

**SENATE BILL NO. 156**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/24/18

Referred: Labor and Commerce, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to workers' compensation benefits for the rehabilitation and**  
2 **reemployment of injured employees."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 23.30.005(h) is amended to read:

5 (h) The department shall adopt rules for all panels, and procedures for the  
6 periodic selection, retention, and removal of both rehabilitation specialists and  
7 physicians under AS 23.30.041 and 23.30.095, and shall adopt regulations to carry out  
8 the provisions of this chapter. **The department shall adopt regulations to set fees**  
9 **and establish qualifications for rehabilitation specialists who provide services**  
10 **under AS 23.30.041.** The department may by regulation provide for procedural,  
11 discovery, or stipulated matters to be heard and decided by the commissioner or a  
12 hearing officer designated to represent the commissioner rather than a panel. If a  
13 procedural, discovery, or stipulated matter is heard and decided by the commissioner  
14 or a hearing officer designated to represent the commissioner, the action taken is

1 considered the action of the full board on that aspect of the claim. Process and  
 2 procedure under this chapter shall be as summary and simple as possible. The  
 3 department, the board or a member of it may for the purposes of this chapter subpoena  
 4 witnesses, administer or cause to be administered oaths, and may examine or cause to  
 5 have examined the parts of the books and records of the parties to a proceeding that  
 6 relate to questions in dispute. The superior court, on application of the department, the  
 7 board or any members of it, shall enforce the attendance and testimony of witnesses  
 8 and the production and examination of books, papers, and records.

9 \* **Sec. 2.** AS 23.30.012(a) is amended to read:

10 (a) At any time after death, or after 30 days subsequent to the date of the  
 11 injury, the employer and the employee or the beneficiary or beneficiaries, as the case  
 12 may be, have the right to reach an agreement in regard to a claim for injury or death  
 13 under this chapter, **except as otherwise provided in AS 23.30.041. A** [BUT A]  
 14 memorandum of the agreement in a form prescribed by the director shall be filed with  
 15 the division. Otherwise, the agreement is void for any purpose. Except as provided in  
 16 (b) of this section, an agreement filed with the division discharges the liability of the  
 17 employer for the compensation, notwithstanding the provisions of AS 23.30.130,  
 18 23.30.160, and 23.30.245, and is enforceable as a compensation order.

19 \* **Sec. 3.** AS 23.30.041(b) is amended to read:

20 (b) The administrator [SHALL]

21 (1) **shall** enforce regulations **that** [ADOPTED BY THE BOARD TO]  
 22 implement this section;

23 (2) **shall** recommend regulations for adoption by the **department**  
 24 [BOARD] that establish **qualifications, fees, and** performance and reporting criteria  
 25 for rehabilitation specialists;

26 (3) **shall** enforce the quality and effectiveness of reemployment  
 27 benefits provided for under this section;

28 (4) **shall** review on an annual basis the performance of rehabilitation  
 29 specialists to determine continued eligibility for delivery of rehabilitation services;

30 (5) **shall** submit to the department, on or before **October 1** [MAY 1]  
 31 of each year, a report of reemployment benefits provided under this section for the

1 previous calendar year; the report must include a general section, **a section**  
 2 [SECTIONS] related to [EACH] rehabilitation **specialists** [SPECIALIST  
 3 EMPLOYED UNDER THIS SECTION], and a statistical summary of all  
 4 rehabilitation cases **and** [, INCLUDING

5 (A) THE ESTIMATED AND ACTUAL COST OF EACH  
 6 ACTIVE REHABILITATION PLAN;

7 (B) THE ESTIMATED AND ACTUAL TIME OF EACH  
 8 REHABILITATION PLAN;

9 (C) A STATUS REPORT ON ALL INDIVIDUALS  
 10 REQUESTING, WAIVING, BEGINNING, COMPLETING, OR  
 11 TERMINATING A REEMPLOYMENT BENEFITS PROGRAM  
 12 INCLUDING

13 (i) REASONS FOR DENIAL, WAIVER,  
 14 SUSPENSION, OR TERMINATION;

15 (ii) DATES OF COMPLETION AND RETURN TO  
 16 WORK; AND

17 (iii) OTHER INFORMATION REQUIRED BY THE  
 18 DIRECTOR;

19 (D) the cost of reemployment benefits [;

20 (E) STATUS REPORTS OF ALL INDIVIDUALS WHO  
 21 SUCCESSFULLY COMPLETED A REEMPLOYMENT PLAN THAT  
 22 INCLUDES

23 (i) THE PLAN'S OCCUPATIONAL GOAL AND  
 24 WHETHER THE INDIVIDUAL OBTAINED WORK AFTER  
 25 COMPLETION IN THE PLANNED OR ANOTHER OCCUPATION;  
 26 AND

27 (ii) THE INDIVIDUAL'S EMPLOYMENT STATUS  
 28 SIX MONTHS, ONE YEAR, AND TWO YEARS AFTER  
 29 REEMPLOYMENT PLAN COMPLETION];

30 (6) **shall** maintain a list of rehabilitation specialists who meet the  
 31 qualifications established under this section **and under regulations adopted by the**

1 department;

2 (7) shall promote awareness among physicians, adjusters, injured  
3 workers, employers, employees, attorneys, training providers, and rehabilitation  
4 specialists of the reemployment program established in this section;

5 (8) may develop and provide employers with information and  
6 consultation services on methods to return injured employees to work quickly;  
7 and

8 (9) may hold a conference with an employee, an employer, and a  
9 rehabilitation specialist to discuss the employee's reemployment benefits, at the  
10 request of the employee, employer, or rehabilitation specialist, or on the  
11 administrator's own initiative [SUBSECTION].

12 \* **Sec. 4.** AS 23.30.041(c) is amended to read:

13 (c) An employee and an employer may stipulate to the employee's eligibility  
14 for reemployment benefits at any time. If an employee suffers a compensable injury  
15 and, as a result of the injury, the employee is totally unable, for **90** [45] consecutive  
16 days, to return to the employee's employment at the time of injury, the **employer shall**  
17 **notify the administrator in a format prescribed by the director on or before the**  
18 **100th day. Not later than 10 days after the 100th day, the** administrator shall notify  
19 the employee of the employee's rights **and obligations under this section, including**  
20 **notification that the employee shall attend an informational meeting regarding**  
21 **the employee's rights and obligations** under this section. **An** [WITHIN 14 DAYS  
22 AFTER THE 45TH DAY. IF THE EMPLOYEE IS TOTALLY UNABLE TO  
23 RETURN TO THE EMPLOYEE'S EMPLOYMENT FOR 60 CONSECUTIVE  
24 DAYS AS A RESULT OF THE INJURY, THE] employee [OR EMPLOYER] may  
25 request an eligibility evaluation **for reemployment benefits not later than 90 days**  
26 **after the payment of temporary disability compensation ends or the employee is**  
27 **notified in a format prescribed by the director that the employee may request an**  
28 **eligibility evaluation, whichever is later.** The administrator may approve the request  
29 if the employee's injury may permanently preclude the employee's return to the  
30 employee's occupation at the time of the injury. [IF THE EMPLOYEE IS TOTALLY  
31 UNABLE TO RETURN TO THE EMPLOYEE'S EMPLOYMENT AT THE TIME

1 OF THE INJURY FOR 90 CONSECUTIVE DAYS AS A RESULT OF THE  
 2 INJURY, THE ADMINISTRATOR SHALL, WITHOUT A REQUEST, ORDER AN  
 3 ELIGIBILITY EVALUATION UNLESS A STIPULATION OF ELIGIBILITY WAS  
 4 SUBMITTED.] If the administrator approves **the** [A] request [OR ORDERS AN  
 5 EVALUATION], the administrator shall [, ON A ROTATING AND GEOGRAPHIC  
 6 BASIS,] select a rehabilitation specialist from the list maintained under (b)(6) of this  
 7 section to perform the eligibility evaluation. If the person that employs a rehabilitation  
 8 specialist selected by the administrator to perform an eligibility evaluation under this  
 9 subsection is performing any other work on the same workers' compensation claim  
 10 involving the injured employee, the administrator shall select a different rehabilitation  
 11 specialist.

12 \* **Sec. 5.** AS 23.30.041(d) is amended to read:

13 (d) **Not later than 60** [WITHIN 30] days after the referral by the  
 14 administrator, the rehabilitation specialist shall perform the eligibility evaluation and  
 15 issue a report of findings. **Not later than** [THE ADMINISTRATOR MAY GRANT  
 16 UP TO AN ADDITIONAL 30 DAYS FOR PERFORMANCE OF THE  
 17 ELIGIBILITY EVALUATION UPON NOTIFICATION OF UNUSUAL AND  
 18 EXTENUATING CIRCUMSTANCES AND THE REHABILITATION  
 19 SPECIALIST'S REQUEST. WITHIN] 14 days after receipt of the report from the  
 20 rehabilitation specialist, the administrator shall **decide whether the employee is**  
 21 **eligible for reemployment benefits and** notify the parties [OF THE EMPLOYEE'S  
 22 ELIGIBILITY FOR REEMPLOYMENT PREPARATION BENEFITS]. **A party**  
 23 **may seek reconsideration or board review of the administrator's decision under**  
 24 **(v) of this section, or modification of the administrator's decision under**  
 25 **AS 23.30.130** [WITHIN 10 DAYS AFTER THE DECISION, EITHER PARTY MAY  
 26 SEEK REVIEW OF THE DECISION BY REQUESTING A HEARING UNDER  
 27 AS 23.30.110. THE HEARING SHALL BE HELD WITHIN 30 DAYS AFTER IT IS  
 28 REQUESTED. THE BOARD SHALL UPHOLD THE DECISION OF THE  
 29 ADMINISTRATOR EXCEPT FOR ABUSE OF DISCRETION ON THE  
 30 ADMINISTRATOR'S PART].

31 \* **Sec. 6.** AS 23.30.041(e) is amended to read:

1 (e) An employee shall be eligible for benefits under this section upon the  
 2 employee's written request and by having a physician predict that the employee will  
 3 have permanent physical capacities that are less than the physical demands of the  
 4 employee's job as described in the 1993 edition of the United States Department of  
 5 Labor's "Selected Characteristics of Occupations Defined in the Revised Dictionary of  
 6 Occupational Titles" for

7 (1) the employee's job at the time of injury; or

8 (2) other jobs that exist in the labor market

9 (A) that the employee has held or received training for within  
 10 10 years before the injury; or

11 (B) that offer wages that ensure remunerative  
 12 employability for the employee and that the employee has held following the  
 13 injury for a period long enough to obtain the skills to compete in the labor  
 14 market, according to specific vocational preparation codes as described in the  
 15 1993 edition of the United States Department of Labor's "Selected  
 16 Characteristics of Occupations Defined in the Revised Dictionary of  
 17 Occupational Titles."

18 \* **Sec. 7.** AS 23.30.041(f) is repealed and reenacted to read:

19 (f) An employee is not eligible for reemployment benefits if

20 (1) the employer offers employment within the employee's predicted  
 21 post-injury physical capacities at a wage equivalent to at least the state minimum wage  
 22 under AS 23.10.065 or 75 percent of the worker's gross hourly wages at the time of  
 23 injury, whichever is greater, and the employment prepares the employee to be  
 24 employable in other jobs that exist in the labor market;

25 (2) at the time of medical stability, no permanent impairment is  
 26 identified or expected; or

27 (3) the employee returned to work in the same or similar occupation in  
 28 terms of physical demands required of the employee at the time of a previous injury  
 29 after

30 (A) receiving a job dislocation benefit in the former workers'  
 31 compensation claim, or

1 (B) completing a reemployment plan in the former workers'  
2 compensation claim.

3 \* **Sec. 8.** AS 23.30.041(g) is repealed and reenacted to read:

4 (g) After an employee receives the administrator's determination of eligibility  
5 for reemployment benefits or the employee and employer stipulate that the employee  
6 is eligible for benefits, the employee may take a job dislocation benefit under (s) of  
7 this section or may proceed with the reemployment process by selecting a  
8 rehabilitation specialist to develop a reemployment plan. The employee shall notify  
9 the employer of the employee's selection of a rehabilitation specialist not later than 30  
10 days after the determination of eligibility or stipulation. An employee's failure to give  
11 the notice of selection constitutes noncooperation under (n) of this section. If the  
12 employer disagrees with the employee's selection of the rehabilitation specialist and  
13 the disagreement cannot be resolved, the administrator shall assign a rehabilitation  
14 specialist. The administrator also may assign a new rehabilitation specialist if no  
15 progress report or plan is timely provided under (h) of this section. If the administrator  
16 selects a rehabilitation specialist, the employer and employee each have one right of  
17 refusal of a rehabilitation specialist.

18 \* **Sec. 9.** AS 23.30.041(h) is amended to read:

19 (h) **Not later than 60** [WITHIN 90] days after the rehabilitation specialist's  
20 selection under (g) of this section, **the rehabilitation specialist shall provide a**  
21 **progress report regarding the development of a** [THE] reemployment plan **to the**  
22 **employee, employer, and administrator** [MUST BE FORMULATED AND  
23 APPROVED]. **Not later than 90 days after the rehabilitation specialist's selection**  
24 **under (g) of this section, the rehabilitation specialist shall send a reemployment**  
25 **plan to the employer and employee for approval, and a copy of the plan to the**  
26 **administrator.** The reemployment plan must **ensure remunerative employability,**  
27 **must** require continuous participation by the employee, and must maximize the usage  
28 of the employee's transferrable skills. **If the rehabilitation specialist cannot develop**  
29 **a plan that ensures remunerative employability and that will be completed within**  
30 **the time and cost limitations of (k) and (l) of this section, the employee may**  
31 **choose to waive remunerative employability in the plan.** The reemployment plan

1 must include at least the following:

2 (1) a determination of the occupational goal in the labor market;

3 (2) an inventory of the employee's technical skills, transferrable skills,  
4 physical and intellectual capacities, academic achievement, emotional condition, and  
5 family support;

6 (3) a plan to acquire the occupational skills to be employable [;]

7 **through**

8 **(A) on-the-job training;**

9 **(B) vocational training;**

10 **(C) academic training;**

11 **(D) self-employment; or**

12 **(E) a combination of (A) - (D) of this paragraph;**

13 (4) the cost estimate of the reemployment plan, including provider  
14 fees; and the cost of tuition, books, tools, and supplies, transportation, temporary  
15 lodging, or job modification devices;

16 (5) the estimated length of time that the plan will take;

17 (6) the date that the plan will commence;

18 [(7) THE ESTIMATED TIME OF MEDICAL STABILITY AS  
19 PREDICTED BY A TREATING PHYSICIAN OR BY A PHYSICIAN WHO HAS  
20 EXAMINED THE EMPLOYEE AT THE REQUEST OF THE EMPLOYER OR  
21 THE BOARD, OR BY REFERRAL OF THE TREATING PHYSICIAN;]

22 **(7) [(8)] a detailed description and plan schedule;**

23 **(8) [(9)] a finding by the rehabilitation specialist that the inventory**  
24 **under (2) of this subsection indicates that the employee can be reasonably expected to**  
25 **satisfactorily complete the plan and perform in a new occupation within the time and**  
26 **cost limitations of the plan;**

27 **(9) if applicable, a finding by the rehabilitation specialist that a**  
28 **plan may not be developed that will be completed within the time and cost**  
29 **limitations of (k) and (l) of this section while ensuring remunerative**  
30 **employability, and a statement to be signed by the employee indicating the**  
31 **employee's agreement to waive remunerative employability; and**



1 (10) a provision requiring that, after a person has been assigned to  
 2 perform medical management services for an injured employee, the person shall send  
 3 written notice to the employee, the employer, and the employee's physician explaining  
 4 in what capacity the person is employed, whom the person represents, and the scope of  
 5 the services to be provided.

6 \* **Sec. 10.** AS 23.30.041(j) is repealed and reenacted to read:

7 (j) Not later than 30 days after the rehabilitation specialist completes and  
 8 sends out a reemployment plan under (h) of this section, the employee and employer  
 9 may approve the plan by signing the plan and returning the plan to the rehabilitation  
 10 specialist, or either party may deny the plan by providing a specific reason in a request  
 11 to the administrator for review of the plan. If one party approves the plan and no other  
 12 party seeks review of the plan by the deadline, the plan is deemed approved. If the  
 13 administrator reviews a plan, the administrator may hold a conference, at the request  
 14 of a party or on the administrator's own initiative, with the parties and the  
 15 rehabilitation specialist to ask for additional information or discuss reaching an  
 16 agreement on the plan. If the parties do not agree or no conference is held, the  
 17 administrator shall make a decision approving, denying, or changing the plan not later  
 18 than 14 days after the request for review or conference, whichever is later. A party  
 19 may seek reconsideration or board review of an administrator's decision approving,  
 20 denying, or changing a plan under (v) of this section or modification of an approved  
 21 plan under (u) of this section.

22 \* **Sec. 11.** AS 23.30.041(k) is amended to read:

23 (k) **Benefits related to the reemployment process start on the date an**  
 24 **employee requests an eligibility evaluation or an employer and employee**  
 25 **stipulate to the employee's eligibility without an evaluation request. Before the**  
 26 **date of plan approval, stipend compensation under (2) of this subsection may not**  
 27 **extend past one year after permanent partial impairment benefits are exhausted**  
 28 **under (1) of this subsection. On or after the date of plan approval, benefits**  
 29 [BENEFITS] related to the reemployment plan, **including stipend compensation,**  
 30 may not extend past two years from **the** date of plan approval [OR ACCEPTANCE,  
 31 **WHICHEVER DATE OCCURS FIRST**], at which time the benefits expire. **The**

1 **benefits under this subsection are paid as follows:**

2 **(1) if** [. IF] an employee reaches medical stability before completion **or**  
 3 **termination** of the **process** [PLAN], temporary total disability benefits shall cease,  
 4 and **the employer shall pay** permanent **partial** impairment benefits [SHALL THEN  
 5 BE PAID] at the employee's temporary total disability rate;

6 **(2) if** [. IF] the employee's permanent **partial** impairment benefits are  
 7 exhausted before the completion or termination of the reemployment process, the  
 8 employer shall provide **stipend** compensation equal to 70 percent of the employee's  
 9 spendable weekly wages, but not to exceed 105 percent of the average weekly wage,  
 10 until the completion or termination of the process, except that any compensation paid  
 11 under this **paragraph** [SUBSECTION] is reduced by wages earned by the employee  
 12 while participating in the process to the extent that the wages earned, when combined  
 13 with the compensation paid under this subsection, exceed the employee's temporary  
 14 total disability rate;

15 **(3) if** [. IF PERMANENT PARTIAL DISABILITY OR] permanent  
 16 partial impairment benefits have been paid in a lump sum before the employee  
 17 requested or was found eligible for reemployment benefits, payment of benefits under  
 18 this subsection is suspended until [PERMANENT PARTIAL DISABILITY OR]  
 19 permanent partial impairment benefits would have ceased, had those benefits been  
 20 paid at the employee's temporary total disability rate, notwithstanding the provisions  
 21 of AS 23.30.155(j); **a** [. A] permanent **partial** impairment benefit remaining unpaid  
 22 upon the completion or termination of the plan shall be paid to the employee in a  
 23 single lump sum;

24 **(4) an** [. AN] employee may not be considered permanently totally  
 25 disabled so long as the employee is involved in the **reemployment process under**  
 26 **this section** [REHABILITATION PROCESS UNDER THIS CHAPTER. THE FEES  
 27 OF THE REHABILITATION SPECIALIST OR REHABILITATION  
 28 PROFESSIONAL SHALL BE PAID BY THE EMPLOYER AND MAY NOT BE  
 29 INCLUDED IN DETERMINING THE COST OF THE REEMPLOYMENT PLAN].

30 \* **Sec. 12.** AS 23.30.041(l) is amended to read:

31 (l) The cost of the reemployment plan incurred under this section shall be the

1 responsibility of the employer, shall be paid on an expense incurred basis, and may not  
 2 exceed \$19,300. The commissioner shall adjust the maximum plan cost under this  
 3 subsection each year on January 1 based on the consumer price index for the  
 4 Anchorage metropolitan area, as published by the United States Bureau of Labor  
 5 Statistics. The maximum plan cost in effect when the employee is found eligible  
 6 for reemployment benefits shall apply to that plan and shall continue to apply to  
 7 that plan even if the plan is later modified. The fees of a rehabilitation specialist  
 8 may not be included in determining the cost of the plan. The employer shall pay a  
 9 rehabilitation specialist's fees for services under this chapter. The administrator  
 10 shall recommend and the department shall adopt regulations to establish fees for  
 11 rehabilitation specialist services [\$13,300].

12 \* **Sec. 13.** AS 23.30.041(n) is amended to read:

13 (n) After the employee has requested an eligibility evaluation or the  
 14 employee and employer have stipulated to eligibility for reemployment benefits,  
 15 [ELECTED TO PARTICIPATE IN REEMPLOYMENT BENEFITS, IF THE  
 16 EMPLOYER BELIEVES THE EMPLOYEE HAS NOT COOPERATED] the  
 17 employer may controvert reemployment benefits under AS 23.30.155 if the  
 18 employee has not cooperated with the reemployment process [TERMINATE  
 19 REEMPLOYMENT BENEFITS ON THE DATE OF NONCOOPERATION].  
 20 Noncooperation means

- 21 (1) unreasonable failure to
- 22 (A) keep appointments;
  - 23 (B) maintain passing grades;
  - 24 (C) attend designated programs;
  - 25 (D) maintain contact with the rehabilitation specialist;
  - 26 (E) cooperate with the rehabilitation specialist in developing a  
 27 reemployment plan and participating in activities relating to reemployability on  
 28 a full-time basis;
  - 29 (F) comply with the employee's responsibilities outlined in the  
 30 reemployment plan; or
  - 31 (G) participate in any planned reemployment activity as

1 determined by the administrator; or

2 (2) failure to give written notice to the employer of the employee's  
3 choice of rehabilitation **specialist** [SPECIALISTS WITHIN 30 DAYS AFTER  
4 RECEIVING NOTICE OF ELIGIBILITY FOR BENEFITS FROM THE  
5 ADMINISTRATOR] as required by (g) of this section.

6 \*Sec. 14. AS 23.30.041(o) is amended to read:

7 (o) Upon the request of **a** [EITHER] party, the administrator shall decide  
8 whether the employee has not cooperated as provided under (n) of this section. A  
9 hearing before the administrator shall be held **not later than** [WITHIN] 30 days after  
10 it is requested. The administrator shall issue a decision **not later than** [WITHIN] 14  
11 days after the hearing. **A party may seek reconsideration or board review of the**  
12 **administrator's decision under (v) of this section, or modification of the**  
13 **administrator's decision under AS 23.30.130** [WITHIN 10 DAYS AFTER THE  
14 ADMINISTRATOR FILES THE DECISION, EITHER PARTY MAY SEEK  
15 REVIEW OF THE DECISION BY REQUESTING A HEARING UNDER  
16 AS 23.30.110; THE BOARD SHALL UPHOLD THE DECISION OF THE  
17 ADMINISTRATOR UNLESS EVIDENCE IS SUBMITTED SUPPORTING AN  
18 ALLEGATION OF ABUSE OF DISCRETION ON THE PART OF THE  
19 ADMINISTRATOR; THE BOARD SHALL RENDER A DECISION WITHIN 30  
20 DAYS AFTER COMPLETION OF THE HEARING].

21 \* Sec. 15. AS 23.30.041(q) is repealed and reenacted to read:

22 (q) Notwithstanding AS 23.30.012, an employer and employee may not reach  
23 an agreement that requires the employer to pay a lump sum to the employee in  
24 exchange for the employee waiving any benefit under this section, and such an  
25 agreement is void for any purpose, except that an employee may select a job  
26 dislocation benefit under (s) of this section.

27 \* Sec. 16. AS 23.30.041(r)(6) is amended to read:

28 (6) "rehabilitation specialist" means a person who is a certified  
29 insurance rehabilitation specialist **or** [,] a certified rehabilitation counselor, or [A  
30 PERSON] who **meets the** [HAS EQUIVALENT OR BETTER] qualifications  
31 **specified in** [AS DETERMINED UNDER] regulations adopted by the department;

1 \* **Sec. 17.** AS 23.30.041 is amended by adding new subsections to read:

2 (s) An employee who is eligible for reemployment benefits may select a job  
3 dislocation benefit instead of reemployment benefits at any stage of the reemployment  
4 process but not later than 150 days after the employee receives the administrator's  
5 determination of eligibility or the employee and employer stipulate to the employee's  
6 eligibility. To select a job dislocation benefit, an employee shall sign and file a sworn  
7 statement with the division, in a format prescribed by the director, that specifies the  
8 scope of benefits and rights waived by the selection. The employee's selection of a job  
9 dislocation benefit

10 (1) takes effect upon service of the statement on the employer; not later  
11 than 10 days after receiving the completed statement from the employee, the division  
12 shall serve a copy on the administrator and the parties to the claim;

13 (2) requires the employer to pay the employee a job dislocation benefit  
14 of

15 (A) \$6,500 if the employee's permanent partial impairment  
16 rating is greater than zero and less than 15 percent;

17 (B) \$10,500 if the employee's permanent partial impairment  
18 rating is 15 percent or greater but less than 30 percent; or

19 (C) \$17,500 if the employee's permanent partial impairment  
20 rating is 30 percent or greater;

21 (3) ends the reemployment process on the effective date of the  
22 selection;

23 (4) discharges the liability of the employer for reemployment benefits  
24 on or after the effective date of the selection, but the employer shall pay costs and fees  
25 incurred and compensation payable during the reemployment process before the  
26 effective date of the selection; and

27 (5) may not be modified under AS 23.30.130.

28 (t) At the request of a rehabilitation specialist, an employee, or an employer,  
29 the administrator may suspend the reemployment process at any time based on an  
30 unusual and extenuating circumstance, evaluated every 60 days by the administrator,  
31 or a change in the employee's medical condition that prevents the employee from

1 participating in the reemployment process. The running of the periods in (d), (g), (h),  
2 (j), (k), and (s) of this section are suspended and the employer may not controvert  
3 benefits for noncooperation under (n) of this section from the date that the  
4 administrator notifies the parties and rehabilitation specialist of a suspension. The  
5 employer shall continue to pay reemployment benefits during a suspension, unless  
6 benefits are controverted on grounds other than noncooperation. The administrator  
7 may resume the reemployment process at the request of the rehabilitation specialist,  
8 employee, or employer, or on the administrator's own initiative when the  
9 circumstances that resulted in the suspension have changed or are expected to change.  
10 The periods in (d), (g), (h), (j), (k), and (s) of this section continue to run again and the  
11 employer may controvert benefits for noncooperation under (n) of this section from  
12 the date that the administrator notifies the parties and the rehabilitation specialist that  
13 the reemployment process has resumed. A party may seek reconsideration or board  
14 review of the administrator's decision to suspend or resume the reemployment process  
15 under (v) of this section.

16 (u) Before an employee completes an approved reemployment plan, the  
17 employee or employer may request that the rehabilitation specialist modify the plan on  
18 the ground of a change in conditions or a mistake in the determination of a fact, except  
19 that the time to complete and the cost of a modified plan, when combined with the  
20 time spent and costs incurred under the initial plan, may not exceed the time and cost  
21 limitations in (k) and (l) of this section. If the employer and employee do not agree on  
22 a modified plan, either party may submit the modified plan to the administrator for  
23 approval. The administrator shall issue a decision on the modified plan not later than  
24 14 days after the plan is submitted. A party may seek reconsideration or board review  
25 of the administrator's decision under (v) of this section, or may seek a different  
26 modification of the plan under this subsection.

27 (v) An employee or employer may ask the administrator in writing to  
28 reconsider a decision made under (d), (j), (o), (t), or (u) of this section not later than 14  
29 days after the decision is served. The administrator shall decide a request for  
30 reconsideration not later than 14 days after the administrator receives the request. A  
31 party may seek review of a decision made under (d), (j), (o), (t), or (u) of this section

1 by requesting a board hearing under AS 23.30.110 not later than 30 days after service  
 2 of the initial decision or the decision on reconsideration, whichever is later. The board  
 3 shall uphold the administrator's decision except for an abuse of discretion on the  
 4 administrator's part.

5 (w) An employee who requested an eligibility evaluation or stipulated to  
 6 eligibility may end the reemployment process at any time. To end the process, the  
 7 employee shall request a job dislocation benefit under (s) of this section if the  
 8 employee is eligible for reemployment benefits and the period for selecting the job  
 9 dislocation benefit has not run. If the employee is not eligible for the job dislocation  
 10 benefit, the employee shall end the reemployment process by notifying the division in  
 11 a format prescribed by the director. The notification

12 (1) takes effect upon service to the employer; not later than 10 days  
 13 after receiving the notification from the employee, the division shall serve a copy on  
 14 the administrator and the parties to the claim;

15 (2) discharges the liability of the employer for reemployment and job  
 16 dislocation benefits on or after the effective date of the notification, but the employer  
 17 shall pay costs and fees incurred and compensation payable during the reemployment  
 18 process before the effective date of the notification; and

19 (3) may not be modified under AS 23.30.130.

20 \* **Sec. 18.** AS 23.30.130 is amended by adding a new subsection to read:

21 (c) At the request of a party on the ground of a change in conditions or a  
 22 mistake in the determination of a fact, the reemployment benefits administrator may  
 23 review and modify a decision issued by the reemployment benefits administrator  
 24 under AS 23.30.041 relating to an employee's eligibility for reemployment benefits or  
 25 an employee's noncooperation in the reemployment process not later than one year  
 26 after the initial decision was made.

27 \* **Sec. 19.** AS 23.30.041(i) is repealed.

28 \* **Sec. 20.** The uncodified law of the State of Alaska is amended by adding a new section to  
 29 read:

30 APPLICABILITY. (a) AS 23.30.012(a), as amended by sec. 2 of this Act,  
 31 AS 23.30.041(c), as amended by sec. 4 of this Act, AS 23.30.041(e), as amended by sec. 6 of

1 this Act, AS 23.30.041(g), as repealed and reenacted by sec. 8 of this Act, AS 23.30.041(h),  
2 as amended by sec. 9 of this Act, AS 23.30.041(k), as amended by sec. 11 of this Act,  
3 AS 23.30.041(n), as amended by sec. 13 of this Act, AS 23.30.041(q), as repealed and  
4 reenacted by sec. 15 of this Act, AS 23.30.041(s), (t), and (w), added by sec. 17 of this Act,  
5 and the repeal of AS 23.30.041(i) in sec. 19 of this Act apply to injuries occurring on or after  
6 the effective date of secs. 2, 4, 6, 8, 9, 11, 13, 15, 17, and 19 of this Act.

7 (b) AS 23.30.041(d), as amended by sec. 5 of this Act, and AS 23.30.041(j), as  
8 repealed and reenacted by sec. 10 of this Act, apply to injuries occurring on or after the  
9 effective date of secs. 5 and 10 of this Act, except that a party may seek board review,  
10 reconsideration, or modification of the administrator's decision on eligibility for  
11 reemployment benefits or plan approval under the timeframes and procedures in  
12 AS 23.30.041(v), added by sec. 17 of this Act, and AS 23.30.130(c), added by sec. 18 of this  
13 Act, if the administrator serves the parties with the administrator's decision on or after the  
14 effective date of secs. 5, 10, 17, and 18 of this Act.

15 (c) AS 23.30.041(f), as repealed and reenacted by sec. 7 of this Act, applies to job  
16 dislocation benefits selected, reemployment plans completed, and injuries occurring on or  
17 after the effective date of sec. 7 of this Act.

18 (d) AS 23.30.041(l), as amended by sec. 12 of this Act, applies to injuries occurring  
19 on or after the effective date of sec. 12 of this Act, except that the employer's payment for the  
20 services of a rehabilitation specialist applies to the services of a rehabilitation specialist  
21 performed on or after the effective date of sec. 12 of this Act.

22 (e) AS 23.30.041(o), as amended by sec. 14 of this Act, AS 23.30.041(v), added by  
23 sec. 17 of this Act, and AS 23.30.130(c), added by sec. 18 of this Act, apply to decisions that  
24 the administrator serves on the parties on or after the effective date of secs. 14, 17, and 18 of  
25 this Act.

26 (f) AS 23.30.041(u), added by sec. 17 of this Act, applies to reemployment plans that  
27 have not been completed on or after the effective date of sec. 17 of this Act, except that, if the  
28 employee's plan is based on an injury occurring before the effective date of AS 23.30.041(k)  
29 and (l), as amended by secs. 11 and 12 of this Act, the time to complete and the cost of a  
30 modified plan, when combined with the time spent and costs incurred under the initial plan,  
31 may not exceed the time and cost limitations of AS 23.30.041(k) and (l) as those statutes read



1 on the day before the effective date of secs. 11 and 12 of this Act.