

**SUMMARY OF 2013 AMENDMENTS TO THE
MINNESOTA WORKERS' COMPENSATION ACT**

On May 16, 2013, Minnesota Governor Mark Dayton approved legislation making several significant amendments to the Workers' Compensation Act (WCA).

Effective May 17, 2013

- The commissioner will study the effectiveness and costs of potential reforms and barriers within the workers' compensation carrier and healthcare provider reimbursement system.
- The commissioner now has discretion over whether to investigate a complaint filed against a QRC or rehabilitation vendor.
- Medical information used in connection with a workers' compensation claim is not subject to the general prohibitions on state agencies regarding data about individuals that contains genetic information.
- The special compensation fund must provide notice to employers of a proposed settlement. The notice must state that if the employer does not object to the proposed settlement in writing within 15 days, the employer will waive any defenses it may have to a subsequent claim for reimbursement by the special compensation fund.
- The commissioner may use any type of methodology to review and audit workers' compensation records.
- If an insolvent insurer has filed claims for reimbursement (second injury fund or supplementary benefits) with the SCF before June 1, 2013, the SCF must reimburse the insolvent insurer. This includes reimbursement for "any past, pending or future claims that may arise out of the insolvent insurer's coverage." An insolvent insurer who files for reimbursement on June 1, 2013 or later is not entitled to reimbursement of subsequent injury or supplementary benefits from the special compensation fund.

Medical Disputes Filed on or after May 17, 2013

- The \$7,500 medical request limit does not apply to an administrative conference when the issue being disputed is whether the provider's charge for a service, article, or supply is excessive.

Settlement Agreements Submitted for Approval on or after July 1, 2013

- If a workers' compensation case is settled when it is pending before the WCCA, the proposed settlement must be approved by a compensation judge, rather than the WCCA.

Employees with Dates of Injury on or after October 1, 2013

- Minnesota will, for the first time, allow limited mental stress claims. Employees diagnosed by a *licensed psychiatrist or psychologist* with post-traumatic stress disorder (PTSD) arising out of their employment may be eligible for workers' compensation benefits.
- The cap on attorney's fees will be increased to \$26,000. The contingent fee formula will be changed to a flat 20% of the first \$130,000 of compensation awarded to the employee.
- Employees will no longer collect "subdivision 7 fees" based on an award of hourly Roraff and Heaton fees.
- The maximum compensation rate will likely increase each year. The maximum weekly compensation rate for TTD, currently \$850, will be adjusted each October to 102% of the statewide average weekly wage (SAWW) computed at the end of the previous year. This change will also impact the maximum compensation rate for TPD and PTD as the maximum compensation for TPD and PTD are equivalent to the maximum weekly compensation for TTD.
- Unless the parties agree otherwise, job placement services will be limited to 20 hours per month for 26 weeks.
- The COLA on wage loss benefits will start three years after the date of injury and will not exceed 3% but cannot go below 0%.

Prevailing Charges on or after October 1, 2013

- The prevailing charge for a service may be determined using the billing data from the previous two years, rather than the previous year.

Effective October 1, 2013 (Applies to Employees with All Dates of Injury)

- DOLI may require injured workers and their doctors to enter into written treatment contracts when opioids or scheduled drugs are prescribed.

Effective October 1, 2013

- QRCs will not be able to function as a case manager and a QRC on the same claims.
- DOLI must schedule administrative conferences on Rehabilitation Requests within 21 days of filing.
- Patients consider lumbar fusion must consult with a patient advocate.

Effective January 1, 2015

- Any references to the prefunded limit in the Workers' Compensation Reinsurance Association have been eliminated.
- The cost of claims that exceed the prefunded limit has been eliminated as a component of the premium required for reinsurance coverage.