1168 (Pan) – 02/18/11, 07/01/11, 08/18/11 – Workers' Compensation: Vocational Expert Fee Schedule

Status: Chaptered 10/07/11. Effective 01/01/2013.

- Requires that on or before January 1, 2013 the Administrative Director to adopt a fee schedule that establishes reasonable maximum fees paid for services provided by vocational experts.

AB 1416 (Assembly Insurance Committee) – 03-21-11, 04-15-11, 06-14-11, 07-12-11, 08-24-11 - Insurance Omnibus Bill

Status: Chaptered 10/02/11. *Effective:* 01/01/2012.

- Makes code changes on agent licensing and training and processes with which insurance companies must comply. Revises insurer filing requirements to increase the Dept. of Insurance's ("CDI's") operational efficiency, consumer protection, and solvency supervision.

AB 1425 (Insurance Committee) - 03-22-11, 05-19-11, 08-24-11, 08-31-11 - Specifies For Workers' Comp That AB 2404 (2010)'s New Notice Requirement For Non-Pro Rata Charges Is Sent At Quoting & Re Other Lines of Insurance Issues

Status: Chaptered 10/02/11. *Effective:* 01/01/2011.

- Clarifies AB 2404 (2010) by specifying that workers' comp providers may provide notice of non-pro rata premium refund at the time of quoting.

AB 1426 (Solorio) – 03/22/11, 08/29/11, 09/01/11 – Workers' Compensation: Court Administrator

Status: Chaptered 08/03/11. Effective 01/01/2012.

- Removes the position of court administrator and distributes the duties to the Workers' Compensation Appeals Board (WCAB) and the Administrative Director of the Division of Workers' Compensation (DWC).

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SENATE BILLS:

SB 131 (Gaines) - 01-27-11, 04-13-11, 05-03-11, 05-07-11, 06-28-11 - *Surplus Line Brokers: Statement of Business Transacted*

Status: Chaptered 09/22/11. *Effective:* 01/01/2012.

- Clarifies reporting and filing requirements for the annual statement of business transacted when multiple surplus lines brokers are involved in placing insurance with a nonadmitted reinsurer. It specifies the broker responsible for negotiating and effecting the placement or the broker that agrees to may file the report.

SB 457 (Calderon) – 02/16/11, 05/04/11, 06/28/11, 08/26/11 – *Workers' Compensation: Liens.*

Status: Chaptered 10/07/11. *Effective* 01/01/2012.

- Requires the Workers' Compensation Appeals Board (WCAB) to allow liens for reimbursement for self-procured medical costs provided by a self-insured employee welfare benefit plan to the extent benefits were paid notwithstanding the official medical fee schedule.

SB 459 (Corbett) - 02-16-11, 03-23-11, 05-27-11, 07-12-11, 08-15-11, 9-02-11 - *Prohibits and Penalizes Intentional Employer Misclassification of Workers as Independent Contractors*

Status: Chaptered 10/09/11. *Effective:* 01/01/2012.

- Provides for the Labor Workforce Development Agencies and courts to enforce a new cumulative, specific cause of action with civil liability for willful misclassifications of workers by employers or persons in Labor Code section 226.8.

SB 684 (Corbett) - 02-18-11, 03-25-11, 06-23-11, 07-1-11, 07-13-11 - *WC Insurers: Dispute Resolution Agreement ("ADR"), CA Choice of Law or Forum Selection Clauses*

Status: Chaptered 10/07/11. *Effective:* 07/01/2012.

- Requires insurers that use dispute resolution or arbitration agreements with California employers to disclose that agreement and obtain the employer's signature on that disclosure.

SB 826 (Leno) – 02/18/11, 05/03/11 – *Workers' Compensation: Data Reporting Requirement: Administrative Penalties.*

Status: Chaptered 10/07/11. *Effective* 01/01/2012.

- Requires the administrative director to assess a penalty against a claims administrator for failing to comply with any data reporting requirement for the Workers' Compensation Information System (WCIS).