



House Bill No. 6916

Special Act No. 19-10

AN ACT ESTABLISHING A TASK FORCE TO STUDY REMEDIES AND POTENTIAL LIABILITY FOR UNREASONABLY CONTESTED OR DELAYED WORKERS' COMPENSATION CLAIMS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (*Effective from passage*) (a) There is established a task force to (1) identify the extent of unreasonably contested or delayed workers' compensation claims, (2) study methods to expand remedies regarding potential liability for unreasonably contested or delayed workers' compensation claims, and (3) clarify the law regarding bad faith handling of workers' compensation claims. Such study shall include, but need not be limited to, an examination of: (A) How such claims are handled when an injured worker is covered by employee benefit health insurance, (B) whether an employee benefit plan should make payments during the time period the Workers' Compensation Commission takes to determine whether the worker's injury is work related, (C) how claims are handled when an injured worker's employer does not provide an employee benefit health insurance plan, (D) the Workers' Compensation Commissioner's authority to fine an insurance company for unreasonably contested claims or undue delay, particularly when such undue delay may cause permanent injury to an employee, (E) delays caused by the failure of medical professionals to follow the Professional Guide for Attorneys, Physicians and Other

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Health Care Practitioners Guidelines for Cooperation, or to provide respondents with a complete and accurate medical history, including, but not limited to, all relevant medical records requested, (F) whether benefits are paid to injured workers or on behalf of injured workers without prejudice during a period of contest, and the frequency with which (i) said benefits are reimbursed in cases in which the underlying injury is deemed not compensable, (ii) the treatment paid for without prejudice is deemed unreasonable or unnecessary, or (iii) indemnity was paid during a period of time in which the injured worker is deemed to have been capable of working and work was available, (G) remedies when an undue delay in payment causes unnecessarily long delays in medical treatment, resulting in loss of employment, (H) types of systems that may be created to obtain data regarding reasonable treatment and recovery timeframes, and (I) best methods to prevent unfair claim-handling practices that violate the Connecticut Unfair Insurance Practices Act, as amended from time to time, including, but not limited to, the following: (i) Misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue; (ii) failing to acknowledge and act with reasonable promptness upon communications with respect to claims arising out of and in the course of employment under insurance policies and third-party administration contracts; (iii) failing to adopt and implement reasonable standards for the prompt investigation of claims arising out of and in the course of employment to which such insurance policies and third-party administration contracts shall respond; (iv) refusing to pay benefits without conducting a reasonable and timely investigation based upon all available information; (v) failing to affirm or deny coverage of benefits within a reasonable time after submission of a request for such benefits has been submitted; (vi) not attempting in good faith to effectuate prompt, fair and equitable provision of benefits for claims in which liability has become reasonably clear; (vii) attempting to settle claims on the basis of an application that was altered without notice to or knowledge or consent of the insured; (viii)

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making known to beneficiaries of such insurance policies or third-party contracts of administration pursuant to this section a policy of appealing from decisions of a workers' compensation commissioner or administrative law judge in favor of such beneficiaries for the purpose of compelling the acceptance of settlements or compromises in an amount less than the amount awarded in decisions; (ix) delaying the investigation or payment of claims by requiring a beneficiary or health care provider to submit a preliminary claim report and then requiring the subsequent submission of formal proof-of-loss forms, both of which submissions contain substantially the same information; or (x) failing to promptly provide a reasonable written explanation for the denial of a claim or for an offer of a compromise and settlement in relation to the facts or applicable law.

(b) The task force shall consist of the following members:

(1) Two appointed by the speaker of the House of Representatives, one of whom is an attorney and a member of the Connecticut Trial Lawyers Association who has experience in workers' compensation cases and one of whom is an attorney and a member of the Connecticut Defense Lawyers Association who primarily represents respondents in workers' compensation cases;

(2) Two appointed by the president pro tempore of the Senate, one of whom is a representative of physicians who treat workers' compensation claims patients and one of whom is a physician who performs respondents' medical examinations in workers' compensation cases;

(3) Two appointed by the majority leader of the House of Representatives, one of whom shall be a member of the General Assembly and one of whom is an injured worker;

(4) Two appointed by the majority leader of the Senate, one of

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whom shall be a member of the Workers' Compensation Legal Advisory Panel or the Workers' Compensation Medical Advisory Panel, whomever of which is available for any scheduled meeting, and one of whom is a member of the Connecticut State Medical Society;

(5) Two appointed by the minority leader of the House of Representatives, one of whom shall be a representative of the business community and one of whom is an injured worker;

(6) Two appointed by the minority leader of the Senate, one of whom shall represent a workers' compensation insurance carrier and one of whom shall be a representative of industry;

(7) The chairperson of the Workers' Compensation Commission, or the chairperson's designee;

(8) The Insurance Commissioner, or the commissioner's designee;

(9) The Commissioner of Social Services, or the commissioner's designee; and

(10) The Commissioner of Administrative Services, or the commissioner's designee.

(c) Any member of the task force appointed under subdivision (1), (2), (5) or (6) of subsection (b) of this section may be a member of the General Assembly.

(d) All appointments to the task force shall be made not later than August 1, 2019. Any vacancy shall be filled by the appointing authority.

(e) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the task force from among the members of the task force. Such chairpersons shall schedule the first meeting of the task force, which shall be held not

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later than sixty days after the effective date of this section.

(f) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to labor shall serve as administrative staff of the task force.

(g) Not later than January 1, 2020, the task force shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to labor, in accordance with the provisions of section 11-4a of the general statutes. The task force shall terminate on the date that it submits such report or January 1, 2020, whichever is later.